

QUICK TAKES PRO

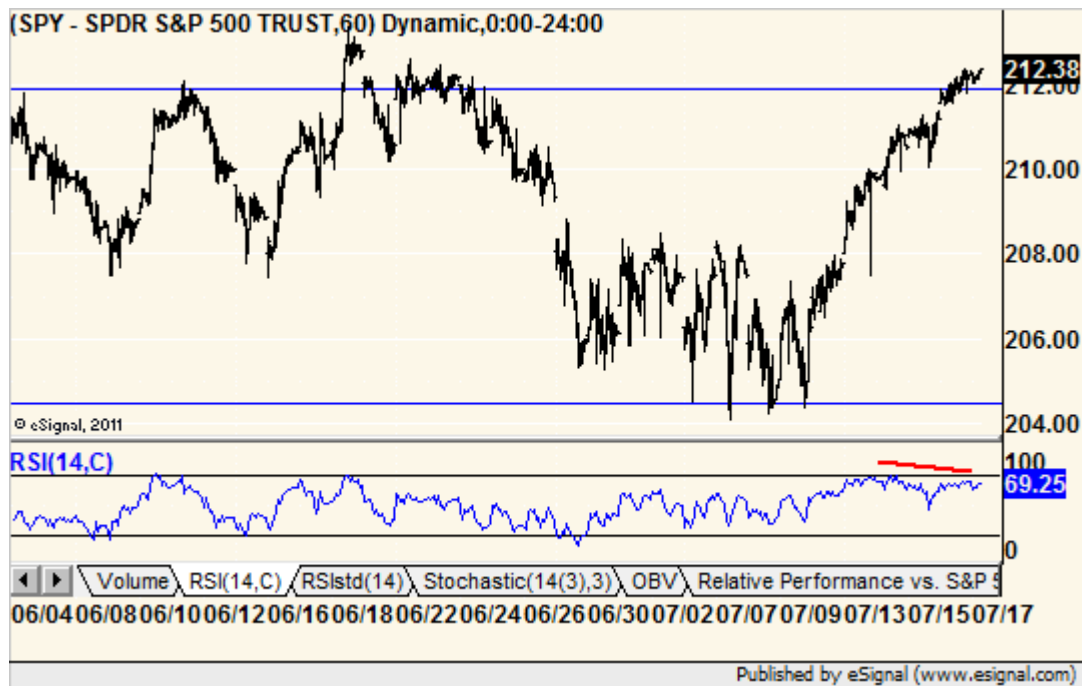
"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

July 17, 2015 – Greece? No longer an apocalypse. Now just the home of a delicious creamy breakfast food. Thank you, Obi Wan Yellen for smoothing the volatility and reassuring everyone that everything is just dandy. Why do we get flashbacks of Kevin Bacon in Animal House saying “everything is just fine?”

For now, the financial world is OK. China stopped imploding. Greece got a reprieve. Although, oil is still falling, whether it is due to the prospect of Iranian oil coming on line or just lousy demand from paper tiger economies.

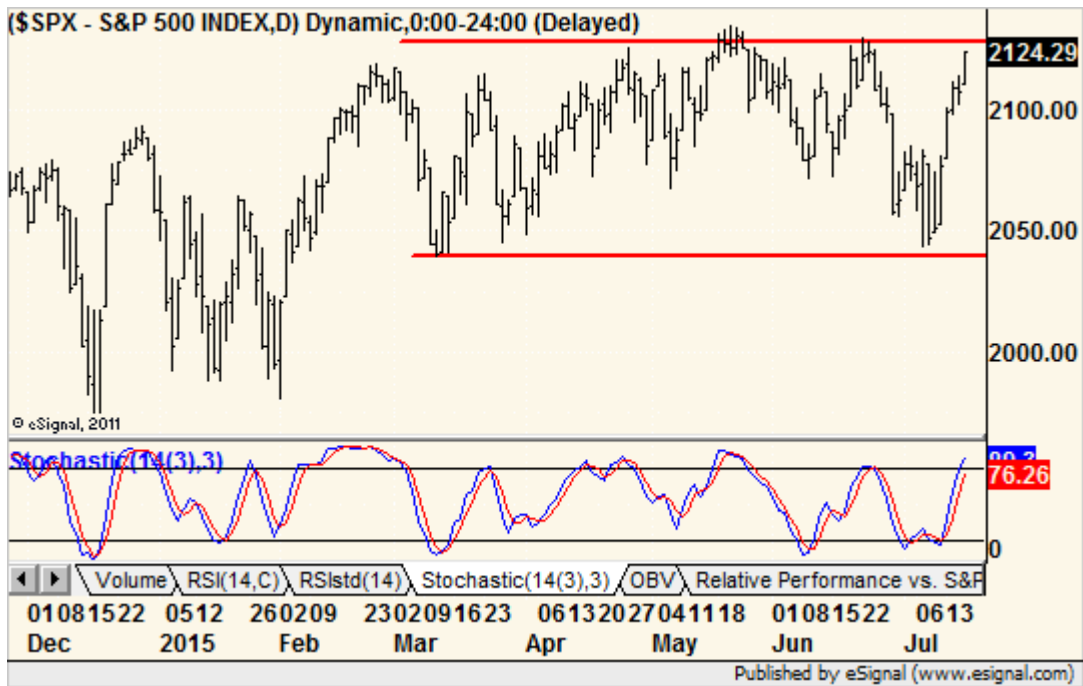
The stock market ran into resistance yesterday despite the ever so slim new high in the Nasdaq. NYSE breadth did get a boost over the past week but it is clearly in a down trend (chart below). And volume, which has been unreliable for years, is still rather low. That does not seem right for the end of a rough patch. Investors “should” be flocking back in.



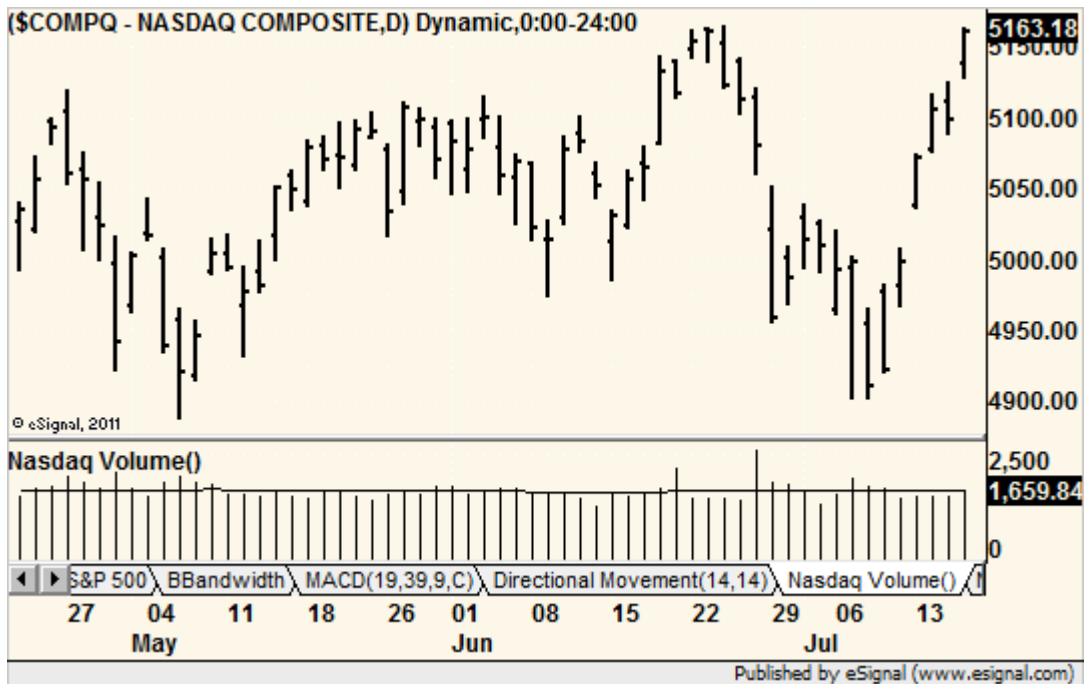
The hourly chart is through resistance but has also made the bearish RSI divergence a bit stronger.

Basically, we think the bounce is at or near its end. If it does continue from here we will be forced to change to a more bullish stance but for now we are happy with our limited number of longs and beginning slate of shorts. Nothing too fancy before the weekend, either.

Index Charts of the Day



Mission Accomplished – now at resistance.



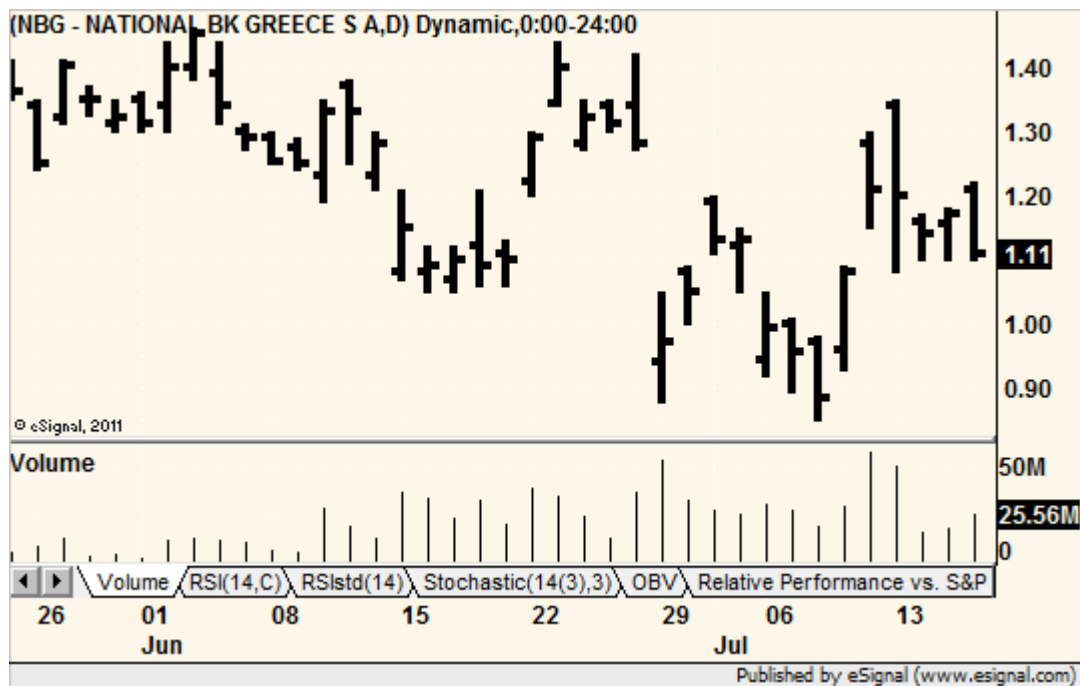
OK, media, you are right. The Nasdaq scored a new all-time high. Not exactly a resistance breakout and volume was still sub-par.

The Radar Screen

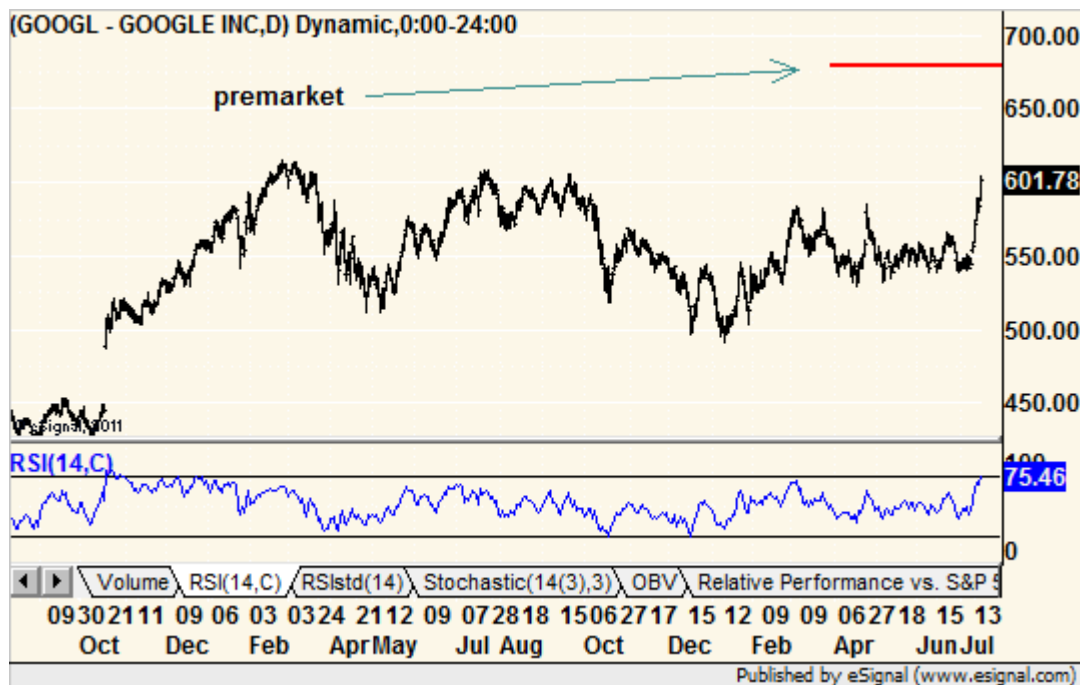
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances in the Radar Screen or the last major update. We do not take “buy/sell on close” triggers or “at the open” triggers if the stock moves more than 4-5%. See <http://quicktakespro.com/radar.html> for all Radar Screen rules and terms.

Bullish Implications		
Agribusiness ETF MOO – Stronger food commodities and rising on-balance volume suggest this ETF will break out from a down channel. Buying 55.40 <u>but changing to on close</u> .	Changed	7/15
Wynn Resorts WYNN – A gaming stock with a nice two-day rally. We’d like to see at least a crossover of these short-term averages. I wrote this up in Barron’s as the crossover is pending. Buy close over 109.00.		7/2
Altria MO – We are still suckers for dividend stocks. This tobacco maker is pausing after a breakout. Buy next break at 51.90	Triggered	7/14
United Continental UAL – Everyone hates airlines but oil is so weak that this double-bottom breakout looks buyable. Trigger 56.60.		7/14
Bearish Implications		
Hewlett Packard HPQ – Looking nasty long-term. Sell the bounce of head-and-shoulders neckline. <u>No bounce at all as market rallied so we are going to sell now</u>	Changed	7/2
Delphi Automotive DLPH – This is an auto parts stock and the whole sector looks terrible. Looking for the third drop on a waterfall series. Sell this one under yesterday’s low 79.92	Triggered	7/16
Unknown Implications		
none –		
Holding Tank – red shade leans bearish, green shade leans bullish		
Align Technology ALGN – This is a medical supplies stock and it is bumping up against a strong resistance with rising on-balance volume. A tough call as it does not have a crisp pattern to play. Looks strong, however		7/6
Ag fund DBA – Industrial commodities look lousy but food commodities in this ETF have a base breakout. <u>Not a good past two days, however</u> .		7/14
Boeing BA – Looks like a breakout but it will probably be better on a pullback with that falling volume.		7/14
Sector Watch (observations that may spark ideas)		
Non-ferrous metals index – Big breakdown on a flat to higher day. This includes the likes of FCX, BHP, RIO, TCK and SCCO .		7/1
Heavy Construction – Bearish. FLR, PWR, KBR, JEC		7/7
REITs ETF IYR – However, if this is still weak then we wonder why it has reached resistance and <u>not</u> fallen away quickly. That is a sign of gathering strength before a breakout. PSA may have already broken out. Ditto LHO .		7/16
Updates		
Consumer Discretionary ETF XLY – Broke out on really poor volume.		

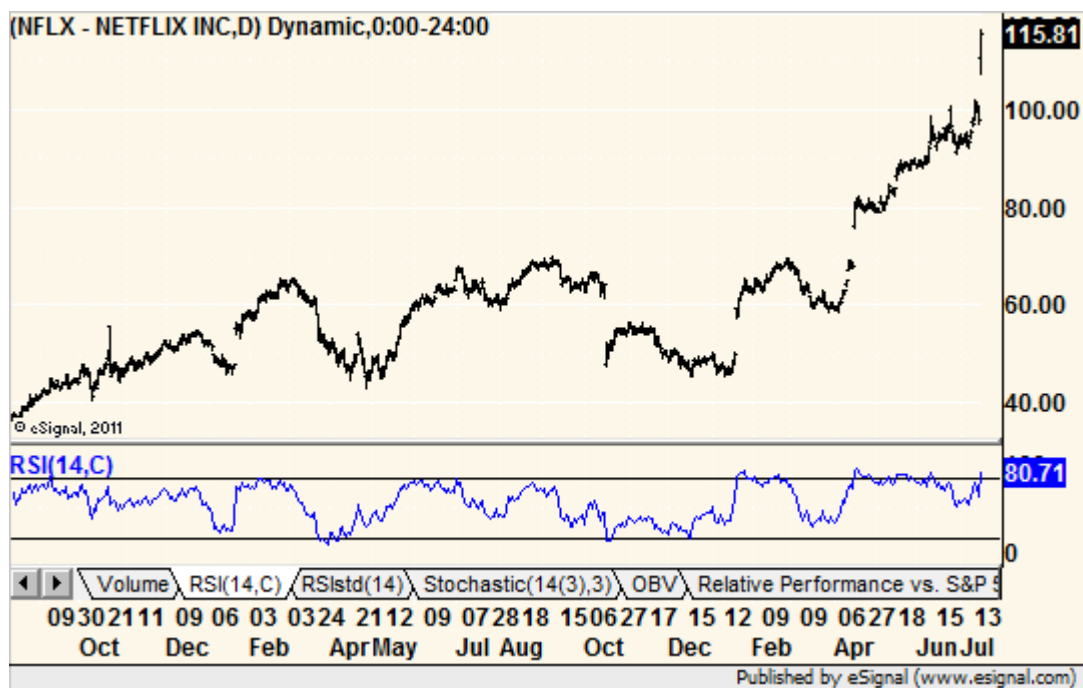
Market Highlights



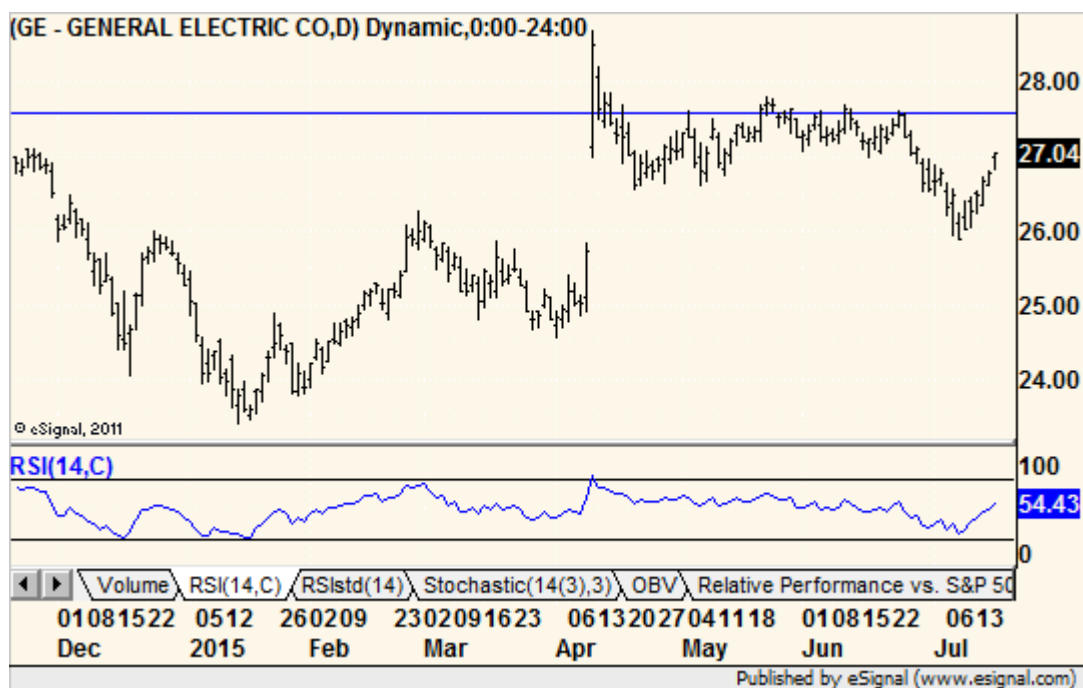
National Bank of Greece – Does not exactly look like a bank stock in a market that just got bailed out. Outside-day reversal down yesterday – the first day of trading after the Parliament there agreed to the bailout terms. This is not over.



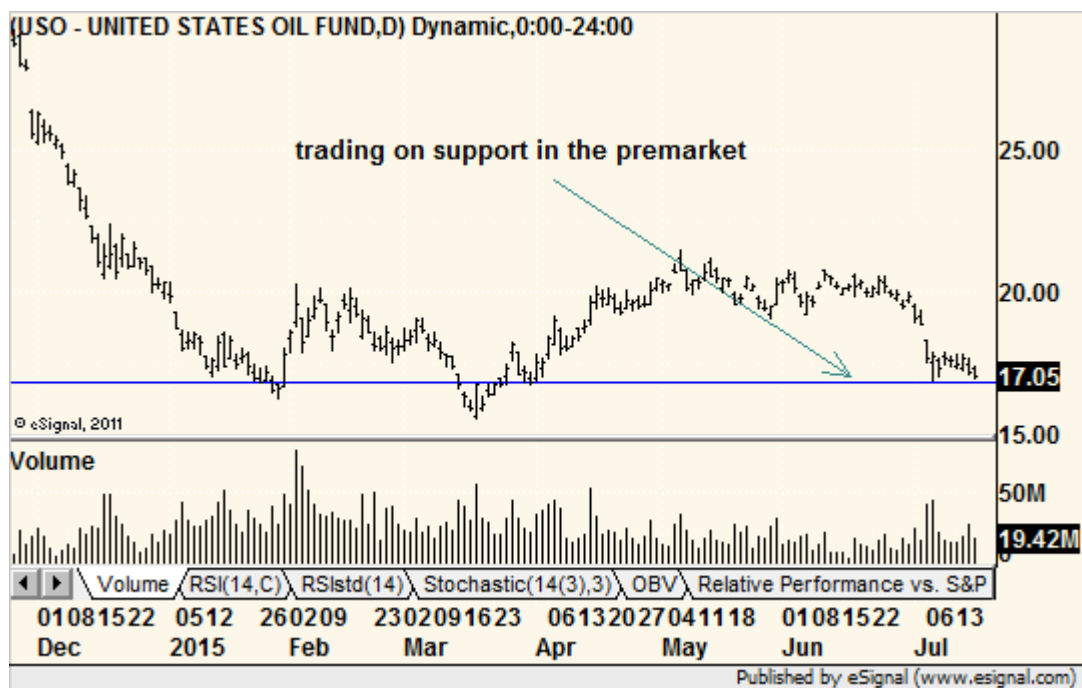
Google – The size of this gain is too big to comprehend. It was already overbought so we'd take this gift. Really, where is it going to go from here?



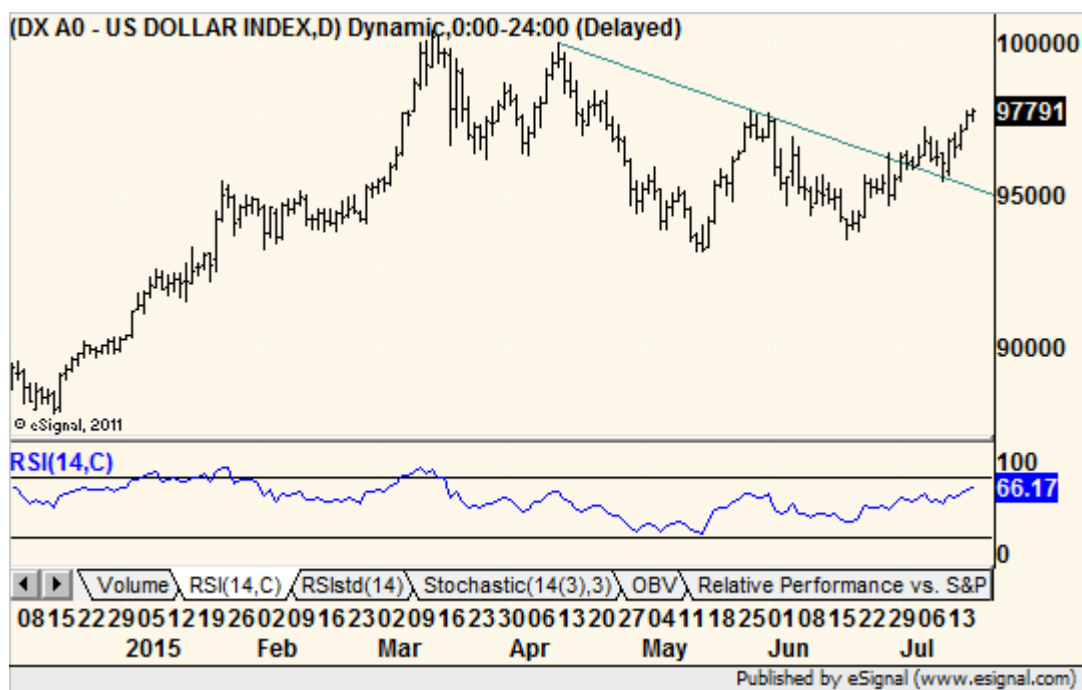
Netflix – Can't short this but we'd still take the gift. This stock has tripled since December.



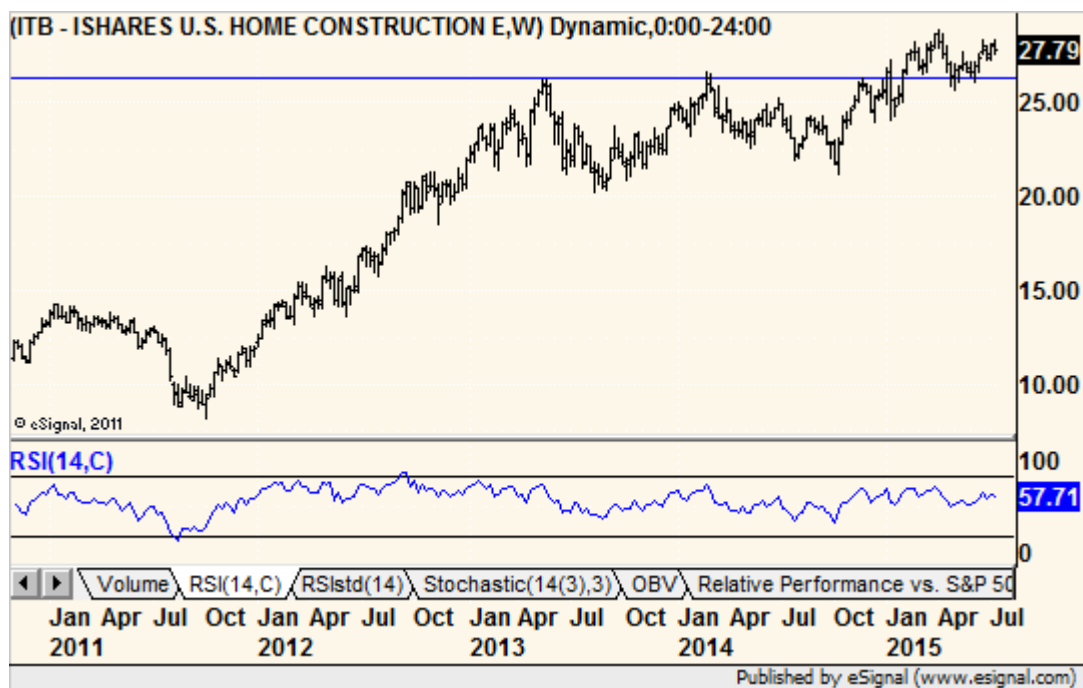
General Electric – Trading at resistance in the premarket after an earnings beat. The industrial sector is a laggard.



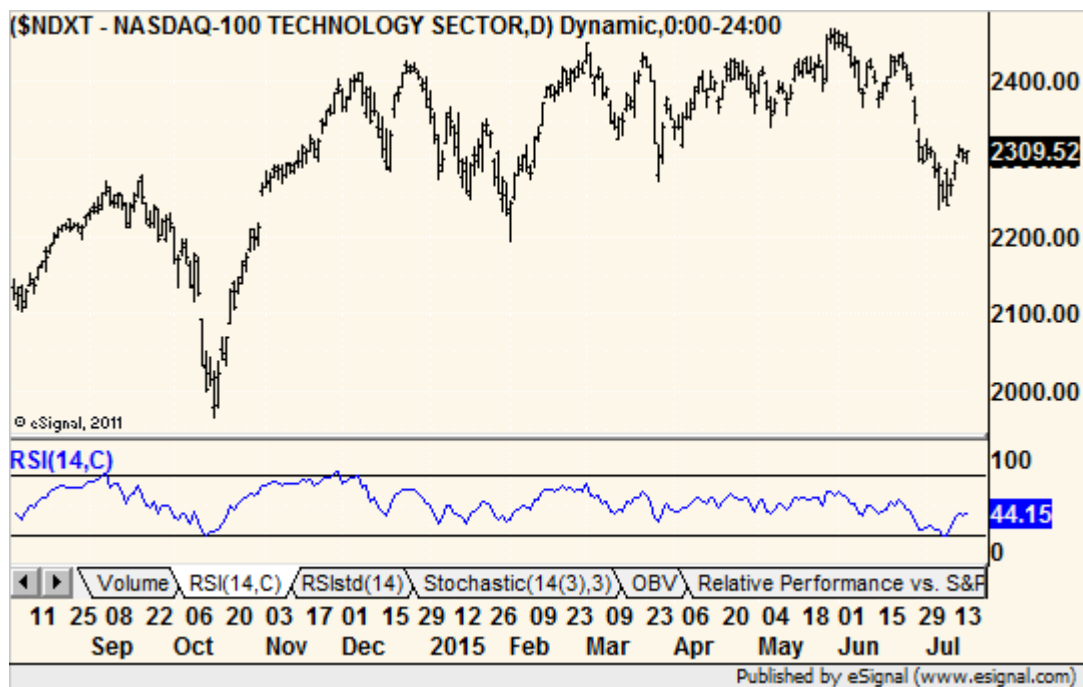
Oil ETF - This is a weak chart. In part due to the dollar (see next chart...)



US dollar index – Still in rally mode. Possibly why the **DBA** agriculture ETF is floundering after a recent breakout.



Homebuilder ETF – Housing starts are up but despite the specter of rising rates this long-term chart looks pretty good.



Nasdaq 100 Tech index – Despite the Nasdaq high, this is seriously lagging.

Advice Tracker

This is a list of stocks that have triggered buys or sells and not a recommended portfolio. We will track them with suggested strategies but specific stops and position closes are up to the subscriber. Symbols in **red** mean that the position was stopped out. Symbols in **green** were closed by us. Stops in **red** were changed. **Any position that moves in the desired direction and then reverses by 5% from the extreme that day is an automatic stop out. This is to compensate for the inability of this once per day newsletter to alert subscribers to the reversal.**

	<u>Symbol</u>	<u>Name</u>	<u>Last</u>	<u>P/L</u>	<u>Stop</u>	<u>Price in</u>	<u>Date in</u>	<u>#Days</u>
<u>Long</u>	MAN	MANPOWERGROUP INC	94.91	3.3%	90.00	91.89	7/10	6
	CCL	CARNIVAL CORP	52.21	3.2%	51.00	50.58	7/10	6
	GT	GOODYEAR TIRE & RUBR	30.39	3.7%	29.00	29.30	7/10	6
	MO	ALTRIA GROUP INC	52.91	1.9%	51.00	51.90	7/16	0
<u>Short</u>	SON	SONOCO PRODS CO	36.41	20.8%		44.00	7/14	2
	DLPH	DELPHI AUTOMOTIVE PLC	76.80	4.1%	79.50	79.92	7/16	2

Notes: Big drop at the open in **SON** and per our rule highlighted in yellow above we were stopped out when it rallied back by 5%. That locked in a huge gain which was correct on direction but admittedly lucky in magnitude.

New long in **MO** on a breakout.

New short in **DLPH** on a breakdown.

Subscriber Corner

This section is dedicated to subscriber requests for stock, futures, index and foreign exchange analysis. Send requests to <mailto:mkahn@quicktakespro.com>.

Other Information

About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently on financial television including PBS' Nightly Business Report.



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