

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

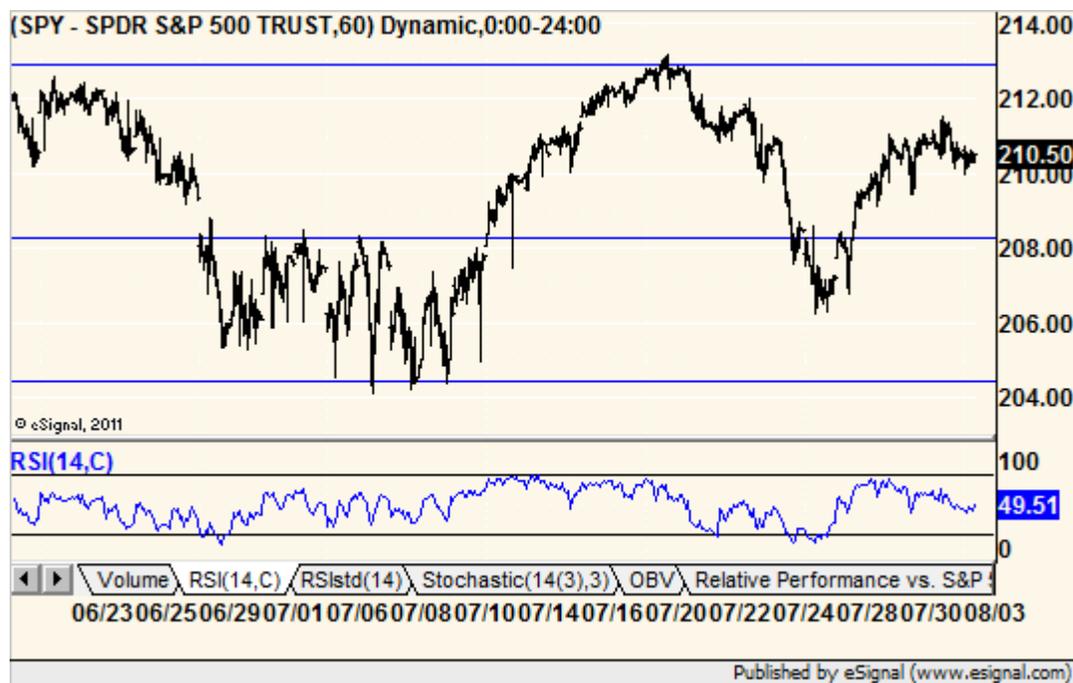
MICHAEL KAHN
RESEARCH LLC

August 3, 2015 – A new month and Greece and China are back to their losing ways. Domestically, energy kept its foot on the market's throat last week with little else to write about.

Big stocks continue to hold ranges but small stocks are biased to the downside. Not much else to say. We like cash and look for short candidates. Yet, we are still not gung ho bears just yet as supports still need to break. So hard to sit and do nothing, right?

Analyst Ryan Detrick posted that if August is down it goes down a lot. Peter Eliades pointed out that despite its quiet reputation, markets tend to show reversals or inflection points this month.

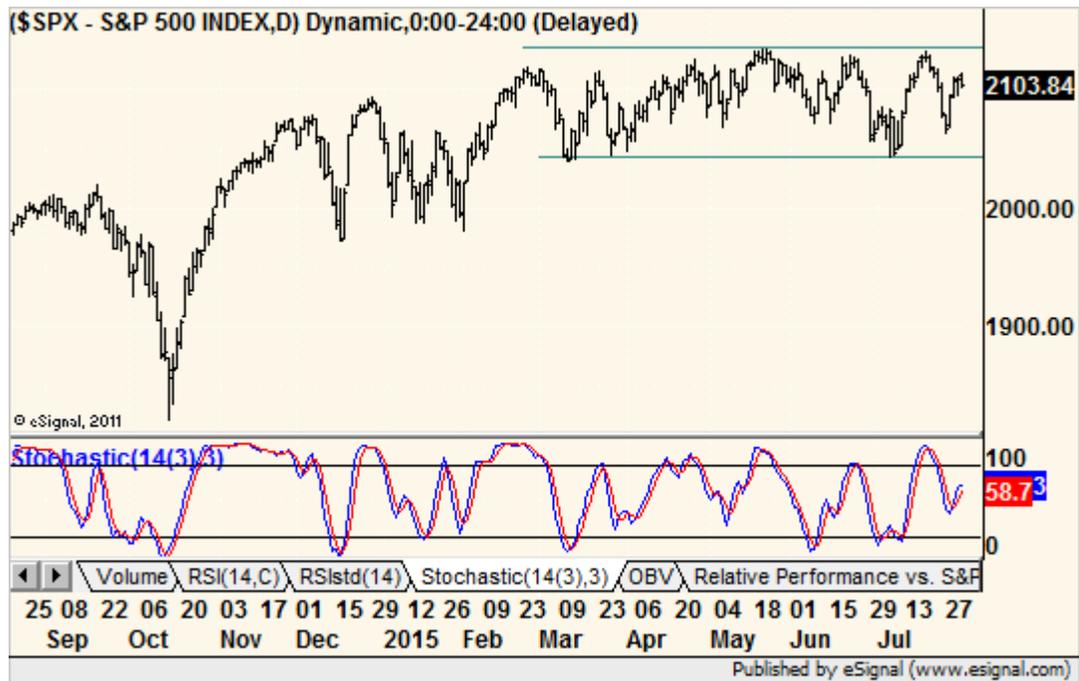
That does not tell us what to do but it does suggest paying attention. That is about all we are doing right now.



The hourly chart failed to reach support and then it failed to reach resistance. Is it coiling? Looks that way. And what can we do when the market coils tighter? We said it above – do nothing but stay vigilant.

What a wholly unsatisfying conclusion! But do we want a nice story or profits? The least we can shoot for is not losing money to the market's indecisions.

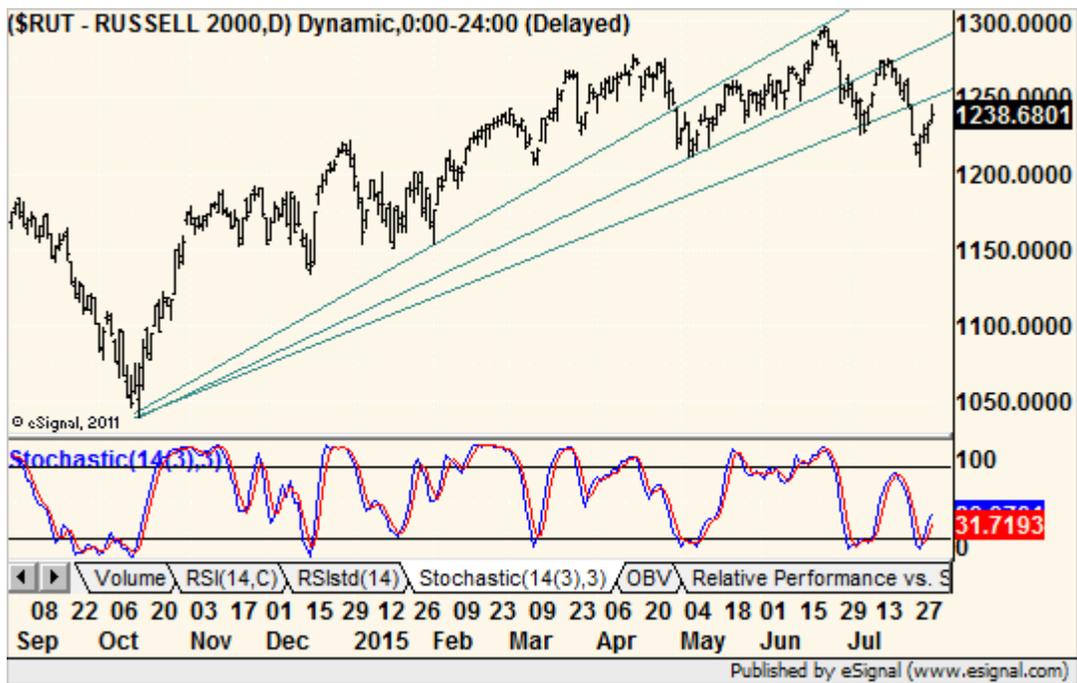
Index Charts of the Day



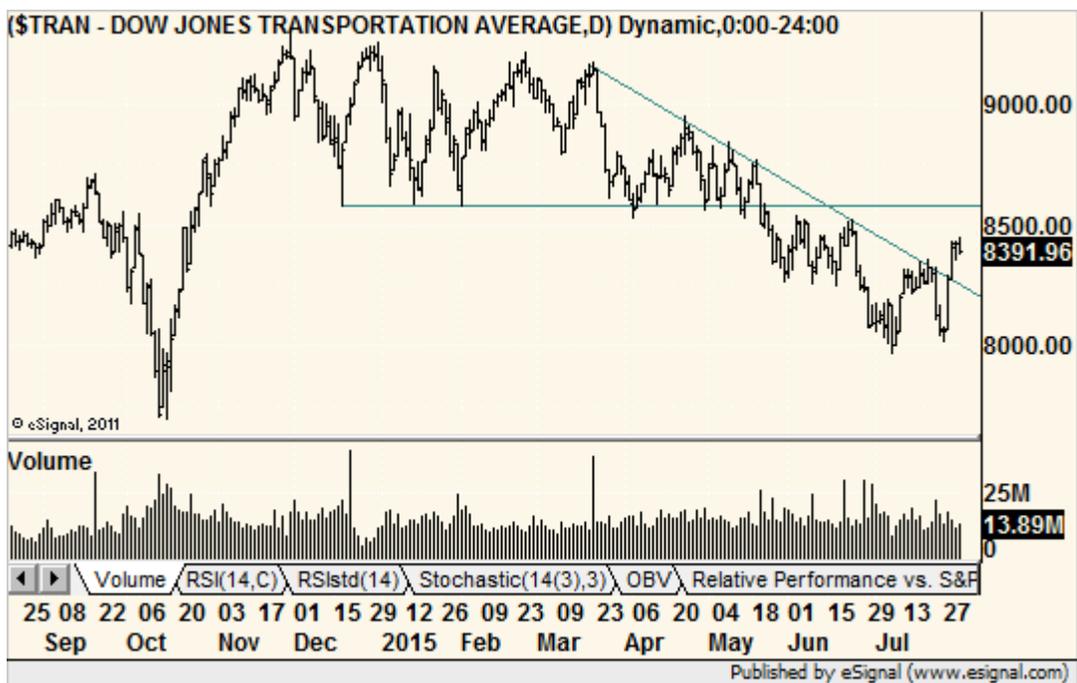
Nothing new. Trading range.



Midcaps broke the range and although it is not a definitive sell due to flag-like pattern.



Small caps never really had a range but the Russell still has broken fan lines. This is indeed bearish.



Transports have a trend break but resistance above is really solid. Trucking and air freight were responsible for last week's breakout rally. With that said, UPS is now at resistance (chart below).

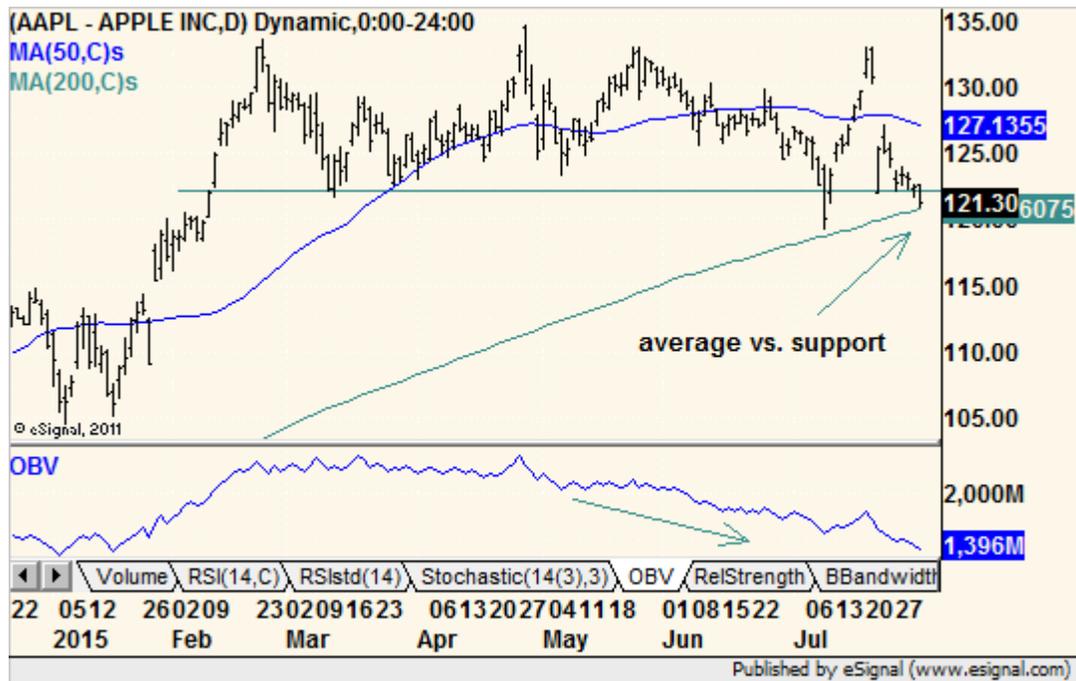
The Radar Screen

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.

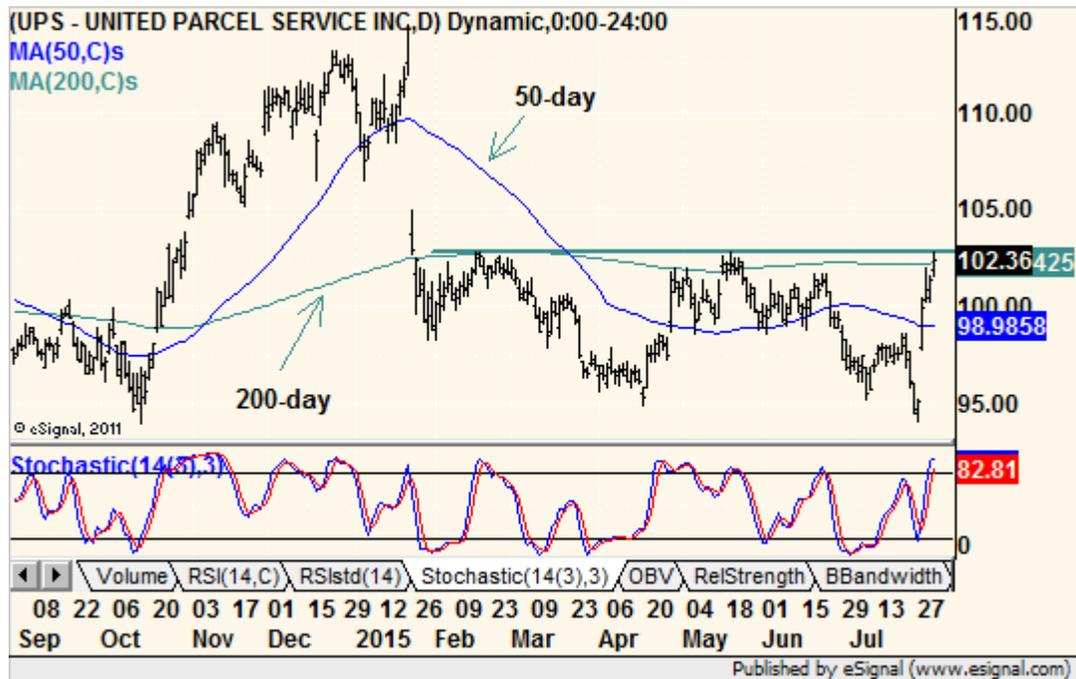
>>> Once again, empty here as the market is just noise in our view. <<<

Bullish Implications		
none –		
Bearish Implications		
none –		
Unknown Implications		
none –		
Holding Tank – red shade leans bearish, green shade leans bullish		
Intel INTC – Waiting for a test of a weekly head-and-shoulders to sell.		7/28
Community Health CYH – This hospital stock reports after the close. Marc Chaikin posted a bullish “power gauge” and suggested takeover rumors. We see a stock that broke out and came back to test it. A positive response to earnings would be the secondary breakout and a buy signal.	New	8/3
Sector Watch (observations that may spark ideas)		
The Generals – AMZN, NFLX, GOOGL, AAPL, GILD, FB, SBUX. If these crack then look out below.		7/27
Defense index DFI – A declining channel presents clear boundaries.		7/31
Updates		
Chevron CVX – Oversold weekly with inverted hammer candle. 4.8% div yield. Accumulate slowly.		
Long T-bond ETF TLT - Small upside breakout through trendline		

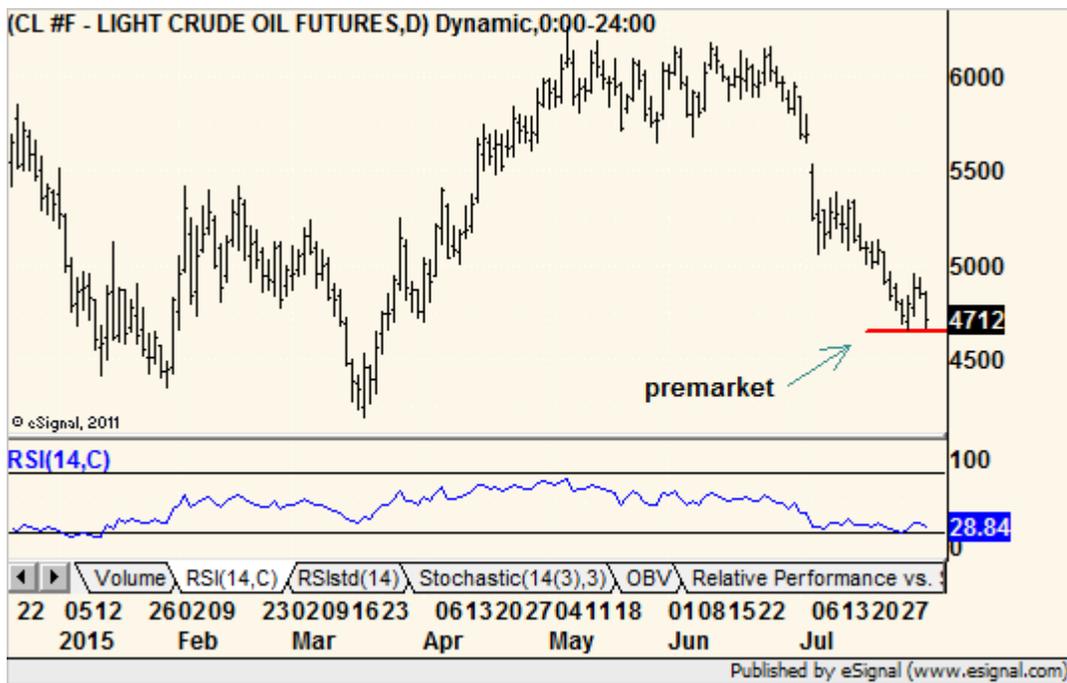
Market Highlights



Apple – Broke support Friday but not the 200-day average. On-balance volume still falling.



UPS – This air freight stock along with truckers were responsible for the transport index gain last week. But now UPS is at resistance.



Crude Oil – Trading lower again this morning but momentum seems to be flattening. We are not calling a bottom but this seems to be slowing down.



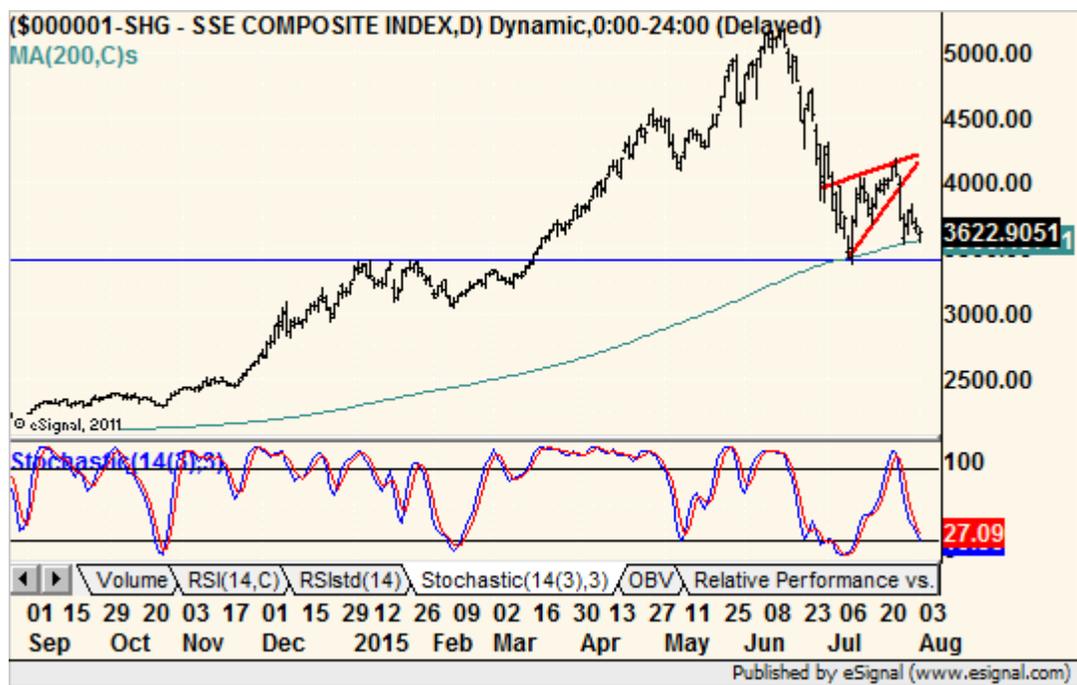
Rangold – We just looked around the sector – which is still not bullish even though I think it has capitulated – to see stocks with positive earnings. This one has fairly strong support. Just lookin', not buyin'.



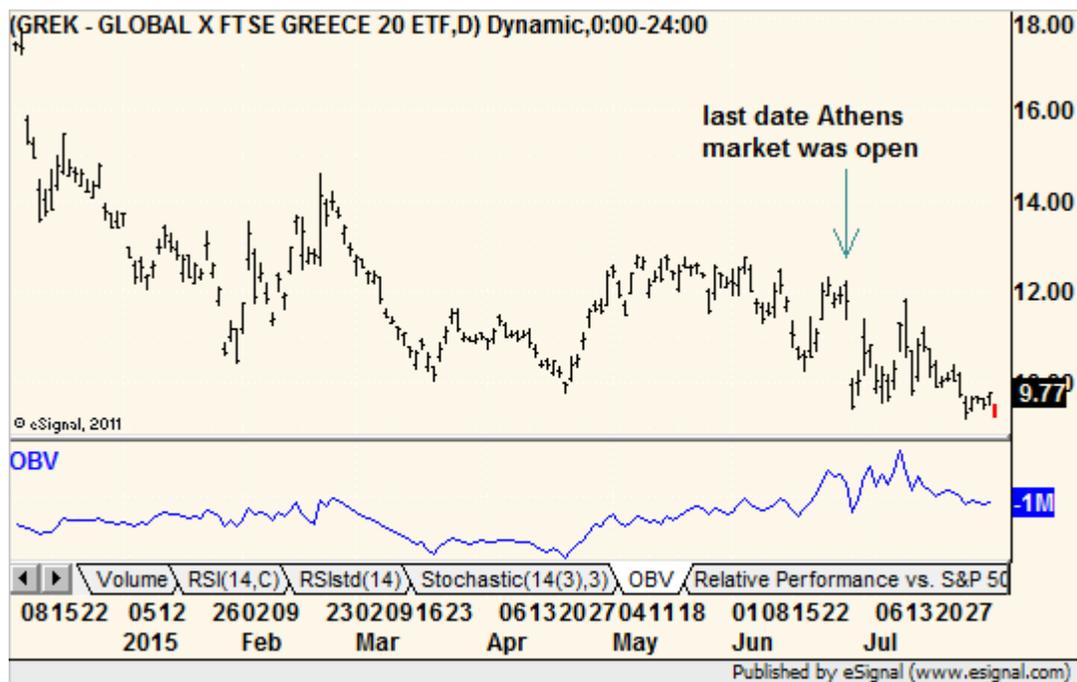
Community Health – This hospital stock reports after the close. Marc Chaikin posted a bullish “power gauge” and suggested takeover rumors. We see a stock that broke out and came back to test it. A positive response to earnings would be the secondary breakout and a buy signal.



Retail ETF – Looking dicey. Waiting for the breakdown/



China – Broken wedge, support from 200-day average, support from recent low and Dec-Feb highs. Pick your trigger – the China drop is not over.



Greece ETF – No surprise Athens tanked on their first day back. Just catching up to the ETF, which remains near 52-week lows.

Today's Lesson

In this section, we take a look at a topic in technical analysis in real-time, not textbook time.

Cup-with-handle



Ambarella – This is a semiconductor stock bucking its sector trend with a steep but still recognizable cup/handle pattern. Looking for a breakout from the handle (flag pattern on the right).

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>	MO	ALTRIA GROUP INC	54.38	4.8%	53.50	51.90	7/16	17
<u>Short</u>	DLPH	DELPHI AUTOMOTIVE PLC	78.08	2.4%	79.50	79.92	7/16	17
	HPQ	HEWLETT PACKARD CO	30.52	-0.6%	32.00	30.34	7/17	16
	URBN	URBAN OUTFITTERS INC	32.62	7.3%	34.25	35.00	7/21	12
	ACM	AECOM	30.83	-2.1%	31.25	30.19	7/24	9
	NYT	NEW YORK TIMES CO	13.22	-0.9%	13.75	13.10	7/27	6

Notes: We can apologize for not having much new here but the market is still just wobbling around offering very little with good risk/reward.

Stop in **URBN** tweaked. Volume was heavy Friday so we are on alert here.

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

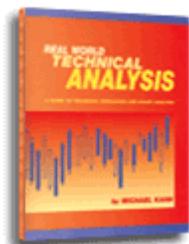
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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