

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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August 29, 2014 - Well, it's the last day of the summer season on Wall Street and it is a good bet the senior traders are already waking up in their Hamptons houses. That leaves the junior traders manning the fort and anything goes. Today's report will be "holiday light" as we keep tabs on the world just in case you have to fire up your mobile app to make an adjustment.

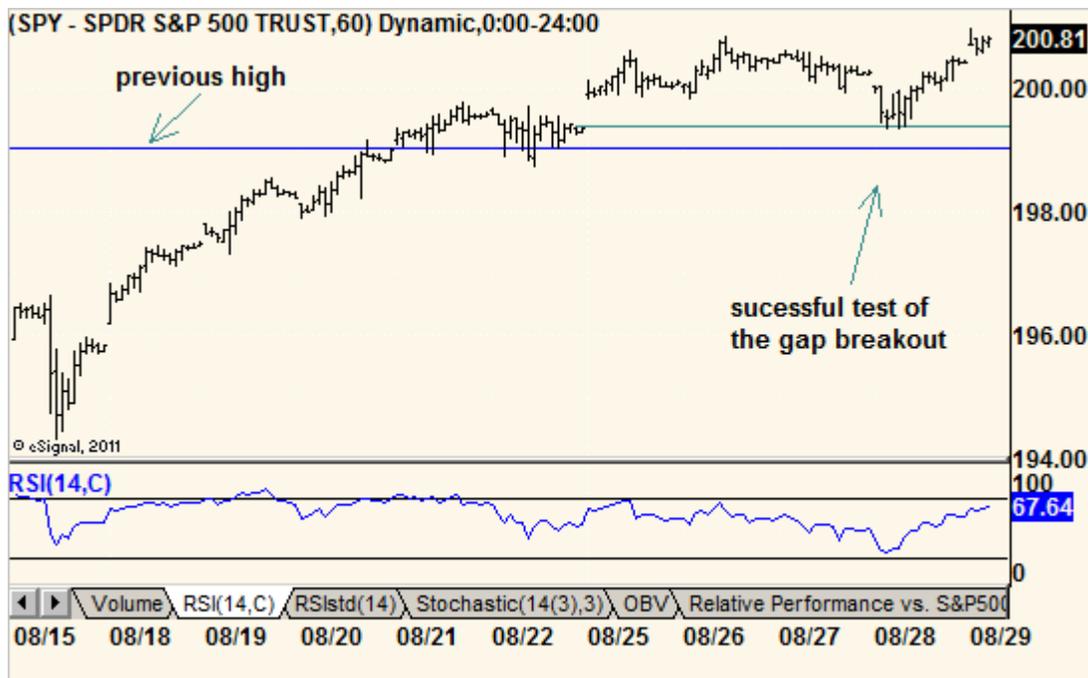
Yesterday, we had another "Ukraine Dip," as we are now calling it. An early drop on Russian invasion news was followed by a slow recovery and although it ended in the red it was not so bad. Germany was down 1.5% at one point but it also closed off its worst levels. It is slightly higher this morning.

Here's an aside. While most of Europe trembles at any bad news in Ukraine, Iceland's stock market actually looks pretty good. We suppose a volcano disrupting their airspace is not a factor. What likely is a factor is that they produce their own power without relying on Russian oil and gas.

You may not be able to invest in Iceland but we can all see the proof of what the conflict in Ukraine and the economic sanctions on Russia are doing. It certainly is not helping Russia, which is down another 1% on top of yesterday's 3% loss.

Not much to report in Asia other than a recovery in China and a possible bull reversal ending a bull flag in the composite index. And in Latin America, the **ILF** ETF scored a harami candle while the non-Latin emerging markets ETF sold off. Latin leadership is not over just yet but it is something to watch.

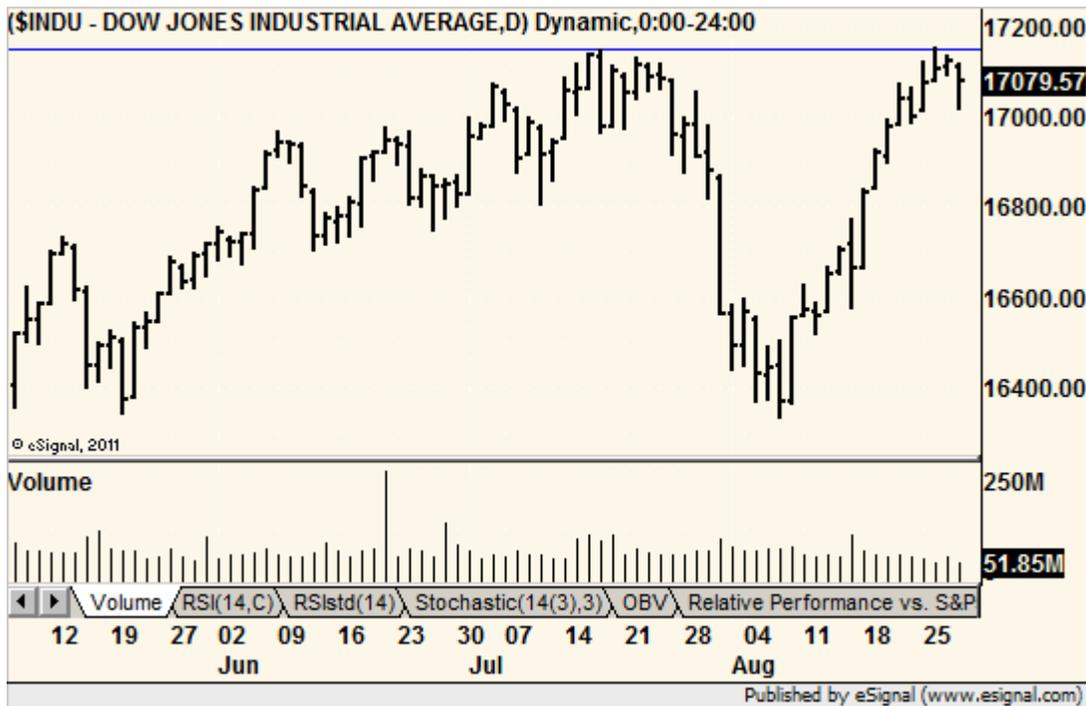
In Treasury bonds, it was another new high in price for the 30-year. Nothing much to report about gold and oil.



We can see in the hourly chart that the decline yesterday tested the breakout successfully so even though volume was the lightest of the year it does look as if the bulls still got it.

Have a good long weekend everyone and we'll see you back here Tuesday. Markets closed Monday.

Index Charts of the Day



So far, it looks to be a pause at resistance before the next rally attempt. Of course, things can change next week when the masses return for holiday but for now it is not bad.



The Russell 2000 just dipped within the channel.

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		
Relypsa RLYP - A pharma stock looking to come out of a nice base. Still in a triangle sitting on the top of the base. We'll take a close over 27.20 as a long-term buy signal. However, it has come well back into Bollinger Bands and that is not good.		8/26
Pinnacle Foods PF - Bullish setup with a triangle formed just after a trendline breakout. But the break at 32.50.		8/28
Bearish Implications		
Caterpillar CAT - Nice looking bear flag with falling volume. Now in the gap and still losing volume. Sell below 107.00 but clearly this one is not cooperating.		8/13
International Paper IP - Setup is gone.	Removed	8/21
Unknown Implications		
none -		
Holding Tank - red shade leans bearish, green shade leans bullish		
ExxonMobil XOM - Just when it looked as if energy stocks were getting killed, this one seems to be stabilized at its 200-day average. Small rectangle.		8/20
Dicks Sporting Goods DKS - I wrote this in Barron's Online as a stock that was showing signs of healing (reversal earlier this month). Earlier it popped on heavy volume. Now waiting for a dip to buy.		8/21
Hospira HSP - This is a drug delivery company (injectables) in a strong rally. Currently, it is in a triangle pattern, which normally leans bullish. However, it sports divergences in momentum and volume. We'll keep an eye on this one.		8/25
Jarden JAH - We don't see a clear setup anymore.	Removed	8/25
DB Agriculture fund DBA - As a follow up to my Monday column, this holds a basket of ag futures and wheat is in play thanks to Russia. However, it is only 6% of this fund. Regardless, the RSI divergence and pending moving average / trendline breakout are compelling.		8/28
Sector Watch (observations that may spark ideas)		
Biotech - the leader		8/15
Oil Refiners - very strong. HFC, TSO, VLO, PSX, MPC, WNR, ALJ		8/20
Solar Power - Some nice rising trends. TSL, SPWR, FSLR, CSIQ		8/20
Technology XLK - still leading but flattening relative to the market.		8/25
Healthcare XLV - Now one of the leaders		8/25
Financials XLF - Broke out but still merely pacing the market. Banks still lagging		8/25
Fertilizer - firming AGU, MOS, POT		8/26
Updates		
none -		

Market Highlights



3D Systems - 3D printing back in the market's view. This one seems to be coming off support.



Retail ETF - Lots of earnings bombs this week. Watching to see how this ETF corrects. Note, this is not the XRT ETF we usually present.

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. **Green** means we closed them. 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>	PCLN	PRICELINE GRP INC	1260.00	0.3%		1255.95	7/30	29
	MCD	MCDONALDS CORP	94.14	-0.1%	92.50	94.25	8/18	10
	SFLY	SHUTTERFLY INC	50.57	0.2%	48.00	50.47	8/20	8
	GNC	GNC HLDGS INC	37.59	0.2%	35.50	37.50	8/25	3
	MRVL	MARVELL TECHNOLOGY GROUP	13.92	0.1%	13.40	13.91	8/25	3
	NEM	NEWMONT MINING CORP	26.86	1.4%	25.70	26.50	8/26	2
	CERN	CERNER CORP	57.00	-0.2%	54.50	57.12	8/26	2
	VZ	VERIZON COMMUNICATIONS INC	49.41	0.5%	48.00	49.15	8/26	2
	K	KELLOGG CO	64.75	-0.4%	62.75	65.00	8/27	1
<u>Short</u>	USB	US BANCORP DEL	42.06	2.0%	42.50	42.90	7/11	48
	CMCSA	COMCAST CORP NEW	54.52	-1.4%	56.00	53.73	7/31	28
	CVS	CVS CAREMARK CORPORATION	79.43	-3.7%	80.00	76.50	8/5	23
	LVS	LAS VEGAS SANDS CORP	67.65	1.9%	72.00	68.94	8/22	6

Notes: PCLN stopped out. We raised the stop way tight as it did not participate in the market's rally. Good thing.

Subscriber Corner

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Other Information

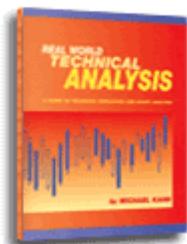
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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