

# QUICK TAKES PRO

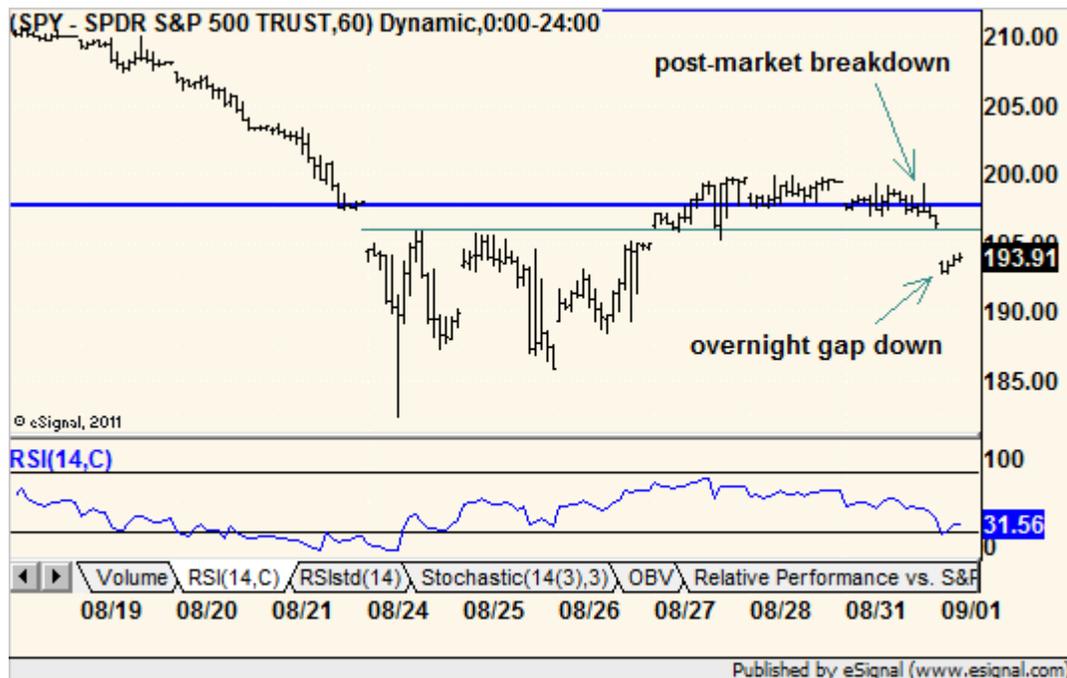
"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

**September 1, 2015** – September roared in like a lion, or bear, to be more market centric. But what is really different? The correction ran into resistance Friday, China is still a problem and yes, even Greece is still sliding down, ahem, a greased slope.

We are fairly happy with the way we are positioned. And even the few shorts that were stopped out did not hurt too badly, except for the biotech ETF (**IBB**) which is heading back south in a hurry.

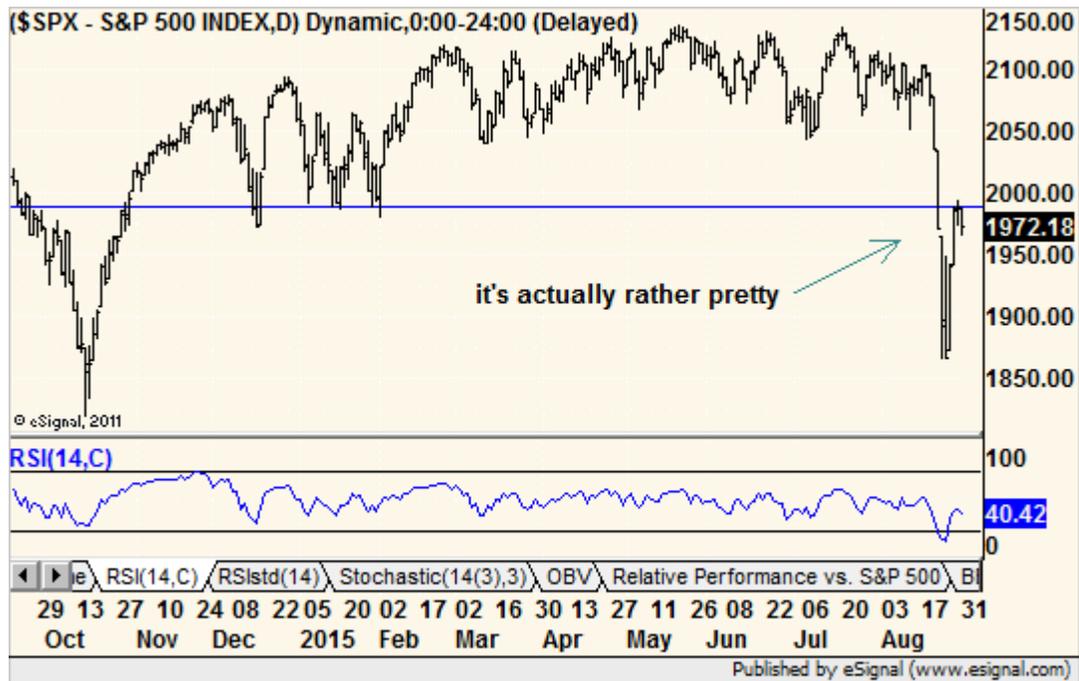
There is nothing fancy to say today except strap in and enjoy the slide.



As we can see in the hourly chart, the **SPY** failed to hold support from the August gap and that suggests little in the way of much lower prices. There is always the risk of a trap door open, when the market sets its low at the open but it seems that the tone of this market is not supportive of such a recovery.

As for the oil and industrial metals rally, I wrote in Barron's Online yesterday how I thought it will not last. The bear market is too strong and the rallies were due to oversold conditions and activism from George Soros and Carl Icahn.

## Index Charts of the Day



What a nice failure at resistance.



The midcap index scored its death cross yesterday. The Russell should join the club tomorrow. Note the trend in relative performance vs. the S&P 500 (red line). This chart looks terrible (if you are a bull)

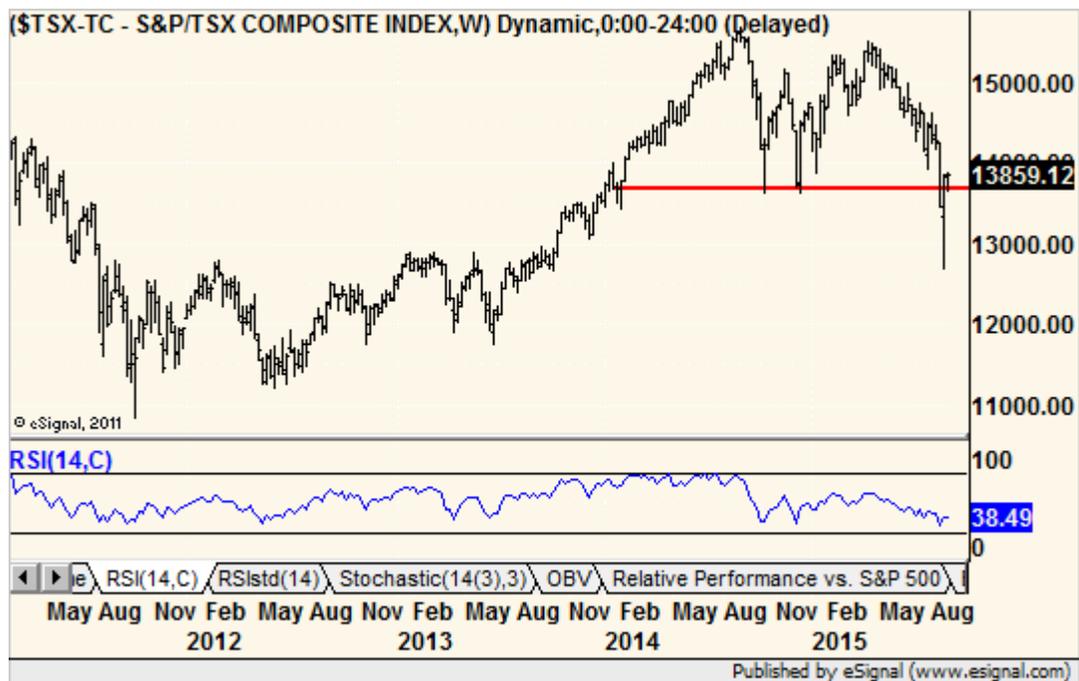
## The Radar Screen

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, nothing to worry about sector-wise as the market moves as a unit. We will continue to look for lower risk shorts and not sell into a presumed 2% down open. <<

<b>Bullish Implications</b>		
<b>none -</b>		
<b>Bearish Implications</b>		
<b>Industrials ETF XLI</b> – Sell the bounce. Resistance is close to 53.60 but we don't think it will get there. Sell market.	<b>Triggered</b>	8/27
<b>Microsoft MSFT</b> – A good place to sell. Retraced to big resistance.	<b>Triggered</b>	8/31
<b>Unknown Implications</b>		
<b>none -</b>		
<b>Holding Tank</b> – red shade leans bearish, green shade leans bullish		
<b>Gold Miners ETF GDX</b> – We pointed out a possible double bottom in progress here but that pattern does not complete until a breakout above the center peak. However, look at all that volume since July. We think it is in transition.		8/31
<b>Transocean RIG</b> – Battered. But trading sideways for months. That is a good base so we wait for a better signal to buy.		8/31
<b>Diamond Offshore DO</b> – Small base but big volume. Somebody is trading this thing and we have to think it is smarter money.		8/31
<b>Sector Watch</b> (observations that may spark ideas)		
<b>none -</b>		
<b>Updates</b>		
<b>Japan</b> – Boom! Off 3.8% overnight after failing at resistance very similar to the S&P 500.		

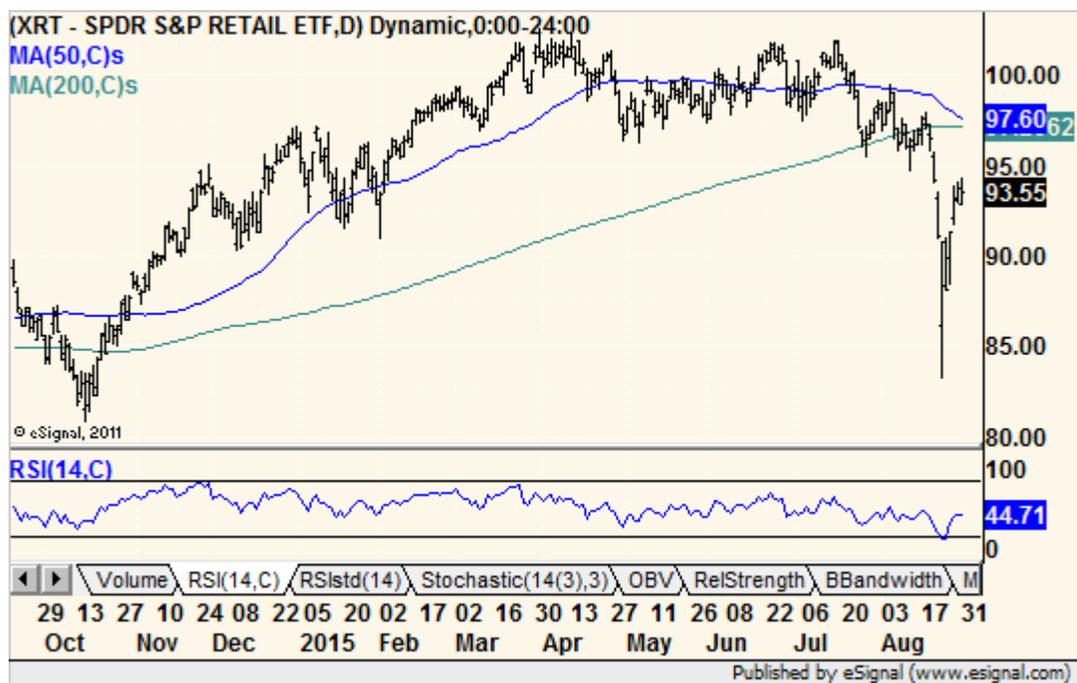
## Market Highlights



**Canada** – Last week was a giant hammer candle but the way this week is shaping up it will not confirm. And that means failing at major resistance. This is arguably a double top breakdown and test of mammoth proportion. Very bearish.



**NYSE Arca Tech 100 index** – This chart avoids the Monday ETF mispricing last week for the **XLK** but both have death crosses in place. This is a bearish chart.



**Retail ETF** – Also about to get its death cross. Bearish.



**Facebook** – One of the generals. Bearish.



**Starbucks** – One of the generals. Bearish but not as bad as Facebook.



**Netflix** – Chairman of the Joint Chiefs of Staff. If this head-and-shoulders completes then the market will be in real trouble.

## 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>	<b>none</b>							
<u>Short</u>	<b>NYT</b>	NEW YORK TIMES CO	12.16	7.7%	12.70	13.10	7/27	35
	<b>GS</b>	GOLDMAN SACHS GROUP INC	188.60	6.9%	190.00	201.70	8/11	20
	<b>FDX</b>	FEDEX CORP	150.61	8.6%	155.00	163.50	8/20	11
	<b>CMG</b>	CHIPOTLE MEXICAN GRILL INC	710.01	1.4%	740.00	720.01	8/20	11
	<b>MHK</b>	MOHAWK INDS INC	196.97	-1.5%	210.00	194.01	8/28	3
	<b>AGN</b>	ALLERGAN PLC	303.74	2.6%	320.00	311.51	8/28	3
	<b>PFE</b>	PFIZER INC	32.22	3.4%	34.25	33.30	8/28	3
	<b>XLI</b>	INDUSTRIAL SELECT SECTOR SPDR	51.29	0.2%	53.00	51.39	8/31	0
	<b>MSFT</b>	MICROSOFT CORP	43.52	0.1%	45.00	43.56	8/31	0

Notes: Two new shorts in **XLI** and **MSFT** at the open yesterday.

Tweaked stop in **AGN**.

## 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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