

Lots of New Trading Picks

Our research over the weekend produced a large number of attractive trading setups. A number of them were added to the various lists at TheMarketMessenger.com this weekend. However, since we try and keep the numbers of actively updated setups on the lists to a manageable number, there were several charts leftover.

We present you with those charts in this issue of *Purely Technical*.

We start with the chart of CNQR, which is showing a plethora of sell signals on the momentum indicators. A precise target is not immediately discernable but, if market conditions are right, a move to the March lows is on the plate.



ICLR recently turned around after running against the upper end of a shallow bull channel on the intermediate trend.

A negative centerline crossover on RSI would confirm the initial sell signal generated by the negative divergence on that indicator. The lower end of the channel might be an ideal target.



If the markets do indeed resume their downtrends, this options pick on IWM will do quite well.

The index is showing a potential negative divergence on MACD, after prices found resistance at the upper Bollinger Band. Assuming the 20dMA gets broken, the lower band is the minimum target. Given enough strength in any downward move, however, the April gap might just be possible before JUN expiration.



JASO is displaying a potential double top. There was a false breakout a couple of sessions ago but it looks like the stock could now make a successful break. RSI is showing a negative centerline crossover and MACD has followed suit.



MORN blasted off over a couple of days in early-May. Since then, the stock, which had reached overbought levels, has started to roll over and is now looking like it could break an important support level at 68.5 or so.

RSI is also showing a potential negative centerline crossover. If those signals are to be trusted, the gap might just be filled before you know it.



NOK is in the midst of a longer-term downtrend. Over the past several weeks, it has consolidated within a bearish rectangle. The pattern calls for a move to 25.50. Stops may be set on the declining trendline, rather than on the upper rectangle line.



QQQQ could possibly have found resistance at its upper Band on Friday. If the ETF starts to turn downwards, there will be a completed negative divergence on MACD.

It won't take much for the bull channel to be broken and, at the least, a correction of the 3-month rally to take place. We'd look to book profits at the 38% retracement level.

The JUN 50 Puts are being featured, rather than short ETF.



RDC had fallen 3 points since hitting the upper line of a bull channel. An previous resistance level is now being challenged. A break could lead to a move to the lower end of the channel.

A negative centerline crossover on RSI is also seen on the chart.



SD is overbought and trading just outside its upper Band. The volume action of the past couple of weeks, as well as a couple of recent candlesticks, points to the fact that any slip up in the stock could lead to a quick, sharp drop. We'll arrive at a target later, but for now, we'd look to open a short position right away – limit 55.50 – and place a stop at 58.50.



SOHU is displaying a potential negative divergence on MACD. We'd watch the stock for a couple of days before deciding on entry strategy. If a short pick ends up being opened, our target is likely to be a filling of the gap left in late-April.



SHLD is sitting on a support level that has been steadfast for the past two months. The momentum indicators are showing potential negative centerline crossovers. A break of aforementioned support could instigate a 5-point drop.



In addition to currently showing a potential bear rectangle on the minor trend, WOOF is showing a confirmed sell signal as per RSI.

That signal is in the form of the recent negative centerline crossover, which confirms the initial sell signals generated by the negative divergence that registered earlier this month.



FAST is trading within an intermediate channel.

RSI seems to have pulled off a positive centerline crossover and MACD may be attempting to pull itself back above its 0-line. As long as the lower line of the channel holds, the stock will obviously be headed to lower levels.



KNDL is showing a positive MA crossover on MACD and a positive divergence on RSI. We'll watch the stock for a couple of days in order to try and discern a buy trigger. A negative centerline crossover on RSI will certainly do the trick.



That's it for this issue of Purely Technical.

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Good luck with your trading!

Asher Pinto

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