# **Chartbook Review**

(charts as of 12/07/18)

**The FRED Report** 

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Sym	Company	trkPrice	Sector 🔺	Industry
DWDP	DowDuPont Inc	53.80	Basic Materials Sector	Chemicals
RGLD	Royal Gold Inc	78.45	Basic Materials Sector	Gold
STLD	Steel Dynamics Inc	32.38	Basic Materials Sector	Steel
хנד	TJX Companies Inc	45.24	Consumer Cyclical Sector	Apparel Stores
LVS	Las Vegas Sands	53.37	Consumer Cyclical Sector	Resorts & Casinos
WYNN	Wynn Resorts Ltd	104.66	Consumer Cyclical Sector	Resorts & Casinos
CMG	Chipotle Mexican Grill	467.21	Consumer Cyclical Sector	Restaurants
AMZN	Amazon.Com Inc	1632.13	Consumer Cyclical Sector	Specialty Retail
HOME	At Home Group	20.38	Consumer Cyclical Sector	Specialty Retail
STZ	Constellation Brands Inc	189.22	Consumer Defensive Sector	Beverages - Wineries & Distilleries
EL	Estee Lauder Companies Inc (The	137.18	Consumer Defensive Sector	Household & Personal Products
PG	Procter & Gamble Co	92.56	Consumer Defensive Sector	Household & Personal Products
мо	Altria Group Inc	54.25	Consumer Defensive Sector	Tobacco
OXY	Occidental Petro Cp	66.52	Energy Sector	Oil & Gas E&P
BHGE	Baker Hughes, a GE company	21.64	Energy Sector	Oil & Gas Equipment & Services
PUMP	ProPetro Holding Corp	14.79	Energy Sector	Oil & Gas Equipment & Services
CVX	Chevron Corp	115.44	Energy Sector	Oil & Gas Integrated
хом	Exxon Mobil Corporation	77.62	Energy Sector	Oil & Gas Integrated
MMLP	Martin Midstream Partners Lp	11.61	Energy Sector	Oil & Gas Midstream
MPC	Marathon Petroleum Corp	61.56	Energy Sector	Oil & Gas Refining & Marketing
PSX	Phillips 66	90.38	Energy Sector	Oil & Gas Refining & Marketing
AB	Alliance Bernstein Holding LP	28.17	Financial Services Sector	Asset Management
BLK	Blackrock Incorporated	392.83	Financial Services Sector	Asset Management
BAC	Bank Of America Corp	25.42	Financial Services Sector	Banks - Global
ввт	Bb&T Corp	47.70	Financial Services Sector	Banks - Regional - US
RF	Regions Financial Corp	14.90	Financial Services Sector	Banks - Regional - US
MS	Morgan Stanley	41.29	Financial Services Sector	Capital Markets
MA	Mastercard Incorporated	197.00	Financial Services Sector	Credit Services
PYPL	PayPal Holdings Inc	82.63	Financial Services Sector	Credit Services
СВ	Chubb Corp	130.93	Financial Services Sector	Insurance - Property & Casualty

Sym	Company	trkPrice	Sector 🔷	Industry
AMGN	Amgen Inc	191.78	Healthcare Sector	Biotechnology
BIIB	Biogen Inc	317.25	Healthcare Sector	Biotechnology
BLUE	Bluebird Bio Inc	102.54	Healthcare Sector	Biotechnology
CELG	Celgene Corp	70.20	Healthcare Sector	Biotechnology
GWPH	GW Pharmaceuticals Plc	124.24	Healthcare Sector	Drug Manufacturers - Major
AGN	Allergan Plc	152.51	Healthcare Sector	Drug Manufacturers - Specialty & Generic
CRON	Cronos Group Inc	12.80	Healthcare Sector	Drug Manufacturers - Specialty & Generic
CNC	Centene Corp	132.93	Healthcare Sector	Health Care Plans
CVS	CVS Health Corporation	74.04	Healthcare Sector	Health Care Plans
ALGN	Align Tech Inc	209.89	Healthcare Sector	Medical Devices
BDX	Becton Dickinson & Co	234.40	Healthcare Sector	Medical Instruments & Supplies
COO	Cooper Companies Inc	242.85	Healthcare Sector	Medical Instruments & Supplies
BA	Boeing Co	322.30	Industrials Sector	Aerospace & Defense
AVY	Avery Dennison Corp	91.62	Industrials Sector	Business Equipment
HCSG	Healthcare Services Group Inc	41.76	Industrials Sector	Business Services
MMM	3M Company	198.34	Industrials Sector	Diversified Industrials
CAT	Caterpillar Inc	123.64	Industrials Sector	Farm & Construction Equipment
GBX	Greenbrier Companies Inc	43.41	Industrials Sector	Railroads
WM	Waste Management Inc	91.39	Industrials Sector	Waste Management
HRS	Harris Corporation	139.40	Technology Sector	Communication Equipment
AAPL	Apple Inc	168.83	Technology Sector	Consumer Electronics
ENR	Energizer Holdings	46.00	Technology Sector	Electronic Components
ACN	Accenture Ltd	157.33	Technology Sector	Information Technology Services
ADI	Analog Devices Inc	86.57	Technology Sector	Semiconductors
AVGO	Broadcom Inc	229.20	Technology Sector	Semiconductors
TSM	Taiwan Semiconductor Manufactui	36.32	Technology Sector	Semiconductors
CRM	Salesforce.com Inc	135.65	Technology Sector	Software - Application
sq	Square	60.88	Technology Sector	Software - Application

Sym	Company	trkPrice	Sector	Industry
ARKG	ARK Genomic Revolution Multi-Se	27.98		
GLD	SPDR Gold Trust	118.09		
IEI	iShares Barclays 3-7 Year Treasur	120.25		
IYG	iShares Dow Jones US Financial S	119.97		
KWEB	KraneShares CSI China Internet E	42.03		
RSP	Invesco S&P 500 Equal Weight ET	97.39		
RVT	Royce Value Trust Inc	13.43		
RYE	Invesco S&P 500 Equal Wt Energy	48.92		
SBIO	ALPS Medical Breakthroughs ETF	31.75		
SPLV	Invesco S&P500 Low Volatility Por	49.25		
UNG	US Nat Gas FD ETF	36.43		
VT	Vanguard Total World Stock ETF	68.38		
XLP	SPDRs Select Sector Consumer St	54.75		
XLRE	Real Estate Select Sector SPDR FL	34.01		
XRLV	Invesco S&P 500 ex-Rate Sensitiv	33.89		





stronger than a lot of gold stocks on an intermediate basis. Buy a breakout above 80 or a test of 74. Gold looks to do well over the next

Note \$RGLD This is a strong gold stock and daily stochastic has turned up. We expect a move to 77. Weekly stochastic is in slight sell mode but turning up and could double top on a

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WYNN	WYNN  → 1W  ↓ -7.42 -6.60%  ⊕ →	Note \$WYNN WYNN has been 12h
* WYNN Price Avg 20 Avg 5 210.00 190.00	* WYNN Price Avg 20 Avg 5	weaker than we would hav thought. This whole 100 to 80 area is support and of the daily turns up we would buy the name. Chart
170.00	200.00	Note \$WYNN No change. Still 116d weak. Chart @
150.00	150.00	Note \$WYNN Remains neutral. 124d A break of \$150 risks
130.00	104.99	\$120. Chart Note \$WYNN No change. Chart 130d
Consumer Cyclular Sector(C) Resorts & Casinos <90.00	Commer Cyclical Sector(C) Resorts & Casinos 4 50.00	Note \$WYNN We have been 145d asked to evaluate this as if it is not going to be taken over. As long as above 150 it is attractive
JAS OND 12/7/2018	15 16 17 12/7/2018 🛛 L % F	and the weekly stochastic has recycled. The daily might recycle
\$ Stoch 14 %K 1 %D 3	* Stoch 14 %K 1 %D 3	and if so this would hit 160 most likely. Upside targets are 175.If the gap fills that is ok - but
50.00	50.00	below 150 could target 120 or lower. Chart
24.70	22.46	Note \$WYNN No change. buyout 151d stocks are not good TA stocks. Chart







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GVS          → Day          →         -2.48         -3.24%         →         →         →		Note \$CVS this tried to stay 20h
CVS Price Avg 20 Avg 5	CVS Price Avg 20 Avg 5	above 81 and failed and now could retest 70 or so as the
1. 4		weekly recycles. Thje key to this
80.00	110.00	
	the second s	bottoming pattern and this base
	100.00	could continue for a while. Chart
75.00		Note \$CVS We were wrong on 26d
1 J7 "M	90.00	this - it has improved, but is now in weekly resistance. Some
70.00		consolidation is likely, but above
	80.00	81 targets 88 to 92. Chart 🗨
		Note \$CVS This is still in sell 47d
65.00		mode and could easily test 64 or
Mall Health Corporation	VCVS He∯ti <b>q,</b> Mgrpor <b>20:</b> 991	so before the weekly recycles.
Healthcare Sector(D)	Healthcare ctor(D)	Avoid. This si not one of the best
Health Care Plans 460.00	Health Care Plans 460.00	Pharmacy stocks. Chart 🤍
JAS OND JAS	15 16 17 12/7/2018	Note \$CVS No change except to 88d
18 A L % F	AL%F	note thatunless above85 it is a
\$ Stoch 14 %K 1 %D 3	\$ Stoch 14 %K 1 %D 3 100.00	downtrend or at least a sideways
A LAR MAN IN		trend. Chart 🗬
		Note \$CVS This held 60 and 103d
50.00	50.00	rallied, per the last note. BUT,
	37.90	on the weekly it is still a
		downtrend. A hold that probably needs more work. Chart @
5.03	0.00	
III III	III III	Note \$CVS This is still a 151d













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The TOM of Day	<b>-0.34</b>	TON A ANY	-0.34		
👍 TSM 🍏 Day 🔻	↓-0.34 -0.92% ②	↓ TSM  1W ▼	↓-0.92% @~	Note \$TSM This is building a	13h 🔺
TSM Price Avg 20 Avg 5	46.00	TSM Price Avg 20 Avg 5		base, but the 35 area is basically holding and the weekly stochastic	
h di	4	1.	1.5.00	is positive. Try and buy when the	
u uhuk	44.00		45.00	daily becomes oversold but	
DA PTV A	44.00	APT AL	40.00	realize a good break of 35 targets 30 at a minimum. Chart	
			40.00		
	42.00		<u>36.52</u> 35.00	Note \$TSM No change. Chart	151d
		JY Si	35.00		165d
	40.00	A. 🖉	30.00	Note \$TSM While 35 is still holding oer the last note this is	1050
			30.00	weak and we would wait until	
	38.00		25.00	the daily stocahstic turns up	
			25.00	before we buy it. Chart 🗨	
ducto <mark>ys</mark> Manuf <b>aq</b> tu	36.52	dwater Manufact	20.00 <sup>0</sup>	Note \$TSM The weekly has	201d
Fechnology Sector	(S) 36.00	Technology Secto		recycled so this is buyable per the lat note. 35 should hold the	
Semiconductors	. ◄	Semiconductor	§_ 15.00	name and a test of 44 is	
JAS OND 12/7/2018	📈 L % F	15 16 17 12/7/201	.8 📈 L % F	possible. Chart 🗨	
\$ Stoch 14 %K 1 %D 3		\$ Stoch 14 %K 1 %D 3		Note \$TSM Would lock in gains	306d
A ANALIA II	100.00	JUNE MINT, JULY AVA ULHEAN & AN	100.00	here or wait for weekly to reload	
	-	HALL MALAN WWILL H		and see if it can go to a new high. Chart 🗨	
	50.00		50.00		
W THINK I IN MALINA	34.39			Note \$TSM This continued to rally after the last pullback and the daily	2у
			12.97	got oversold and has rebounded.	
	₹0.00		0.00	This low of 31.50 should hold the	
III	Ш	III	III	name until a correction. Use it as a	













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Readers will note that we use the same indicators on all of the charts in this presentation. We append definitions of these indicators and are available via the website: <u>Education and Training Center</u>.

# **Technicals Defined**

#### **Moving Averages:**

Moving averages are one of the building blocks of Technical Analysis, and there are almost as many ways to use this indicator as there are technicians.

At the FRED report we teach and use a dual moving average crossover system to determine trend. Our favorites are the 5 period and 20 period moving averages. We consider the trend to be up if the 5 is above the 20, and down if below it.

#### Stochastics:

The Stochastic Oscillator is one of the commonly used momentum oscillators and is standard on charting programs. There are two lines on the chart below, %K and %D.

%K is the faster of the two lines, and represents a mathematical formula that *measures where the current close is in relation to the trading range of the last "X" periods of time*. We use a 14 period look-back, so in plain English %K says where the current close is in the trading range of the last 14 days, expressed as a %.

At the FRED report we use it somewhat differently than is commonly taught. The standard way to use the indicator is to register a buy signal when it moves below, and then above, 20 (the lowest 20% of closing prices in the last 14 days). A sell signal is when the indicator moves above, and then below 80 (the highest 80% of closes over the last 14 days).

The other line, %D, is a 3 period moving average of %K. We have found that the Stochastic is sensitive, so we advocate taking signals only in the direction of the trend. When looking at the standard FRED report chart, this would mean taking buy signals when the 5 is above the 20, and sell signals when the 5 is below the 20, but using a different technique to exit positions. The reason for this is the Stochastic is quite sensitive, and can give early indications, especially in new trends. It also can get "stuck" in the direction of trends, which connotes strength and not weakness. Another, preferred interpretation, is to use the indicator to measure risk. An example: buy in an uptrend, not when the stochastic is at 90% but rather wait until it falls below 50%, This way, even if a stock, commodity, or ETF does not give one of the "classic" signals, you can still use the indicator to assess risk, and leg into positions.

#### The FRED Report Financial Research, Education & Data

**The FRED Report** (www.theFREDreport.com) was started to provide Financial Advisors and investors access to unbiased market research. The President of The Fred Report, **Fred Meissner, CMT** has been practicing Technical Market Analysis since 1983 and has worked in the research departments of Merrill Lynch and Robinson – Humphrey /Smith Barney. In addition he has served the public as a portfolio manager and financial advisor. We know the problems investors face and have devoted our career to helping find the best possible investments in all environments.

