Long-Short Idea List: 01-24-19

Each week we produce a chart book of 5 to 10 stocks which have hit our watch list for potential additions to our long-short equity trading portfolio.

We have broken down the list into two sections - Long and Short and have provided targets for potential actions.

Importantly, these equities are not part of our long-term investment themes and are far trading purposes only. We may, or may not, implement any of the ideas on this list. They are simply for consideration.

Also, it is entirely possible that our long-term themed equity model could be long a position which could show up on the *"short-idea"* list temporarily. Trading and investing, while having many commonalities, are different based on time frames and objectives and are not always handled exactly the same.

HOW TO READ THE CHARTS

There are four primary components to each chart:

- *The price chart is contained within the shaded area which represents 2-standard deviations above and below the short-term moving average.*
- *The Over Bought/Over Sold indicator is in orange at the top.*
- *The Support/Resistance line (green) is the longer-term moving average which also acts as a trailing stop in many cases.*
- *The Buy / Sell is triggered when the green line is above the red line (Buy) or vice-versa (Sell).*



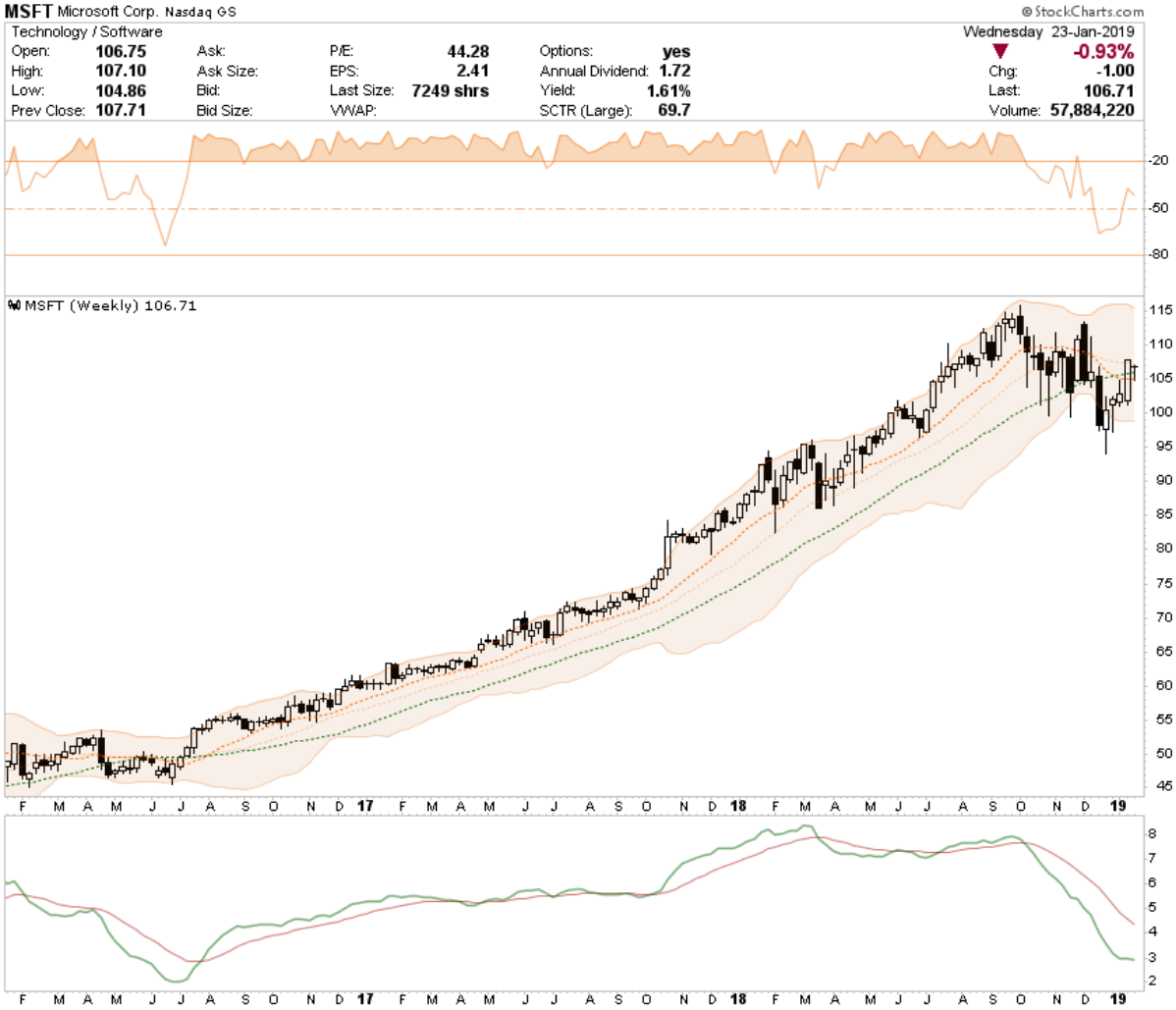
LONG CANDIDATES

MCD - McDonalds



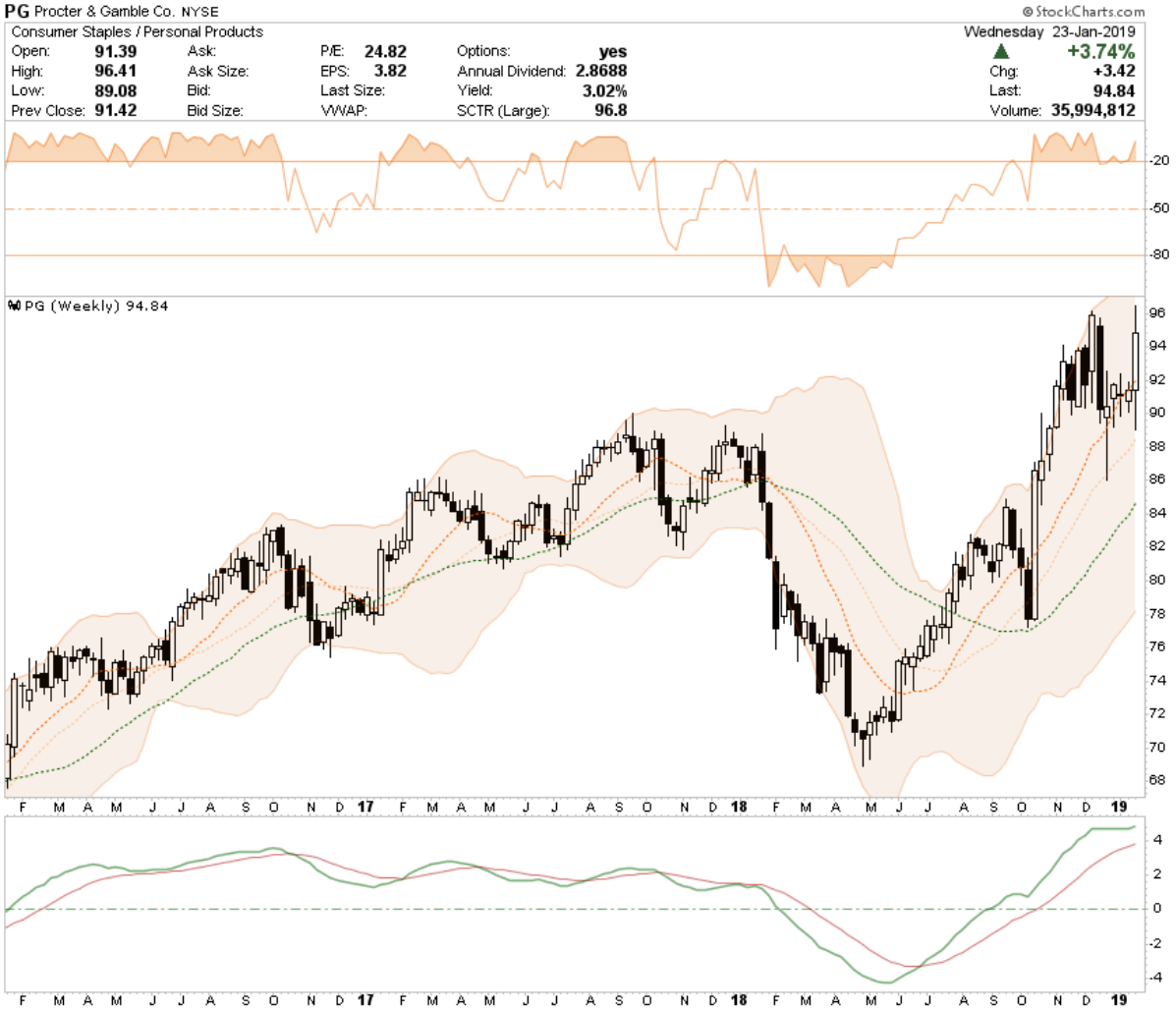
- *Stock has held the long-term moving average as support and is currently pushing toward new highs.*
- *Short-term positioning: Bullish*
    - *Buy on pullback to $182.50 or on breakout above $187.50*
    - *Stop-loss is $180Short-Term Positioning: Bullish*

MSFT - Microsoft Corp.



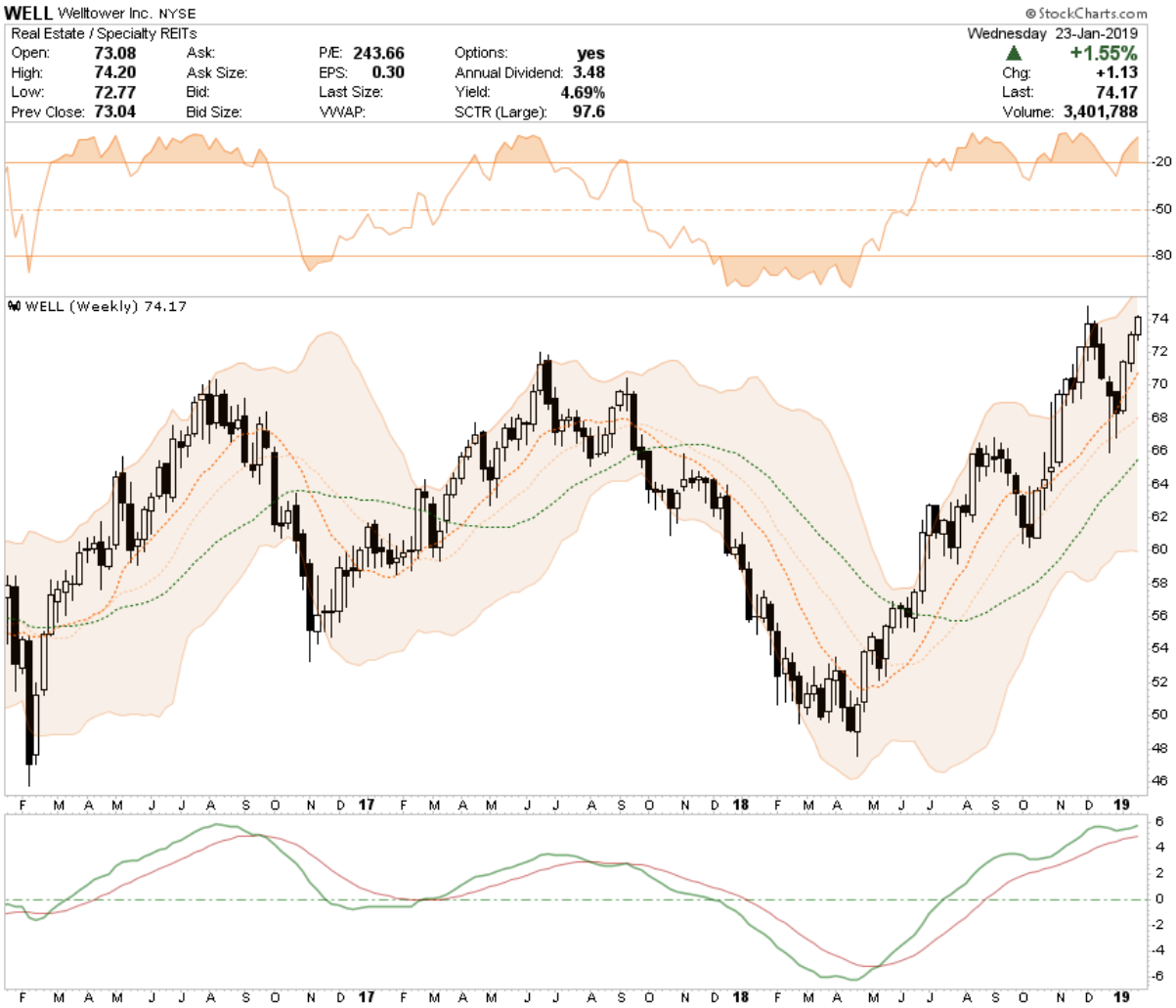
- *Regained long-term trend line.*
- *Short-Term Positioning: Neutral*
    - *Bought in long-short portfolio @ 106.12*
    - *Trade target is $115*
    - *Stop-loss is currently $100*

PG - Proctor & Gamble



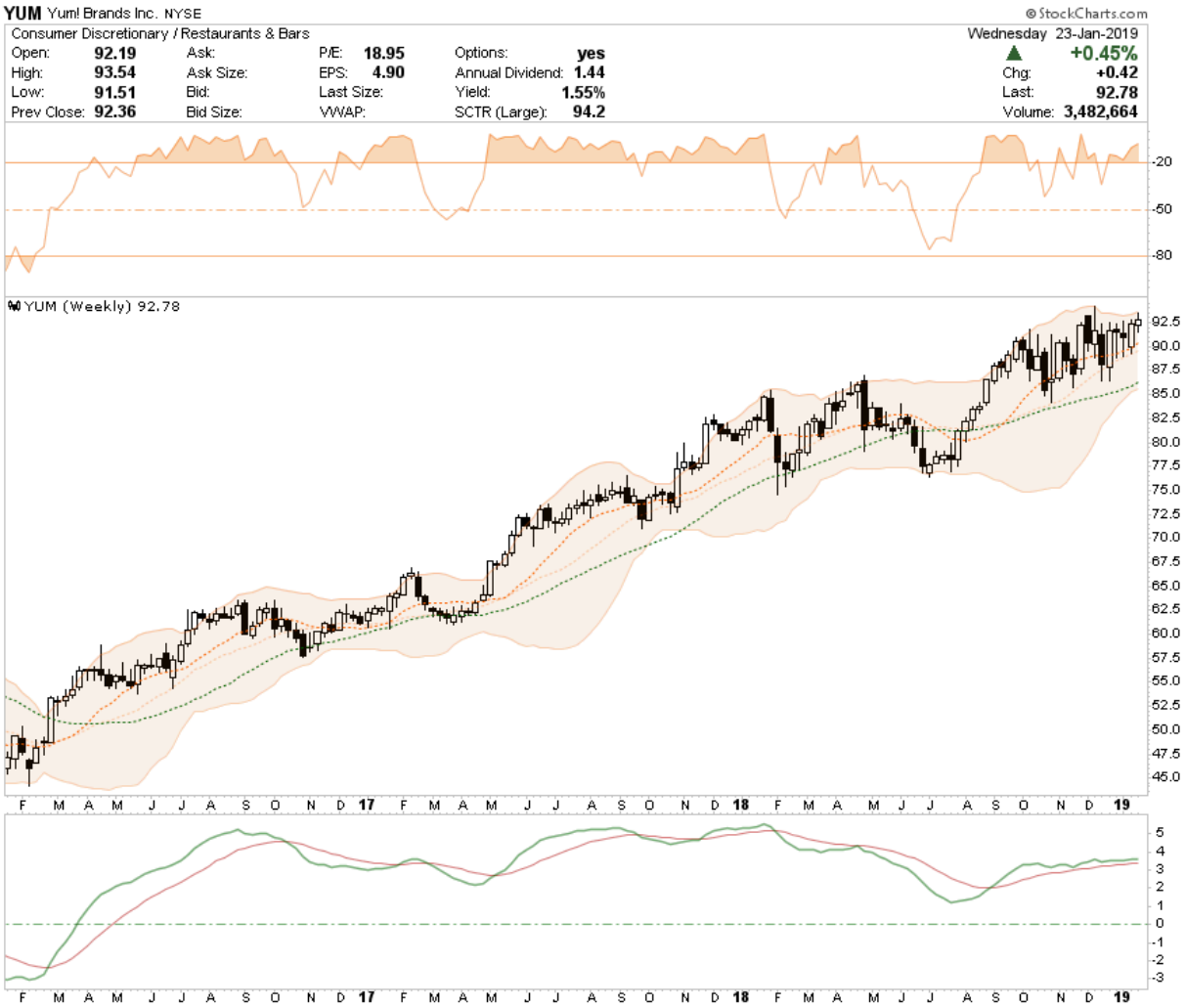
- *PG consolidated for most of Dec and broke out of that consolidation yesterday.*
- *We are already long PG in the Equity portfolio.*
- *Short-Term Positioning: Bullish*
    - *Buy/Add on breakout above $96*
    - *Stop-loss is currently $90*

WELL - Well Tower, Inc.



- *WELL close to breaking out to new highs.*
- *Short-Term Positioning: Bullish*
    - *Buy on "breakout" above $74*
    - *Stop-loss is currently $70*

YUM - YUM Brands



- *Long-term bullish trend line continues to hold.*
- *YUM breaking out to new high.*
- *Short-Term Positioning: Bullish*
    - *Buy on breakout at $93*
    - *Stop-loss is currently $90*

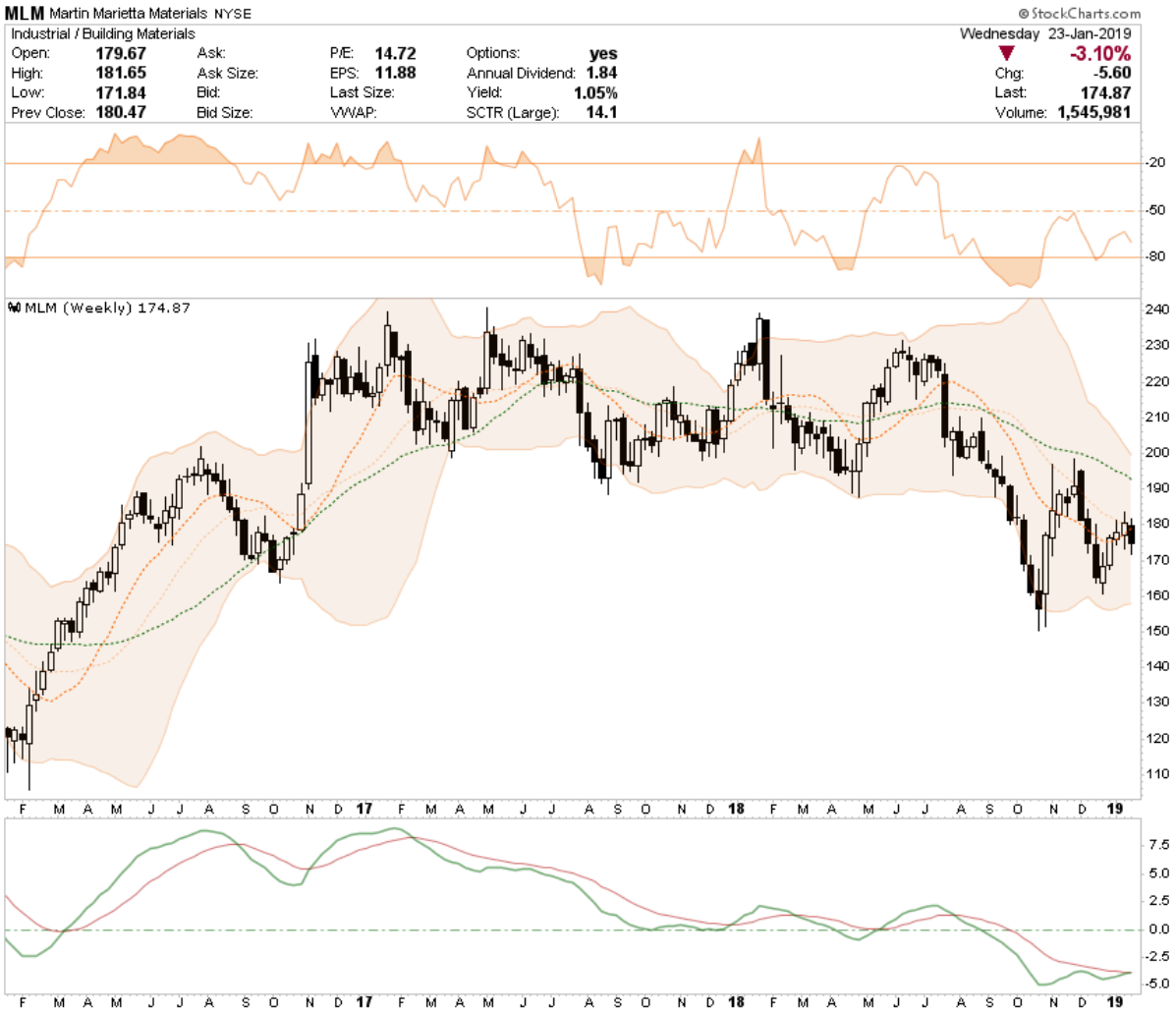
SHORT CANDIDATES

HOG - Harley Davidson



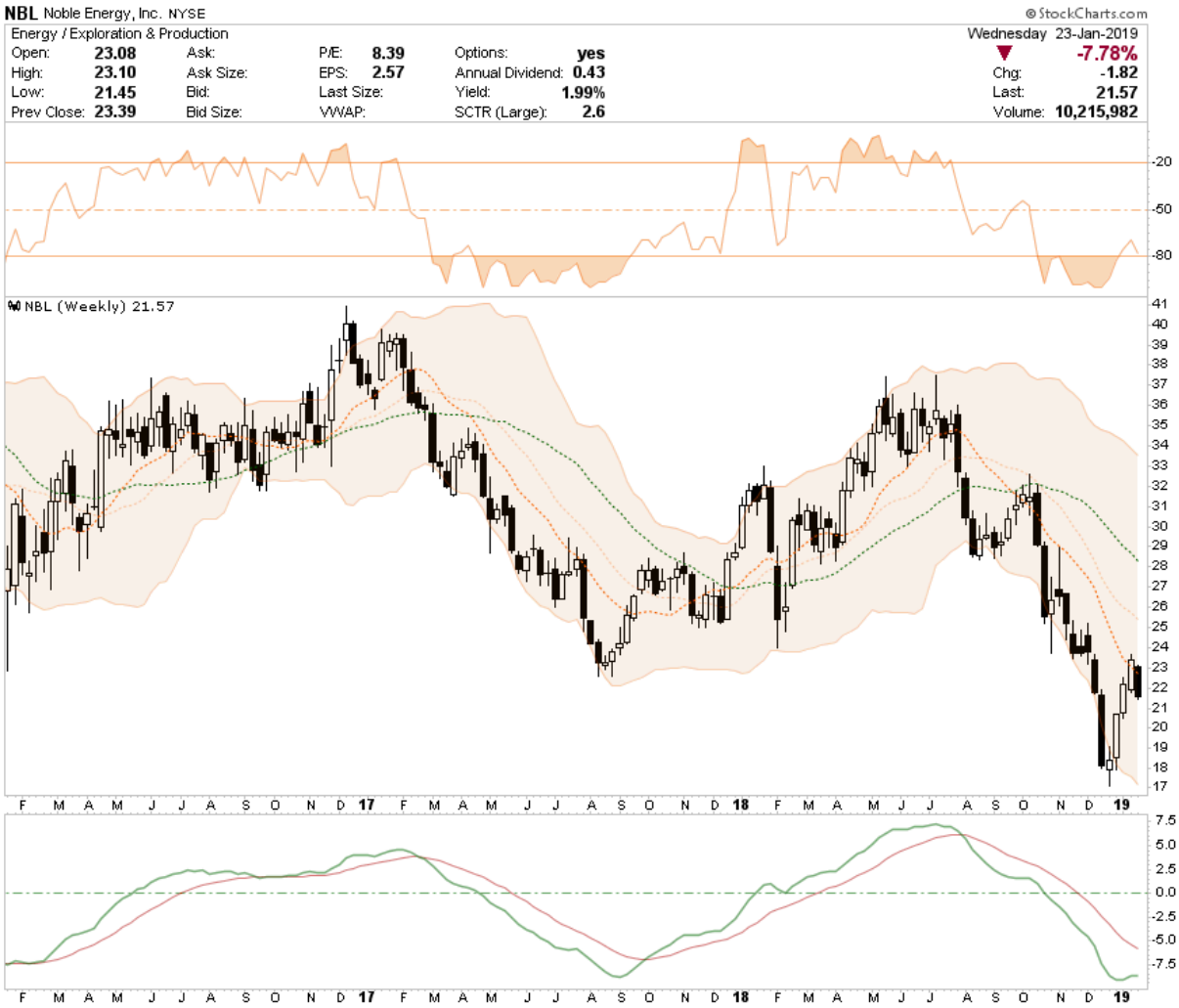
- *Downtrend remains intact currently.*
- Recently rally failed at down-trending short-term average.
- *Short-Term Positioning: Bearish*
    - *Short @ current levels*
    - *Stop-loss is currently $40*

MLM - Martin Marietta Materials



- *Failed at overhead resistance within the context of a downtrend.*
- *Short-Term Positioning: Bearish.*
    - *Short at current levels.*
    - *Stop-loss is currently $180.00*

NBL - Nobel Energy



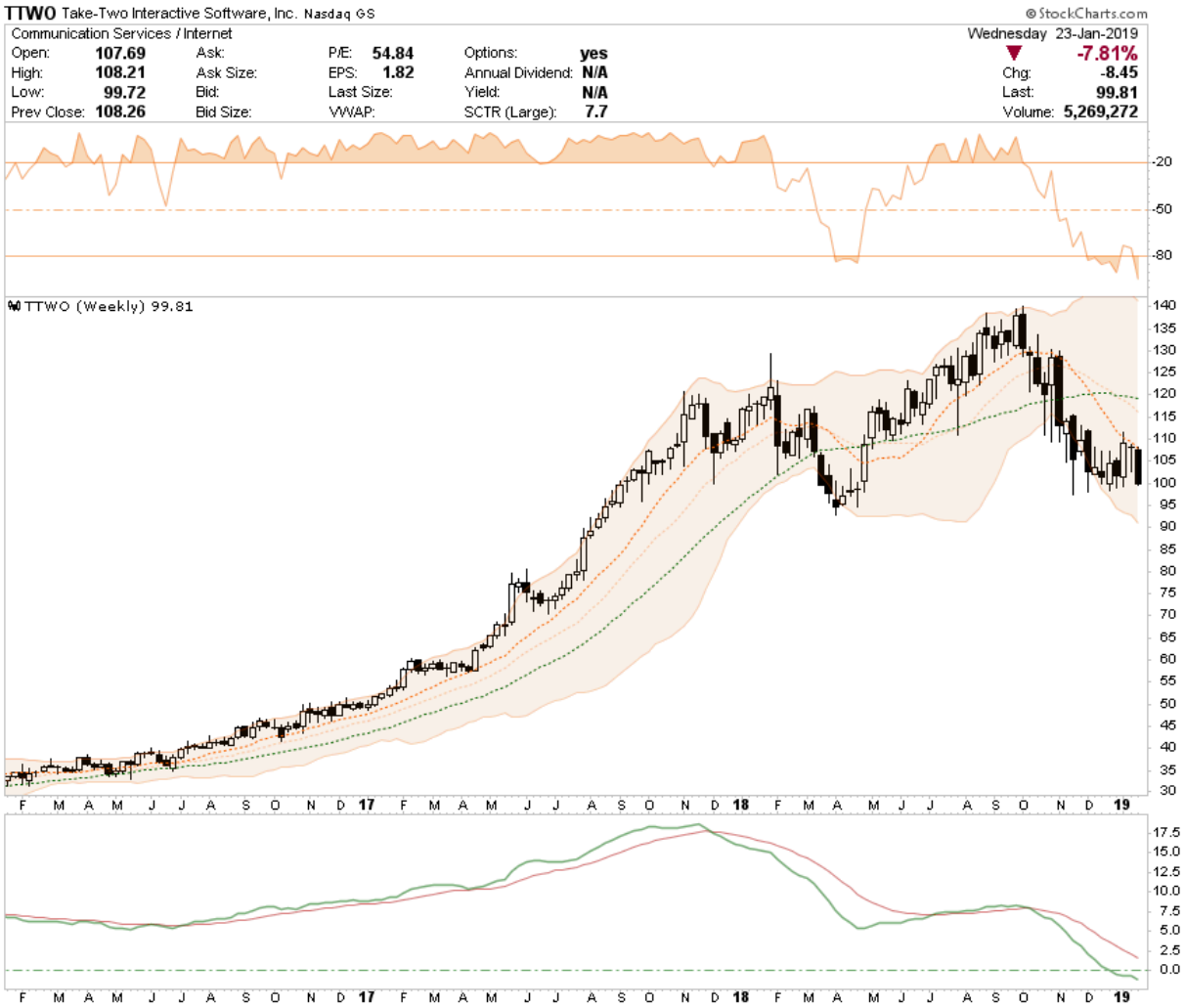
- *Nothing good going on with NBL currently.*
- *Recent rally failed at heavy downtrend resistance.*
- *Short-Term Positioning: Bearish*
    - *Short at current levels*
    - *Stop-loss is currently $24*

NWL - Newell Rubbermaid



- *Recent rally failed at downtrend resistance in series of failures.*
- *Short-Term Positioning: Bearish*
    - *Short at current levels.*
    - *Stop-loss is currently $24*

TTWO - Take-Two Interactive



- *Recent rally failed at downtrend resistance.*
- *Set to break recent consolidation to downside.*
- *Short-Term Positioning: Bearish*
    - *Short at current levels or on any rally*
    - *Stop-loss is currently $420*