

Equity Buy List: 10-17-19

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).



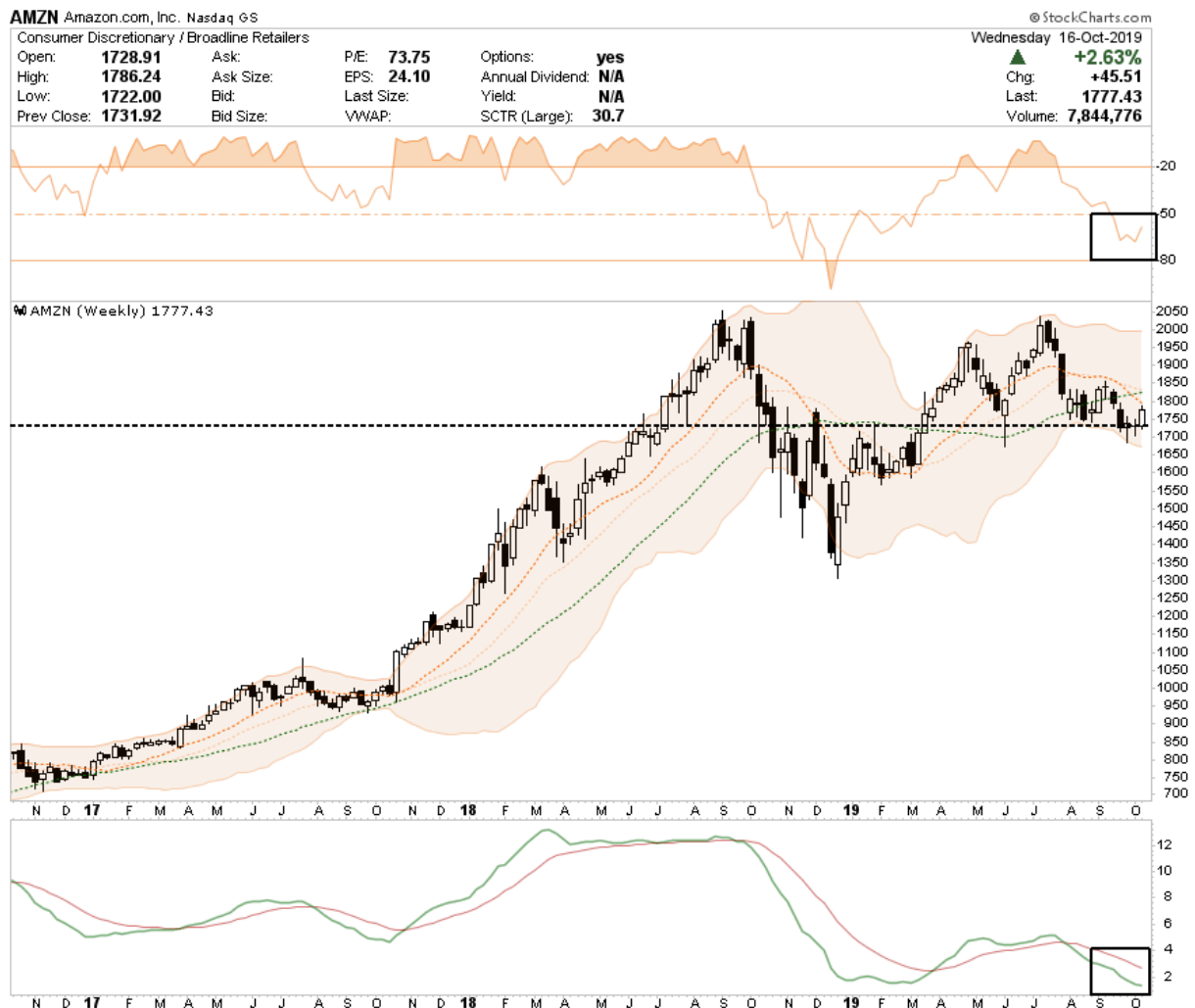
Yesterday, we discussed the "profit taking process" we employed in our portfolios to raise some cash as we prepare for a reallocation and rebalancing process heading into the end of the year.

With cash raised we are now looking for positions we want to add to the Equity Portfolio. We will review each position with the entry points for purchase.

NOTE: These are positions we are currently CONSIDERING. Do not mistake this list as a recommendation to buy any of the securities listed below. IF we add any of these positions to our portfolio you will be emailed a alert accordingly.

Equity Buy List

AMZN - Amazon.com



- Last week, we noted that "if the market is going to move higher into year-end, then AMZN should lead the way particularly as we head into holiday shopping season."
- The trade setup didn't change much this past week, and with AMZN's sell signal pretty deeply oversold there is a decent entry point.
- We are looking for the buy signal to turn higher before adding to the portfolio.
- Stop is adjusted to \$1700 hard stop.

ABBV - AbbiVie Inc.

ABBV AbbVie Inc. NYSE

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Health Care / Biotechnology

Wednesday 16-Oct-2019

Open: **73.65** Ask: P/E: **27.48** Options: **yes**
 High: **74.98** Ask Size: EPS: **2.72** Annual Dividend: **4.28**
 Low: **73.39** Bid: Last Size: Yield: **5.73%**
 Prev Close: **73.63** Bid Size: VWAP: SCTR (Large): **52.5**

Chg: **+1.12**
 Last: **74.75**
 Volume: **19,619,996**



- *ABBV recently bounced off of critical support and has triggered a buy signal.*
- *We are looking to add a position but would like to see a break above important overhead resistance first.*
- *The secondary setup is a pullback to \$70 that holds. We will add 1/2 of our position at that level and add the second 1/2 position on a break above overhead resistance.*
- *Stop after initial entry is \$64*

MU - Micron Technology

MU Micron Technology, Inc. Nasdaq GS

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Technology / Semiconductors

Wednesday 16-Oct-2019

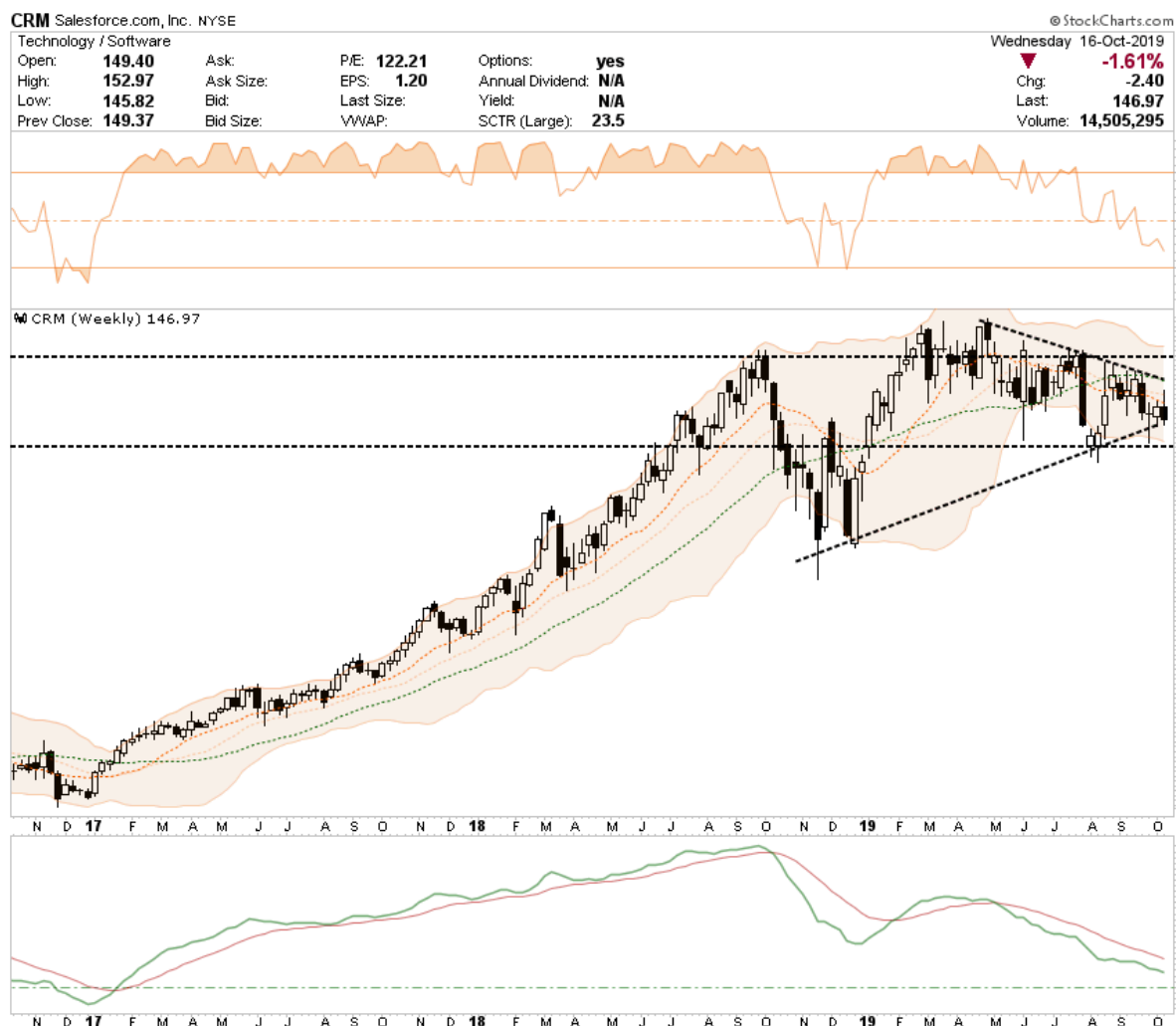
| | | | |
|--------------------------|-----------|------------------|-----------------------------|
| Open: 44.96 | Ask: | P/E: 8.25 | Options: yes |
| High: 46.55 | Ask Size: | EPS: 5.47 | Annual Dividend: N/A |
| Low: 44.80 | Bid: | Last Size: | Yield: N/A |
| Prev Close: 45.10 | Bid Size: | VWAP: | SCTR (Large): 45.4 |

| |
|---------------------------|
| Chg: +0.13% |
| Last: 45.16 |
| Volume: 47,302,472 |



- We were previously long MU and got stopped out with a minor loss.
- However, if trade is resolved and economic data begins to show some improvement, then MU should continue to push higher.
- We are looking to buy on a pullback to support that holds without triggering a "sell signal."
- Stop loss after buy is \$32.50

CRM - Salesforce.com



- CRM has gotten pretty oversold and the sell-signal is very deep. Importantly, CRM has held a rising trendline support which is bullish.
- CRM has a tendency to beat earnings and do well, so there is a decent trade setup here.
- We will look to add CRM if support holds and we see the buy signal begin to improve.
- Stop loss is set at \$140

JNJ - Johnson & Johnson

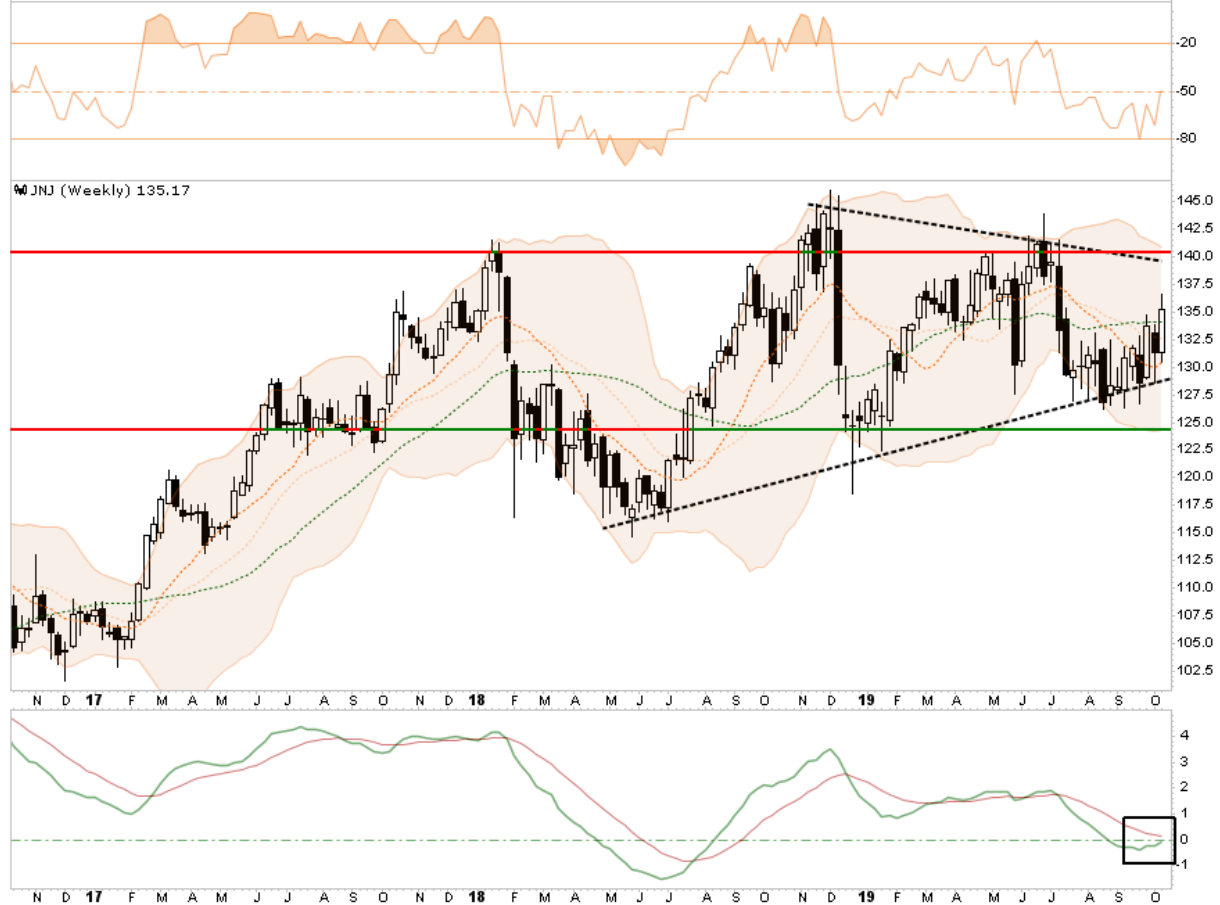
JNJ Johnson & Johnson NYSE

Health Care / Pharmaceuticals

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Open: **131.36** Ask: P/E: **22.41** Options: **yes**
 High: **136.59** Ask Size: EPS: **6.03** Annual Dividend: **3.7**
 Low: **130.42** Bid: Last Size: **2.74%** Yield: **2.74%**
 Prev Close: **131.33** Bid Size: VWAP: SCTR (Large): **48.6**

Wednesday 16-Oct-2019

▲ **+2.92%**Chg: **+3.84**Last: **135.17**Volume: **28,326,332**

- JNJ has continued to hold a rising trendline and we have added to position previously.
- We will look to overweight our portfolio position in JNJ if the buy signal is triggered and JNJ can holding above the 200-dma.
- Stop loss is set at \$127.50.

KSS - Kohls Corp.

KSS Kohls Corp. NYSE

Consumer Discretionary / Apparel Retailers

Open: **51.43** Ask: P/E: **11.23** Options: **yes**
 High: **52.08** Ask Size: EPS: **4.54** Annual Dividend: **2.62**
 Low: **50.26** Bid: Last Size: Yield: **5.14%**
 Prev Close: **51.46** Bid Size: VWAP: SCTR (Large): **11.0**

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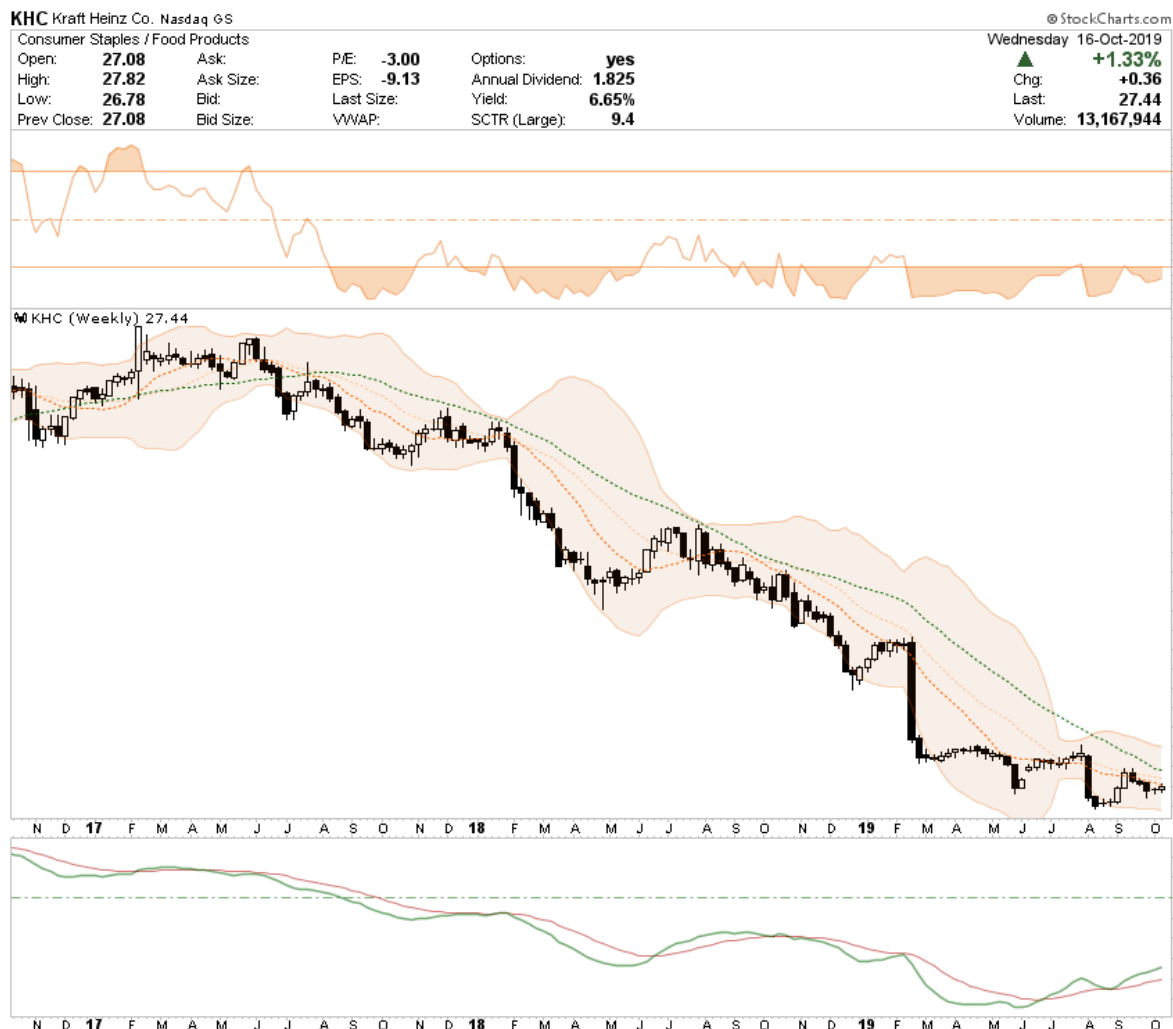
Wednesday 16-Oct-2019

▼ **-0.86%**
 Chg: **-0.44**
 Last: **51.02**
 Volume: **6,731,943**



- The retail shopping season is approaching and KSS is in a good position to pick up on a cash-strapped consumer.
- With a buy signal being triggered and being very oversold, we are interested in adding a small trading position to accounts to see if our thesis holds.
- A pullback to \$50 that holds should provide a reasonable entry point for 1/2 position with a break above the 200-dma clearing the way to add to the position further.
- Stop-loss after entry is \$46.

KHC - Kraft Heinz Co.



- *KHC has had the "dog snot" beat out of it over the last 2-years.*
- *This is a super speculative position for the portfolio, and we will keep our initial sizing small. However, I love a good turnaround story and I think KHC may well be able to get themselves moving again.*
- *KHC has triggered a buy signal but the stock is not responding. Therefore we will be patient and wait for the right opportunity.*
- *Stop-loss after entry will be \$25*

FB - Facebook, Inc.



- With a "sell signal" triggered at a fairly high level, downside risk remains decent so we are not in a hurry to add FB.
- However, FB tends to do well during earnings season so there is a decent trading opportunity.
- We would like to see a pullback that holds recent support and gives us a better entry point.
- Stop-loss after entry will be \$180

UNH - UnitedHealth Group

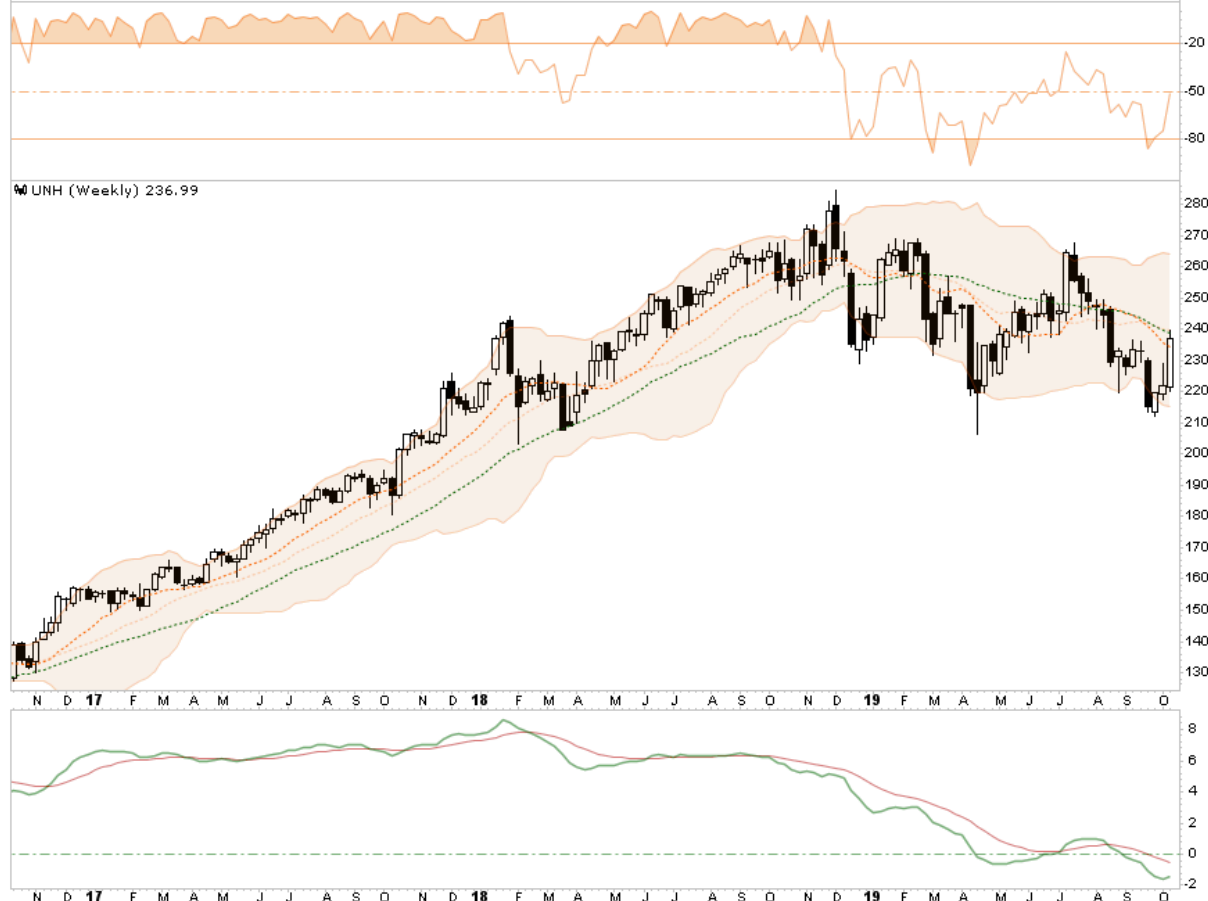
UNH Unitedhealth Group, Inc. NYSE

Health Care / Health Care Providers

| | | | |
|---------------------------|-----------|-------------------|------------------------------|
| Open: 221.63 | Ask: | P/E: 17.79 | Options: yes |
| High: 239.84 | Ask Size: | EPS: 13.32 | Annual Dividend: 3.96 |
| Low: 219.90 | Bid: | Last Size: | Yield: 1.67% |
| Prev Close: 222.07 | Bid Size: | VWAP: | SCTR (Large): 58.9 |

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Wednesday 16-Oct-2019

▲ **+6.72%**Chg: **+14.92**Last: **236.99**Volume: **23,139,028**

- *UNH had a good earnings report that led to a pop in the stock. We have been looking for an opportunity to add to our position and take it to overweight.*
- *We need to see an improvement in the "buy signal" and a break above the 200-dma would give us a better entry point.*
- *Stop loss remains \$215*

XOM - Exxon Mobil

XOM Exxon Mobil Corp. NYSE

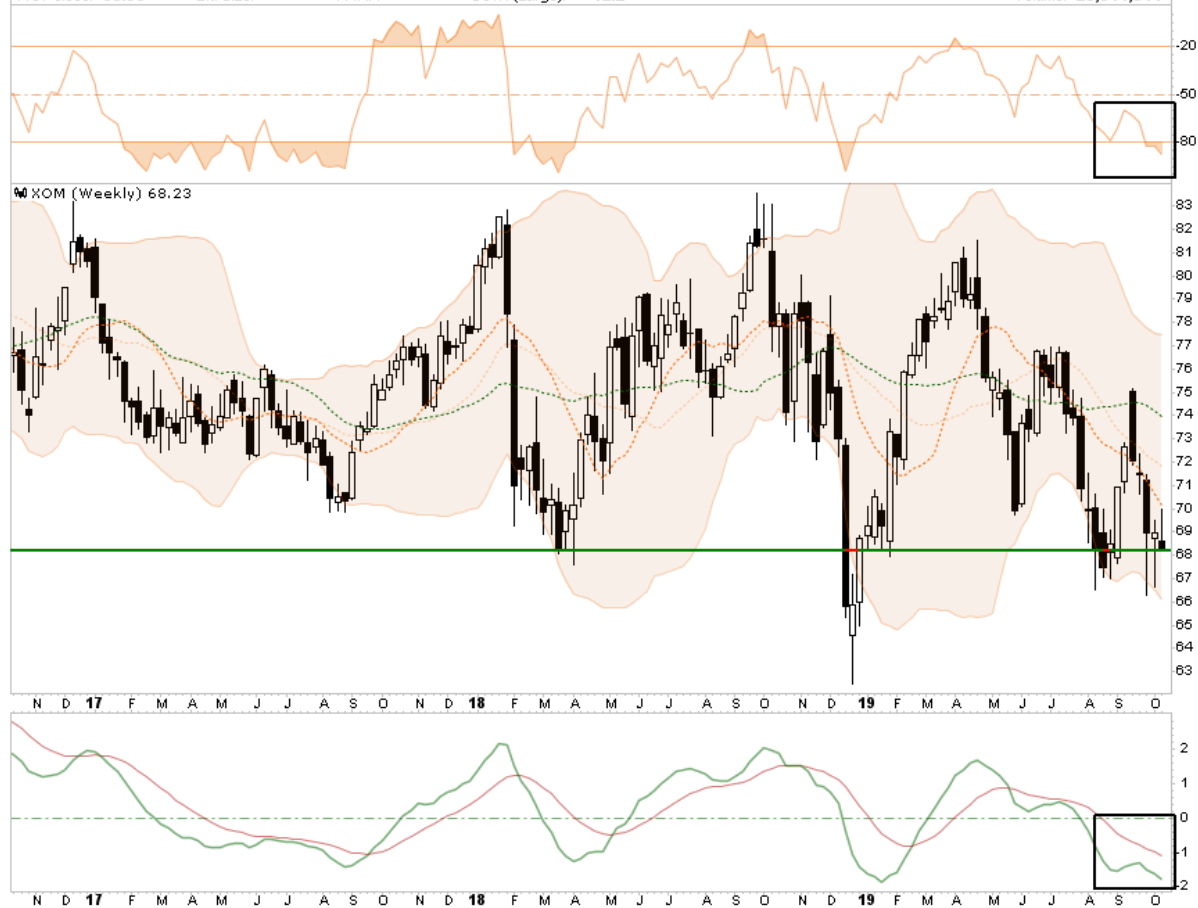
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Energy / Integrated Oil & Gas

Wednesday 16-Oct-2019

| | | | |
|--------------------------|-----------|-------------------|------------------------------|
| Open: 68.60 | Ask: | P/E: 16.44 | Options: yes |
| High: 70.00 | Ask Size: | EPS: 4.15 | Annual Dividend: 3.38 |
| Low: 68.21 | Bid: | Last Size: | Yield: 4.95% |
| Prev Close: 68.98 | Bid Size: | VWAP: | SCTR (Large): 12.2 |

▼ **-1.09%**
 Chg: **-0.75**
 Last: **68.23**
 Volume: **23,314,914**



- We previously sold 1/2 our position in XOM back in April of this year. Since then we have been looking for an entry point to rebuild our position.
- XOM is extremely oversold and on a very deep sell signal. Support needs to hold at current levels, and the buy signal needs to show improvement to add to the position.
- Stop-loss after adding to XOM is \$66