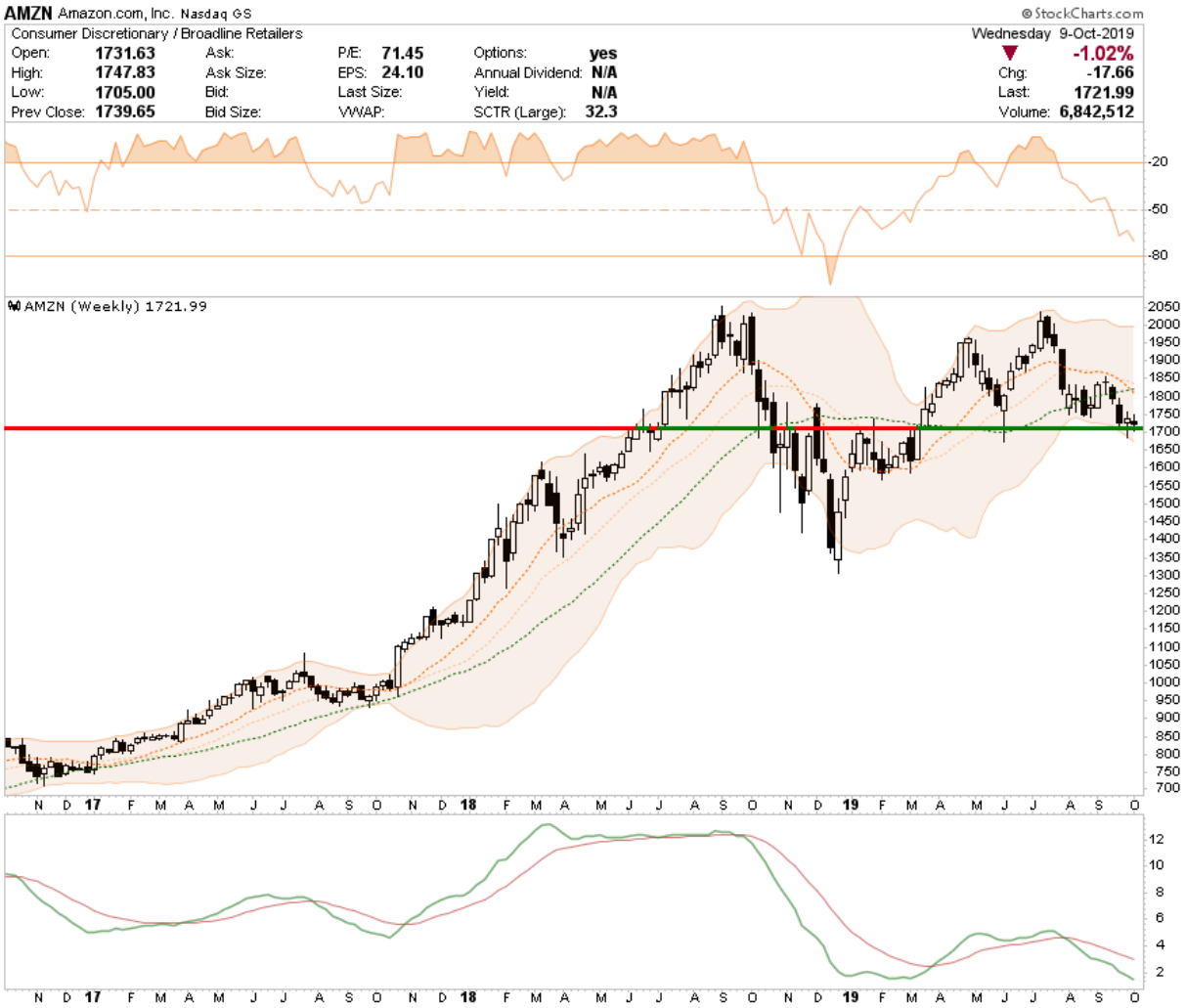
HOW TO READ THE CHARTS

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

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.*
- *Buy at current levels.*
- *Stop is adjusted to $1700 hard stop.*

ABBV - AbbiVie Inc.

- *ABBV recently bounced off of critical support and has triggered a buy signal.*
- We are looking to add a position to both the Equity and Long-Short portfolios as we like the almost 6% yield in this environment.
- *With the buy signal in place, we are looking for a pullback to $70 that holds to add 1/2 of our position. We will add the second 1/2 position on a break above resistance.*
- *Stop after initial entry is $64*

CAT - Caterpillar, Inc.

- *I am not crazy about this trade but CAT has been consistently holding support and is deeply oversold at this juncture.*
- *Buy at current levels with a very tight stop at $115*
- *Take profits at $130.*
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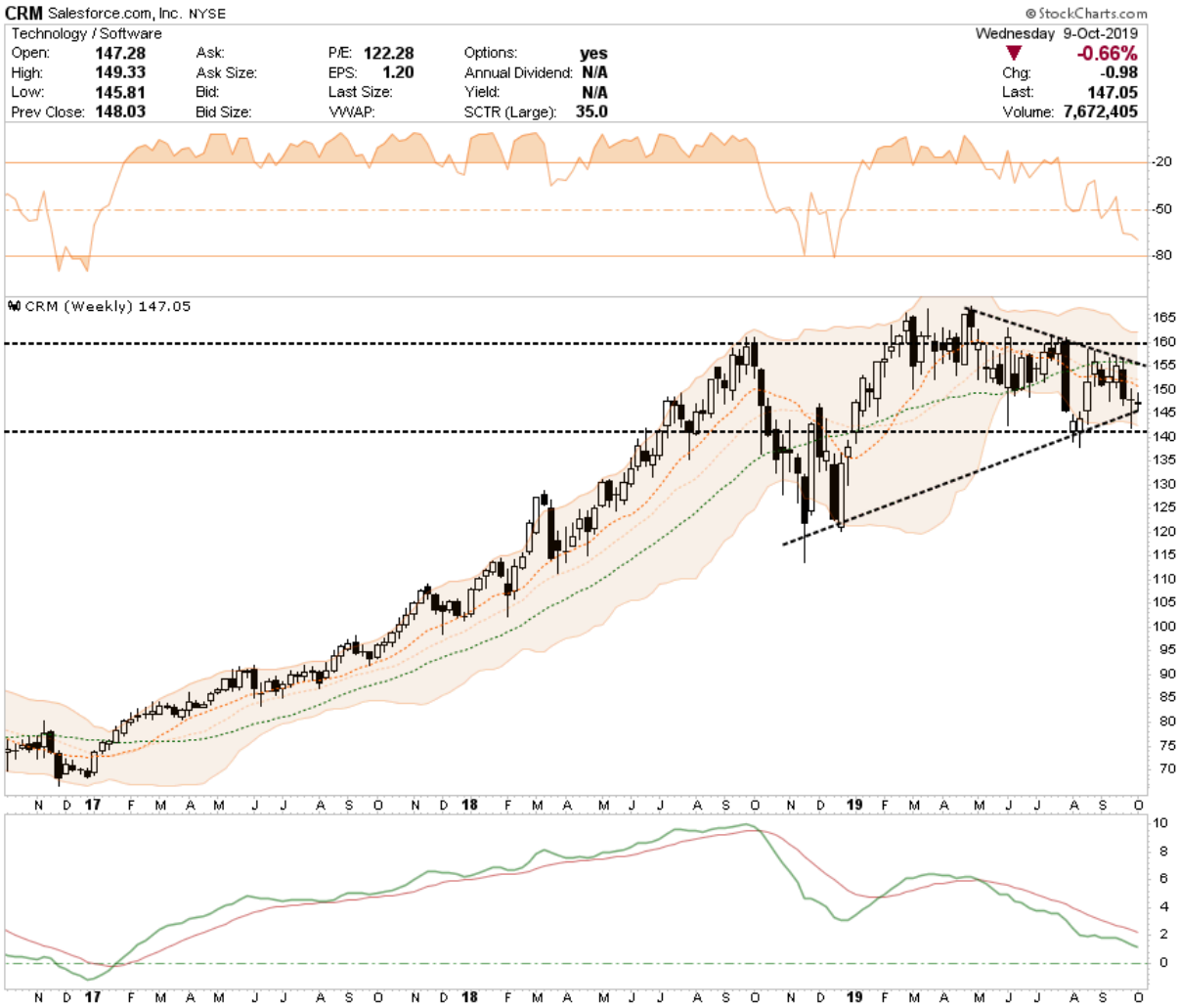
CRM - Salesforce.com



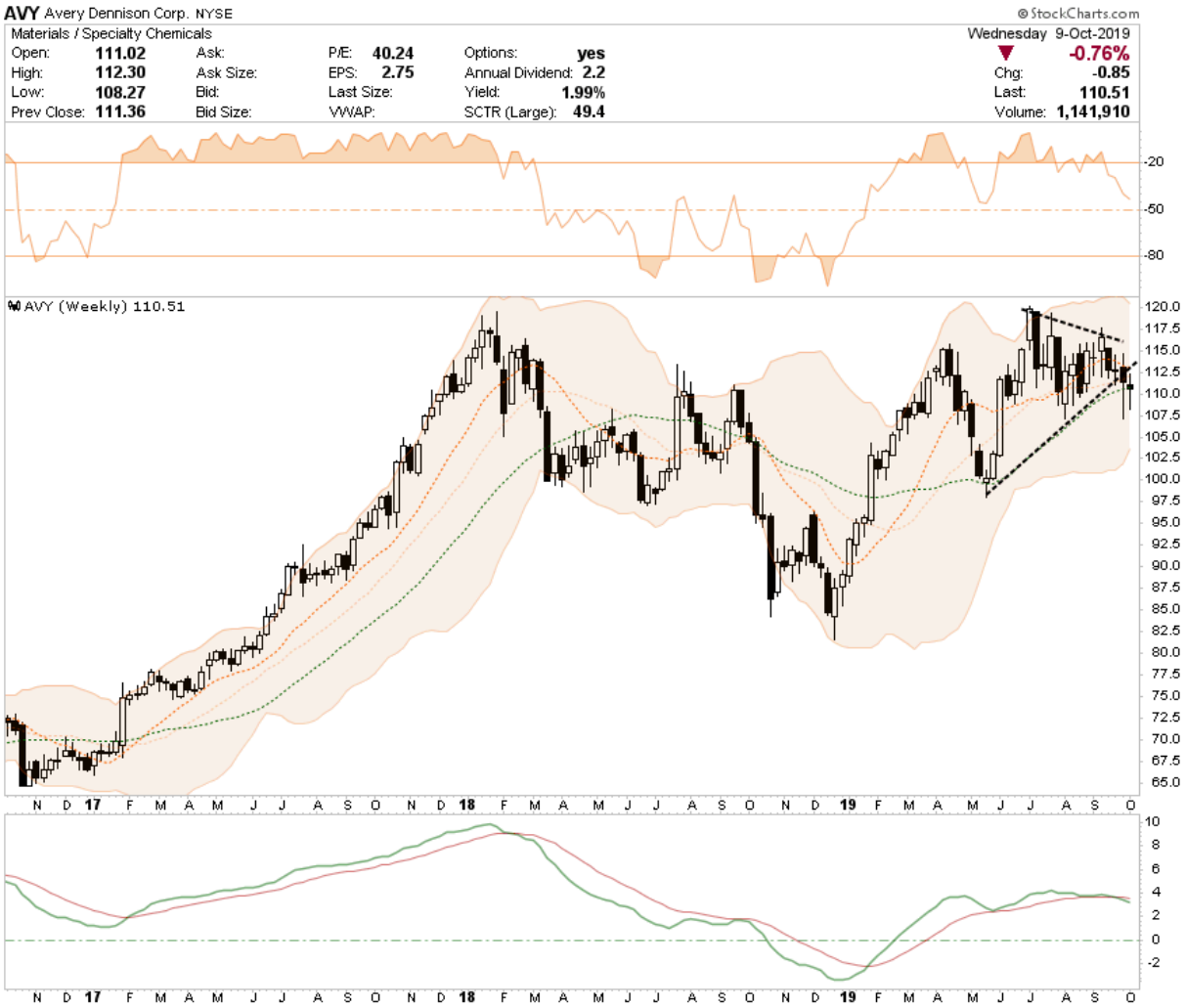
- *CRM has gotten pretty oversold and the sell-signal is very deep. Importantly, CRM has held a rising trendline support which is bullish.*
- *CRM has a tendency to beat earnings and do well, so there is a decent trade setup here.*
- *Buy CRM at current levels.*
- *Stop loss is set at $142.50*

DE - Deere & Co.

- *Both DE and CAT should do well if there is some sort of trade deal.*
- *However, DE has been in a long-term consolidation and is close to breaking out to the upside.*
- *Buy a position in DE only IF it breaks above current resistance at $170.*
- *Stop loss is set at $150.*

SHORT CANDIDATES

AVY - Avery Dennison Corp.

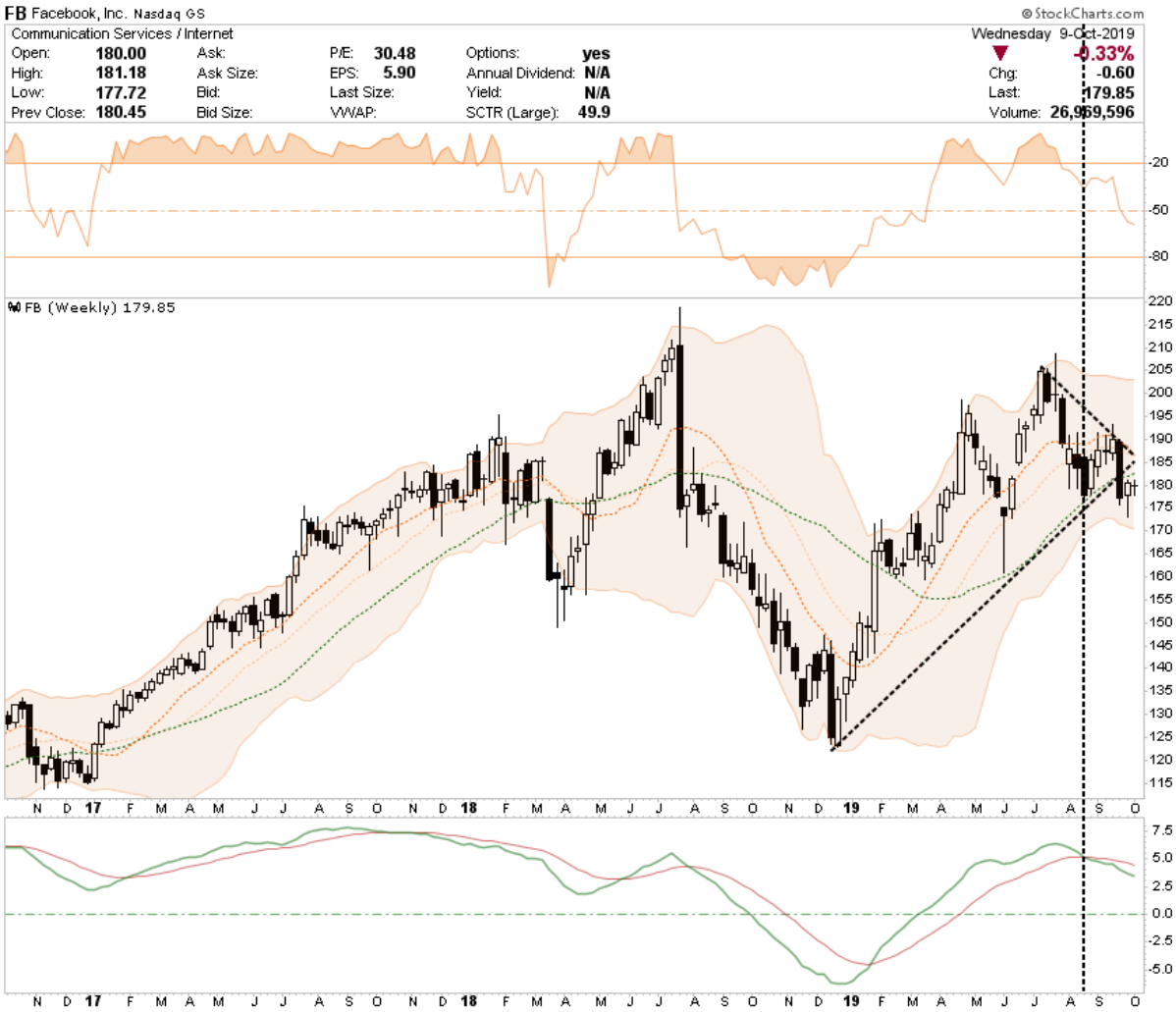


- *Last week, we suggested AVY for a long-trade on a breakout above $117.50. That didn't happen and the "sell signal" has now been triggered.*
- *We had originally suggested a short of AVY on a break below the previous stop of $112.50*
- *That level has been triggered.*
- *Target for trade is initially $100*
- *Stop-loss is $115*

AMD - Advanced Micro Devices

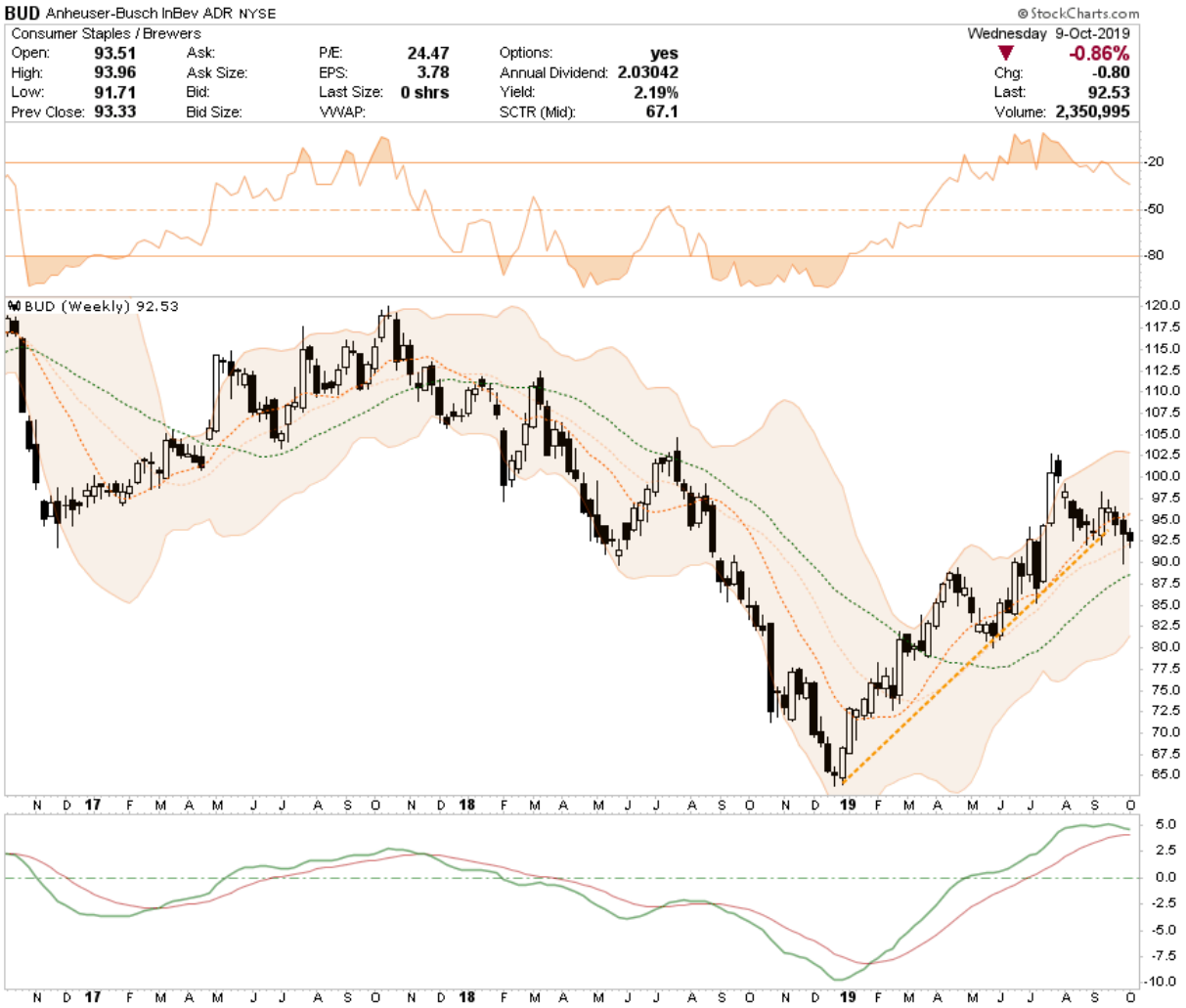
- *We recently suggested a short-position on AMD if it broke below its consolidation pattern and triggered a sell signal. Both have occurred.*
- *Sell short at current levels.*
- *Target for trade is $22*
- *Stop-loss is $30*

FB - Facebook, Inc.



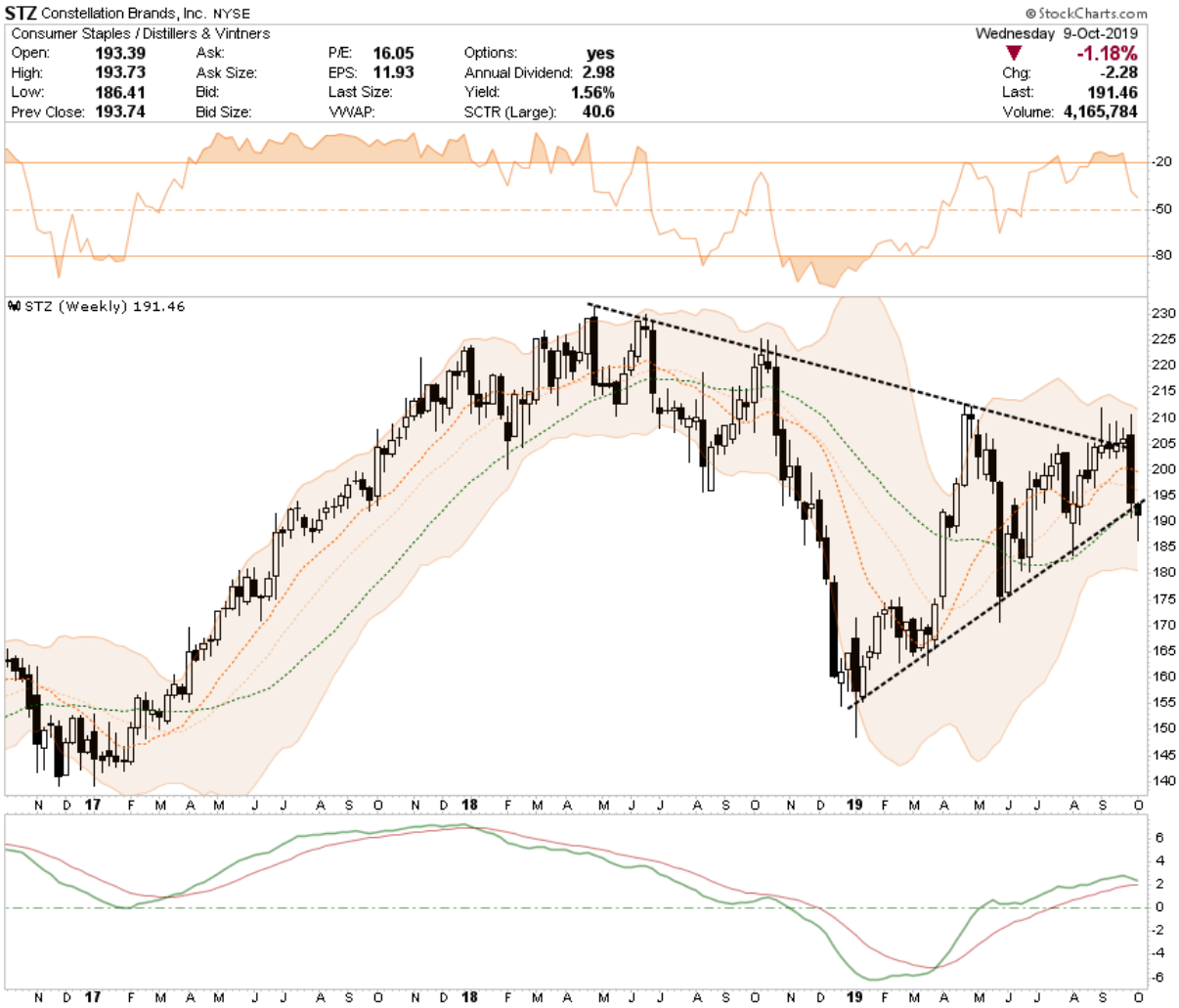
- *Last week, we discussed shorting FB which had been consolidating in a tightening pattern over the last couple of months.*
- *With a "sell signal" now triggered at a fairly high level, downside risk remains decent.*
- *Sell short FB at current levels.*
- *Target for trade is $160*
- *Stop-loss is set to $185*

BUD - Anheuser-Busch InBev



- *BUD had a very good run this year but that now appears to be over.*
- *With the break of the bullish uptrend line, the risk is currently to the downside.*
- *Short BUD on any failed rally to $95*
- *Stop loss is $97.50 after entry.*
- *Target for trade is $80*

STZ - Constellation Brands, Inc.



- *STZ has been in a choppy uptrend from the December 24th lows. We actually like the company and will probably add it back to the portfolio at lower levels.*
- *However, for now, it has broken important support and looks to go lower.*
- *Sell Short at current levels.*
- *Target for trade is $170*
- *Stop-loss after shorting the position is set at $195*