The selected portfolio position review is something we will produce regularly on alternating weeks along with a sector review and major market review. Each report will contain a chartbook of either major financial markets, market sectors, or individual equities to review the underlying technical conditions for potential opportunities and risk management. This helps refine not only decision making about what to own and when, but what to overweight or underweight to achieve better performance.

HOW TO READ THE CHARTS

There are five primary components to each chart if you want to recreate them yourself in the CHARTING application under the RESEARCH tab.

- *The candlestick price chart is bounded by two Bollinger Band studies set at a 50-dma with 2- and 3-standard deviations. The 200-dma is also shown for support and resistance levels.*
- *Below the price chart is a Williams %R indicator set at 14 periods.*
- *The Stochastic indicator at the bottom is set at 14 %K periods, 3 %K smoothing, and 3 %D periods.*

When the indicators are at the TOP of their respective charts, there is typically more risk and less reward available. In other words, the best time to BUY is when the majority of the indicators are at the BOTTOM of their respective channels.



With this basic tutorial let's get to the portfolio position review analysis.

Abbott Laboratories (ABT)



- *ABT has come under a lot of price pressure as of late over baby formula disruptions. The company should have production back up by the end of July.*
- *Currently, ABT is on a very deep sell signal (bottom panels)*
- *ABT recently traded well into 3-standard deviation territory giving us a reasonable entry point.*
- *Short-Term Positioning: Added to the portfolio.*
    - *Buy with a target of $118*
    - *Stop-loss is currently $105*
- *Long-Term Positioning: Neutral*

AbbVie (ABBV)



- *ABBV sold off very quickly with the market. However, this has been a very strong stock over the last several years.*
- ABBV bounced off the 2-standard deviation zone and the oversold condition is getting reversed.
- *The position is heading back into short-term overbought conditions and the 50-dma may provide short-term resistance.*
- *Short-Term Positioning: Holding our position in the portfolio.*
    - *Hold with a target of $155*
    - *Stop-loss is currently $143*
- *Long-Term Positioning: Neutral*

Apple (AAPL)



- *With the Nasdaq under tremendous pressure, AAPL finally gave way to the selling. The company remains fundamentally very strong, however, it is no longer the growth company it once was.*
- *The 50-dma will likely cross below the 200-dma which will provide additional downside pressure.*
- *Apple is very oversold currently and 3-standard deviations below the mean. A reflexive rally in the next few days would not be surprising.*
- *Short-Term Positioning: Holding our position in the portfolio.*
    - *Hold with a target of $160*
    - *Stop-loss is currently $140*
- *Long-Term Positioning: Neutral*

AMD (AMD)



- *AMD had terrific earnings and rallied but gave up those gains last week before bouncing on Friday.*
- *Support is holding at the May lows for now. However, the stock is not nearly as oversold as it was previously.*
- *We are looking to reduce the position further (weight-wise) in the portfolio on a rally.*
- *Short-Term Positioning: Hold And Reflex Rally To Reduce Risk*
    - *Hold with a target of $102*
    - *Stop-loss is currently $84*
- *Long-Term Positioning: Neutral / Bearish*

CostCo (COST)



- *One of my favorite long-term stocks is Costco. This company literally prints money with its membership fees.*
- *The recent selling pressure in the whole market has pulled Costco back to a very oversold level.*
- *Both lower indicators are very oversold and COST is trading 3-standard deviations below its mean.*
- *We are looking to increase the current weighting in our portfolio*.
- *Short-Term Positioning: Bullish - Look to add.*
    - *Buy with a target of $550*
    - *Stop-loss is currently $490*
- *Long-Term Positioning: Bullish*

United Health Care (UNH)



- *UNH has a great demographic story. Millions of "baby boomers" aging in retirement guarantee UNH a long runway of profitability.*
- *The long-term trends remains very positive.*
- *UNH remains deeply oversold and is sitting just above support at the 200-dma.*
- *Short-Term Positioning: Added to the portfolio*
    - *Buy with a target of $520*
    - *Stop-loss is currently* $480
- *Long-Term Positioning: Bullish*

Verizon (VZ)



- *With* a 5% yield and strong fundamentals, I could resist adding VZ to our portfolio for a bit of defensive hedge in a volatile market.
- *Both oversold signals are starting to improve after the recent plunge to 3-standard deviations below the 50-dma just recently.*
- *The sharp plunge lower gives VZ a decent risk/reward profile for a trade.*
- *Short-Term Positioning: Added to the portfolio.*
    - *Buy with a target of $51*
    - *Stop-loss is currently $46*
- *Long-Term Positioning: Neutrol*

Exxon Mobil (XOM)



- *I would be remiss not to cover one of our energy holdings given the sharp advance in these companies over the last year.*
- *The trend is very positive and the 50-dma is trading well above the 200-dma.*
- *Short-term overbought and oversold conditions are not extreme and XOM has some room to retest recent highs.*
- *The current setup is still very positive but an entry point to add exposure is not evident.*
- *Short-Term Positioning: Holding a slightly reduced position in the portfolio.*
    - *Hold with a target of $92*
    - *Stop-loss is currently $78*
- *Long-Term Positioning: Bullish*