

# Technical Review of Stocks

Update — 1 May 2018

## CIO Wealth Management Research

Peter Lee, Chief Technical Analyst, peter.lee@ubs.com, +1-212-713-8888, ext.01



*This report provides technical analysis on stocks that, we believe, are of a wide interest. This list is not a template for the construction of your personal portfolio. You should discuss investment decisions with your Financial Advisor. For more information about this report, see Description and Methodology in the Appendix.*

*We would like to thank Praveen Dodda, an employee of Cognizant Group, for his assistance in preparing this research report. Cognizant staff provides research support services to UBS.*



This report has been prepared by UBS Financial Services Inc. (UBS FS). **Analyst certification and required disclosures begin on page 32.** UBS does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

## Table of Contents

<b>Ticker</b>	<b>Name</b>	<b>Page</b>	<b>Ticker</b>	<b>Name</b>	<b>Page</b>
AAPL	APPLE	4	KO	COCA-COLA CO	16
ABBV	ABBVIE INC	4	MCD	MCDONALD'S CORP	17
ABT	ABBOTT LABORATORIES	5	MDLZ	MONDELEZ INTERNATIONAL INC	17
ACN	ACCENTURE	5	MDT	MEDTRONIC INC	18
AMGN	AMGEN INC	6	MMM	3M CO	18
AMZN	AMAZON.COM INC	6	MO	ALTRIA GROUP INC	19
BA	BOEING	7	MRK	MERCK & CO	19
BAC	BANK OF AMERICA	7	MSFT	MICROSOFT INC	20
BMJ	BRISTOL-MYERS SQUIBB CO	8	NKE	NIKE INC	20
BRK.B	BERKSHIRE HATHAWAY - CLASS B	8	OXY	OCCIDENTAL PETROLEUM CORP	21
CELG	CELGENE CORP	9	PEP	PEPSICO INC	21
CPB	CAMPBELL SOUP CO	9	PFE	PFIZER INC	22
CSCO	CISCO SYSTEMS INC	10	PG	PROCTER & GAMBLE CO	22
CVS	CVS CAREMARK CORP	10	PM	PHILIP MORRIS INTERNATIONAL	23
CVX	CHEVRON CORP	11	SBUX	STARBUCKS	23
DIS	THE WALT DISNEY COMPANY	11	SLB	SCHLUMBERGER LTD	24
FB	FACEBOOK INC	12	T	AT&T INC	24
GE	GENERAL ELECTRIC CO	12	TXN	TEXAS INSTRUMENTS INC	25
GOOGL	ALPHABET INC	13	UPS	UNITED PARCEL SERVICE	25
HD	HOME DEPOT INC	13	UTX	UNITED TECHNOLOGIES CORP	26
HON	HONEYWELL INTERNATIONAL INC	14	V	VISA INC-CLASS A	26
IBM	INTL BUSINESS MACHINES CORP	14	VZ	VERIZON COMMUNICATIONS INC	27
INTC	INTEL CORP	15	WFC	WELLS FARGO AND CO	27
JNJ	JOHNSON & JOHNSON	15	XOM	EXXON MOBIL CORP	28
JPM	JPMORGAN CHASE & CO	16			

The last update on these stocks was published on 29 March 2018. Going forward, our previously published rating for these stocks should not be relied upon.

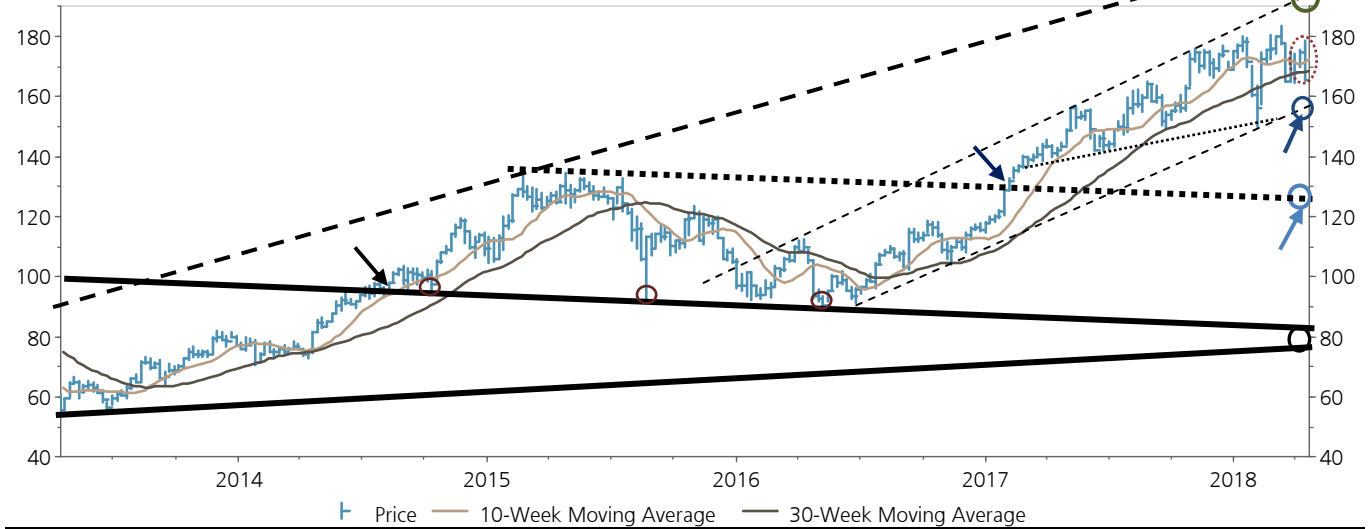
### Changes since last report

<b>Additions</b>	
<b>Ticker</b>	<b>Name</b>

<b>Deletions</b>	
<b>Ticker</b>	<b>Name</b>

<b>Technical Rating Changes</b>			
<b>Name</b>	<b>Ticker</b>	<b>Old</b>	<b>New</b>
PEPSICO INC	PEP	Bullish	Neutral
PHILIP MORRIS INTERNATIONAL	PM	Bullish	Neutral

## Apple Inc (AAPL)

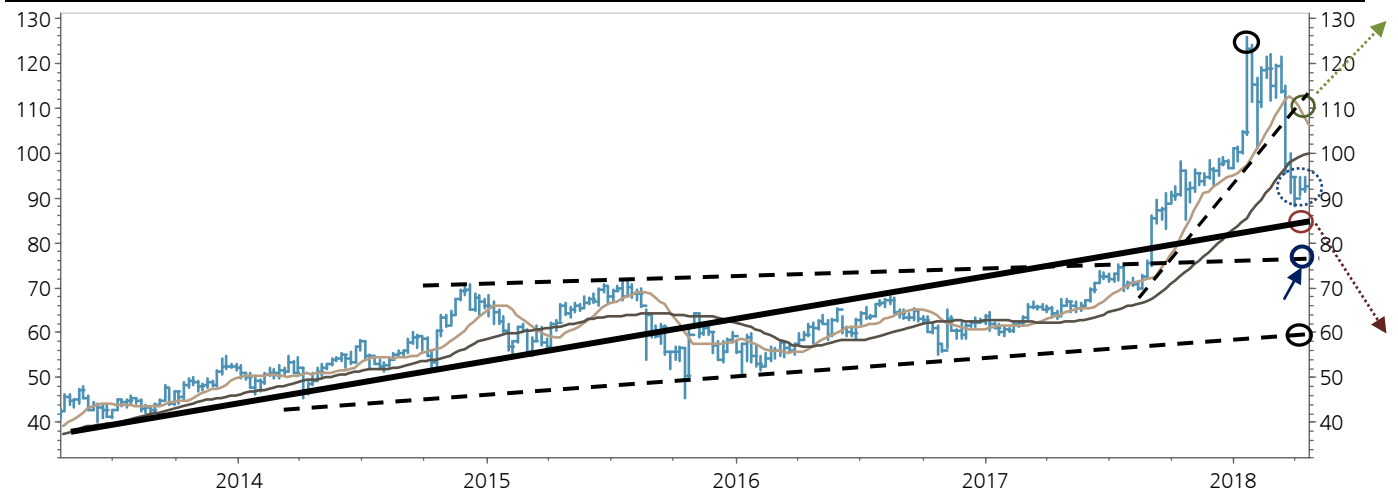


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Technology
158-161/148	151/142-145	134.5-136.5	165-167/170	171/175-177	179-180/183.5	Last Sale Price	\$162.32

**Rationale:** The Feb '17 breakout above 134.54 has achieved its technical target of 180 (Jan/Mar '18). Though higher prices are possible to 190-192 (medium term), 198-200 (intermediate term), and then to 198-200/205-210 (long term), an overbought condition warns of a near-term top. The gap downs (4/19/18, 4/20/18), negative outside week (4/20/18), and recent violation of key initial support at 163-165 warns of a deeper correction toward 158-161 (76.4% retracement from 2018 rally and 23.6% retracement from 2016-2018 rally) and below this to neckline support at 148-151 (Sep '17/Feb '18 lows).

## AbbVie Inc (ABBV)

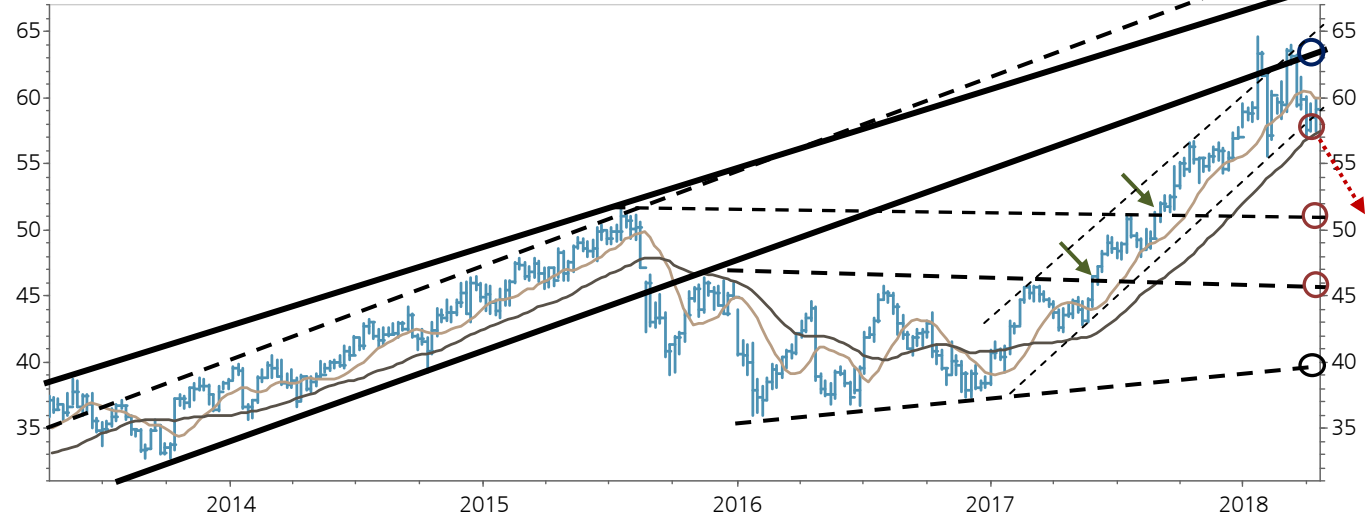


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Healthcare
90.5/86-88	83-84/76-78	69-71.5/63-65	101-103	110-112	122/125.86/130	Last Sale Price	\$98.73

**Rationale:** The recent large gap down on 3/22/18 (104.50-111.73) and the strong selling over the past 10 weeks (-29.91%) have confirmed a near-to-intermediate-term technical breakdown as the 10-wk/30-wk ma (101/103) and Aug '17 uptrend (114.5) have been violated. Although the longer-term trend remains intact, we now expect a consolidation to develop between 85-86 (50% retracement from its 2015-2018 rally) and 101-103 (10-wk/30-wk ma and the 38.2% retracement from 2018 decline). A bearish flag/pennant formation has developed. Above 95 negates flag. Below 88 confirms a breakdown.

## Abbott Laboratories (ABT)

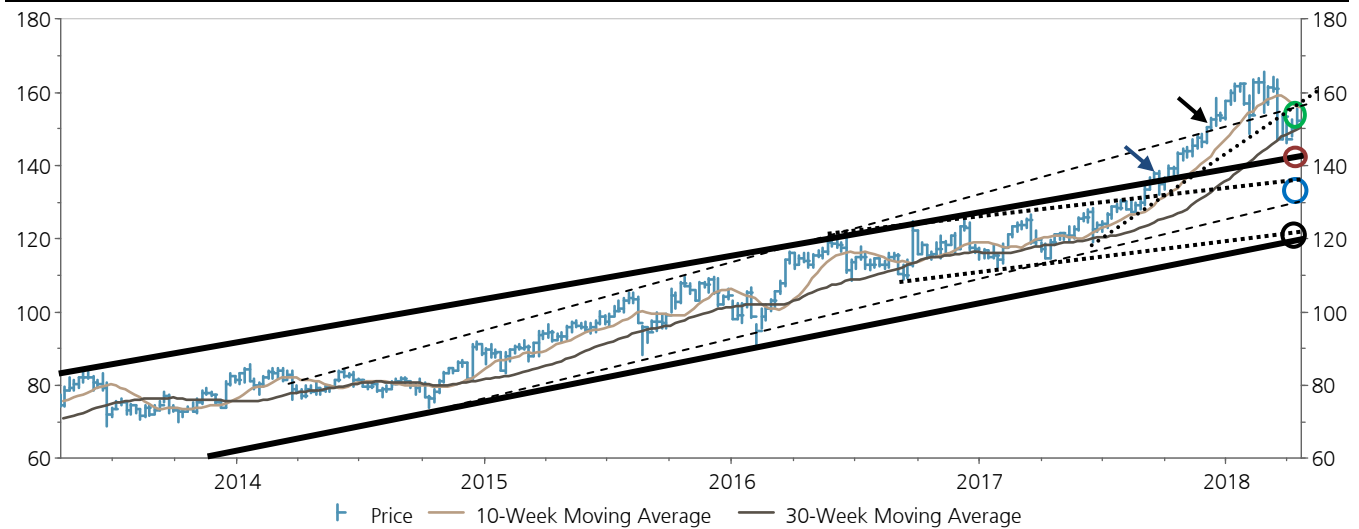


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Healthcare
57-59/54-55	50-51/47-48	43-44/37-38	60/63.5-64.5	67-68	74-76	Last Sale Price	\$59.56

**Rationale:** A number of technical breakouts including the Jun '17 ascending triangle breakout above 46-47 and the recent 2016 channel breakout above 59-60 have quickly achieved technical targets at 56-57 (near term) and 59-61 (medium term). On a near-term basis, a small symmetrical triangle pattern has developed between 56-57 and 63.5-64.5. A convincing move above 64-64.5 renders technical targets to 63.5-64.5 (near term), 67-68 (medium term), and then 74-76 (intermediate term). A breakdown below 57-59 warns of a deeper correction to the mid-50s (Nov/Dec '17 and Feb '18 lows) and then the low-50s.

## Accenture PLC (ACN)

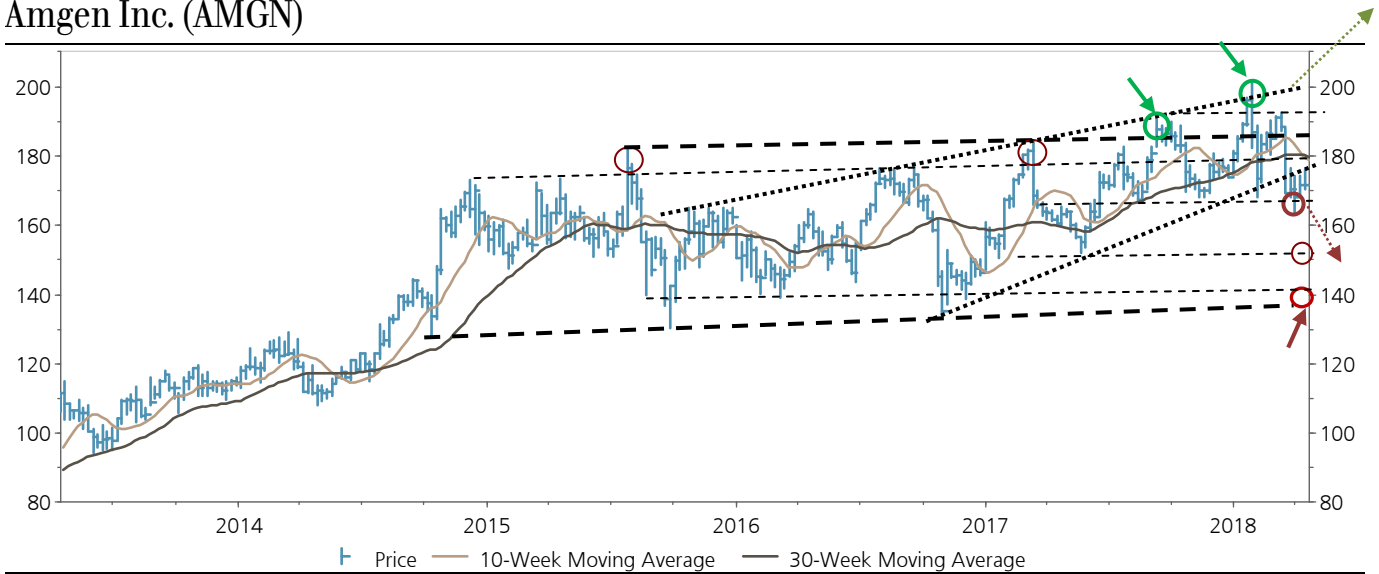


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Technology
146-149/143	144/137-138	130-132.5/126	158/162.5	165.5/172-173	184-186	Last Sale Price	\$152.39

**Rationale:** Despite the near-term volatility this year, ACN remains in well-defined uptrend channel dating back to 2008/2009 timeframe. The technical breakouts last year above 126-127 (Jun/Jul '17) and above 136-137 (Sep '17) are significant as they suggest technical targets to 154-158 (near term, achieved), 166-170 (medium term, achieved), and 172-173/184-186 (intermediate term). An overbought condition, convergence of 10-wk/30-wk ma (155/152), and negative outside week (3/2/18) warn of a consolidation to initial support at 146-149 (Feb/Mar '18 lows) and below this to 143-144/137-138.

## Amgen Inc. (AMGN)

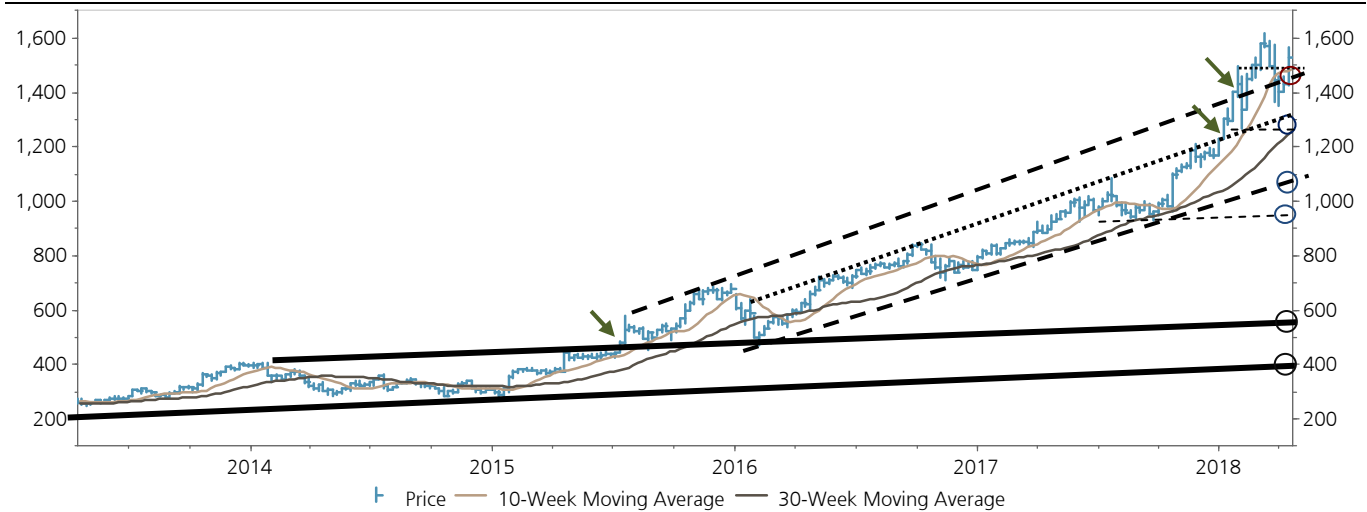


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Healthcare
167-168	163.31/159.5	150-152/139	178-179/182	184/191-193	197-201	Last Sale Price	\$177.46

**Rationale:** The Sep '17 breakout above 182-184 may have been a false one. Failure to maintain above its breakout, coupled with a 2-year rising wedge breakdown (below 175 – Feb '18) as well as the potential for a 1-year head/shoulders top and a negative outside week (2/2/18), warns of a correction to key neckline support at 167-168 (Aug/Nov '17 and Feb/Mar '18 lows). A breakdown here would confirm a top and force upon a technical downgrade of its intermediate-term. This breakdown renders next downside risks to 159.5 and then to 150-152. Key initial supply is at 178-179 (10-wk and 30-wk ma).

## Amazon.com Inc. (AMZN)

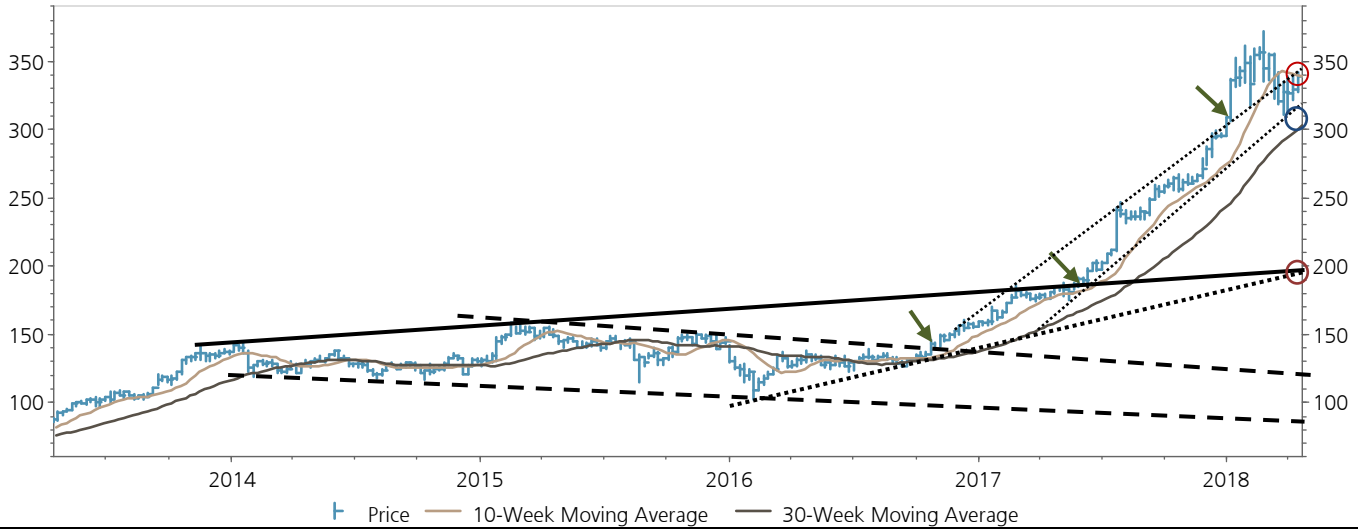


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Cons. Disc.
1400/1353	1255-95/1194	1213/1083-94	1617.54	1638	1700-1730	Last Sale Price	\$1,572.62

**Rationale:** The recent 2-year uptrend channel breakout in Nov '17 above the top of its channel (1,150-1,160), coupled with the recent breakout above the late-Nov '17 highs (1,213.41), is technically significant as this triggered a rally to new all-time highs as a number of key technical targets have been achieved including 1,400s, 1,500s, and 1,600s. Nonetheless, the relative strength and price momentum trends continue to support higher prices, over time. A breakout above Apr '18 high (1,568.52) renders a retest of 1,617.54 (all-time highs) and then 1,700-1,730. Key supports: 1,400/1,353 and then 1,255-1,295 (prior breakout/30-wk ma).

## Boeing (BA)

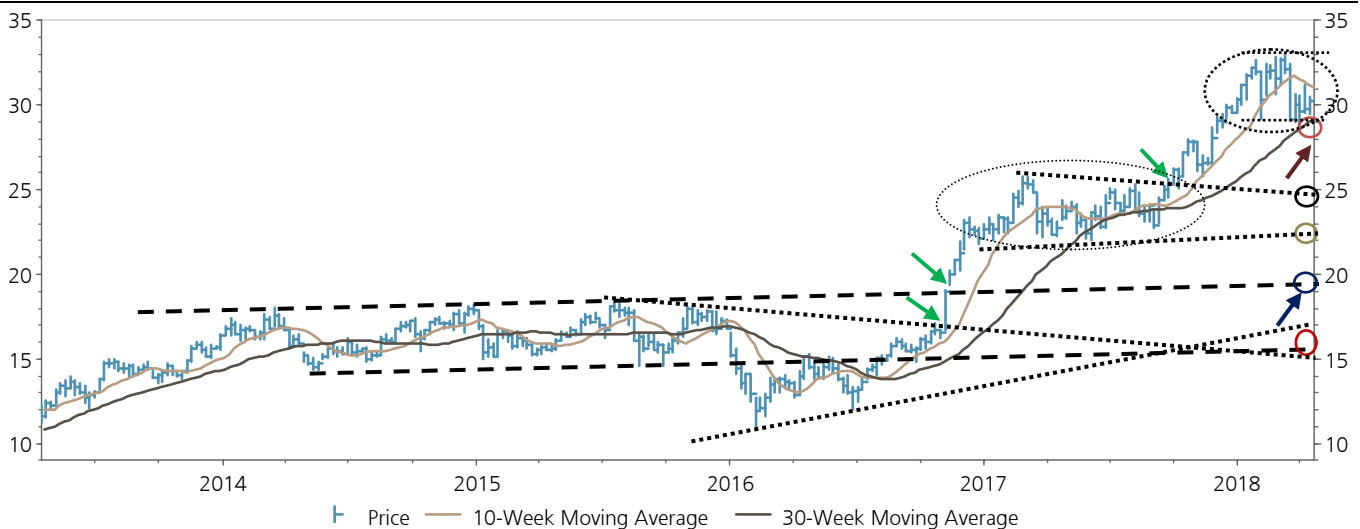


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Industrials
308-318/298	267-269/237	239/221/205	342-348/361	372/400-410	427-430	Last Sale Price	\$340.88

**Rationale:** The sharp rally over the past 2 years (264% gain) has slowed soon after recording an all-time high (371.60, Mar '18). Although a breakout above this all-time high still renders intermediate-term technical targets to 400-410 and then to 427-430, over time a negative outside week (3/2/18) triggered a correction toward key initial support at 308-318 (Feb/Mar '18 lows, 23.6% retracement from 2016-2018 rally, Sep '17 uptrend and 30-wk ma). Secondary support is also at 267-268 (38.2% retracement/Dec '17 breakout). Key resistances: 342-348/361-372.

## Bank of America Corp (BAC)



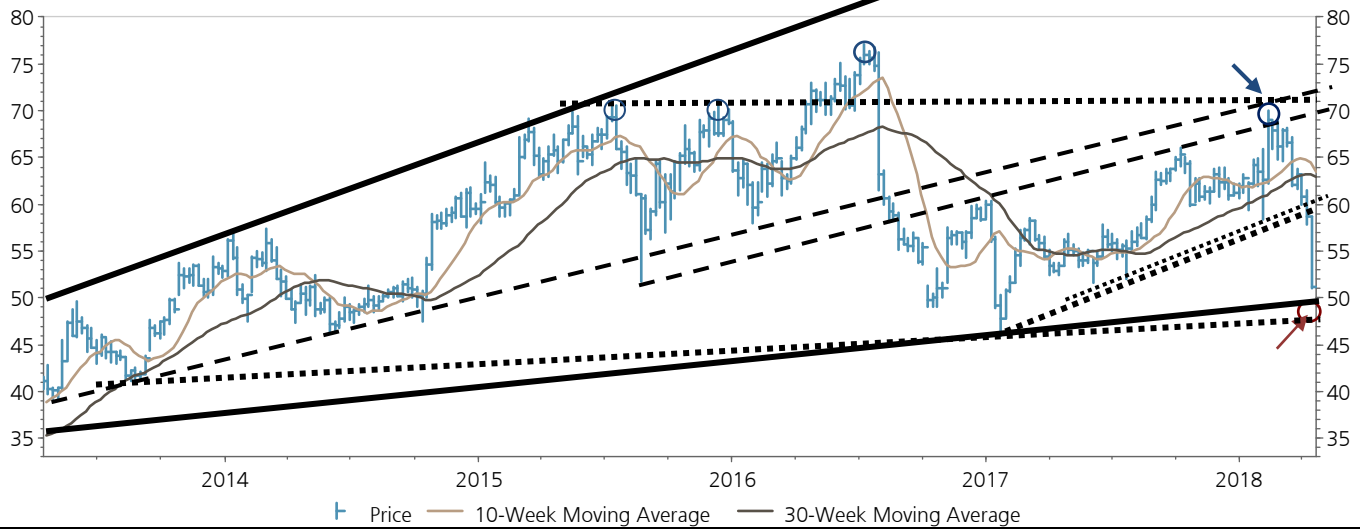
Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Financials
28.5-29.5	28/26-26.5	25/22-23	30.5-31/32.5	33/35/37/38.5	39.5/41-42.5	Last Sale Price	\$30.15

**Rationale:** The late-2017 triangle breakout above the mid-20 (25) has triggered a strong rally that achieved many of our technical targets. Though an overbought condition is developing into this rally, higher prices are still possible above 33, suggesting technical targets to 35/37 (medium term), 38.5-39.5 (intermediate term), and 41-42.5 (longer term). A negative outside week (3/2/18) and failure to surpass 32.5-33 (top of its Aug/Sep '17 uptrend channel) warn of another near-to-medium-term trading range between 28.5-29.5 (30-wk ma and the Feb/Mar/Apr '18 lows) and 32.5-33 (Feb/Mar/Apr '18 highs).



## Bristol-Myers Squibb Co (BMY)

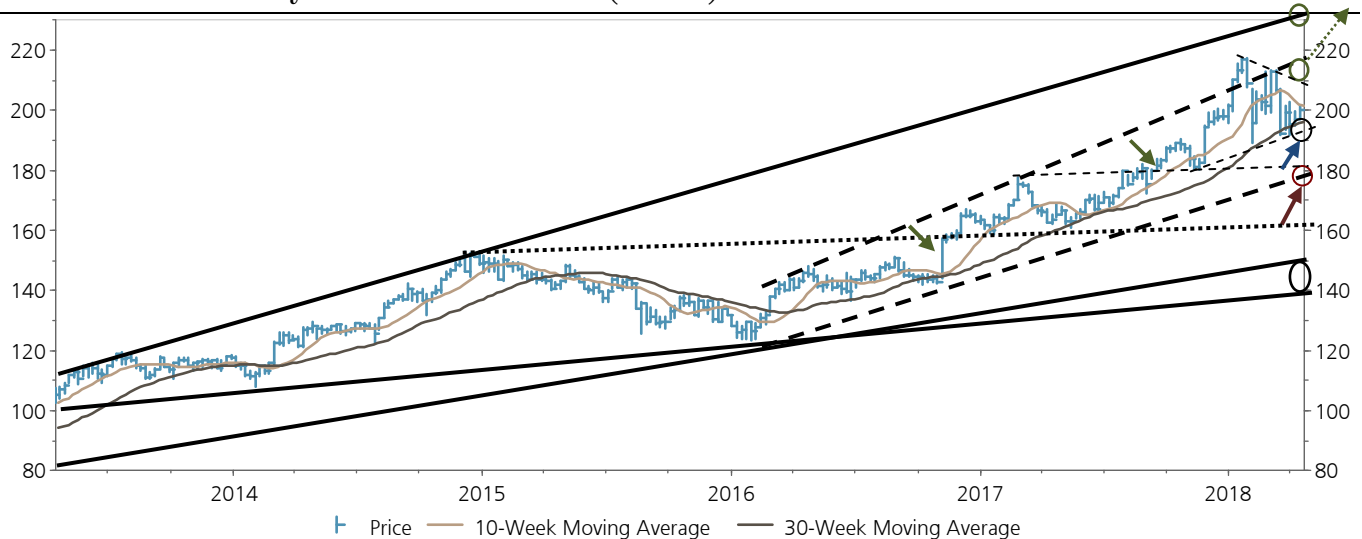


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Healthcare
49-51.5/46	46.5/39-41/35	36/30-31	57-58/61-62.5	65-66/69-71	75-77/79.25	Last Sale Price	\$52.27

**Rationale:** This healthcare name has been in a trading range for the past 4 years between mid-to-high 40s and mid-to-high 70s. A recent breakdown below its 1-plus year uptrend channel at 61-62 (Apr '18) has triggered a sharp decline to major support along 49-51 (pivotal 2008 uptrend and Jun '17 lows). The ability to find support here confirms a major bottom and can trigger a recovery to initial supply at 57-58 and then to 61-61.5 (10-wk/30-wk ma and prior breakdown). Below 49-51 warns of a decline to 46-46.5 (2014/2017 lows/50% retracement from 2008-2016 rally).

## Berkshire Hathaway Inc. – Class B stock (BRK.B)



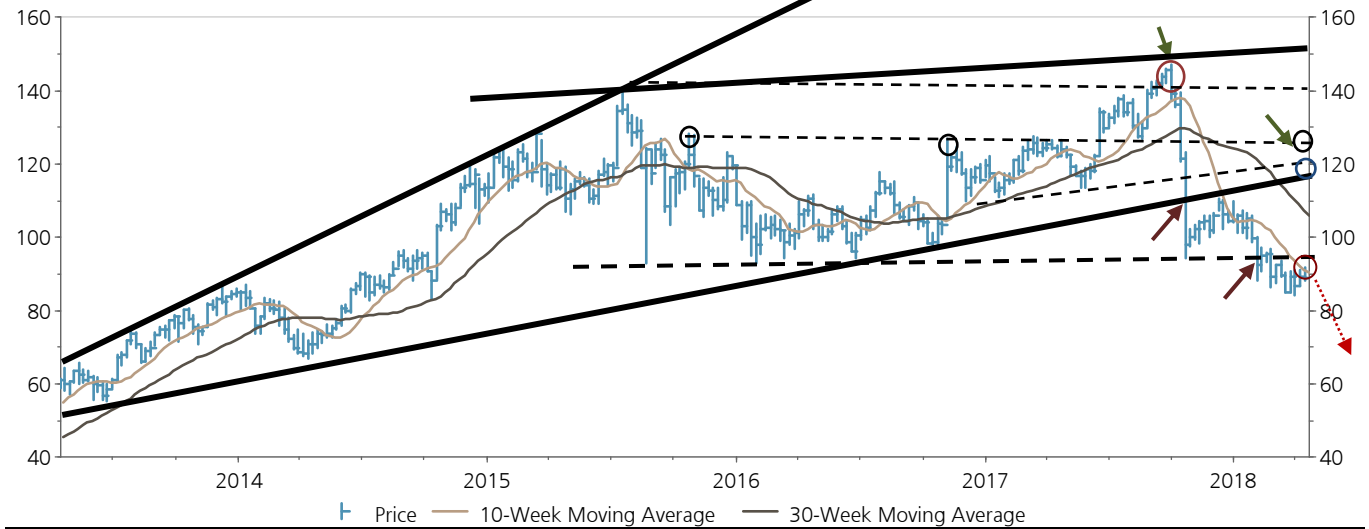
Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Financials
189-193/178	180/171-173	161-165/149	203-204/209	213/217/227	229/235-237	Last Sale Price	\$197.23

**Rationale:** This leadership financial name has broken out of its 18-year internal trend line during Mar '17. This breakout and a subsequent 2-plus year accelerated channel breakout in Jan '18 suggest technical targets to 217-218 (near term, achieved), 227-229 (medium term), and then to 235-237 (intermediate term). However, a consolidation (triangle pattern) has developed over the past 4 months between 189-193 and 209-213. Since the height of the triangle is nearly 28 points, a breakout above 209-213 renders upside to 235-237. On the other hand, a breakdown below 189-193 warns of down risks to 161-165.



## Celgene Corp. (CELG)

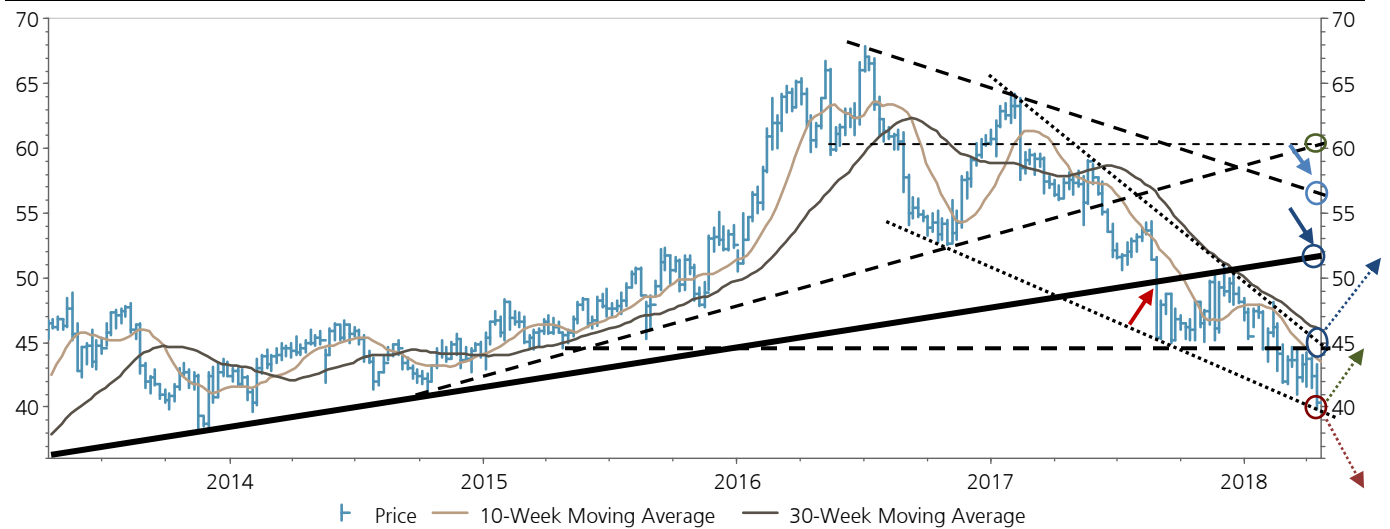


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bearish
First	Second	Third	First	Second	Third	Sector	Healthcare
84.25-84.95	74-75/66.85	61-62/55-57	93-95/99-101	108-111/116	119/123-127	Last Sale Price	\$91.18

**Rationale:** The broadening top/rising wedge breakdown below 108 (Oct '17) and the Feb '18 head/shoulders top breakdown below neckline support at 93-94.5 (2015/2016/2017 lows) confirm a top and warns of downside to 74 (61.8% retracement from its 2012-2017 rally and top of 2000 trend line), 66.85 (Apr '14 lows), and then 57 (76.4% retracement from its 2012-2017 rally). However, the ability to maintain above 84.25-84.95 (Mar/Apr '18 lows) may trigger an oversold rally to 93-95 (Feb '18 technical breakdown) and above this to 99-101 (30-wk ma and 23.6% retracement from the 2017-2018 decline).

## Campbell Soup Co. (CPB)

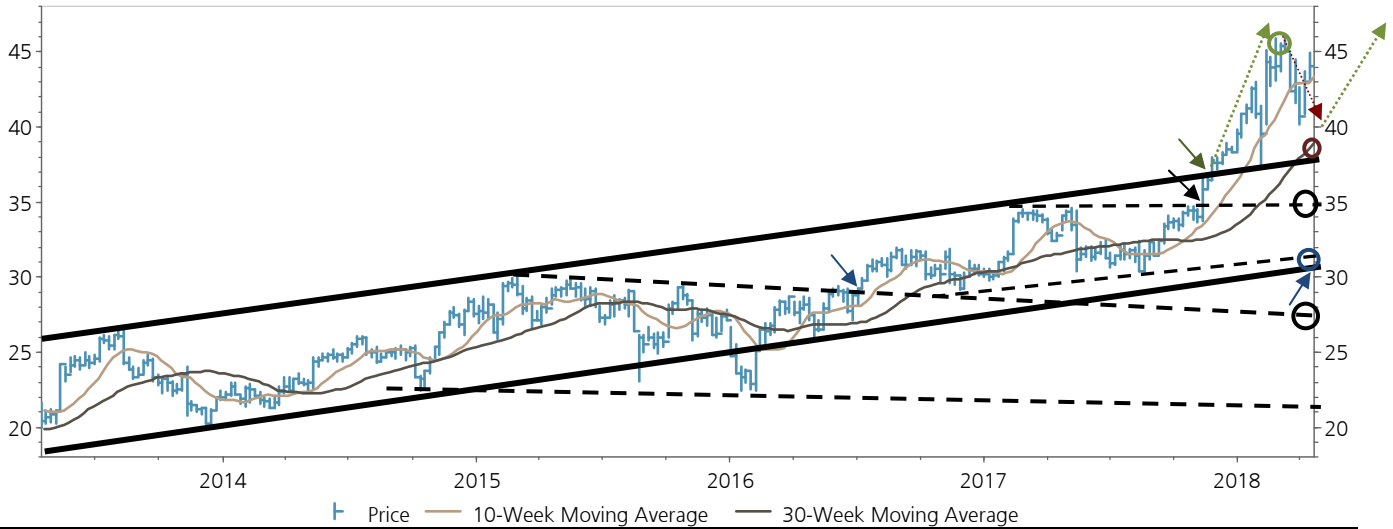


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Cons. Staples
40-41/38	35-36	30-31	43-44/46/50-51	54-57/61-63	67.89	Last Sale Price	\$42.08

**Rationale:** The 39.79% decline in the past 2 years and the 22.09% setback this year has created a deeply oversold condition. The ability to maintain above 40-41 or the bottom of a 2-year falling wedge pattern and the 61.8% retracement from 2009-2016 rally can trigger an oversold technical rally to key initial resistance at 43-46 or to the top of the wedge, 10-wk/30-wk/10-mo ma and the Jan/Feb '18 breakdown. A breakout here renders a retest of 50-51 or Nov/Dec '17 highs and the 38.2% retracement from 2016-2018 decline. Below 40-41/38 warns of the next major decline to the low-to-mid 30s.

## Cisco Systems Inc (CSCO)

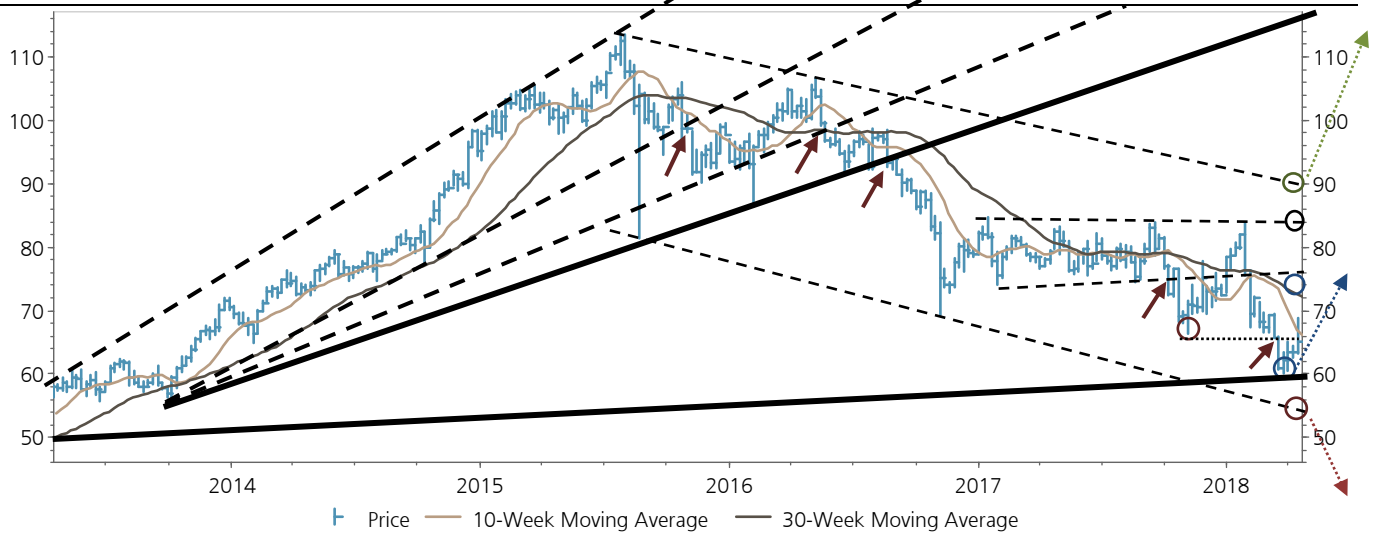


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Technology
42-43/37-38	34-34.5/30-31	27-28/24-25	45-47	50/54-55	58.5-59/64.5	Last Sale Price	\$44.71

**Rationale:** The Nov '17 surge above 35-37 is technically significant as this confirms a 1-year ascending triangle as well as validated a 7-year channel breakout. This accelerated channel breakout suggests technical targets to 43 (near term, achieved), 45-47 (medium term, achieved), 50/54-55 (intermediate term) and then 58.5-59/64.5 (long term). However, a recent failed attempt to clear above the mid-40s warns of a consolidation between 38-40 (30-wk ma, Feb/Apr '18 higher-lows, and the extension of the 2011 uptrend channel) and 45-47 (Mar '18 highs, 50% retracement from 2000-2002 decline, and 2012 channels).

## CVS Caremark Corp. (CVS)

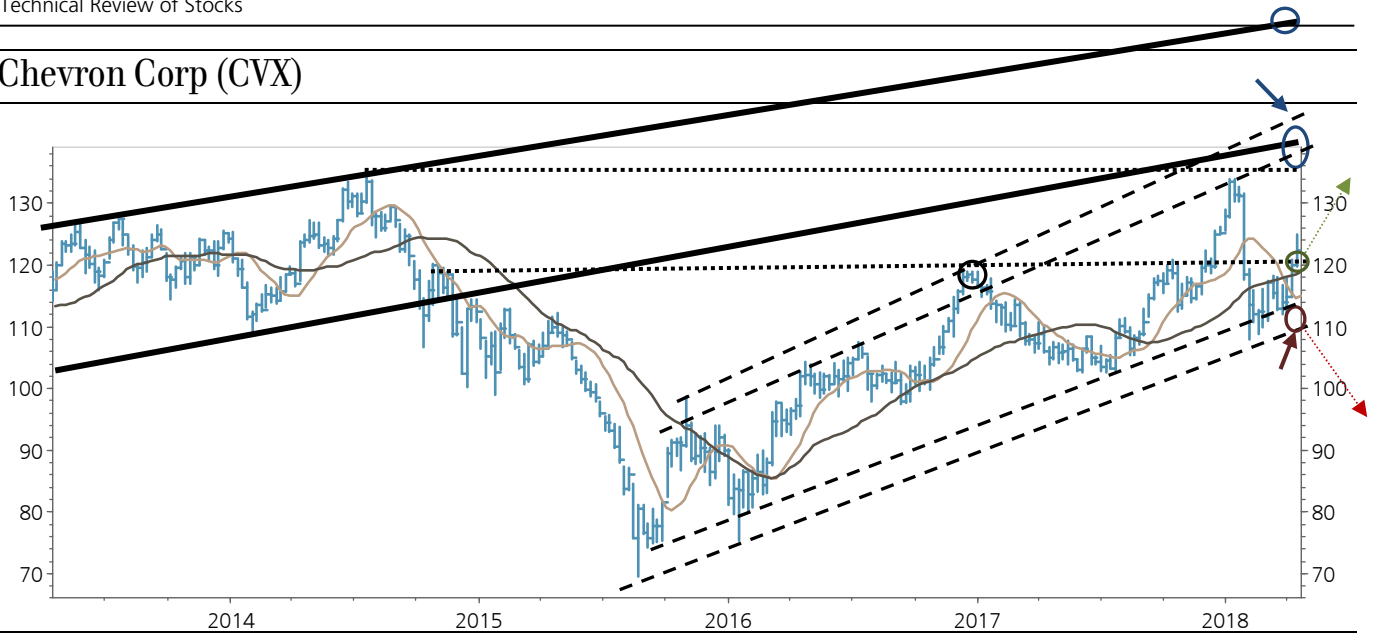


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Cons. Staples
58-60	55-56/45-47	38-39	71/73-75	80-81/83-85	87-89/93	Last Sale Price	\$69.95

**Rationale:** The 47.08% bear decline over the past 2-plus years is nearing a critical stage as it tests major support along the top of its 1998 uptrend channel (60, not shown) as well as the 61.8% retracement (57.75) from its 2008-2015 decline. The ability to find support coupled with an oversold condition may trigger a technical oversold rally toward its recent Feb/Mar '18 breakdown and 30-wk ma (68-71). Above this resistance extends the recovery to as high as 81-83 (38.2% retracement from 2015-2018 decline and the 2017 highs). Below 58-60 warns of a decline to the mid-50s/mid-40s.

## Chevron Corp (CVX)

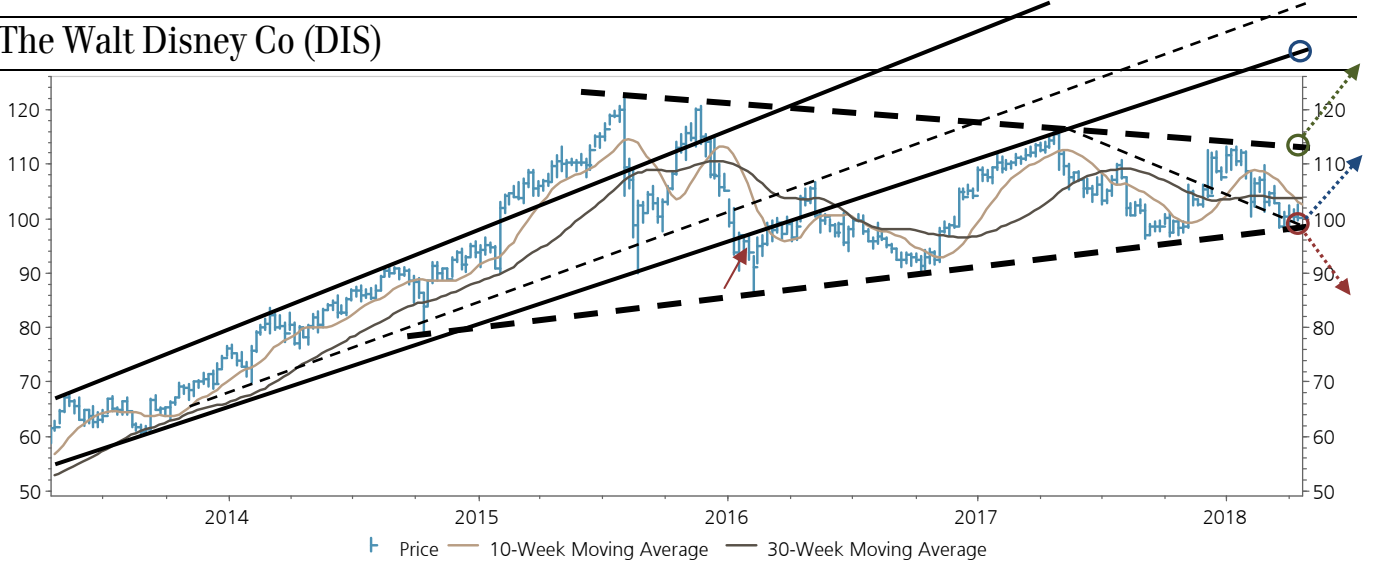


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Energy
117-119	108-110.5	102.5/87-99	133-135/139	142/150	162-167	Last Sale Price	\$126.62

**Rationale:** After declining 48.5% from 2014 to 2015, this energy name have found key support at 69.58 (Aug '15) prompting a strong technical rally that has cleared several key resistances including 119-122 or the 30-wk ma and the left/right shoulders of a potential head/shoulders top. This breakout now suggests a retest of the all-time highs (133.85 – Jan '18) as well as the top of its uptrend channels (139-142). Initial support moves up to 117-119 (10-wk/30-wk ma and the 4/10/18 gap up) and then to 108-110.5 (bottom of 2015 uptrend channel and Feb/Mar/Apr '18 lows). Below 108 confirms a top/breakdown.

## The Walt Disney Co (DIS)

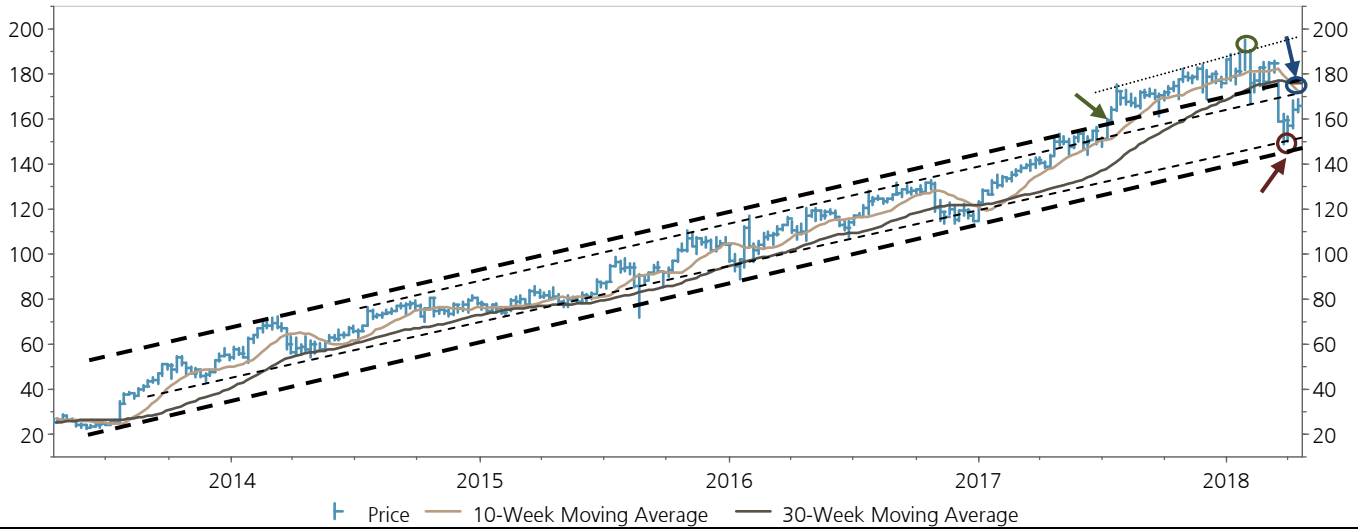


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Cons. Disc.
97-99/96.20	90-90.5/86.25	75-78.54/64/60	102-104/112	113/115.59	120-122/126	Last Sale Price	\$99.23

**Rationale:** A large 3-year symmetrical triangle (between 97-99 and 112-113) is rapidly converging to an inflection point. A negative outside month (Aug '17) and negative outside weeks (10/13/17 and 3/2/18) warn of a retest of key support near the bottom of its 3-year triangle at 97-99. Violation of the Sep '17 lows at 96.20 confirms a breakdown and renders next technical targets to 90-90.5 (Oct '16/Aug '15/Feb '15 lows), 86.25 (2016 lows and the 38.2% retracement from its 2011-2015 rally), and 75-78.5 (50% retracement and Sep '15 lows). A successful test of 97-99/96.20 suggests a rally to 102-104/112-113 (top of triangle).

## Facebook Inc. (FB)

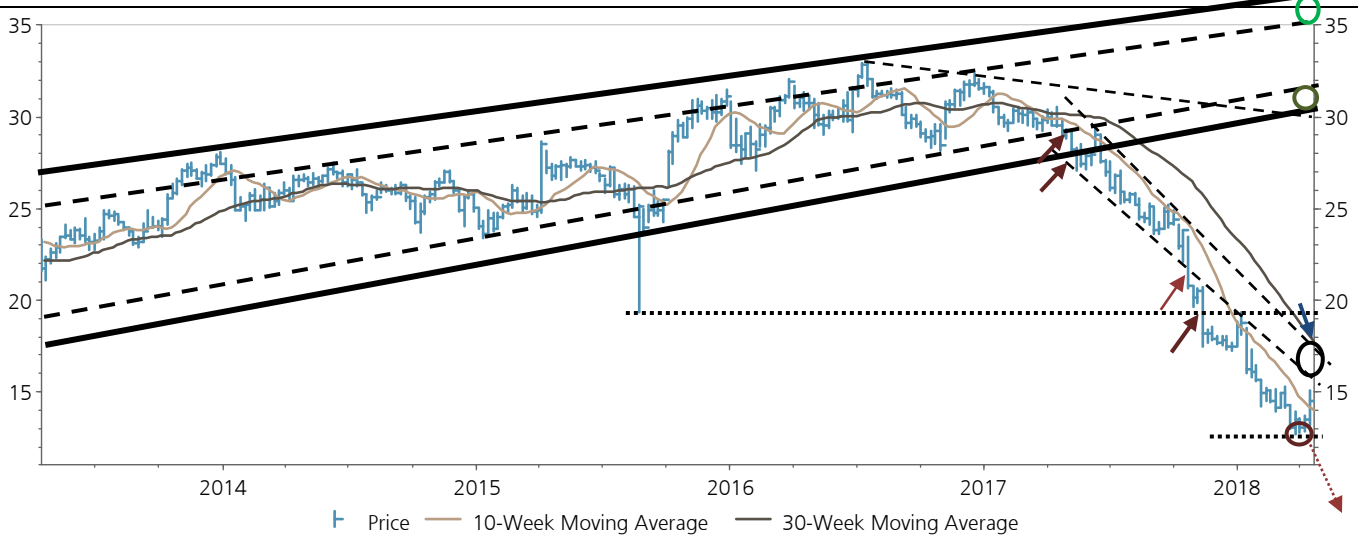


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Technology
149-150/145	132-133	113-115	176-177/181	184-186/190	195/210-212	Last Sale Price	\$173.59

**Rationale:** The 6-year uptrend channel breakout above 147-150 suggests technical targets to 195 (medium term, achieved) and then to 210-212 (intermediate term). However, a negative outside month on Feb '17, violation of the 10-wk/30-wk ma (177.5/177), and the failure to maintain above the top of its 6-year uptrend channel at 167-169 had triggered a 23.70% correction to the bottom of the pivotal 2013 uptrend channel at 149-150. The ability to find support at this crucial support now suggests a trading range trend between 149-150 and 176-177/181 over near-to-medium term.

## General Electric Co (GE)

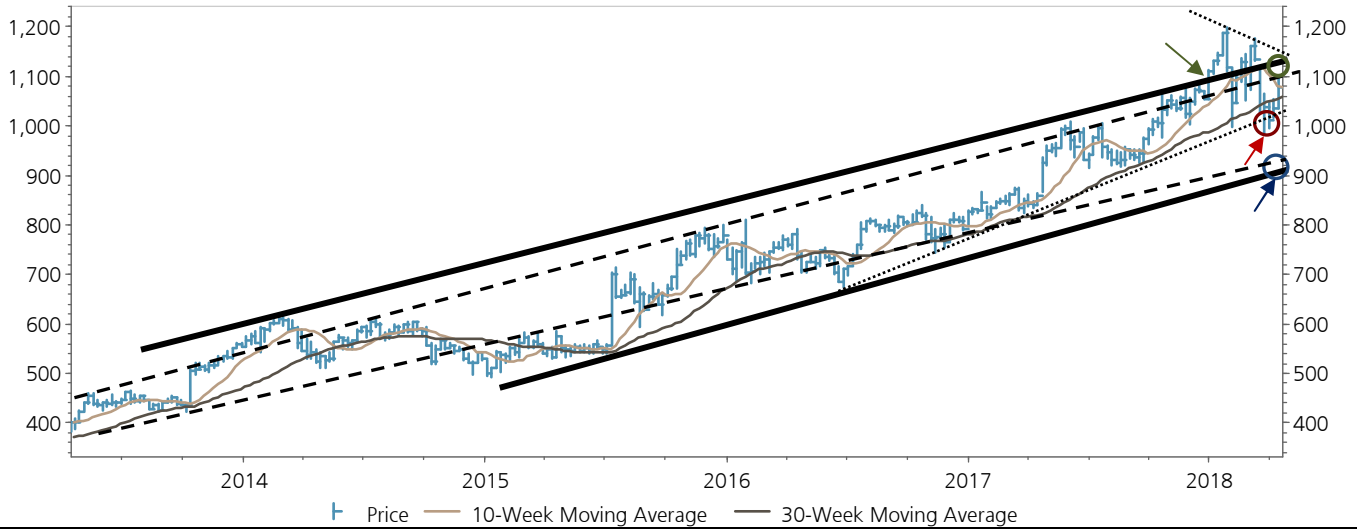


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bearish
First	Second	Third	First	Second	Third	Sector	Industrials
14.6-14.34	12.58-12.73/12	10.5/8.4/5.73	15.05-15.33	17-17.5/19.5-20.5	23-24/25.26	Last Sale Price	\$14.38

**Rationale:** A breakdown below 28/30 (2009 uptrend) confirmed a major trend reversal. After declining 61.42% over the past 88 weeks to 12.73 (Mar '18 low), a potential bottom may be developing near key support at 12.58-12.73 (Nov '08 and Mar/Apr '18 lows). Failure to maintain this support signals the next decline to 12.16 (76.4% retracement from the 2009-2016 rally) and below this to 10.5/8.4 (Jul/Feb '09 lows). The 4/20/18 gap up (14.06-14.34) and Sep '17 downtrend breakout (14.25) suggest another oversold rally to 15-15.33 (Mar/Apr '18 highs) and then to 17-17.5 (30-wk ma/Jan '18 breakdown).

## Alphabet Inc (GOOGL)

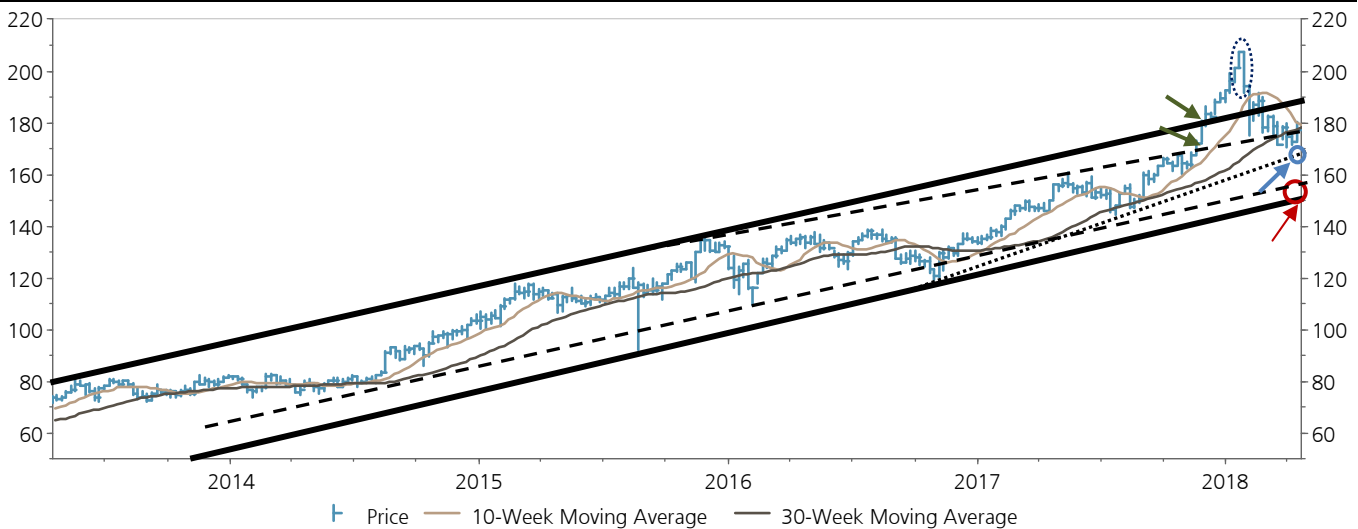


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating
First	Second	Third	First	Second	Third	Bullish
977-997/900	945/839-874	810-818/761	1065-67/1098	1119-1131	1158-78/1198	Sector Technology
						Last Sale Price \$1,031.45

**Rationale:** A 2011/2015 uptrend channel breakout above 1,075-1,080 (Jan '18) led to all-time highs (11,198). But a lack of follow through and a subsequent gap down on 2/2/18 (1,131-1,172), negative outside week (2/2/18), two island reversals (1,119-1,131 on 3/19/18 and 1,064-1,067 on 4/24/18) and a head/shoulders top pattern warn of a correction. Violation of neckline support at 977-997 hints a deeper correction to 900-945 (23.6/38.2% retracements from 2008-2018 from 2015-2018 rally, Aug '17 lows, and 2012/2015 uptrend). Key resistances: 1065 (30-wk ma), 1074-1131 (3/19/18 gap down) and 1178-1198 (2018 highs).

## Home Depot (HD)

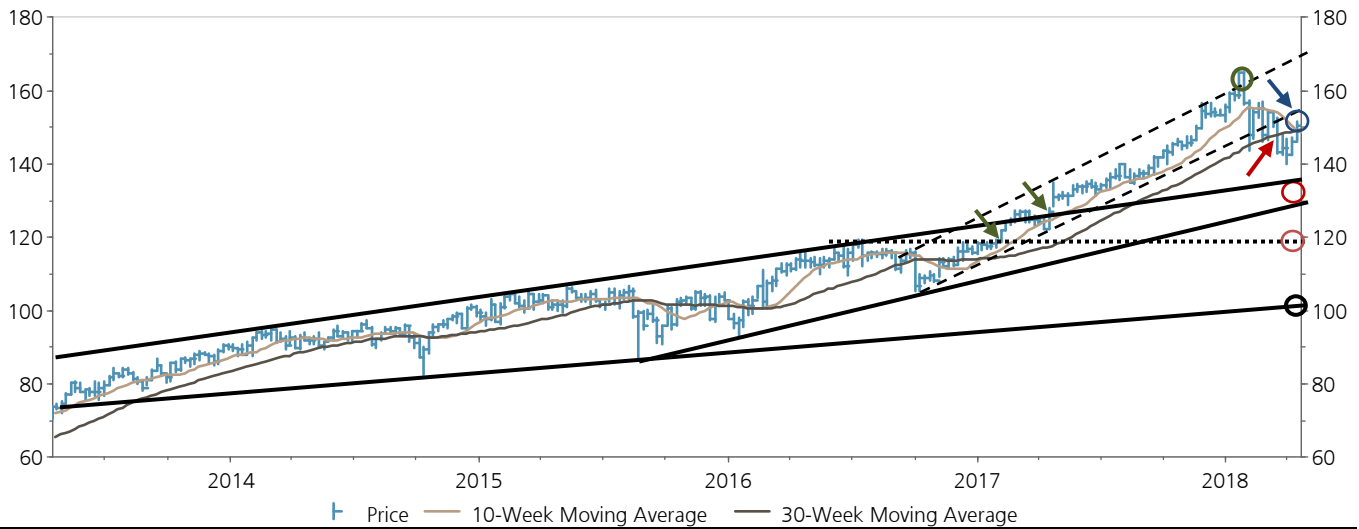


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating
First	Second	Third	First	Second	Third	Bullish
179-181/170	163/153-156	140-143/119.2	189-193	199/207.61	227/239-240	Sector Cons. Disc
						Last Sale Price \$186.46

**Rationale:** A negative outside week on 2/2/18 and failure to maintain above its channel breakout (low-to-mid 170s) led to a 17.91% correction over the past 2 months. The breakout still renders technical targets to 207-208 (near term, achieved), 227 (medium term) and then 239-240 (longer term). Maintaining above key medium-term support at 170-174 (38.2% retracement from 2016-2018 rally and Nov '16 uptrend) confirms the start of the next rally to 189-192 (50-61.8% retracement), 198.5 (76.4% retracement) and 207.23 (2018 all-time highs). Key initial support is 179/181 (10-wk/30-wk ma) and 170-174.

## Honeywell International Inc. (HON)

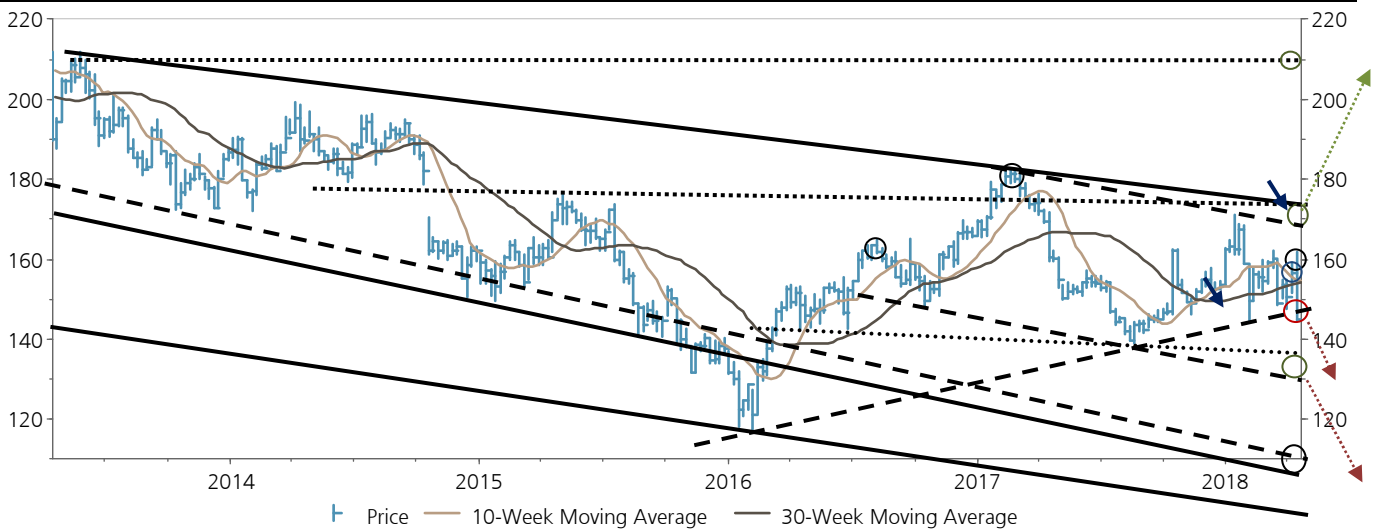


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Industrials
140-142/135	128-131/116	119/105-110	150-152/156	157/165/170	175/179-180	Last Sale Price	\$146.93

**Rationale:** The breakouts on Feb '17 (119-120) and Apr '17 (129-130) render upside targets to 147-153 (2009 uptrend channel breakout target, achieved), and then to 160-165 (top of 2016 uptrend channel, achieved). After achieving targets, negative outside weeks (2/2/18, 3/2/18 and 4/27/18), a violation of the Oct '16 uptrend (149) and a weekly death cross sell signal (4/6/18) warn of a correction to crucial intermediate-term support at 140-142 (38.2% retracement from its 2016-2018 rally and the top of its 2009 uptrend channel). Trading above 150-152 signals the resumption of primary uptrend.

## International Business Machines Corp (IBM)

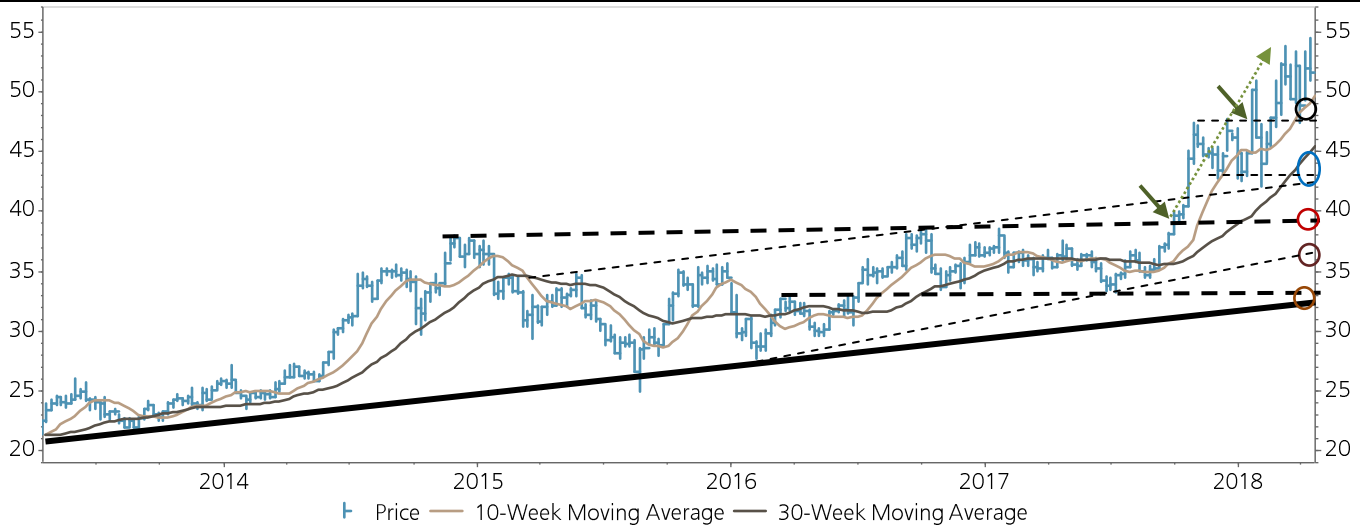


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Technology
139-142/130	132/122-125	116-117/104	153/158/163	170-173/178-	181/193-196	Last Sale Price	\$146.48

**Rationale:** This technology name continues to underperform its tech peers as evidenced by a downtrend channel. Three large gap downs (4/20/17, 7/19/17, 4/18/17), negative outside weeks (12/15/17, 1/19/18, 4/20/18), island reversal (1/19/18) and a 2-year head/shoulders top pattern warn of continued selling pressure. Recent violation of the 2016 uptrend (149) suggests a retest of pivotal neckline support at 139-142 (May/Jul '16/Aug '17 lows). Violation here can trigger the next downturn toward 130-132 (Nov '08 uptrend/bottom of its 2-year downtrend channel) and below this to 122-125 (extension of 1999 breakout).

## Intel Corp (INTC)

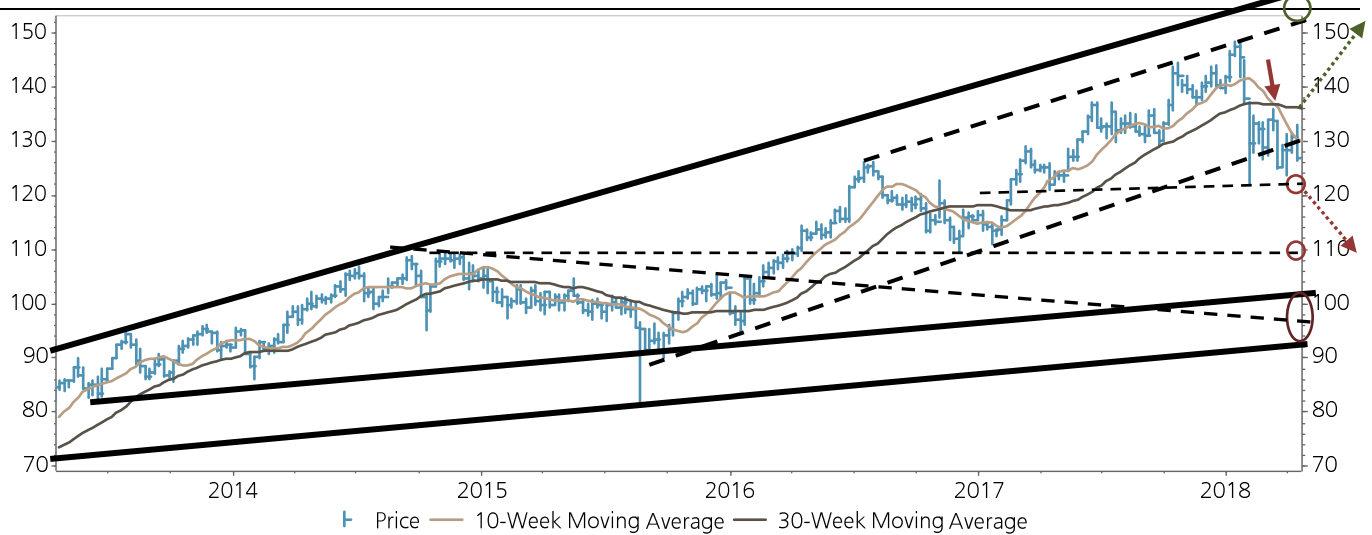


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating
First	Second	Third	First	Second	Third	Bullish
49-50.5/46-	47.5/42-44	38-39/34-35	55-56	59-61/72.5	73.75/75.81	Sector Technology
						Last Sale Price \$52.73

**Rationale:** This semis name has confirmed a major 16-year technical base breakout and a bullish 3-year ascending triangle pattern on a convincing move above key resistance at 38-39 (Oct '17). A subsequent large gap up in 10/30/17 (41.58-43.10) renders upside at 46-47 (near term, achieved), 51.5 (medium term, achieved), 59-61 (intermediate term), and 72.69-73.75 (long term). However, the semiconductor index (SOX) is showing a head/shoulders top. Key initial support is 49-50.5 (10-wk ma/Feb '18 uptrend) and below this to 46-47.5 (30-wk ma/Sep '17 uptrend) and 42-42.5 (Jan/Feb '18 lows).

## Johnson and Johnson (JNJ)



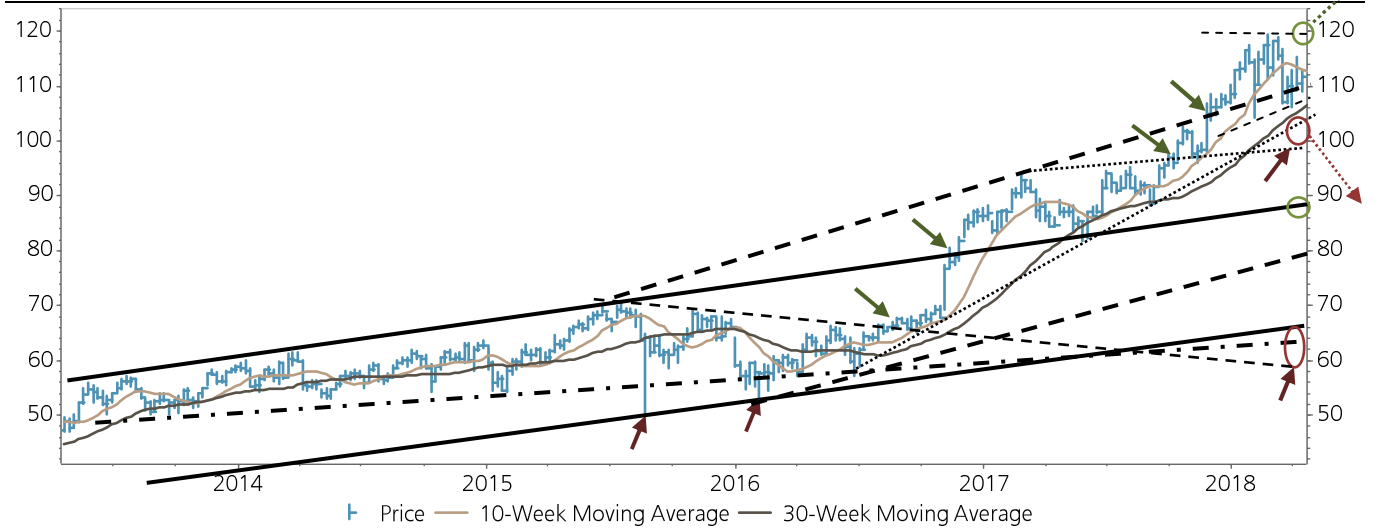
Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating
First	Second	Third	First	Second	Third	Neutral
122-123/115	109-110/105	107/94-97	136-138/143	144/148.32	150-154	Sector Healthcare
						Last Sale Price \$128.27

**Rationale:** The Jan '18 negative outside month, violation of the bottom of its 2016 uptrend channel (127-129), a weekly death cross sell signal, and the potential for a head/shoulders top pattern warn of further volatility. The 17.64% correction earlier in the year has created a near-term trading range between the low-120s (key support) and the mid-to-high 130s (key resistance). The ability to surge above 136-138 helps stabilize the selling and allows for a retest of Oct '17/Jan '18 highs (144.35/148.32). However, violation of 122-123 confirms a top and opens the door for a decline to 110-115 and 105-107.



## JPMorgan Chase & Co (JPM)

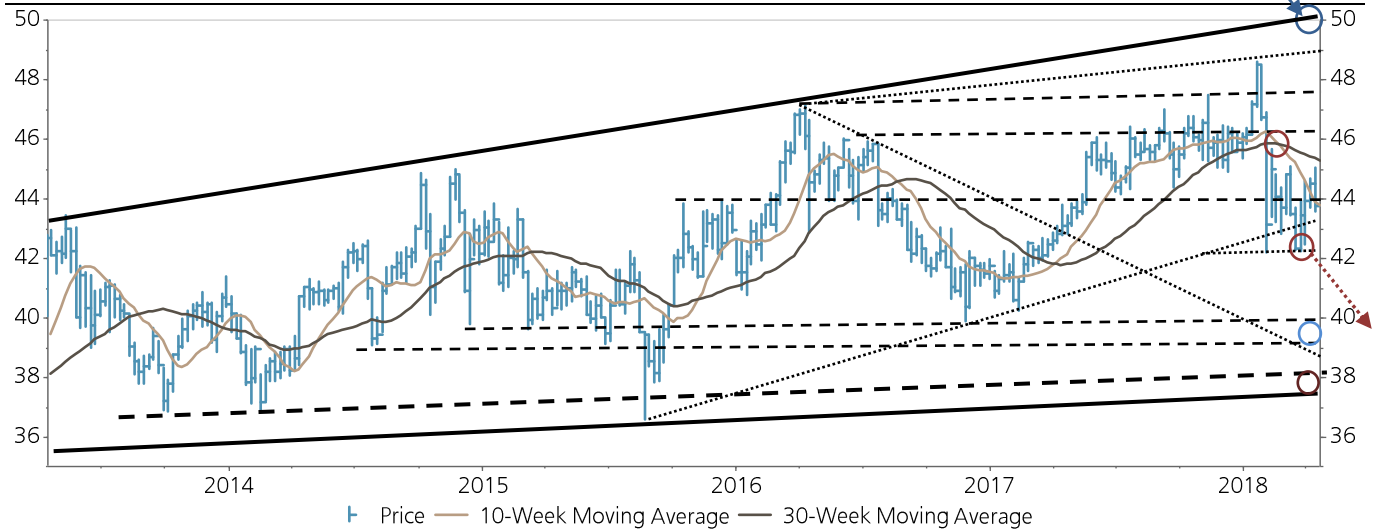


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Financials
104-106/101	102/94-96	88-89/82-83	115/119.3	122-124	133-135	Last Sale Price	\$109.40

**Rationale:** This leading financials name has broken out above key resistances including the top of its 2012/2013 uptrend channel (low-80s), above 94-95 (Mar/Jul '17 highs), and 106-107 (top of its 2015/2017 channel). These breakouts render upside targets to 115-116 (near term, achieved), 119.33 (achieved), 122-124 (medium term), and then to 133-135 (long term). Failure to clear convincingly above 119-124 triggered a pullback to 106, corresponding to the Jan '18 lows. A recent negative outside week (4/6/18) and violation of Feb '18 low (104) can trigger a correction to 94-96 (Nov '17 lows / Sep '17 breakout).

## Coca Cola Co (KO)

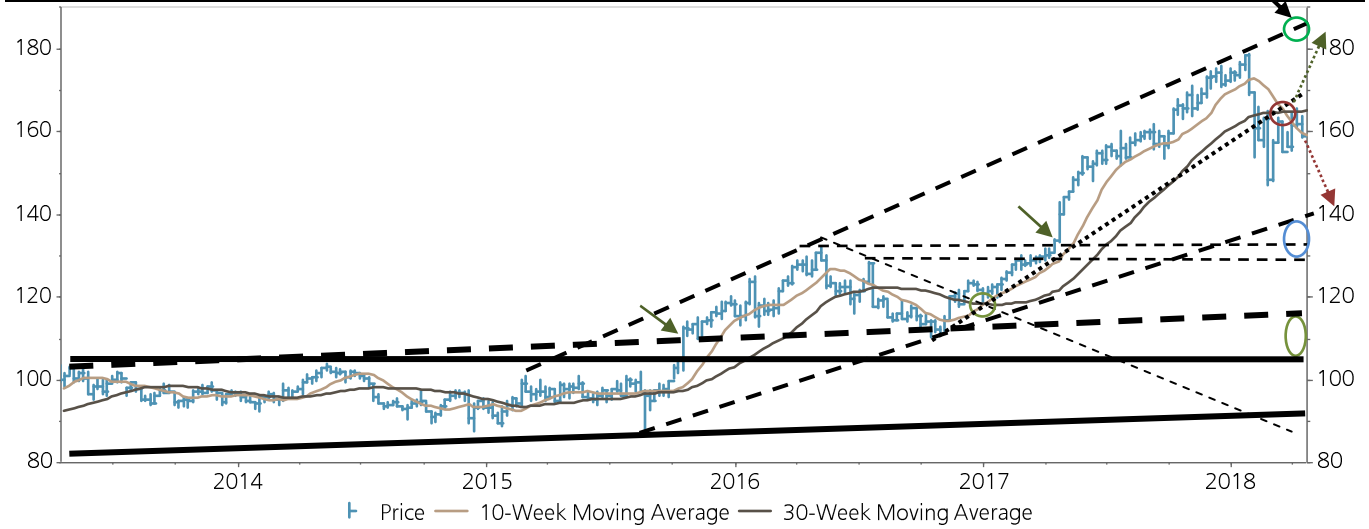


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Cons Staples
42-43	39-40	36-37	44-45/46.5	47.5/48.6	49-50/53-54	Last Sale Price	\$43.31

**Rationale:** The rally from the Dec '16 lows (39.88) has surpassed key resistances at 46-46.5 (Jun '16 / Jul '17 highs), 47.13 (Apr '16 highs) but abruptly stalled in Jan '18 at 48.62, coinciding with the extension of the 2013/2016 uptrend (49-50). Negative outside weeks (3/16/18 and 4/20/18) and a weekly death cross sell signal (2/23/18) have led to the decline to 42-43 (Feb '18 lows/2015 uptrend). A breakdown here confirms a trend reversal rendering downside risks to 39-40 (2017 lows) and below this to 36-37 (2014/2015 lows). Key initial resistance is at 44-45 (10-wk/30-wk ma, Feb '18 breakdown, and the Mar/Apr '18 highs).

## McDonald's Corp (MCD)

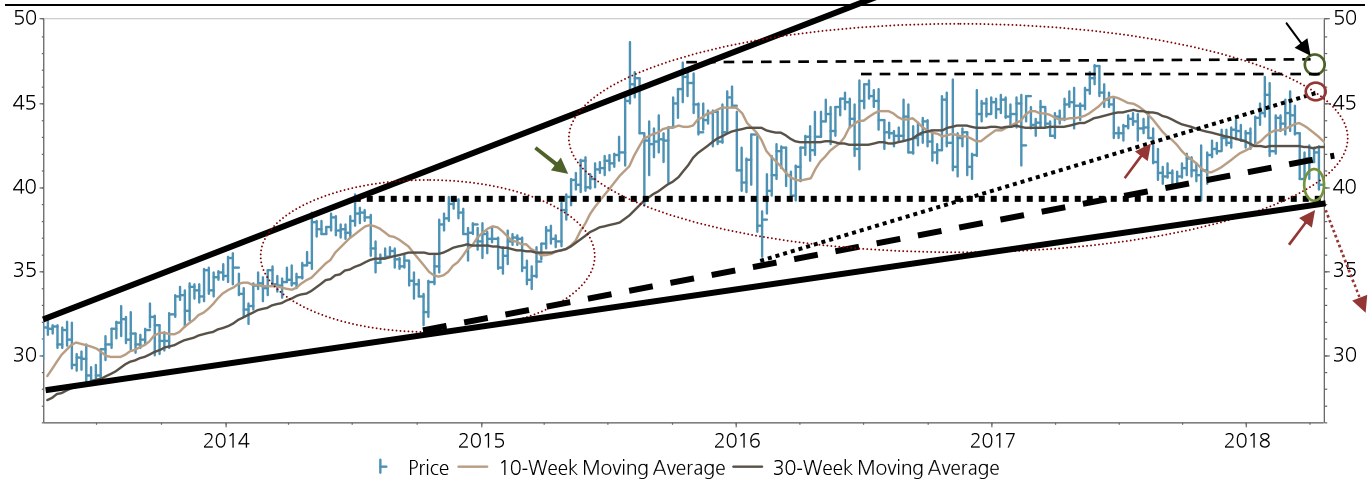


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Cons. Disc.
155/145-147	136-137	132/129	165-166/171	176/179-180	186	Last Sale Price	\$158.30

**Rationale:** The breakout above May '16 high at 131.96 in Apr '17 quickly met its targets at 164-165 (medium term, achieved) and 169-170 (intermediate term, achieved). Failing to clear above the top of its 2015-2016 uptrend channel, coupled with violation of its 2016 internal trendline (165-166) and negative outside month (Jan'18), triggered a sharp decline to 146.84, coinciding with Jun'17 lows. Breakdown here warns of a correction to 136.5 (61.8% retracement from 2016-2018 rally) and below this to 132 (May'16 high). Key resistance is at 165-166 (30-wk ma) and then to 176-179 (all-time highs).

## Mondelez International Inc (MDLZ)

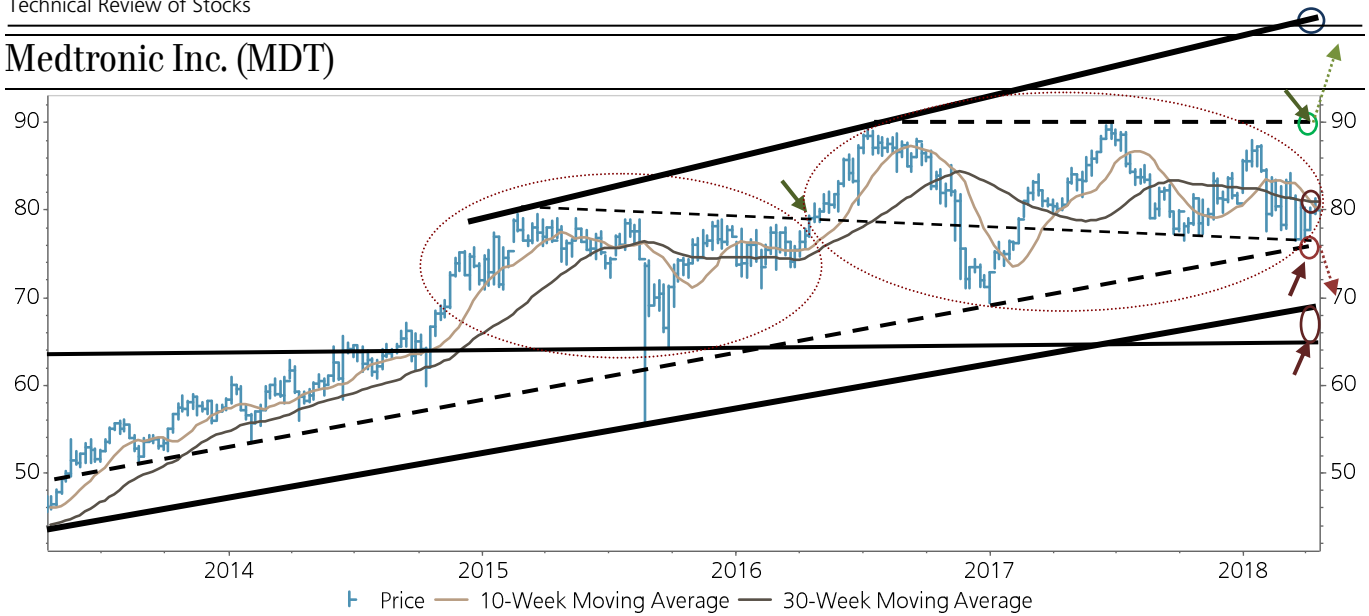


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Cons. Staples
39.19-40	35-36/33.97	31.83-32	42-43/45-46	47.23-47.42/49	55-59	Last Sale Price	\$39.93

**Rationale:** A major base breakout in Mar '13 above 28.76 confirms a long-term bullish trend. Since then MDLZ has progressed higher until recording a new all-time high in Jul '14 (39.54) and again in Aug '15 (48.58). However, recent failure to surpass the key supply (48.58), coupled with a negative outside month (Feb'18), has led the decline to low-40s (late-2016/2017 lows). Violation of the key support in the high-30s would confirm a top and forces upon a technical downgrade of its medium-term trend and suggests a decline toward 35-36 (Feb '16 lows) and then to 33.97 (Mar '15 lows).

## Medtronic Inc. (MDT)

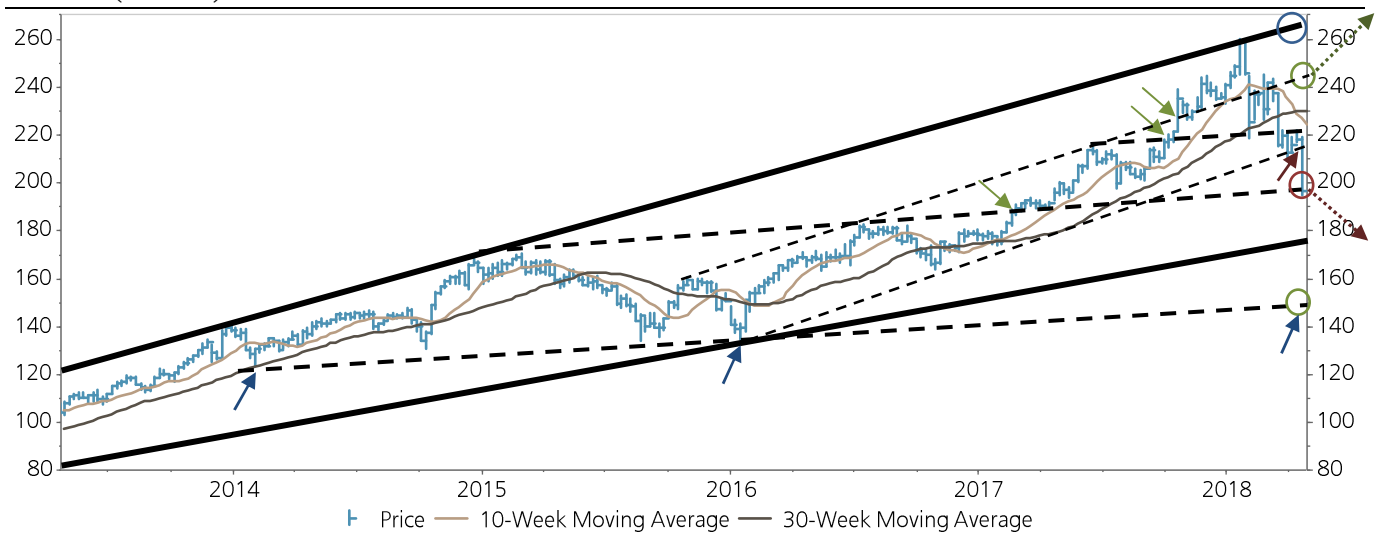


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Healthcare
75-76.5	70-71	69.35/65.50	84/89.72	93-95/97	102-103	Last Sale Price	\$81.29

**Rationale:** The rally from the Jan '17 lows has stalled near 89.72, coinciding with the Jul '16 highs. Deteriorating relative strength (vs SPX) and negative outside week (2/2/18) led to a 13.1% correction from Jan'18 highs (87.93) to its Mar'18 lows (76.41). The ability to find support in the mid-70s has triggered a rally to low-80s and above this to mid-80s. However, violation of Oct '17 lows (76.5), 2014 uptrend (75-76), and a weekly death cross sell (4/6/18) warn of downside risks to high-60s to low-70s (Jan'17/ Dec'16 lows). On the other hand, a breakout above 89.72 (Jul'17 highs) signals the resumption of uptrend.

## 3M Co (MMM)

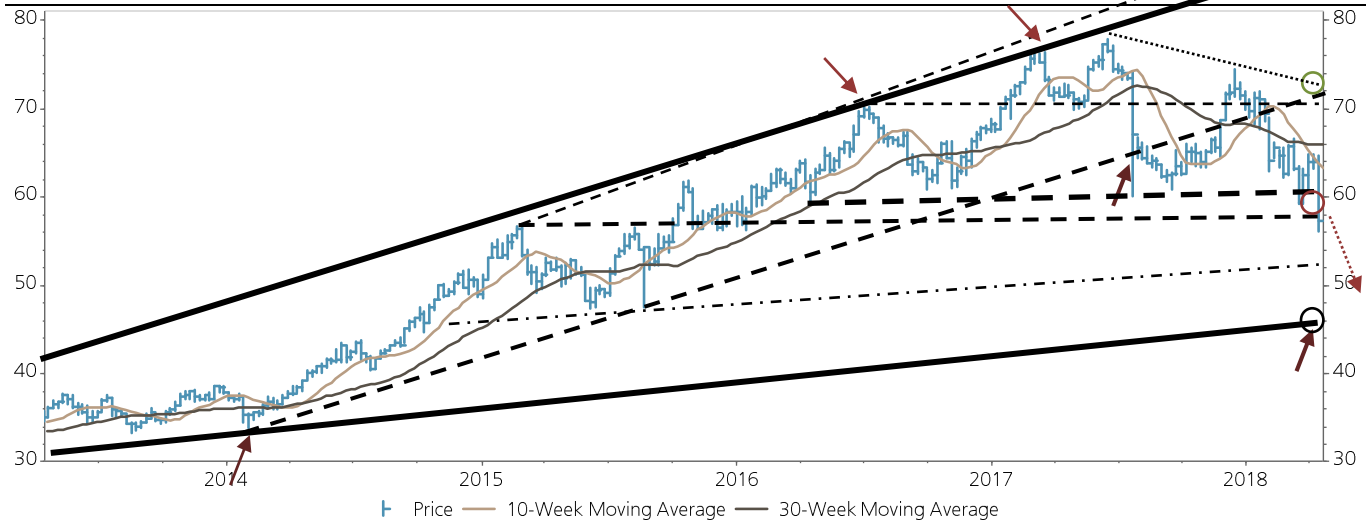


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Industrials
194	181-182	166/161	224/231/245	259-260	266-267	Last Sale Price	\$196.12

**Rationale:** This industrials leader has weakened in recent months as the relative strength (vs SPX) and price momentum (MACD) have deteriorated. However, the breakout above its Jun '17 high (214.57) still renders technical targets to 250-260 (medium term, achieved), 266-267 (intermediate term), 280-283/297-298 (long term). Failure to clear above the top of its uptrend channel and a weekly death cross as well as a breakdown below 2015/2016 uptrend channel (210-213) opens the door for a decline to 197 (Jul '17 lows/50% retracement from 2016-2018 rally) and then 181-182.

## Altria Group Inc. (MO)

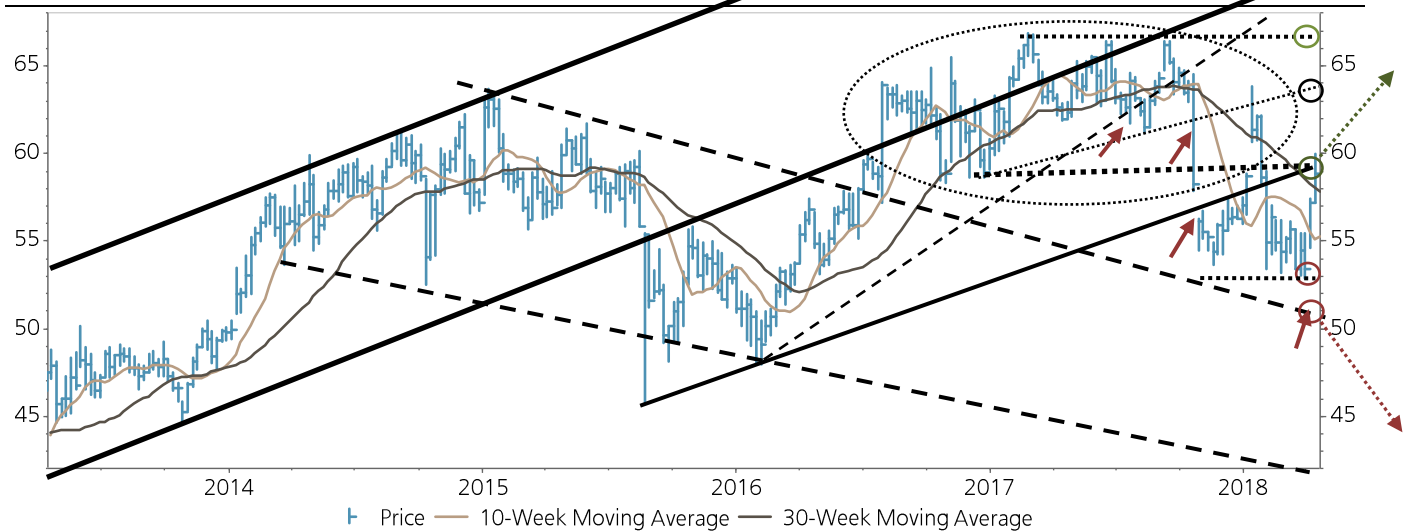


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Cons. Staples
56/53-55	50-51	46-48/43	62/66-67	70/72-74	76.5-77.8	Last Sale Price	\$56.13

**Rationale:** The rally from the Oct'16 lows has stalled near 77.79 corresponding to the top of its 2-plus year uptrend channel. A subsequent island reversal (12/19/17) and a recent negative outside week (1/26/18) triggered a decline to Oct '17 lows (63). Violation of neckline support at 59-60 (Jul/Sep '17 lows) confirms a 2-year head/shoulders top pattern and renders downside risks to 53-55 (Feb '15 highs and 38.2% retracement from its 2009-2017 rally) and below this to 51(2011 uptrend) and 46-48 (2009 uptrend and 2015 lows). Ability to find support in the low-to-mid 50s can lead to an oversold technical rally to 10-wk ma (62).

## Merck & Co (MRK)

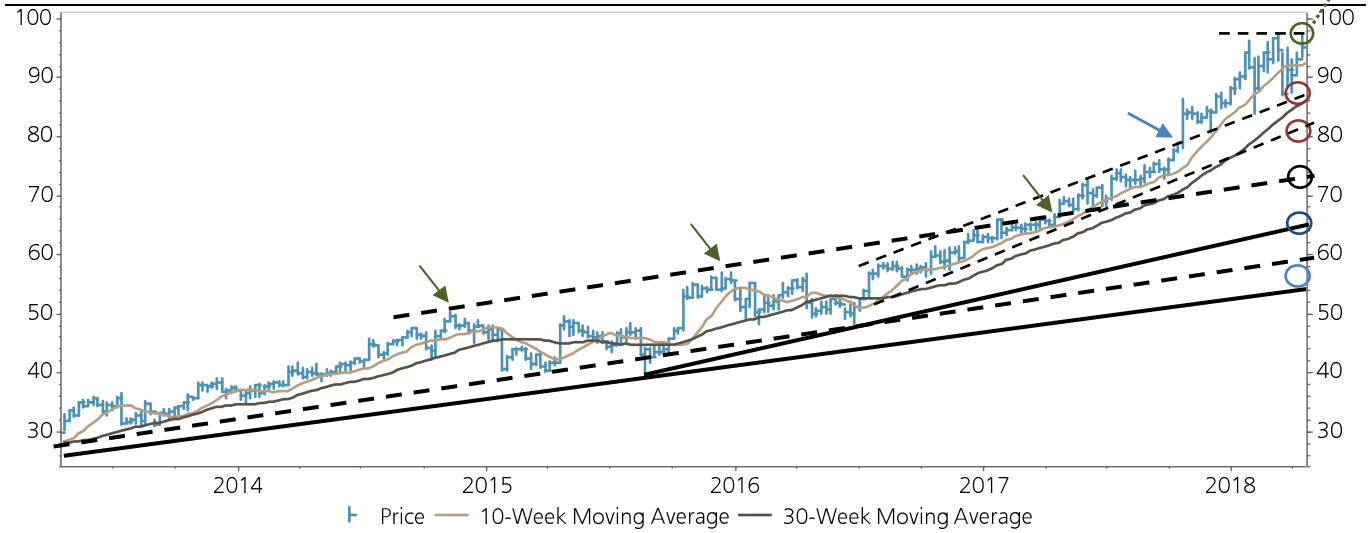


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Healthcare
52.83-53	50-51	46-48	62-64	64.5-65	66-67/70	Last Sale Price	\$59.47

**Rationale:** Two large gap downs during Oct '17 led to a test of its key intermediate-term support at 54-55, coinciding with the extension of its 2009/2011/2015/2016 uptrend and the 61.8% retracement from 2015-2017 rally. The oversold technical rally failed to clear above key resistance in the mid-60s (Sep '17 highs), resulting in another decline to retest its May '16 lows (53). The ability to find support in the low-50s may trigger a rally back to 62-64 (Jan/Feb '18 highs). Failure to break out warns of another pullback to 53. Violation here is bearish as this can lead to the next decline to the high-40s to the low-50s.

## Microsoft Inc. (MSFT)

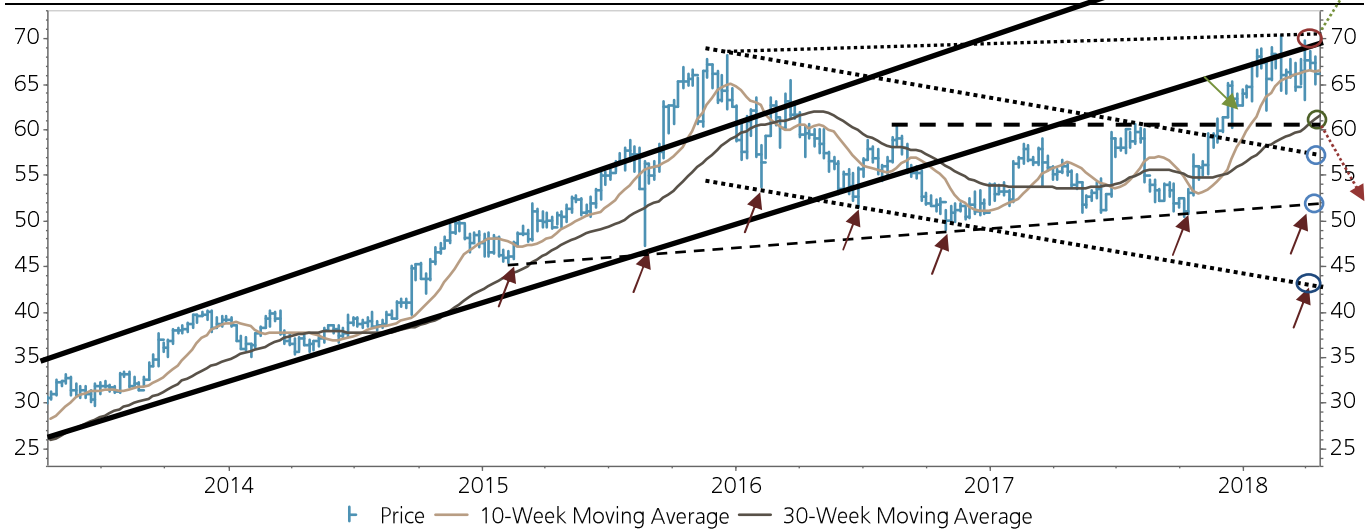


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating
First	Second	Third	First	Second	Third	Bullish
86-88/84	80-81/75-77	68.4/65-66	97-98/105	107-110	115-116	Sector Technology
						Last Sale Price \$95.82

**Rationale:** This leading technology name has outperformed SPX over the past year as evidenced by strong relative strength (vs SPX). The technical breakout above its Jan/Aug '16 highs at 57-59 has met its technical targets including 74-75 (near term, achieved), low-to-mid 80s (medium term, achieved) and then 90-91 (intermediate, achieved). Negative outside month (Feb '18) and a negative outside week (3/2/2018) have triggered a consolidation to key support at 86-88 (30-wk ma and 2016/2017 channels). A breakout above 98 confirms new highs and renders targets to 105, 107-110, and then 115-116.

## Nike Inc. Cl B (NKE)

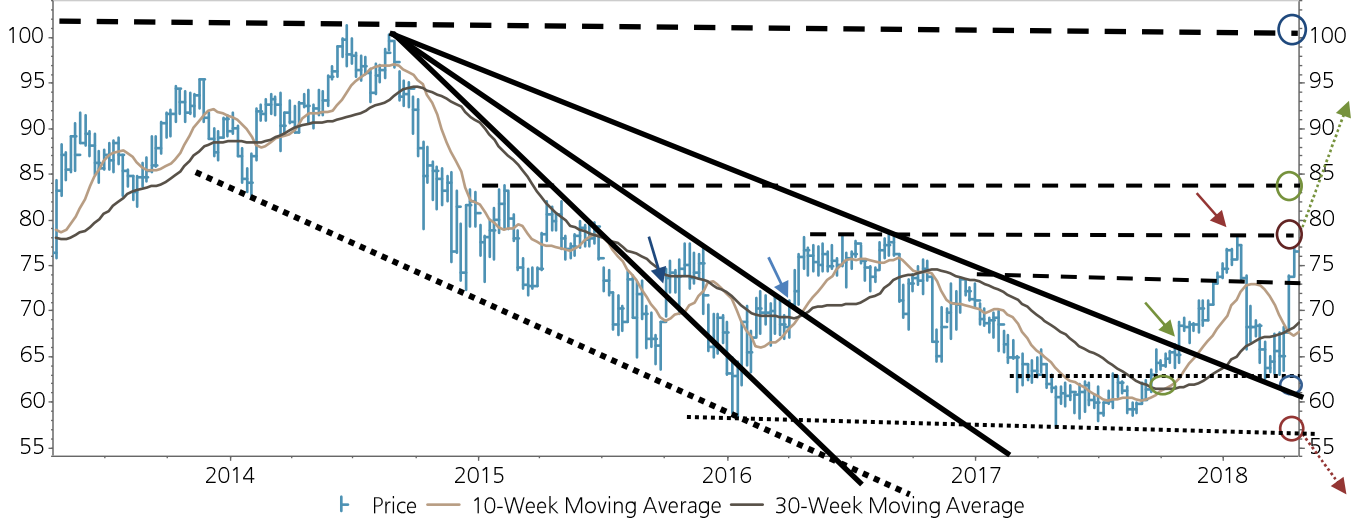


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating
First	Second	Third	First	Second	Third	Bullish
63/60-61	55-57/53	50-51/45-46	70.25/72-73	76-77	80-83	Sector Cons. Disc.
						Last Sale Price \$69.56

**Rationale:** After a 2-plus year consolidation, this leading consumer discretionary name has broken out above its 2015 downtrend in the high-50s. This breakout reverses the downtrend and signals a rally to mid-to-high 60s (achieved), coinciding with the extension of the 2013 uptrend and 2015 highs (achieved). On a near-term basis, a potential outside month (Apr '18), improving relative strength (vs SPX), coupled with a breakout above 70.25, can lead to the next rally to 72-73 (near term), 76-77 (medium term), and 80-83 (intermediate term). Key supports are visible at 67/63 (10-wk/30-wk ma).

## Occidental Petroleum Corp. (OXY)

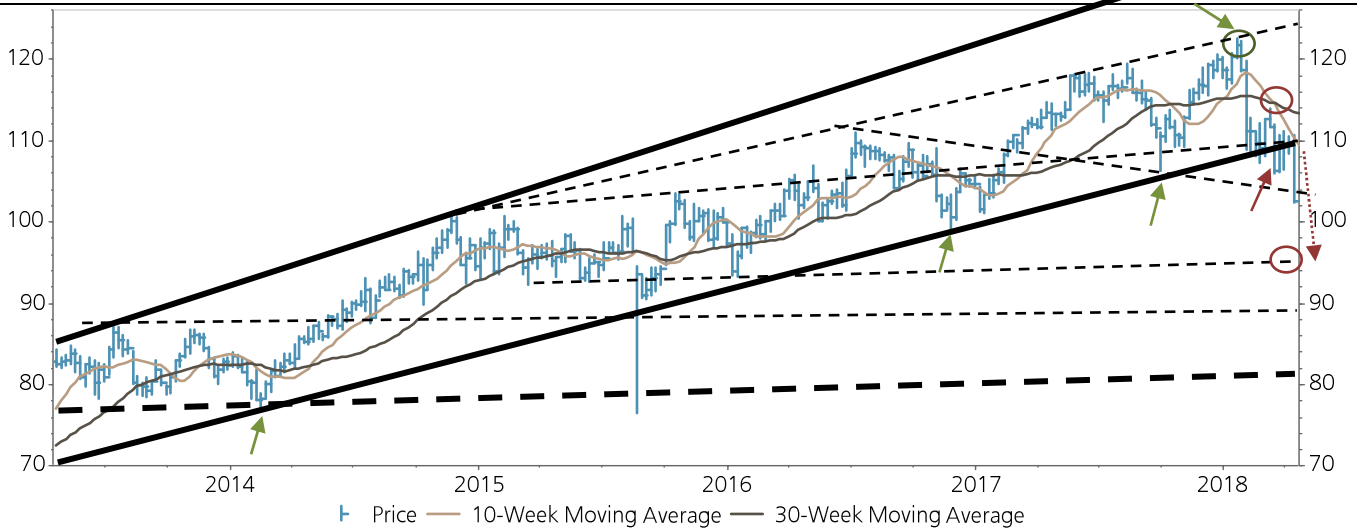


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Energy
72-74/69-70	62.5/57.2-58	54-54.5/48-49	78.09-78.31	84.5-85	91-92/98-101	Last Sale Price	\$77.04

**Rationale:** This energy name has found key support along the high-50s or near its 76.4% retracement (57.20) from 2008-2011 rally and 2016/2017 lows. A large fan breakout at 63-65, coupled with a weekly golden cross buy signal, has triggered a rally to 78.09-78.31 (2016/2018 highs). A breakout here is important as this confirms a large 3-year technical base of 20 points rendering technical targets to the mid-to-high 80s. On the downside, failure to convincingly clear above 78.31, coupled with an overbought condition, can lead to a pullback to key initial support at 72-74 and then to 69-70 (10-wk/30-wk ma).

## Pepsico Inc. (PEP)



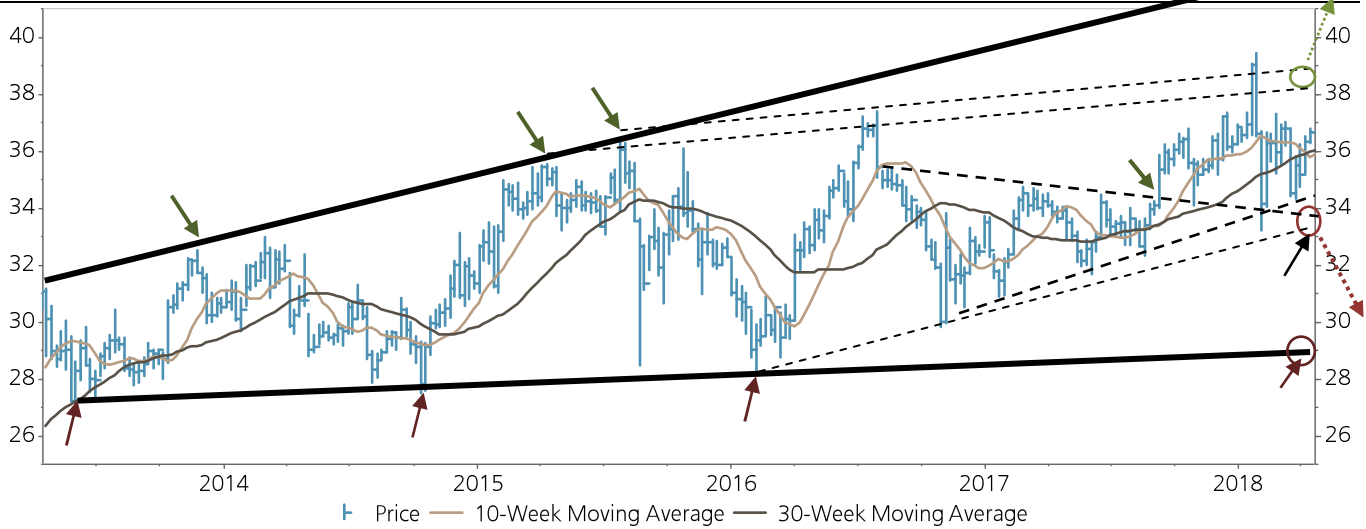
Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Cons. Staples
98.5-100	92-94/90.4	86.75/83	106-108/113	118-119.5	122.51	Last Sale Price	\$101.71

**Rationale:** This staples name failed to surpass 123-124 (extension of its 2014/2016 uptrend channel) in Aug '17 and again in Jan '18, thereby triggering a consolidation back to 106-108. A negative outside week (4/20/18) and a weekly death cross sell signal (3/16/18) have led to a violation of key support at 106-108 (bottom of its uptrend channel). Violation here confirms an intermediate-term top and forces a technical downgrade to Neutral outlook. This warns of a decline toward 98.5 (Dec '16 lows) and below this to 92-94 (38.2% retracement and 61.8% retracement from the 2009-2018 and 2014-2018 rally).



## Pfizer Inc. (PFE)

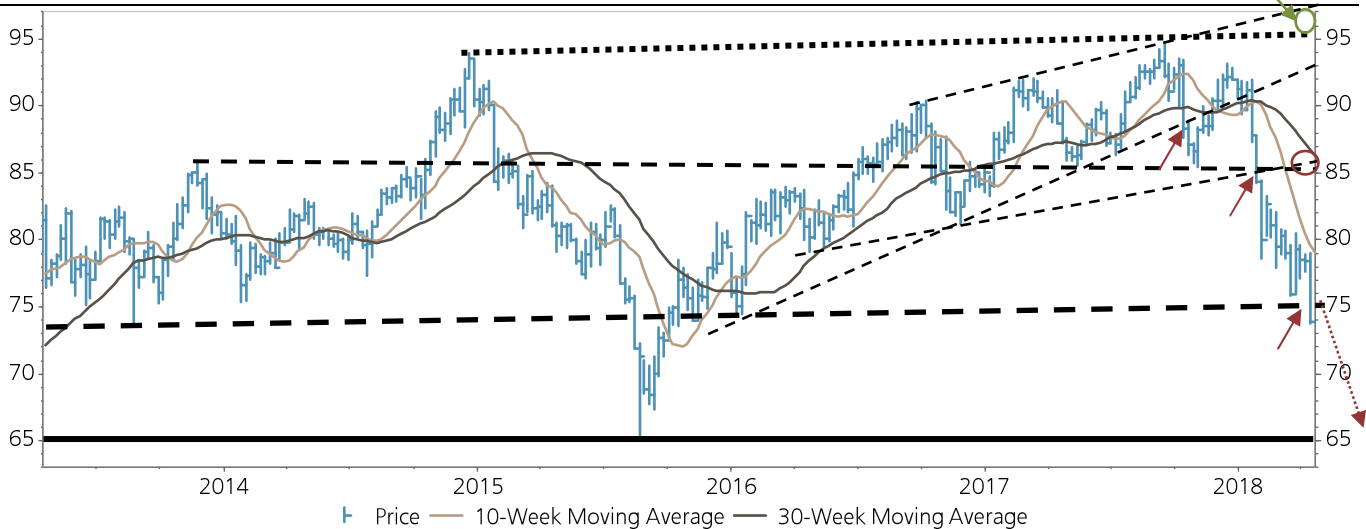


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Healthcare
36/33-34	30-31	28-29	37.39-39.43	43-44	49-50/53	Last Sale Price	\$37.00

**Rationale:** A weekly golden cross buy signal (09/22/17), coupled with a breakout from the triangle pattern (34), triggered a technical rally to 37-39. A moderately overbought condition, coupled with a negative outside week (2/2/18), triggered a sharp decline to key support at 33-34 (uptrend lines). However, the ability to find support in the low-30s solidifies a bottom, allowing for another test of key resistance along 37.39-39.43 (Aug '16 and Feb '18 highs). A convincing surge above 39.43 helps to reaffirm a sustainable rally to 43-44 and then 49- 50. Key supports are: 36 (10-wk ma /30-wk ma) and below this to 33-34.

## Procter & Gamble Co (PG)



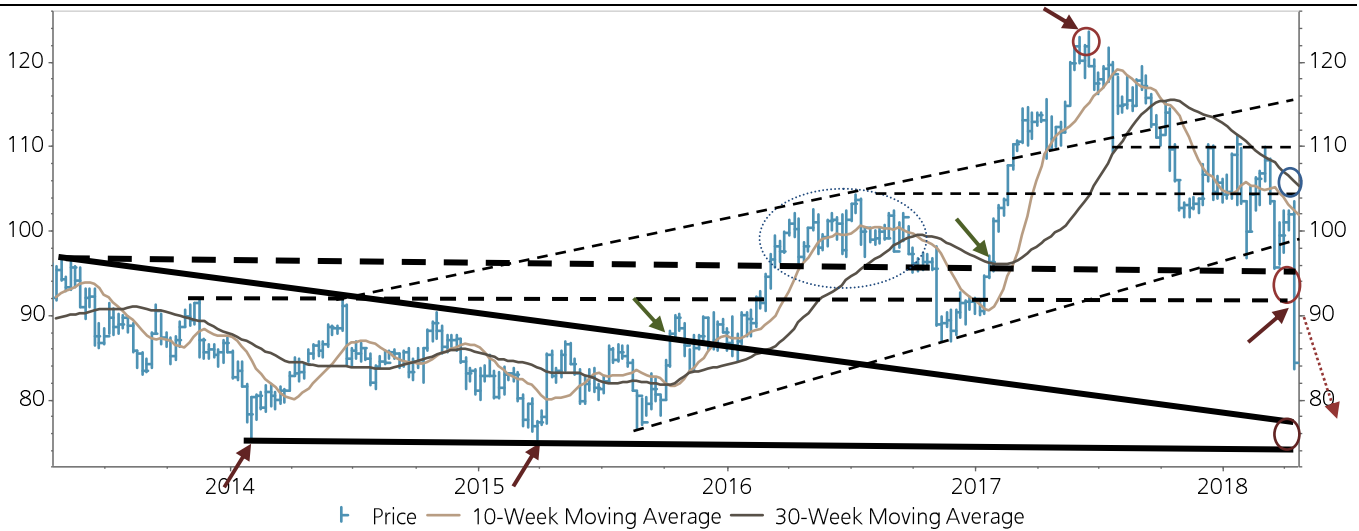
Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Cons. Staples
71-72	67.3/65	58-60	76-78	81/84-86	93-95	Last Sale Price	\$72.81

**Rationale:** An uptrend channel between the low-to-mid 80s and the mid-90s has developed over the past two years. The ability to maintain above the mid-80s during Nov '17 setback has prompted a rally back to key resistance along 94-95 (Dec '14/Sep '17 highs). A negative outside week (1/26/18) and a weekly death cross sell signal (1/26/18) have led to a violation of key support in the mid-to-high 80s and now extending the decline to the low-70s (Oct '15 lows) and then to 67.3 (Sep'15 lows). A deeply oversold condition is likely to develop into decline, prompting an oversold rally to 76-78.



## Philip Morris International (PM)

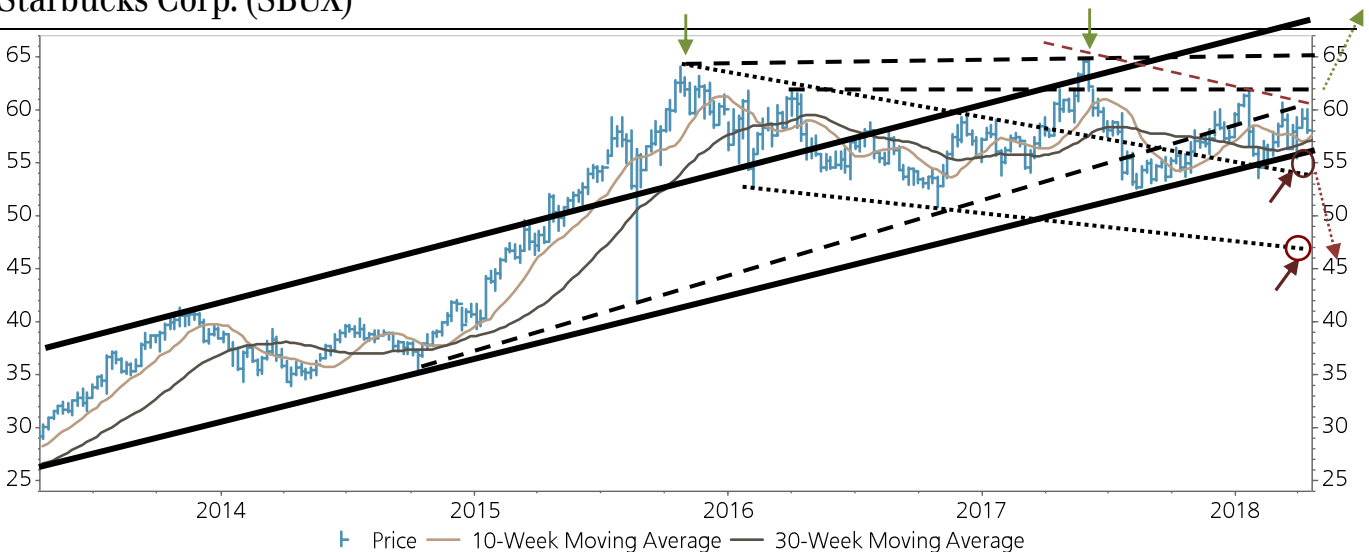


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Cons. Staples
80.6	75-78	72-73	95.5/101	104/110-111	115/119	Last Sale Price	\$82.56

**Rationale:** The 42.4% rally from its Dec '16 lows has created an overbought condition which, coupled with a weekly death cross sell (9/29/17), triggered a correction to 101.6 (61.8% retracement). A large gap down (4/19/2018) led to violation of its key support of 94-97 (pivotal 2015 uptrend and 61.8% retracement from 2015-2017 rally). This confirms a top and forces a technical downgrade to Neutral outlook. Next key support is 75-78 (2015 lows and extension of trends). Deteriorating relative strength (vs SPX) and weak price momentum further reaffirm lower prices on an intermediate-term basis.

## Starbucks Corp. (SBUX)

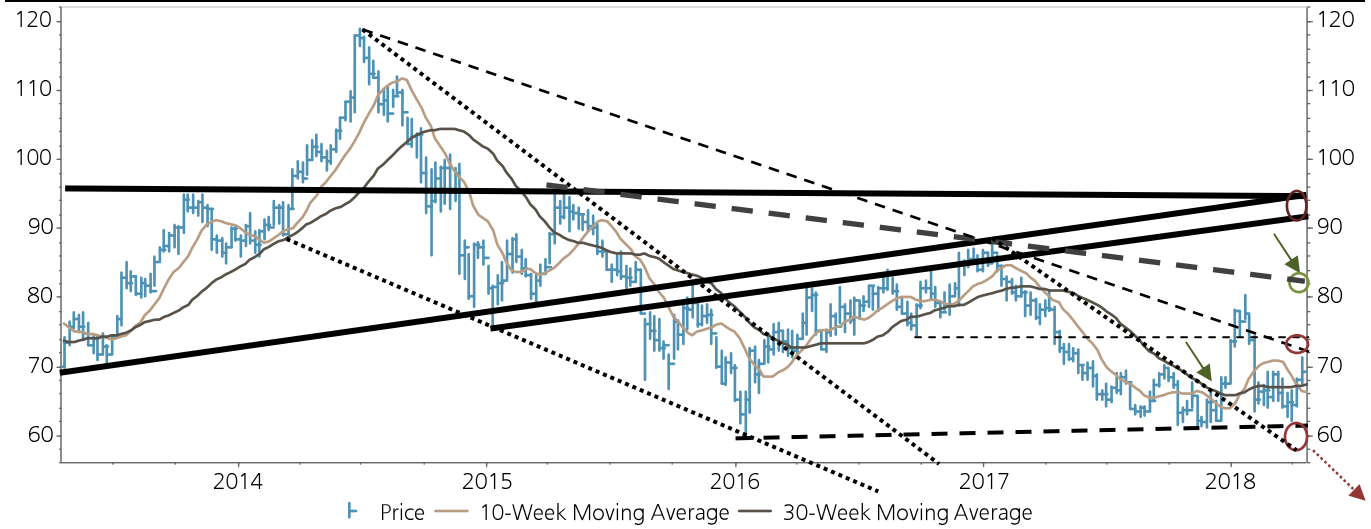


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Cons. Disc.
54-55	51-52.5/46	47/41-42	61-62	64-64.87	70-71/74-75	Last Sale Price	\$58.36

**Rationale:** This leading consumer discretionary name failed to surpass 64.87 (Jun'17 highs) in Jan '18, triggering a consolidation back to 53 or corresponding to the Aug'17 lows. A moderately oversold condition developed near the low-50s, triggering a rally back to the Jan '18 highs (61.94). Failure to surpass 61.94 warns of a consolidation toward pivotal support near the bottom of its uptrend channel at 54-55. A breakdown here, coupled with a subsequent violation below 52.5 (Nov '16 and Aug '17 lows), validates a top/trend reversal. Key resistances remain at the Jan'18/Jun '17 highs (61.94/64.87).

## Schlumberger Ltd (SLB)

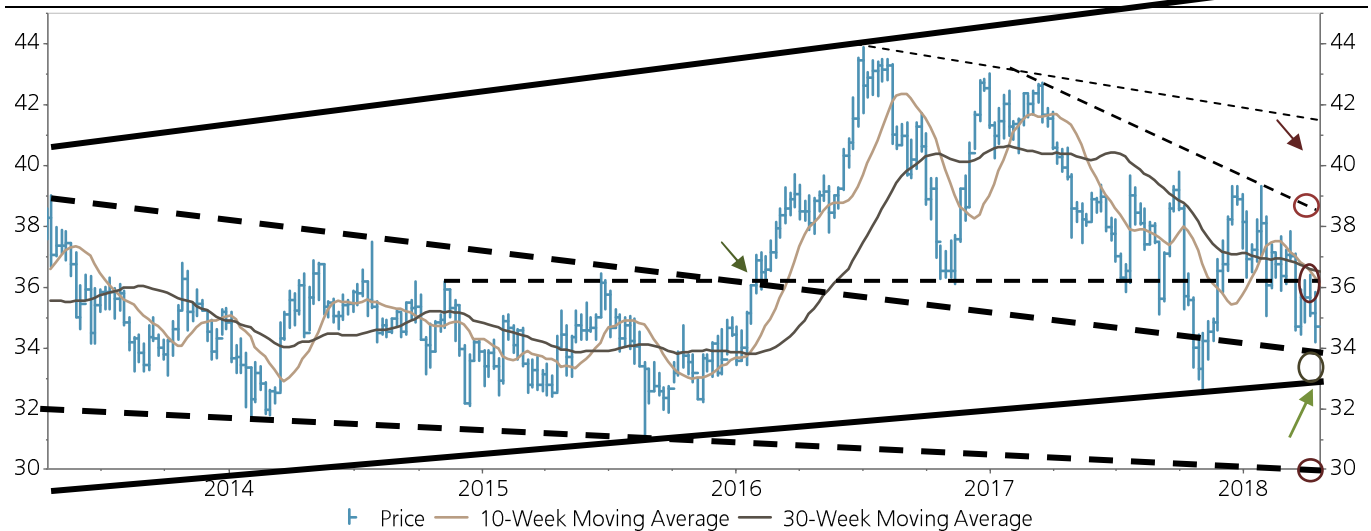


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bearish
First	Second	Third	First	Second	Third	Sector	Energy
62/59.6-61	54-55	51.67-53	71.25/80.35	84.3	87.84	Last Sale Price	\$69.08

**Rationale:** An island reversal (4/17/17), weekly death cross sell signal (Mar'17) led to violation of key support in the mid-70s. The ensuing 30.5% correction from the Jan '17 high (87.84) found support at 61.05, coinciding with its Jan'16 reaction low (59.60). However, the rally from 67.68 (Nov'17 highs) has stalled at 80.35 (Apr '17 highs). A subsequent island reversal (01/26/18) led to a breach of key support at 74 (Sep '16 lows) thereby extending the correction to the low-60s. A flat relative strength (vs SPX) and MACD trend support a trading range between low-60s and the low-to-mid 70s, medium-term.

## AT&T Inc. (T)

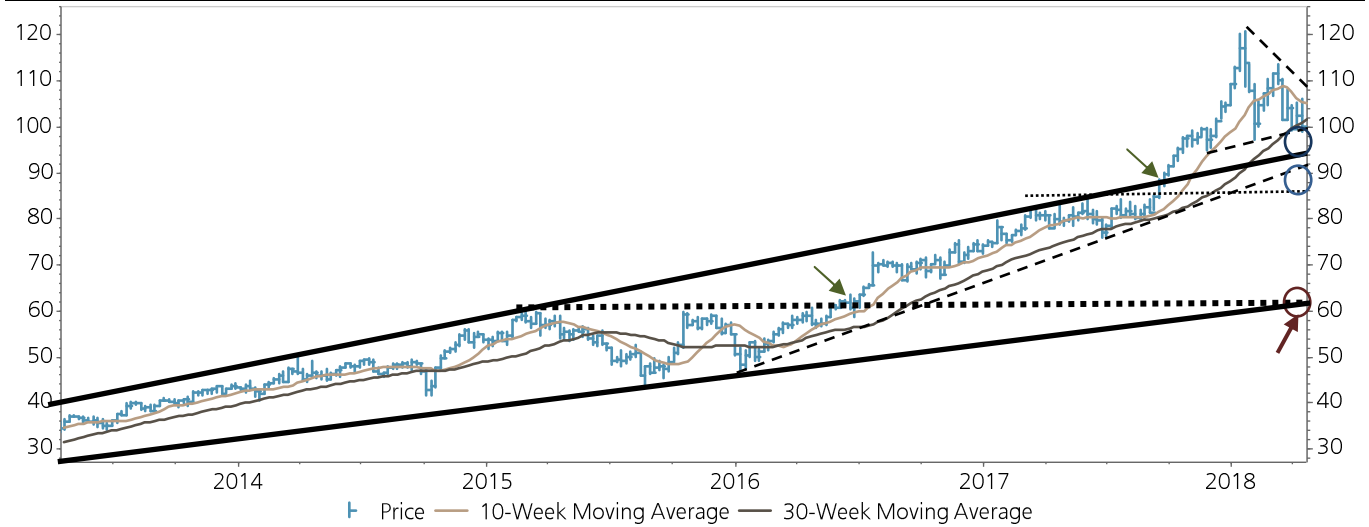


Source: FactSet, UBS, as of 27 April 2018

Support Levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Comm.Services
32.5/31	29.7-30	27.3/26	36/39-40	43-44	47.5	Last Sale Price	\$33.04

**Rationale:** Negative outside weeks (1/6/17, 3/24/17 and 4/28/17) coupled with an island reversal (6/16/17) led to a 25.8% correction from Jan'17 high (43.03) to its Nov '17 low (32.55). An oversold condition in the low-30s prompted a technical rally back to high 30s. Failing to sustain a move above this resistance (39.5-40) triggered a pullback to mid-30s. A flat relative strength (vs SPX) hint of a trading range between the low 30s and the high 30s, medium-term. Violation of support in the low 30s confirms a top and warns of a decline to the high 20s/mid-20s (61.8/76.4% retracement from its 2008-2016 rally).

## Texas Instruments Incorporated (TXN)

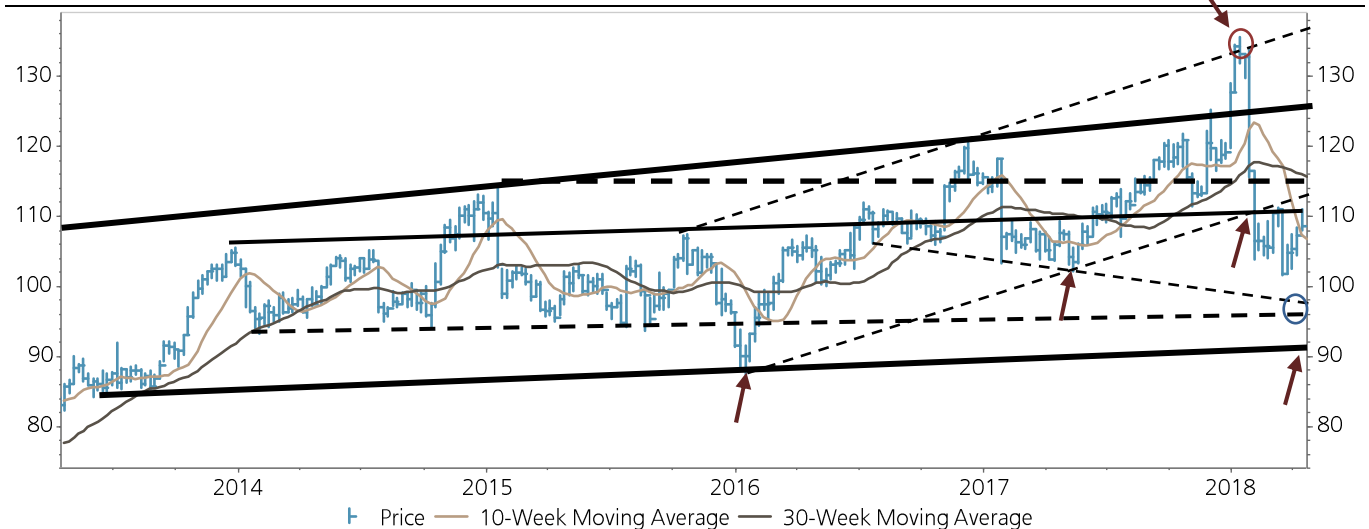


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Technology
97/91-93	85-86	80/76	106-108/111-	113/121/132	133/142-143	Last Sale Price	\$102.51

**Rationale:** The breakout above 99.78 (Dec '17) has achieved a number of targets, including 103-105, 110-113 and 120. Though higher prices are possible, over time an overbought condition, coupled with a large gap down (1/24/18), warns of a consolidation to key support at 97-98 (Feb and Apr '18 lows). A negative outside week (4/20/18) as well as the violation of its Feb '18 lows (97) confirms a breakdown and suggests a decline to 91-93 (38.2/61.8% retracements of 2015-2018/2017-2018 rallies). The ability to find support in the high 90s can lead to a rally to key initial resistance at 106-108 (Jan '18 downtrend) and 111-113.

## United Parcel Service (UPS)

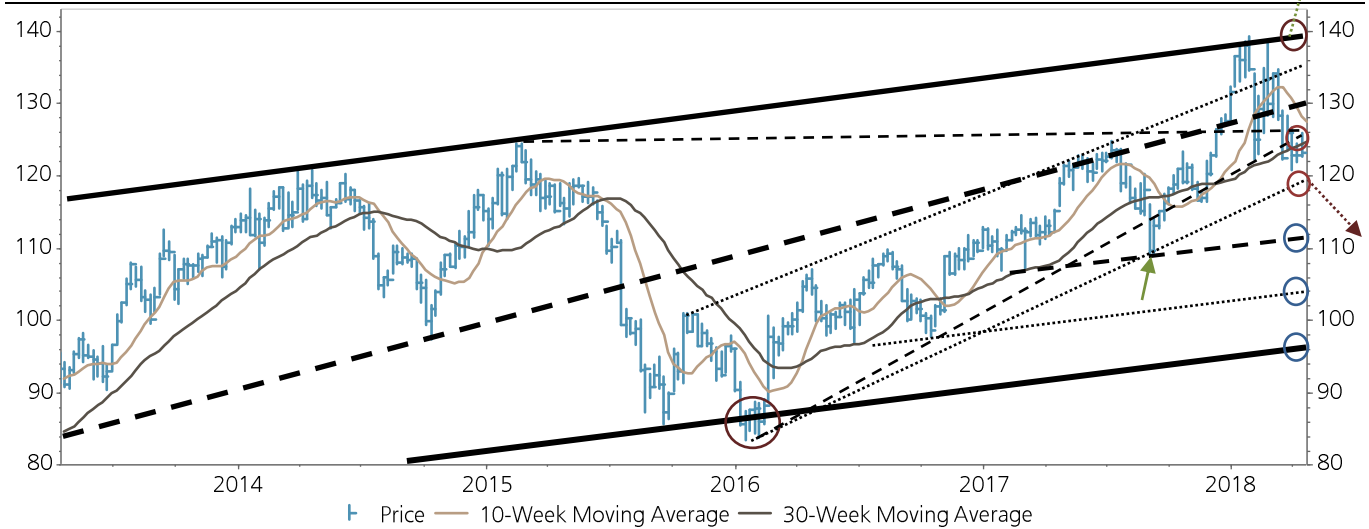


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Industrials
100-102	98.5/93-94	87.3/81-82	115/118/122	124-125	135-136	Last Sale Price	\$113.99

**Rationale:** A negative outside week (12/16/16), coupled with a gap down on 1/31/2017, has pressured the stock to violate its Nov '17 lows (111.30) and its 2016 uptrend (110). These breakdowns led to a 24% correction from a Feb '18 high (133.56) to the Mar 2018/2017 lows (101.45). The ability to find support near 2017 lows (102) stabilized the strong selling, allowing for a rally to key resistance at 115 (30-wk ma) and above this to 118 (50% retracement from Jan-Mar'18 decline). However, failure to maintain above 100-102 still warns of a correction to 98.5 (76.4% retracement 2016-2018 rally) and 93-94 (2014/2015 lows).

## United Technologies Corp (UTX)

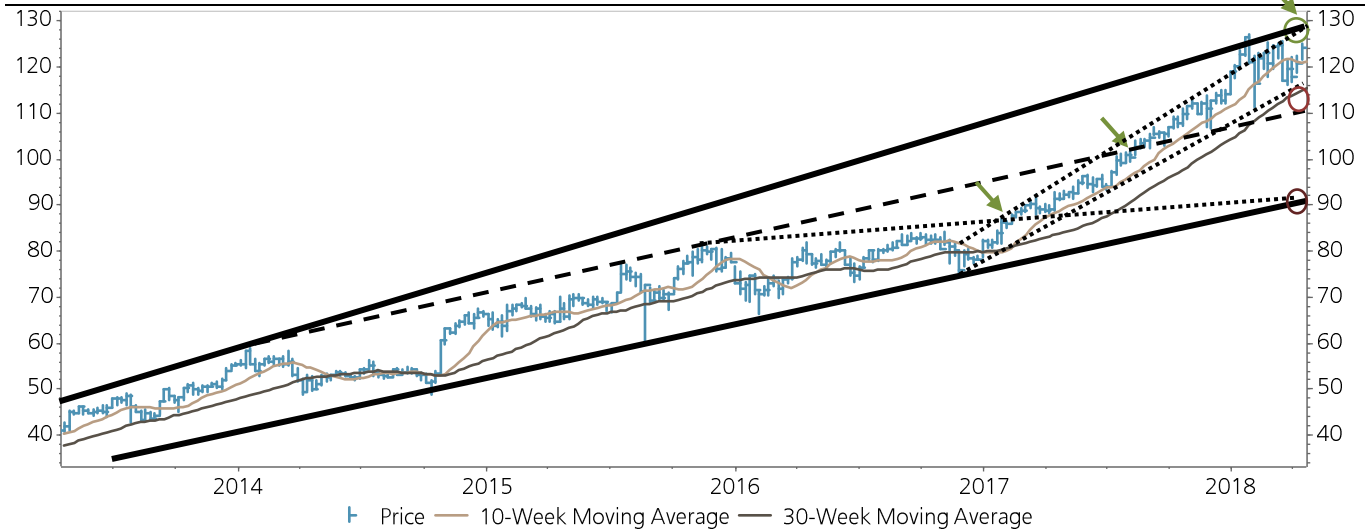


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Industrials
117-118	109.1/111	96-98/99.2	127/131/135.7	138.5-139.2	141/146-147	Last Sale Price	\$122.45

**Rationale:** The correction to the Sep'17 lows (109.1) successfully tested key support along the late-2016 uptrend. This prevented a deeper correction to the low-100s and the mid-to-high-90s. The rally from the Sep'17 lows (109.1) managed to surpass its intermediate-term resistance at 123-125 (Mar '15 and Jul/Oct '17 highs) and achieve its technical targets at 131-132 and 140. Failure to clear above supply coupled with a negative outside week (3/16/18) promptly led to a consolidation back to 122 (Jan'16 uptrend). Violation here now warns of downside risks to 117-118 (38.2% retracement) and 109 (Sep '17 lows).

## Visa Inc Cl A (V)

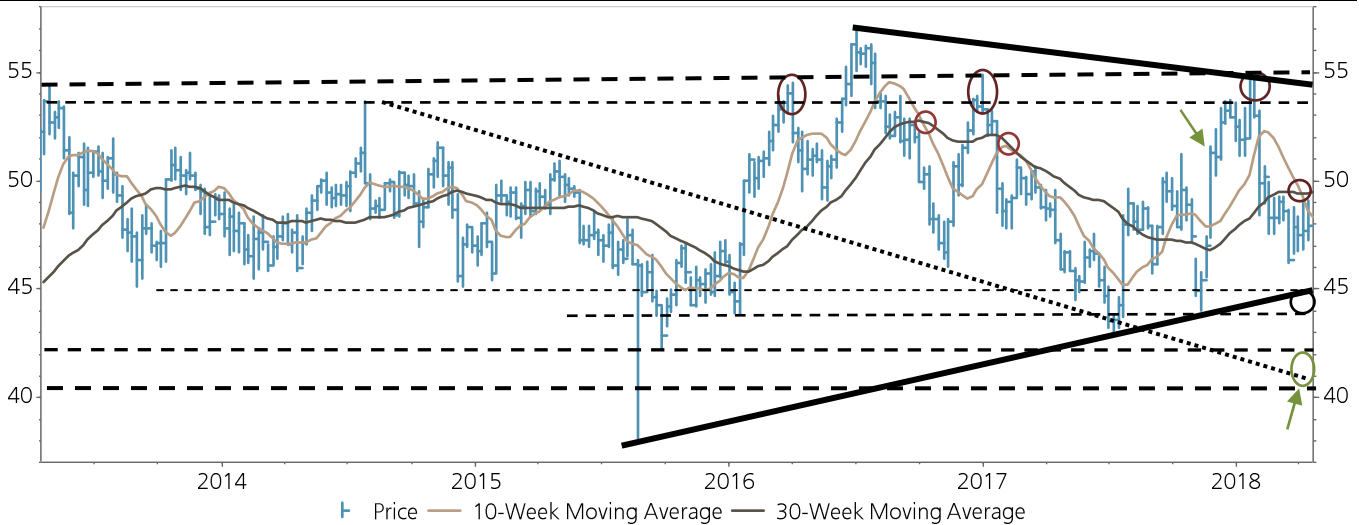


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Technology
116/111/106	107/96-97	92-94	127/130-132	137	142-143	Last Sale Price	\$126.01

**Rationale:** The recent rally from the low-90s has achieved a number of technical targets, including the 101-102 (top of the 2014 uptrend) and the recent accelerated channel breakout targets of 120/126. However, a technical target to 130-132 is still possible, over time. Nonetheless, an overbought condition coupled with a negative outside weeks (3/2/18, 3/23/18) warns of consolidation to its support at 116-118 (30-wk ma, 2016 uptrend, and Mar/Apr '18 lows). This helps to alleviate an overbought condition. A breakout above 127 suggests next technical targets to 130-132 and then to 137.

## Verizon Communications Inc. (VZ)

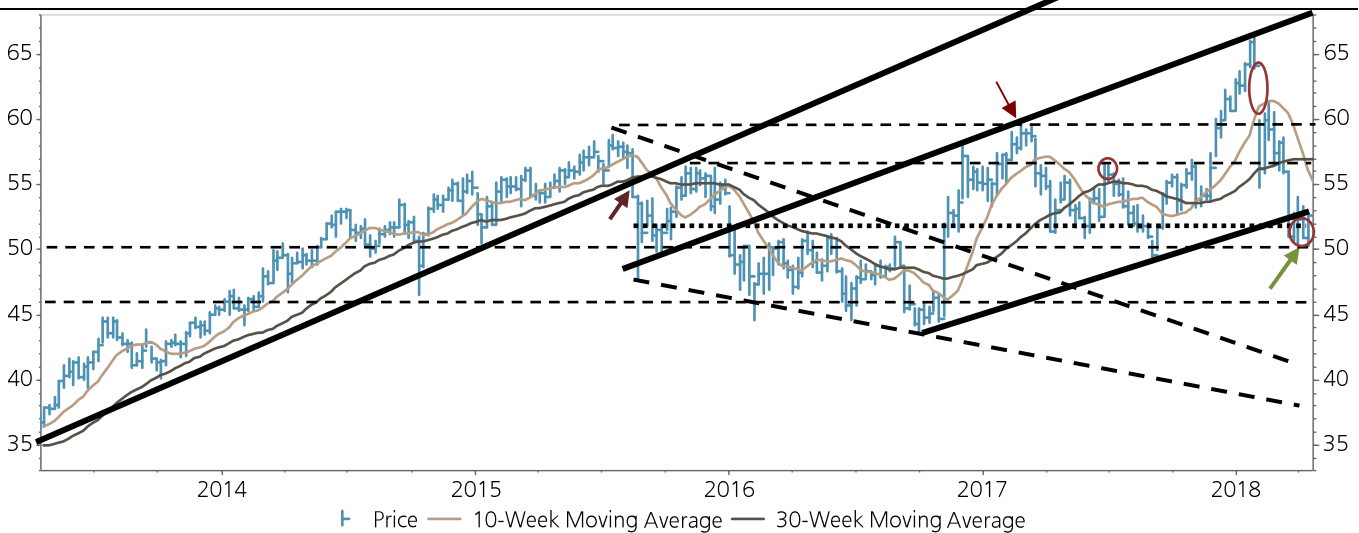


Source: FactSet, UBS as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Comm. Services
46.2	42.8-43.97	42.2/38	54	55-57	59/62.31	Last Sale Price	\$51.57

**Rationale:** This telecom name found major support along 42.8 (Jul '17 lows) as positive outside months (Jul '17 and Sep '17), coupled with a successful test of 2008 uptrend (43.5) as well as a major breakout above 43.02 (2012) triggered an oversold rally to 55-57 (2016/2017/2018 highs). Failure to convincingly clear this formidable resistance has promptly led to another pullback to support in the mid-40s (Nov '16 reaction lows). The choppy trading and directionless trend over the past 3-4 years reinforce a large triangle pattern between the mid-40s and the mid-50s and hence our Neutral technical outlook.

## Wells Fargo & Co (WFC)

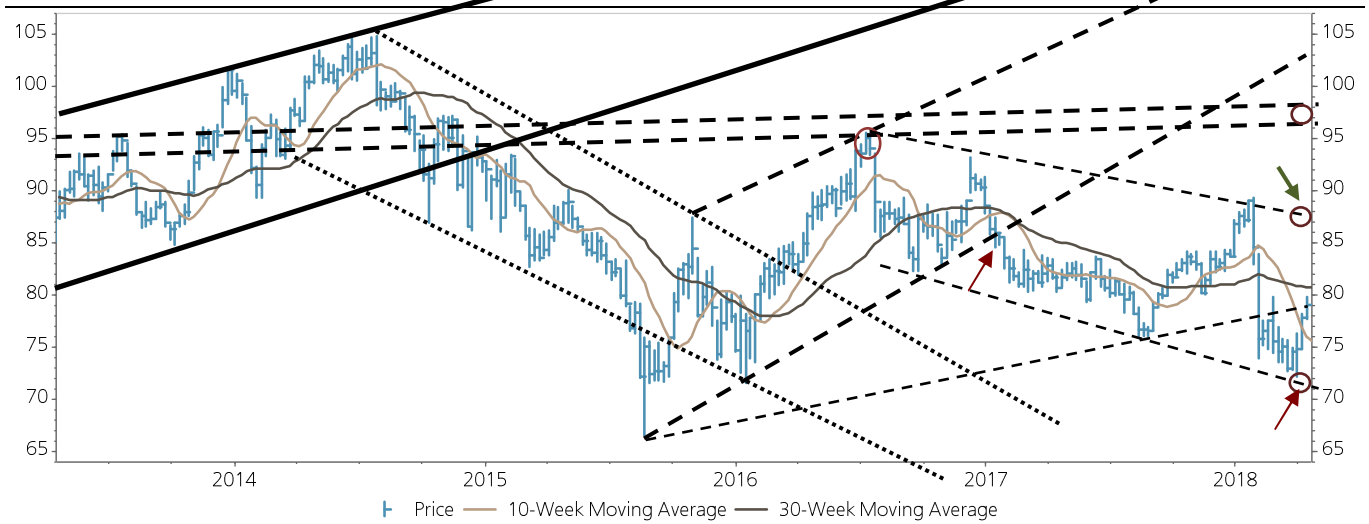


Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Bullish
First	Second	Third	First	Second	Third	Sector	Financials
50-51/49.3	48.4	43.5-45	56-58	61-63	66.3/68-70	Last Sale Price	\$52.36

**Rationale:** The rally from the Oct '16 low (43.55) has managed to surpass key resistance at 58.77-59.99 or the 2015/2017 highs. This breakout renders targets to 63-64 (near term, achieved), 70-71 (medium term) and 74-76 (long term). However, a large gap down on 2/5/18, coupled with negative outside weeks (3/16/18 and 4/6/18), led to violation of key supports in the mid-50s (Dec '17 breakout) and below this to crucial retest of its 50-51 (Jun/Sep '17 lows). An oversold condition in the low-50s may generate a relief rally back to 56-58 and above this to 61-63 (2/5/18 large gap-down).

## Exxon Mobil Corp (XOM)



Source: FactSet, UBS, as of 27 April 2018

Support levels			Resistance levels			Technical rating	Neutral
First	Second	Third	First	Second	Third	Sector	Energy
76/71-72	66.5-67	64.4/61.8-62	81-83	87-89	91-93.2	Last Sale Price	\$77.79

**Rationale:** This energy name has corrected 23% from its Jul '16 highs (95.55) to its Feb '18 lows (73.90). The ability to find support along the low-70s coupled with an oversold condition has triggered an oversold rally to 87-89 (Jan/Feb '18 highs). Negative outside weeks (2/2/18 and 3/2/18) and a weekly death cross sell (3/16/18) have led to a decline to 71-72 (extension of the 2016/2017 downtrend). A breakdown here would confirm a major trend reversal and suggests the mid-60s. However, an oversold condition in the low-70s hints of a rally to 81-83 (30-wk ma and the 61.8% retracement from its Feb '18 - Apr '18 decline).

## Appendix

### Description and Methodology

This report provides technical analysis on a dynamic list of stocks that, we believe, are of a wide interest.

Please note that technical views are highly variable and will change with market conditions. Accordingly, these ratings are only valid as of the publication date.

Because CIO WMR equity sector analysts and WMR technical analysts employ different analytical methodologies, technical recommendations are, at times, contradictory to fundamental recommendations for the same security. For the latest company ratings by WMR sector analysts, please refer to the most recent equity sector research reports, located in the Equity Section on the Online Services Research website.

For more background on the content of this report, please see Technical Analysis Research Primer, 18 February 2010.

## Appendix

Term / Abbreviation	Description / Definition
% +or- Moving Avg (DMA)	The percentage above or below the moving average (see Moving Average) is used to help measure an overbought or oversold condition and is a component of risk management. It is calculated by taking the difference between the group price and its 30-week moving average (see below), and then dividing by the 30-week moving average times 100.
30-Week Moving Average	Also known as the 30-week line or 150-day line), this is one of the most popular and respected moving average indicators (see Moving Average) in technical circles. It is calculated by totaling the latest 30 weekly (usually Friday closing) prices and dividing by 30 to arrive at the average. Each week, the most recent week's figure is added to the total, and the price level from 30 weeks ago is subtracted – hence the term "moving." Please note that a breakout above or breakdown below this line does not, in and of itself, constitute a buy or sell signal.
Adjusted Relative Strength (ARS)	Number gives a 50% weighting to the 1-month relative strength, 30% to the 3-month, and 20% to the 6-month numbers to arrive at a single weighted number.
Base	A chart pattern marking a period of accumulation following a downtrend. The larger the base, the greater the upside potential following its completion. A base can take many forms.
Beta	A measure of volatility of a security as it relates to the market as a whole. Beta is often calculated using regression analysis. A beta is basically the tendency of a security's returns to respond to swings in the market. A beta of 1 indicates that the security's price will move with the market. A beta of less than 1 means the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market.
Blow off stage to a major rally	This is often the last stage of a speculative bubble to a major rally. The blow off phase tends to be steep, but short-lived that often affords little opportunity for investors/traders to exit their positions. As price of a security or an asset advanced to an unsustainable level via a parabolic uptrend this give rise to the bursting of the speculative bubble resulting a quick and dramatic decline as investors/traders try to exit the market/security at the same time.
Breakdown	A technical term indicating a downside resolution of a chart pattern. Its significance is determined by the same factors governing a breakout.
Breakout	A technical term indicating an upside resolution of a chart pattern. Breakouts can take many forms, and their degree of importance is determined by the significance of the chart pattern which preceded it.
Broadening Top Formation	The Broadening top is a rare technical formation that resembles an inverted triangle pattern. It is formed by price swings that are increasingly widening and expanding volume. The most common of these broadening top patterns are the three ascending peaks and two descending troughs. The combination of wide price swings and increasing volume often convey an increasingly volatile and emotional market that's basically out of control. This pattern is often associated with market tops rather than market bottoms. The confirmation of the Broadening top occurs when the price violates the second of these two troughs.



## Appendix

Channel	A chart pattern comprised of two parallel trend lines, which form a trading band. Channels take the form of uptrend, downtrend and horizontal.
Death Cross	The opposite of a golden cross, this is a crossover on the chart resulting from a security's shorter-term moving average falling below its longer-term moving average. Technicians often see this as a bearish technical sign indicating the market has turned negative on the security.
Downtrend Line	A trend line connecting successively lower peaks for a stock (or market). Its technical significance is determined by the same factors governing an uptrend line.
Fan reversal pattern	The fan formation is a technical pattern that is based on the use of multiple trend lines to denote a major trend reversal. The fan pattern gets its name as it basically resembles a "fan". It should have a minimum of three trend lines (uptrends or downtrends). The break out/break down of the third downtrend/uptrend often completes the fan pattern and signals the start of a major trend reversal. The starting point of these trend lines should come from a significant peak or a significant trough.
Fibonacci Retracement Level	A technical analysis term used to describe potential areas of support (price stops declining) or resistance (price stops rising) on the charts. After a strong rally or decline there is a tendency for a security to retrace a certain portion of its prior move (up or down). Fibonacci retracements use horizontal lines to indicate areas of support or resistance at the key Fibonacci levels before continuing in the original direction. These levels are computed by taking the two extreme points and then dividing the vertical distance by the key Fibonacci ratios of 23.6%, 38.2%, 50%, 61.8% and 100%.
FSR	Forecast Stock Return is defined as expected percentage price appreciation plus gross dividend yield over the next 12 months.
Gap	An open space in a chart created when a stock (or market) opens either higher than its highest level attained during the prior session (referred to as a gap up or an upside chart gap) or lower than its lowest level reached during the prior day (called a gap down or a downside chart gap). Some gaps are caused by events and should be ignored: ex-dividend gaps, new share issues, and expiration of futures contracts.
Golden Cross	A crossover on the chart that involves a security's shorter-term moving average (such as the 50-day moving average) crossing above its longer-term moving average (such as the 150-day or 200-day moving average). Technicians often interpret this crossing of two moving averages as a bullish technical sign that suggests the market has turned in favor of the security.
Head-and-Shoulders Pattern	This technical formation is one of the best known of the reversal patterns. There are two types of head-and-shoulders patterns that often appear on the charts – H/S top and H/S bottom. Both of these patterns often denote the process of a reversal either from a bullish or bearish trend. Head-and-shoulders formation often is comprised of a left shoulder, a head, and a right shoulder, and a line drawn across its shoulders defines its neckline. The breaking of the neckline to the upside confirms a head-and-shoulders bottom breakout, which signals the start of a bullish reversal favoring higher prices. The violation of neckline to the downside validates a head-and-shoulders top, reaffirming a bearish reversal of lower prices.
Internal Trend Line	A single trend line connecting at least several high and low points for a stock (or market) over time.
Island Reversals	A bullish island reversal occurs as the result of a gap down (i.e., exhaustion gap) followed by a subsequent move up in the opposite direction (gap up). A bearish island occurs by gap up (i.e., break-away gap) followed by a move down in the opposite direction (gap down). These rare but important technical patterns, bullish and bearish island reversals, reflect a strong and sudden shift in investor sentiments, transitioning a current downtrend into an uptrend and vice versa, a current uptrend into a downtrend.
Linear Regression Band	A common statistical technique often used by investors/traders to better forecast values by utilizing the least squares fit method to plot a trend line. A linear regression band consists of upper and lower bands. These bands are calculated by computing the number of standard deviations above or below of the regression line.
Moving Average (m.a.)	This is a technical indicator frequently used in technical analysis to show the average value of a security's price over a set period of time. This tool is designed to smooth out a stocks (or market's) shorter-term fluctuations to provide a better picture of an underlying trend. Moving averages generally are used to measure momentum and define areas of possible support and resistance. Moving averages can be helpful as they emphasize the direction of the dominant or prevailing trend and also tend to smooth out price and volume fluctuations, or "noise," giving the trader or investor a clearer picture of the security in question. Many moving averages exist.

## Appendix

MRA	Market Return Assumption is defined as the one-year local market interest rate plus 5% (a proxy for the equity risk premium and not a forecast).
Neckline Support/Resistance	This is a trend line that is drawn across the bottoms or tops of the left shoulder, the head and the right shoulder of a potential head-and-shoulders bottom or top pattern. When prices break through this neckline support level and continue falling after forming the right shoulder, it confirms a head-and-shoulders top formation. Conversely, neckline resistance is a trend line drawn across the tops of the left shoulder, the head and the right shoulder. When prices break above this neckline resistance level and keep on rising, it typically completes the head-and-shoulders bottom pattern.
Overbought	A technical condition in which the price of a security has risen to such a degree that the price becomes overvalued or has reached the upper band of its trading range resulting in a potential pull-back in price.
Oversold	Opposite of Overbought. A technical condition that occurs when the price of a security has fallen to such a degree that the price becomes undervalued or has reached the lower band of its trading range prompting a potential rally.
Positive/Negative "Outside" Day	When one day's range (high and low) exceeds the prior day's range, and the stock (or market) in question closes near its daily peak, this is referred to as a positive "outside" day. A negative "outside" day would be recorded if the stock (or index) finished near its daily low after having a wider range than the prior session. The same rule can be applied on a weekly and monthly basis as well.
Relative Strength	Relative strength is a performance comparison between a sector, group, or stock and the S&P 500 Index over a specified time frame. Our time frame is often a one-, three-, and six-month basis but does vary according to investment orientation.
RRD	Rating/Return Divergence is automatically appended to the rating when stock price movement has caused the prevailing rating to differ from that which would be assigned according to the rating system and will be removed when there is no longer a divergence, either through market movement or analyst intervention.
Support	An area where increased buying interest is likely to develop during a decline. These points, which can take several forms (minor, major, etc.), often provide downside protection for an issue in a primary uptrend, but only temporary relief to an issue in a primary uptrend, during which time many support levels are often broken.
Top	A chart pattern marking a period of distribution following an uptrend. The larger the top, the greater the downside potential following its completion. It, too, can take many forms.
Triangle Patterns	There are three different types of Triangle patterns – Symmetrical, Descending and Ascending. Symmetrical Triangle is considered to be a continuation pattern that often signals a period of consolidation in a trend followed by a resumption of the prior trend. It is formed by the convergence of a descending trend and an ascending trend. An Ascending Triangle is a bullish pattern, which is denoted by two trend lines – a flat trend line and an ascending uptrend line. A Descending Triangle is a bearish pattern. It is the opposite of the Ascending Triangle in that there is a flat trend line and a downward sloping downtrend line.

## Appendix

### Statement of Risk

**Equities** - Stock market returns are difficult to forecast because of fluctuations in the economy, investor psychology, geopolitical conditions and other important variables.

### Required Disclosures

### Analyst Certification

Each research analyst primarily responsible for the content of this research report, in whole or in part, certifies that with respect to each security or issuer that the analyst covered in this report: (1) all of the views expressed accurately reflect his or her personal views about those securities or issuers; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by that research analyst in the research report.

#### CIO Americas, Wealth Management equity selection system

Equity sector strategists provide three equity selections: Most Preferred (MP), Least Preferred (LP) and Bellwether designation.

#### Rating definitions

**Most Preferred\***: The equity sector strategist expects the stock to outperform the relevant benchmark in the next 12 months.

**Least Preferred\***: The equity sector strategist expects the stock to underperform the relevant benchmark in the next 12 months.

**Bellwether**: Stocks that are of high importance or relevance to the sector and which the equity sector strategist expects the stock to perform broadly in line with the sector benchmark in the next 12 months.

\*A stock cannot be selected as Most Preferred if UBS Investment Research rates it a Sell, while a UBS Investment Research Buy rated stock cannot be selected as Least Preferred.

**Restricted**: Issuing of research on a company by CIO Americas, WM can be restricted due to legal, regulatory, contractual or best business practice obligations which are normally caused by UBS Investment Bank's involvement in an investment banking transaction in regard to the concerned company.

#### Technical Research Rating Definitions

Rating	Corresponding Rating Category	Definition and criteria
Bullish	Buy	Well-defined, reliable uptrend, an increase in the rate of change (or strong momentum) and confirming technical indicators.
Neutral	Hold	Trading range trend, a flat rate of change and confirming technical indicators.
Bearish	Sell	Negative or weakened trend, momentum and confirming technical indicators.
N/A		Not enough historical data to make an evaluation.

For a complete set of required disclosures relating to the companies that are the subject of this report, please mail a request to UBS CIO Americas, Wealth Management Business Management, 1285 Avenue of the Americas, 20th Floor, Avenue of the Americas, New York, NY 10019.

#### Disclosures (1 May 2018)

3M Co. 2, 3, 4, Abbott Laboratories 2, 3, 4, AbbVie 1, 2, 5, Accenture Plc 2, 3, 4, 6, 7, Alphabet Inc. Class A 1, 2, 3, 4, 5, 12, Altria Group Inc. 2, 3, 4, Amazon.com Inc. 2, 3, 4, Amgen Inc. 1, 2, 3, 4, 5, 8, 9, 10, Apple Inc. 1, 2, 3, 4, AT&T Inc. 1, 2, 3, 4, 8, 10, 11, 17; Bank of America 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, Berkshire Hathaway Inc. 1, 2, 13, Boeing Co. 1, 2, 3, 4, Bristol-Myers Squibb Co. 2, 3, 4, Campbell Soup Co. 2, 3, 4, Celgene Corp. 2, Chevron 1, 2, 3, 4, 12, Cisco Systems Inc. 1, 2, 3, 4, 8, 10, 12, Coca-Cola Co. 1, 2, 3, 4, 5, CVS Health 2, 3, 4, Exxon Mobil 1, 2, 3, 4, 12, 13, Facebook 2, General Electric Co. 1, 2, 3, 4, 5, 14, 15, Home Depot Inc. 2, 3, 4, 7, Honeywell International Inc. 1, 2, 3, 4, 7, 12, Intel Corp. 1, 2, 3, 4, 5, 7, 8, 10, 12, Intl Business Machines 1, 2, 3, 4, 5, Johnson and Johnson 1, 2, 3,

## Appendix

4, 8, 9, 10, 12, JPMorgan 1, 2, 3, 4, 5, 12, McDonald's Corp. 2, 3, 4, 7, 13, Medtronic Inc. 1, 2, 5, 6, 7, 10, 12, Merck and Co Inc 1, 2, 3, 4, 5, 12, 13, Microsoft Corp. 1, 2, 3, 4, 5, 8, 10, 12, 14, Mondelez International 1, 2, 3, 4, 6, Nike Inc. 2, Occidental Petroleum 2, PepsiCo Inc. 1, 2, 3, 4, 5, 8, 9, 10, 12, Pfizer Inc. 1, 2, 3, 4, 12, 14, Philip Morris Intl Inc. 1, 2, 3, 4, 8, 9, 10, Procter & Gamble Co. 2, 3, 4, 8, 9, 10, Schlumberger 2, 3, 4, 16, Starbucks Corp. 1, 2, 5, 6, 7, Texas Instruments Inc. 2, 3, 4, 7, United Parcel Service Inc. 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, United Technologies Corp. 1, 2, 3, 4, 6, 7, Verizon Communications Inc. 1, 2, 3, 4, 8, 9, 10, Visa Inc. 2, 7, Walt Disney Co. 2, 3, 4, 7, 13, 14, Wells Fargo 1, 2, 3, 4, 5, 6, 8, 9, 10, 12, 13,

1. Within the past 12 months, UBS Securities LLC and/or its affiliates have received compensation for products and services other than investment banking services from this company/entity.
2. UBS Securities LLC makes a market in the securities and/or ADRs of this company.
3. This company/entity is, or within the past 12 months has been, a client of UBS Financial Services Inc, and non-investment banking securities-related services are being, or have been, provided.
4. Within the past 12 months, UBS Financial Services Inc has received compensation for products and services other than investment banking services from this company.
5. This company/entity is, or within the past 12 months has been, a client of UBS Securities LLC, and non-securities services are being, or have been, provided.
6. UBS AG, its affiliates or subsidiaries beneficially owned 1% or more of a class of this company's common equity securities as of last month's end (or the prior month's end if this report is dated less than 10 days after the most recent month's end).
7. UBS Financial Services Inc., its affiliates or subsidiaries owns a net long position exceeding 0.5% of the total issued share capital of this company.
8. Within the past 12 months, UBS AG, its affiliates or subsidiaries has received compensation for investment banking services from this company/entity or one of its affiliates.
9. UBS AG, its affiliates or subsidiaries has acted as manager/co-manager in the underwriting or placement of securities of this company/entity or one of its affiliates within the past 12 months.
10. This company/entity is, or within the past 12 months has been, a client of UBS Securities LLC, and investment banking services are being, or have been, provided.
11. UBS AG, its affiliates or subsidiaries expect to receive or intend to seek compensation for investment banking services from this company/entity within the next three months.
12. This company/entity is, or within the past 12 months has been, a client of UBS Securities LLC, and non-investment banking securities-related services are being, or have been, provided.
13. The equity analyst covering this company, a member of his or her team, or one of their household members has a long common stock position in this company.
14. The UBS Wealth Management strategist, a member of his or her team, or one of their household members has a long common stock position in this company.
15. UBS Securities LLC is acting as advisor to GE on the sale of its low voltage industrial motors business to Wolong Electric Group.
16. UBS Financial Services Inc. its affiliates or subsidiaries owns a net long position exceeding 0.5% of the total issued share capital of this company.
17. UBS Securities LLC is acting as manager/co-manager, underwriter, placement or sales agent in regard to an offering of securities of this company/entity or one of its affiliates.

## Appendix

### Disclaimer

In certain countries UBS AG is referred to as UBS SA. This publication is for our clients' information only and is not intended as an offer, or a solicitation of an offer, to buy or sell any investment or other specific product. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situation and needs of any specific recipient. We recommend that recipients take financial and/or tax advice as to the implications of investing in any of the products mentioned herein. We do not provide tax advice. The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results. Other than disclosures relating to UBS AG, its subsidiaries and affiliates, all information expressed in this document were obtained from sources believed to be reliable and in good faith, but no representation or warranty, express or implied, is made as to its accuracy or completeness. All information and opinions are current only as of the date of this report, and are subject to change without notice. This publication is not intended to be a complete statement or summary of the securities, markets or developments referred to in the report. Opinions may differ or be contrary to those expressed by other business areas or groups of UBS AG, its subsidiaries and affiliates. Research publications from Chief Investment Office Global Wealth Management (CIO GWM), formerly known as CIO Americas, Wealth Management, are written by UBS Global Wealth Management, a Business Division of UBS AG (UBS) or an affiliate thereof (collectively, UBS). UBS Investment Research is written by UBS Investment Bank. Except for economic forecasts, the research process of CIO GWM is independent of UBS Investment Research. As a consequence research methodologies applied and assumptions made by CIO GWM and UBS Investment Research may differ, for example, in terms of investment horizon, model assumptions, and valuation methods. Therefore investment recommendations independently provided by the two UBS research organizations can be different. The analyst(s) responsible for the preparation of this report may interact with trading desk personnel, sales personnel and other constituencies for the purpose of gathering, synthesizing and interpreting market information. The compensation of the analyst(s) who prepared this report is determined exclusively by research management and senior management (not including investment banking). Analyst compensation is not based on investment banking, sales and trading or principal trading revenues, however, compensation may relate to the revenues of UBS as a whole, of which investment banking, sales and trading and principal trading are a part. UBS AG, its affiliates, subsidiaries and employees may trade as principal and buy and sell securities identified herein. At any time, investment decisions (including whether to buy, sell or hold securities) made by UBS and its employees may differ from or be contrary to the opinions expressed in UBS research publications. Some investments may not be readily realizable since the market in the securities is illiquid and therefore valuing the investment and identifying the risk to which you are exposed may be difficult to quantify. UBS relies on information barriers to control the flow of information contained in one or more areas within UBS, into other areas, units, groups or affiliates of UBS. Some investments may be subject to sudden and large falls in value and on realization you may receive back less than you invested or may be required to pay more. Changes in foreign currency exchange rates may have an adverse effect on the price, value or income of an investment. Past performance of an investment is not a guide to its future performance. Additional information will be made available upon request. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to all categories of investors. Distributed to US persons by UBS Financial Services Inc. or UBS Securities LLC, subsidiaries of UBS AG. UBS Switzerland AG, UBS Deutschland AG, UBS Bank, S.A., UBS Brasil Administradora de Valores Mobiliarios Ltda, UBS Asesores Mexico, S.A. de C.V., UBS Securities Japan Co., Ltd, UBS Wealth Management Israel Ltd and UBS Menkul Degerler AS are affiliates of UBS AG. UBS Financial Services Incorporated of Puerto Rico is a subsidiary of UBS Financial Services Inc. UBS Financial Services Inc. accepts responsibility for the content of a report prepared by a non-US affiliate when it distributes reports to US persons. All transactions by a US person in the securities mentioned in this report should be effected through a US-registered broker dealer affiliated with UBS, and not through a non-US affiliate. The contents of this report have not been and will not be approved by any securities or investment authority in the United States or elsewhere. UBS Financial Services Inc. is not acting as a municipal advisor to any municipal entity or obligated person within the meaning of Section 15B of the Securities Exchange Act (the "Municipal Advisor Rule") and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of the Municipal Advisor Rule.

Version as per April 2018.

UBS specifically prohibits the redistribution or reproduction of this material in whole or in part without the prior written permission of UBS. UBS accepts no liability whatsoever for any redistribution of this document or its contents by third parties.

## Appendix

© UBS 2018. The key symbol and UBS are among the registered and unregistered trademarks of UBS. All rights reserved.