

# THE BREAKOUT BULLETIN

Presented by  and 

## Last Week's Trade Ideas

The S&P 500 is breaking out today, and the market picture looks very positive in spite of trade war rhetoric. VIX continues to fall as does ICJ, and this will help continue to generate new ideas in the Breakout Bulletin style of trade. There will be a few names that I will continue to look to roll and exit this week as I make room for new ideas, but the key for me here is that there continues to be a decent number of opportunities out there as the VIX falls.

The following trades were highlighted during the week as trades I was looking at for entries, holding, or considering exits:

Date	Stock	Trade Idea	Highlighted Entry Price	Exit Day	Exit Price	Current Price	% Return
5/10/2018	NUS	6/15 \$80 Call	\$1.10	5/30/2018	\$3.25		195%
5/4/2018	VALE	6/1 \$15 Call	\$0.18	6/1/2018	\$0.00		(100%)
5/10/2018	V	6/1 \$134 Call	\$0.72	6/1/2018	\$0.00		(100%)
5/16/2018	OAS	6/15 \$13 Call	\$0.25	6/1/2018	\$0.90		260%
5/16/2018	SQ	6/8 \$59 Call	\$1.04	6/1/2018	\$1.45		39%
5/18/2018	AMD	6/15 \$14 Call	\$0.24	6/1/2018	\$0.63		163%
5/7/2018	SC	6/15 \$20 Call	\$0.27			\$0.05	(81%)
5/7/2018	NVCR	6/15 \$30 Call	\$0.78			\$0.80	3%
5/8/2018	PTC	6/15 \$90 Call	\$1.30			\$0.80	(38%)
5/17/2018	RIOT	6/8 \$9.5 Call	\$0.35			\$0.05	(86%)
5/21/2018	CSX	6/15 \$66 Call	\$0.64			\$0.45	(30%)
5/21/2018	AOBC	6/8 \$12 Call	\$0.20			\$0.70	250%
5/22/2018	RF	6/15 \$20 Call	\$0.20			\$0.05	(75%)
5/24/2018	M	6/22 \$35.5 Call	\$0.58			\$1.58	172%
5/30/2018	NUS	6/15 \$85 Call	\$0.60			\$0.70	17%
5/30/2018	LB	6/22 \$37 Call	\$0.60			\$0.55	(8%)
5/30/2018	PENN	7/20 \$37 Call	\$0.70			\$0.45	(36%)
6/1/2018	SQ	6/15 \$61.5 Call	\$0.91			\$1.40	54%
6/1/2018	NFLX	6/22 \$370 Call	\$3.80			\$4.70	24%
6/1/2018	AMD	6/29 \$15 Call	\$0.37			\$0.52	41%
6/1/2018	OAS	7/20 \$15 Call	\$0.43			\$0.20	(53%)

### *NUS – May 10<sup>th</sup>, 2018 and May 30<sup>th</sup>, 2018*

NUS continues to make new highs and trend higher. I rolled my position last week to re-leverage with out-of-the-money calls.

### *VALE – May 4<sup>th</sup>, 2018; V – May 10<sup>th</sup>, 2018*

These calls expired on Friday.

***OAS – May 16<sup>th</sup>, 2018 and June 1<sup>st</sup>, 2018***

OAS broke out on Friday and into the large move, I elected to roll my position as the trend was still up. Today's pull back is a problem on the chart, though, so I'll re-evaluate this position in the coming days as the formation clarifies.

***SQ – May 16<sup>th</sup>, 2018 and June 1<sup>st</sup>, 2018***

SQ continues to make new highs and trend higher, and with that, I rolled my position to add out-of-the-money call leverage.

***AMD – May 18<sup>th</sup>, 2018***

AMD continues to make new highs and trend higher as well, and with that, I rolled my position to add out-of-the-money call leverage.

***SC – May 7<sup>th</sup>, 2018***

SC got hit on general bank weakness at the end of last week. I will look again if the premium picks up.

***NVCR – May 7<sup>th</sup>, 2018***

NVCR looked great but fears about ASCO presentations (and what has happened to peers) has caused a fall. The presentation is this afternoon – so this could bounce back when the actual information comes to the market, but for now, I'll be watching to see what happens since this appears to have moved too far without news.

***PTC – May 8<sup>th</sup>, 2018***

PTC recovered from lows and is re-testing highs. This is a good spot for me to hold, but to watch carefully to see if it can break out above prior highs or if I just need to exit and get back my premium.

***RIOT – May 17<sup>th</sup>, 2018***

RIOT calls look dead right now. It's a volatile name, so there's always a chance of something crazy, but right now, it's not something I'll spend much time on unless the premium comes back.

***CSX – May 21<sup>st</sup>, 2018***

CSX is consolidating near highs – I will be watching closely as a result. A break out to new highs will justify holding or rolling while a drop below the 10-Day Moving Average may indicate time to exit.

***AOBC – May 21<sup>st</sup>, 2018***

AOBC had a minor pull back, but my calls expire this week. I will look to exit on a move back to recent highs, and am offering these calls at \$1.05 today. I will continue to update offer levels throughout the week.

***RF – May 22<sup>nd</sup>, 2018***

RF bounced back but needs a bit more follow through to get premium into my calls. I am looking to exit these calls for \$0.08 today if there is a further rally.

***M – May 24<sup>th</sup>, 2018***

M continues to look very good. I am considering rolling plans here and will update if I elect to work a roll today.

***LB – May 30<sup>th</sup>, 2018***

LB liquidated after going ex-dividend but bounced back strongly. Since the bounce back was so strong, I'll plan to hold for now.

***PENN – May 30<sup>th</sup>, 2018***

PENN continues to grind lower. I am considering an exit level in this and will update if I elect to work an offer.

***NFLX – June 1<sup>st</sup>, 2018***

NFLX made a new high today once again, so I am happy to continue to hold this name with IV at very low levels.

### This Week's Watch List

These are some of the Trade Ideas that will be on my Watch List to start the week. If/when the Breakout Level is breached, I will look into the term structure and skew for more precise option entry. As it stands, the technical and option setups look favorable to possibly trigger a trade idea.

#### GPRO

GPRO has been a disaster for a while, but it may finally be forming a base here, and this is a name that could set up a nice short squeeze if it starts to firm. My Breakout Level will be the May 31<sup>st</sup> high at \$5.68:



Screenshot from LiveVol X

As long as IV stays under 45%, I like executing the trade with 3-week out, 30-Delta Calls:



Screenshot from LiveVol X

LRCX

LRCX has been trading fairly sideways for about a month. My Breakout Level will be the May 22<sup>nd</sup> high at \$205.32 while my Breakdown Level will be the May 31<sup>st</sup> low at \$197.85:



Screenshot from LiveVol X

As long as IV is under 30%, I like executing the trade with 3-week out, 30-Delta Options:



Screenshot from LiveVol X

### SWKS

SWKS has been trading in a box for about a month. My Breakout Level will be the May 22<sup>nd</sup> high at \$101.29 while my Breakdown Level will be the May 15<sup>th</sup> low at \$97.13:



Screenshot from LiveVol X

As long as IV is under 25%, I like executing the trade with 3-week out, 30-Delta Options:



Screenshots from LiveVol X

THC

THC spiked on May 30<sup>th</sup> and had a small pullback that is finding support and is setting up a quick bull flag. My Breakout Level will be the June 1<sup>st</sup> high of \$35.79:



Screenshot from LiveVol X

As long as IV is under 45%, I like executing the trade with 3-week out, 30-Delta Calls:



Screenshots from LiveVol X

VFC

VFC looks to be taking out my Breakout Level from last week, and I am looking at it again today as a result. If it can continue to hold above my Breakout Level of the May 31<sup>st</sup> high at \$82.04, I'll look to enter here:



Screenshot from LiveVol X

As long as IV is under 20%, I like executing the trade with 3-week out, 30-Delta Calls:



Screenshots from LiveVol X

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