

THE BREAKOUT BULLETIN

Presented by  and 

Last Week's Trade Ideas

The trend seems to be continuing – equity in-flows to start the month are here again in spite of trade war rhetoric. This should be a busier week for me, and I'll be looking to do a number of trades. I'll be looking to add a few new longs, find shorts that seem to be setting up (I'll want to be a bit more aggressive on these than I have been over the last few months), close some of the good movers, and roll some positions back from next week's expiration. With the way VIX is getting hit and the market is marching higher, I expect this should continue to be a bullish week, but I want to be cautious given the wash-outs we've had to end the month's money flow over the past few months.

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
6/1/2018	OAS	7/20 \$15 Call	\$0.43			\$0.05	(88%)
6/8/2018	SIRI	7/13 \$7.5 Call	\$0.09			\$0.01	(89%)
6/12/2018	UTX	7/13 \$131 Call	\$1.12			\$0.05	(96%)
6/12/2018	EPD	7/20 \$30 Call	\$0.45			\$0.05	(89%)
6/13/2018	MOS	7/20 \$31 Call	\$0.53			\$0.05	(91%)
6/19/2018	EXPE	7/20 \$129 - 6/29 \$131 Call Diagonal	\$1.35			\$1.05	(22%)
6/19/2018	PENN	7/20 \$35 - \$37 Call Spread	\$0.35			\$0.80	129%
6/20/2018	FITB	7/20 \$32 - \$34 Call Spread	\$0.27			\$0.08	(70%)
6/20/2018	ADM	7/20 \$47.5 Call	\$0.36			\$0.39	8%
6/22/2018	MDLZ	7/20 \$42 Call	\$0.30			\$0.60	100%
6/26/2018	THC	7/20 \$39.5 Call	\$0.75			\$0.15	(80%)
6/29/2018	EXC	7/20 \$44 Call	\$0.14			\$0.15	7%
6/29/2018	INCY	7/20 \$72.5 - \$77.5 Call Spread	\$0.55			\$1.10	100%
7/2/2018	WPM	7/20 \$23 Call	\$0.18			\$0.19	6%
7/5/2018	KMX	7/20 \$77.5 Call	\$0.65			\$1.05	62%
7/5/2018	GLNG	8/17 \$32.5 Call	\$0.64			\$0.65	2%

OAS – June 1st, 2018; SIRI – June 8th, 2018; UTX – June 12th, 2018; EPD – June 12th, 2018; THC – June 26th, 2018

OAS, SIRI, UTX, EPD, and THC need a run to matter – I'll re-visit if the calls gain premium later this week.

MOS – June 13th, 2018

MOS may be setting up a bull flag here – I'll look at potential rolls here tomorrow or Wednesday if needed.

EXPE – June 19th, 2018

EXPE set up the call diagonal and broke out today. I'll let this position run for now.

PENN – June 19th, 2018

PENN is re-testing highs. Since IV is a bit higher, I'll wait before looking to roll up to an outright long call.

FITB – June 20th, 2018

FITB looks like a bull flag again – if this works, I'll pick up premium quickly on the call spread, so I am willing to continue to hold this.

ADM – June 20th, 2018

ADM broke out this morning. I will look for roll opportunities this week.

MDLZ – June 22nd, 2018

MDLZ broke out at the end of last week. I will look for roll opportunities this week.

EXC – June 29th, 2018

EXC continues to grind higher. With IV exceptionally cheap, I am happy to hold for now.

INCY – June 29th, 2018

INCY is doing what I was looking for, and I will look for an exit on a re-test of the ~\$75 level.

WPM – July 3rd, 2018

WPM broke out last week and still looks good with Gold firm. I'll continue to hold for now.

KMX – July 5th, 2018

KMX continues to firm after the bull flag. There's no need to adjust anything here as of now.

GLNG – July 5th, 2018

GLNG is a slower rally but still looking strong for a gap fill, so no adjustment is planned here for now.

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.

CIEN

CIEN has been marching higher for over a month. At this point, there are two ways for me to play it – for a spike on a move above my Breakout Level of today's high of \$27.27 or a long liquidation on a break below my Breakdown Level at the 10-Day Moving Average (currently \$26.47):



Screenshot from LiveVol X

As long as IV is under 26%, I like executing the trade with 3-week out, 30-Delta Options:



Screenshot from LiveVol X

DLTR

DLTR hasn't been able to squeeze from lows while the market marches higher. My Breakdown Level will be the June 28th low at \$82.04:



Screenshot from LiveVol X

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



Screenshot from LiveVol X

HRB

HRB finally bounced from lows, and this could either be a dead cat bounce that gets faded quickly or set up a squeeze and shot for a gap fill on the post-earnings move. My Breakout Level will be a close above the June 13th high of \$24.72 while my Breakdown Level will be the July 5th low of \$23.15:



Screenshot from LiveVol X

As long as IV is under 27%, I like executing the trade with 3-week out, 30-Delta Options:



Screenshots from LiveVol X

NTAP

NTAP has been coiling for about a month. My Breakout Level will be the June 29th high at \$79.75 while my Breakdown Level will be the June 25th low of \$75.34:



Screenshot from LiveVol X

As long as IV is under 24%, I like executing the trade with 3-week out, 30-Delta Options:



Screenshots from LiveVol X

NVDA

NVDA is bouncing after China trade tension selling hit the semi-conductor sector. My Breakout Level will be the 20-Day Moving Average (currently at \$251.20) while my Breakdown Level will be the July 2nd low at \$233.26:



Screenshot from LiveVol X

As long as IV is under 29%, I like executing the trade with 3-week out, 30-Delta Options:



Screenshots from LiveVol X

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