

**Woodson Wave Report  
January 3, 2019  
Market Close Report  
woodsonwave.com**



**APPLE = THE POINT OF RECOGNITION!**

**Fibonacci Options Day Trader  
2018 Performance Report**

See monthly, quarterly, yearly  
2018 results here

**Account #1 + 29.59%**

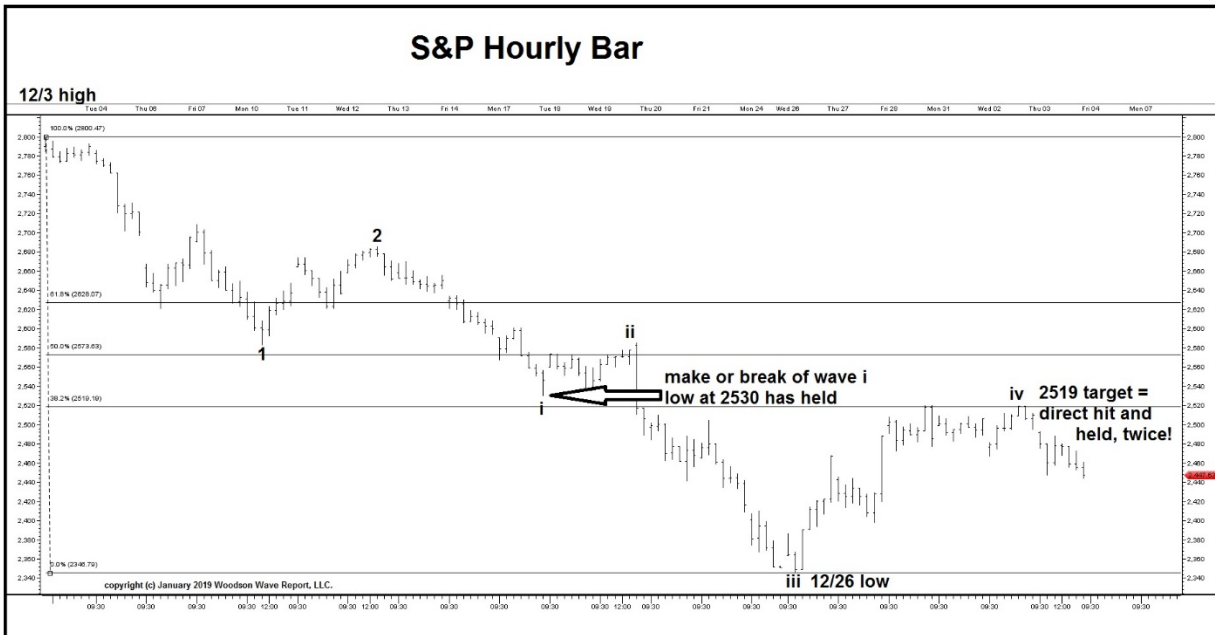
**Account #2 + 69.04%**

**Account #3 + 133.47%**

**S&P 500 – 6.24%**

**See all 511 actual trades here**

# POINT OF RECOGNITION



If our wave count is correct wave v of 3 just began. When it is complete there will be no doubt in anyone's mind that we are in a bear market. You can count it as started in January of 2018 or August (NASDAQ), September (S&P), October (Dow) OF 2018, but make no mistake, we are in a bear market. Still to this day with Apple, the biggest stock in the world, down almost 40% from its high, they still parade "experts" in front of the camera to tell you this is a buying opportunity! What wave three brings is a point of recognition. Before it is complete there will be no doubt that we're in a bear market. Nobody will be making the case that this is a buying opportunity. Actually it will be just the opposite. Soon, when wave three is complete, they will all sell at the bottom as they always do, instead of buying at the low. The point of recognition is near.

This chart above illustrates wave v of 3 of (3). Verification will come with a break below the wave iii low of **2436** on 12/26/18.

A price target of **2335** still represents multiple Fibonacci extensions. This appears to be a great place for a short term low.

Wave 5 = wave 1 from the 12/3/18 high at **2307**.

Wave v will gain a 1.618 multiple of wave i from the 12/11/18 at **2270**.

## Cash is King

In 2018, almost everything lost money:

- The Dow, NASDAQ and S&P were all down for the year and the stock market had its worst year in 10 years, since the crisis in 2008.
- Gold was down for the year in 2018.
- Bonds lost money in 2018.

Cash did not lose money in 2018. In fact, it gained in value.

## Fibonacci Options Day Trader Report Trades made on 01/03/19

REALIZED G&L DETAILS										
Symbol	Q	Open Date	Open Price \$	Open Net Amount \$	Type	Close Date	Close Price \$	Close Net Amount \$	Realized Gain \$	
SPXW Jan 04 '19 \$2450 Put	1	1/3/2019	14.3	\$ 1,433.50	S	1/3/2019	16.4	\$ 1,634.03	\$ 200.53	
SPXW Jan 04 '19 \$2450 Put	1	1/3/2019	14.3	\$ 1,433.50	S	1/3/2019	18.5	\$ 1,844.03	\$ 410.53	
SPXW Jan 04 '19 \$2500 Put	1	1/2/2019	35.1	\$ 3,513.50	S	1/3/2019	39.5	\$ 3,944.03	\$ 430.53	
SPXW Jan 04 '19 \$2500 Put	1	1/2/2019	35.1	\$ 3,513.50	S	1/3/2019	47.1	\$ 4,704.03	\$ 1,190.53	
<b>Total</b>				\$ 9,894.00				\$ 12,126.10	<b>\$ 2,232.12</b>	
Symbol	Q	Open Date	Open Price \$	Open Net Amount \$	Type	Close Date	Close Price \$	Close Net Amount \$	Realized Gain \$	
SPXW Jan 04 '19 \$2450 Put	1	1/3/2019	14.5	\$ 1,453.50	S	1/3/2019	16.4	\$ 1,634.03	\$ 180.53	
SPXW Jan 04 '19 \$2450 Put	1	1/3/2019	14.5	\$ 1,453.50	S	1/3/2019	17	\$ 1,694.03	\$ 240.53	
SPXW Jan 04 '19 \$2500 Put	1	12/31/2018	34.8	\$ 3,483.50	S	1/3/2019	43.1	\$ 4,304.03	\$ 820.53	
SPXW Jan 04 '19 \$2500 Put	1	1/2/2019	31.5	\$ 3,155.97	S	1/3/2019	35.8	\$ 3,574.03	\$ 418.05	
<b>Total</b>				\$ 9,546.47				\$ 11,206.10	<b>\$ 1,659.64</b>	
<b>Total both accounts</b>				\$ 19,440.47				\$ 23,332.20	<b>\$ 3,891.76</b>	

Almost every day and most times multiple times a day we tweet our target prices for the day for you day and swing traders out there. Before the open we tweeted:

*“Wave v of 3 should be in force as long as 2519 high holds in the S&P. Downside targets on a 1 minute chart for you day traders out there. 3rd wave = 1st wave down from yesterday's high at 2487 and 1.618 target = 2473.”*

Minutes later:

*“First target of 2487 achieved!”*

And shortly after that within the same hour:

*“2<sup>nd</sup> target price of 2473 achieved!”*

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We were in and out of the market all day today as we sold the puts that we had bought on 12/31/18 and 1/2/19 in addition to some of the puts that we bought today. We are carrying into tomorrow two Jan 4<sup>th</sup> 2450 puts that we bought at 22 near the initial lows this morning. They closed at 20 today.

We had some puts that expired worthless on 12/31/18. Since they don't settle until the next business day, those puts settled on 1/2/19 at zero. One was bought on 12/28/18 at 13.10 in one account for a loss of \$1,315.97 and 2 more were bought in the other account on 12/28/18 at 15.00 for a loss of \$3,007 on 1/2/19.

Strategy:

At one point today we had six Jan 4<sup>th</sup> 2450 puts which put (no pun intended) \$10,500 at risk. And those options expire tomorrow. As we sold (at a profit), we reduced our money at risk to \$7,500, then \$6,000 and at the close we held two puts which reduced our money at risk to \$4,500 going in to tomorrow.

**Positions for rating services:**

**Long-term** counts are found on weekly and/or monthly charts and generally cover a time period of years to decades.

**Intermediate-term** counts are found on daily and/or weekly charts and generally cover a time period of weeks to years.

**Short-term** counts are found on daily and/or hourly charts and generally cover a time period of days to hours.

**Dow:**

**Long term:** Remain short.

**Intermediate term:** Remain short.

**Short Term:** Remain short.

**NASDAQ:**

**Long term:** Remain short.

**Intermediate term:** Remain short.

**Short Term:** Remain short.

**S&P 500:**

**Long term:** Remain short.

**Intermediate term:** Remain short.

**Short Term:** Remain short.

**Gold:** Remain short against the wave 4 high of \$1365.68.

**Bonds:** Remain long.

*Subscription to Woodson Wave Report:*

*\$233 Annual subscription includes: one newsletter per month plus all special interim reports issued between monthly newsletters as market conditions warrant.*

**Disclaimer:** Woodson Wave Report, LLC combines Elliott Wave analysis and Fibonacci ratios to identify turning point targets in the Dow, NASDAQ, S&P 500 cash, and bond and gold markets with respect to both price and time. The monthly newsletter is generally released on the first Friday of the month and special interim reports are issued as market conditions warrant and as targets are achieved. The information contained in the report is prepared solely for informational purposes and should not be taken as an offer to buy or sell any investment vehicle. Past performance is no guarantee of future results. Woodson Wave Report is waived of any liabilities.