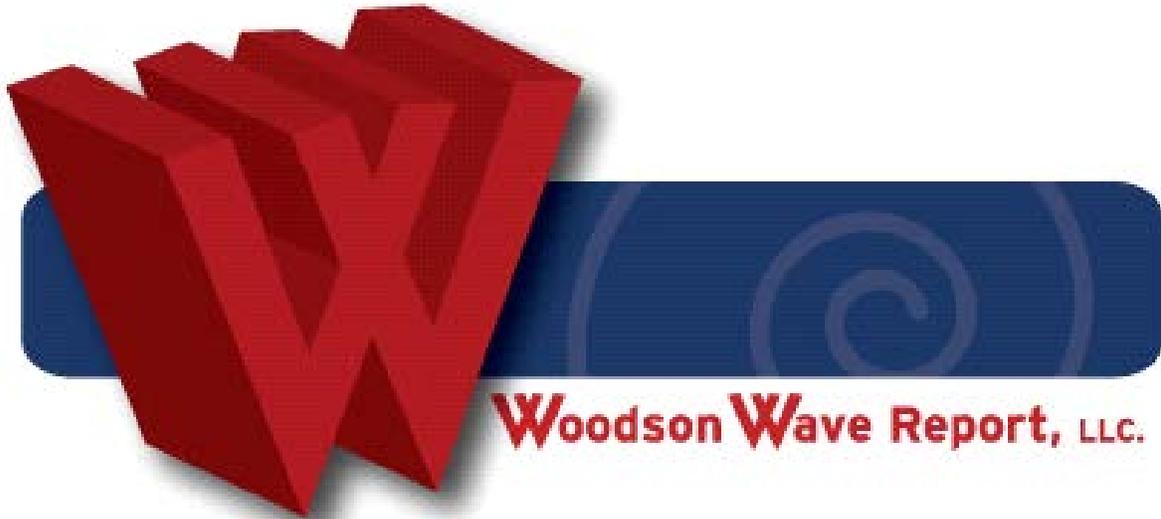


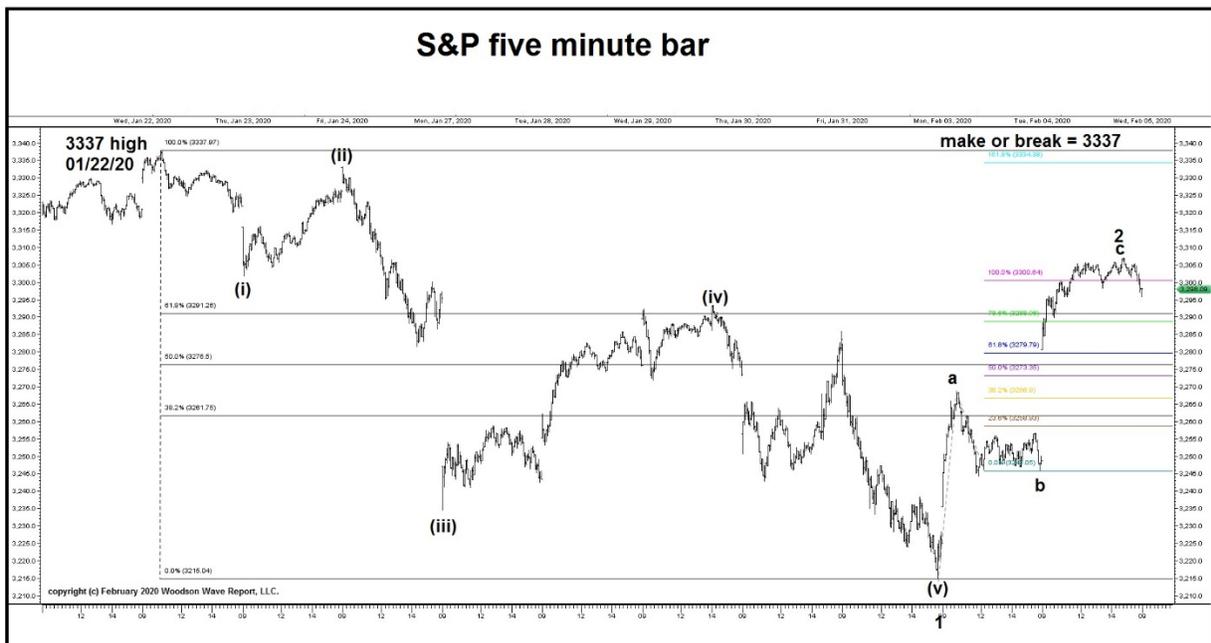
Woodson Wave Report (est.1997)

February 4, 2020

woodsonwave.com



Wave 2 Up Complete?



The expected three wave advance (wave 2) materialized today and most likely terminated at today's high above the ideal Fibonacci .618 retracement level of 3291 and near the area where wave c up is equal to wave a up (3300) at 3306. Wave c will gain a Fibonacci 1.618 relationship with wave a at 3334. Wave 2 cannot retrace more than 100% of wave 1 so the wave 1 high of 3337 becomes our make or break level.

Upside Resistance Levels:

3261 = .382 retracement achieved 02/03.
3276 = .500 retracement achieved today, 02/04.
3291 = .618 retracement achieved today, 02/04.
3334 = wave c = 1.618 multiple of wave a.
3337 = make or break point.

Downside Targets:

3184 = wave 3 down = wave 1 down.
3157 = .382 retracement of the rise from the Oct. 2019 low to 3337 high.
3108 = wave 3 = 1.618 of wave 1.

Fibonacci Options Day Trader Report:

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Dale tweets his trades in real time.

We'd rather be wrong on the direction of the market and lose money than be right on the direction and lose money because we made the wrong trade. But that's what we did yesterday. As you know we were expecting a three-wave bounce (up, down, up) to our Fibonacci retracement levels. Moments after the open yesterday the market hit our .382 retracement level. We patiently waited for the S&P to make

the b wave down. As expected, the b wave retracement was short and as you know we sold one of our calls for a \$72 net realized loss yesterday on the call.

The first mistake we made was buying calls mid-day Monday which expired Monday. We didn't give the three waves up enough time to develop. Of course, today, the day after our calls expired, the market gapped up some 40+ points. When you're playing at or in the money options that's \$100 per point, or in this case \$4,000 per option. We had two of them so that was a wasted opportunity to make an easy \$8,000. If we had bought puts that expire Wed instead of Monday, we would have made at least an \$8,000 gain today instead of a \$72 loss yesterday and a \$2,100 loss today.

The second mistake was buying the puts at the close yesterday. As the market moved down at the close, we gave up on the three-wave bounce and bought two puts. Of course, we should have never doubted ourselves as the market gapped up today and achieved our Fibonacci .618 upward retracement target and then some.

About an hour before the close today, as the market surpassed our 3204 target, we bought two Feb. 7th 3300 puts, one at 17.50 and one at 17.70. Near the close we sold one of them at 21.50. We also added to our short position selling ten more shares of TSLA after the close at 884.

We are now short ten shares of TESLA at 884, ten at 472 and ten at 418. We are also holding those two Feb 5th 3225 puts that we bought at an average price of 13.21, and we still have the Feb 7th 3330 put we bought at 17.71.

Because of our trading mistakes made yesterday, we suffered a net realized loss of \$2,104, 49.47%.

Account #1:

Date	Order	Type	Order type	Quantity	Symbol	Price type	Term	Price	Price executed	Status
02/04/20	3752	Option	Sell Close	1	SPXW Feb 07 '20 \$3300 Put	Limit	Day	21.50	21.50	Executed
02/04/20	3750	Option	Buy Open	1	SPXW Feb 07 '20 \$3300 Put	Limit	Day	17.50	17.50	Executed
02/04/20	3749	Option Expired	Sell Close	2	SPXW Feb 03 '20 \$3250 Call	—	—	—	—	Expired

Account #2:

Date	Order	Type	Order type	Quantity	Symbol	Price type	Term	Price	Price executed	Status
02/04/20	2131	Extended Hours	EH Sell Short	10	TSLA	Limit	Day	882.80	884.44	Executed
02/04/20	2129	Option	Buy Open	1	SPXW Feb 07 '20 \$3300 Put	Limit	Day	17.70	17.70	Executed

REALIZED G&L SUMMARY

Total Gain Realized	Total Commissions & Fees
\$ (2,104.10)	\$ 4.11

REALIZED G&L DETAILS	Q	Opening Date	Opening Price	Opening Net Amount	Closing Date	Closing Price	Closing Net Amount	Realized Gain	Pct. Gain
SPXW Feb 03 '20 \$3250 Call	2	2/3/2020	12.5	\$ 2,502.05	2/4/2020	0	\$ -	\$ (2,502.05)	100.00%
SPXW Feb 07 '20 \$3300 Put	1	2/4/2020	17.5	\$ 1,751.03	2/4/2020	21.5	\$ 2,148.97	\$ 397.95	22.73%
Total				\$ 4,253.08			\$ 2,148.97	\$ (2,104.10)	49.47%

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: Moved to a short position after the close on 0717/19.

Intermediate term: Remain short.

Short Term: Remain short.

NASDAQ:

Long term: Moved to a short position after the close on 0717/19.

Intermediate term: Remain short.

Short Term: Remain short.

S&P 500:

Long term: Moved to a short position after the close on 0717/19.

Intermediate term: Remain short.

Short Term: Remain short.

Gold: Moved to a long position on 9/4/19 against the first wave high of 1374.91. Moved to a short position on 01/08/20, with the completion of wave 3 up to 1599 with target prices to the downside of 1459, 1412 and 1364.

Bonds: Remain short as Bonds are near the Fibonacci .786 retracement level of 168.48. Move to a long position with any move above the July 2016 high of 177.83.

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.