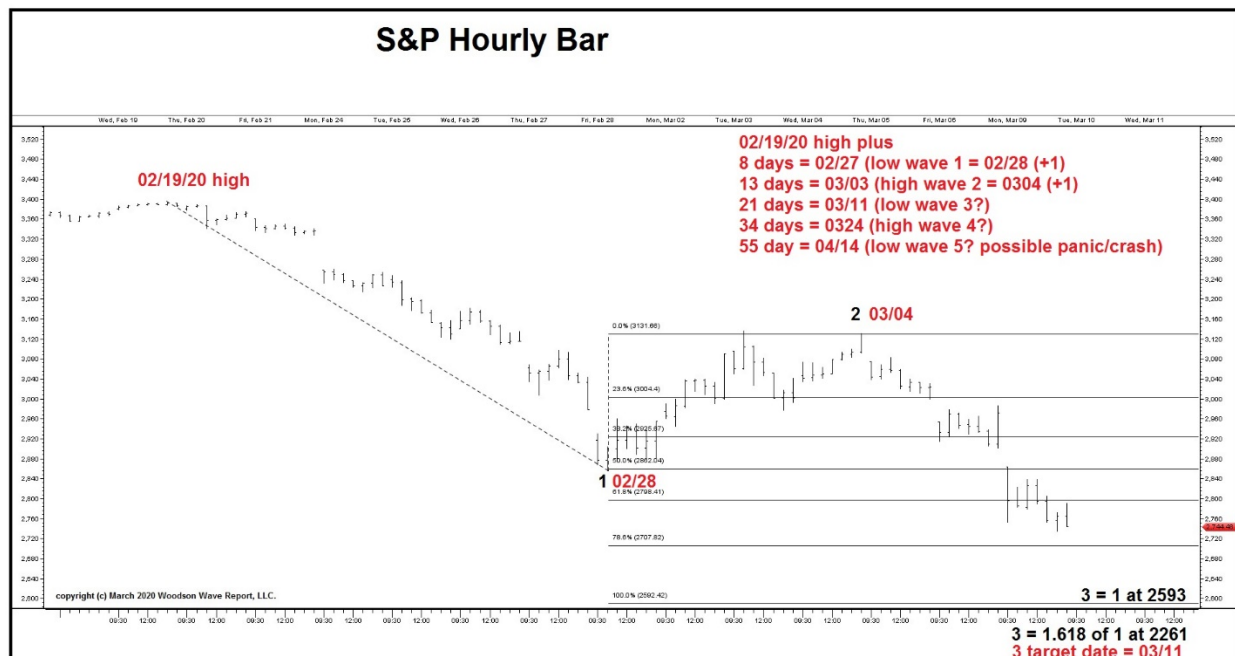


# Woodson Wave Report (est.1997) Short Term Report March 9, 2020 woodsonwave.com



## Third Wave Down



## **Announcement:**

Annual subscribers have been receiving our short term report (formally called Fibonacci Options Day Trader Report) for free as a courtesy. Annual subscriptions include monthly reports and interim reports which are published as market conditions warrant. Annual subscribers, please enjoy this short term report as a complimentary issue.

Yesterday's Market Crash Alert identified the wave iii of 3 target in the chart on page one at 2756. That target was achieved today. The next target is the price where wave iii = 1.618 of wave i which is 2616. We have witnessed and are witnessing the power of wave iii of 3. The larger trend wave 3 began on 03/04 and its price targets are:

### **From the wave 2 high of 3130 on 03/04:**

Wave 3 = wave 1 at **2593**.

Wave 3 = 1.618 of wave 1 at **2261**.

With regards to time, we expect the third wave to end a Fibonacci 21 days from the all-time high on 3/11/20. See chart on page one and graph below. If it continues the trend of both waves 1 and 2 of lasting one day longer, then we'll give it until 03/12 to bottom.

## **Fibonacci Time Spiral Dates**

### **02/19/20 high:**

plus 8 days = 02/27/20 (actual low wave 1 = 02/28/20)

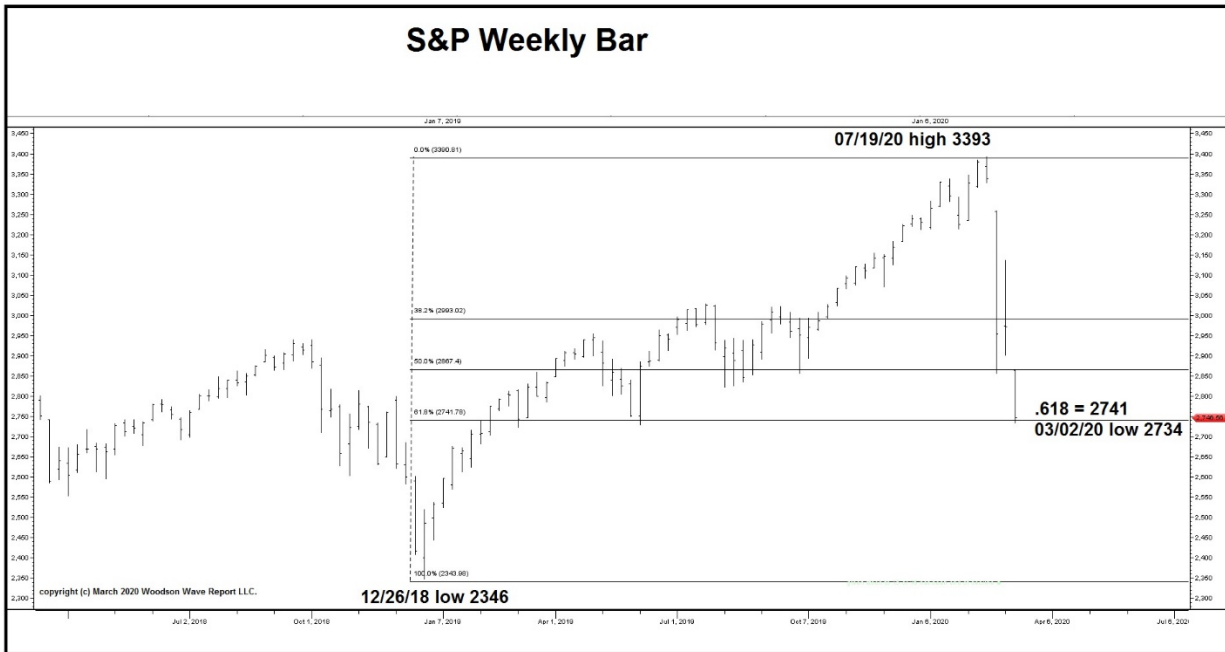
plus 13 days = 03/03/20 (actual high wave 2 = 03/04/20)

plus 21 days = 03/11/20 wave 3 low, targets = **2756 achieved today 03/09 and 2616**

plus 34 days = 03/24/20 wave 4 high?

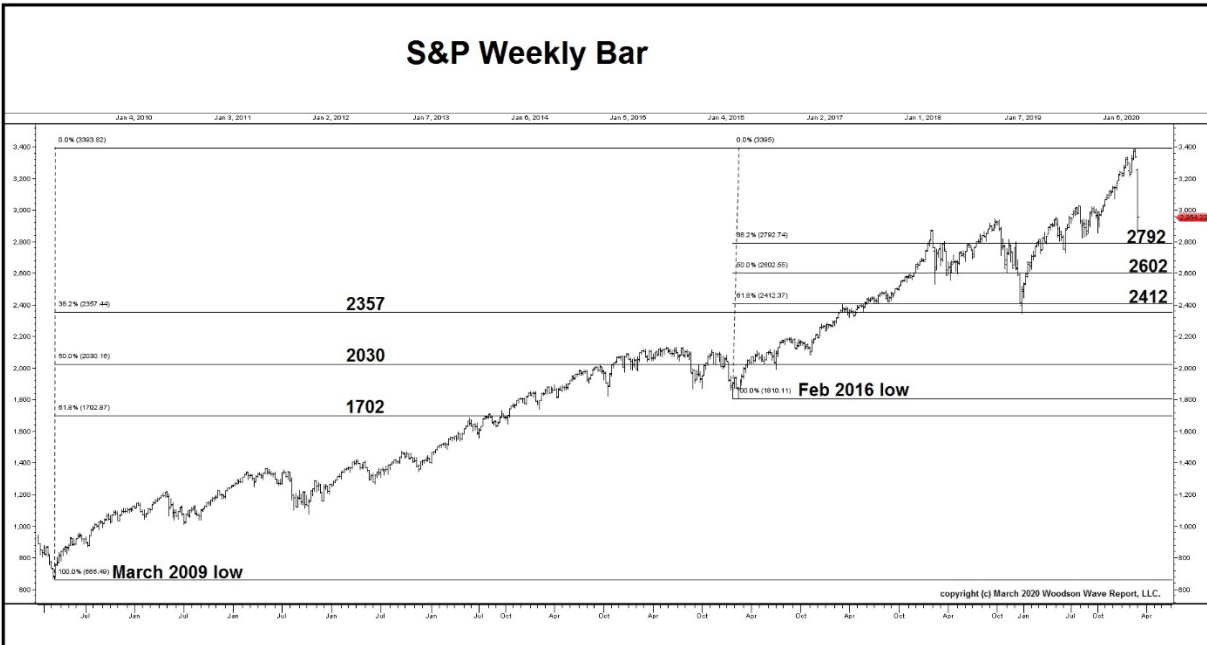
plus 55 days = 04/14/20 wave 5, targets = **2593, 2261**

**potential panic/crash low = 4/14/20.**



As you know we've eliminated the possibility of this decline correcting five wave advances of varying degrees of trend going back to the February high, then the January high etc. Now we've come to a point today where the S&P has touched the Fibonacci .618 retracement level of the rise from the December 2018 low. A decline much lower from here and subsequently one that takes out that 2346 low will make this decline a correction of the advance one degree higher of trend and possibly more. Those higher degrees of trend began in February of 2016 and if not that one then the advance from the 2009 low.

Below is a reprint of the chart depicting all the Fibonacci retracement targets from the Feb. 2016 low and the March 2009 low from the March monthly report published on 03/02/20.



## Fibonacci Options Day Trader Report:

[Follow WWR on Twitter](#)

Dale tweets his trades in real time.

We knew it would be an exciting day and we expected some stress today. The reason of expected stress is from our experience trading in these types of markets in 1987, 1998, 2000-2002, 2007-2009. Back in the 80's before computers the brokers simply didn't answer the phones. In the 90's I remember having to place market orders because of a fast market they weren't accepting limit orders and I'd find out by 10 pm that night what price they decided to fill my order with.

Today was going to prove difficult at best due to the futures being limit (5%) down and not trading. So, we looked at the SPX ETF. It was down over 7%. As you know the circuit breakers kick in at 7%, 13% and 20%. As we tweeted Sunday night:

“Circuit Breakers! S&P futures limit down 5%, trading stopped at 8:05 pm Eastern tonight.

For 0309

7% = 2764 closes for 15 mins

13% = 2585 closes for 15 mins

20% = 2377.9 closed for the day”

So, the S&P would open at least 5% down and likely very close to 7% down. Our target for the third wave was **2756**. The price target for 7% down was **2765**. I knew this meant I would probably only have minutes at most to sell 1 of the 2 puts I held overnight at the open to take advantage of the huge decline in my favor. So, I was ready and tried to sell at the open. There was a problem as I expected. There were no bids or asks for any of the S&P options. So, I had no idea what the price was. I tried to place a market order, three times to no avail. So, I picked a random high price and was able to place a limit order at 9:32 am and 30 seconds. As expected, the market stopped trading after plummeting 7% and triggering the circuit breaker at 9:34 am. My order was never executed as the price was not within the bid and ask. But there was no bid and ask. From what I found out, the CBOE did not open SPX options for trading at 9:30. Market hit limit down 7% at 9:34 and the market was halted. The market reopened at 9:49 and options then opened for trading. Those who wanted to trade in those first 4 minutes could not do so. Count me in as one of those people. But it all worked out as we sold both of those puts later and day traded in and out of the market for a **net realized profit of \$11,515 on 46.46% gain**

REALIZED G&L SUMMARY

|                     |                          |
|---------------------|--------------------------|
| Total Gain Realized | Total Commissions & Fees |
| \$ <b>3,541.80</b>  | \$ 8.21                  |

REALIZED G&L DETAILS

| Symbol                     | Q | Opening Date | Opening Price | Opening Net Amount | Closing Date | Closing Price | Closing Net Amount | Realized Gain | Pct. Gain |
|----------------------------|---|--------------|---------------|--------------------|--------------|---------------|--------------------|---------------|-----------|
| SPXW Mar 11 '20 \$2700 Put | 1 | 3/9/2020     | 33.5          | \$ 3,351.03        | 3/9/2020     | 41            | \$ 4,098.97        | \$ 747.95     | 22.32%    |
| SPXW Mar 11 '20 \$2700 Put | 1 | 3/9/2020     | 37.5          | \$ 3,751.03        | 3/9/2020     | 46            | \$ 4,598.97        | \$ 847.95     | 22.61%    |
| SPXW Mar 11 '20 \$2700 Put | 1 | 3/9/2020     | 41            | \$ 4,101.03        | 3/9/2020     | 52            | \$ 5,198.97        | \$ 1,097.95   | 26.77%    |
| SPXW Mar 11 '20 \$2700 Put | 1 | 3/9/2020     | 37.5          | \$ 3,751.03        | 3/9/2020     | 46            | \$ 4,598.97        | \$ 847.95     | 22.61%    |
| Total                      |   |              |               | \$ 14,954.11       |              |               | \$ 18,495.89       | \$ 3,541.80   | 23.68%    |

REALIZED G&L SUMMARY

|                     |                          |
|---------------------|--------------------------|
| Total Gain Realized | Total Commissions & Fees |
| \$ <b>7,973.85</b>  | \$ 6.16                  |

REALIZED G&L DETAILS

| Symbol                     | Q | Opening Date | Opening Price | Opening Net Amount | Closing Date | Closing Price | Closing Net Amount | Realized Gain | Pct. Gain |
|----------------------------|---|--------------|---------------|--------------------|--------------|---------------|--------------------|---------------|-----------|
| SPXW Mar 11 '20 \$2700 Put | 1 | 3/9/2020     | 26.5          | \$ 2,651.03        | 3/9/2020     | 30            | \$ 2,998.97        | \$ 347.95     | 13.13%    |
| SPXW Mar 11 '20 \$2800 Put | 1 | 3/6/2020     | 38.5          | \$ 3,851.03        | 3/9/2020     | 75            | \$ 7,498.97        | \$ 3,647.95   | 94.73%    |
| SPXW Mar 11 '20 \$2800 Put | 1 | 3/6/2020     | 33.3          | \$ 3,331.03        | 3/9/2020     | 73.1          | \$ 7,308.97        | \$ 3,977.95   | 119.42%   |
| Total                      |   |              |               | \$ 9,833.08        |              |               | \$ 17,806.92       | \$ 7,973.85   | 81.09%    |
| Total both accounts        |   |              |               | \$ 24,787.19       |              |               | \$ 36,302.81       | \$ 11,515.65  | 46.46%    |

## Account #1

| Date     | Order Type | Order type        | Quantity | Symbol                     | Price type | Term | Price | Price executed | Status   |
|----------|------------|-------------------|----------|----------------------------|------------|------|-------|----------------|----------|
| 03/09/20 | 3946       | Option Sell Close | 1        | SPXW Mar 11 '20 \$2700 Put | Limit Day  |      | 52.00 | 52.00          | Executed |
| 03/09/20 | 3945       | Option Buy Open   | 1        | SPXW Mar 11 '20 \$2700 Put | Limit Day  |      | 41.00 | 41.00          | Executed |
| 03/09/20 | 3943       | Option Buy Open   | 1        | SPXW Mar 11 '20 \$2700 Put | Limit Day  |      | 47.00 | 47.00          | Executed |
| 03/09/20 | 3942       | Option Sell Close | 1        | SPXW Mar 11 '20 \$2700 Put | Limit Day  |      | 46.00 | 46.00          | Executed |
| 03/09/20 | 3940       | Option Sell Close | 1        | SPXW Mar 11 '20 \$2700 Put | Limit Day  |      | 41.00 | 41.00          | Executed |
| 03/09/20 | 3939       | Option Buy Open   | 1        | SPXW Mar 11 '20 \$2700 Put | Limit Day  |      | 33.50 | 33.50          | Executed |
| 03/09/20 | 3938       | Option Sell Close | 1        | SPXW Mar 11 '20 \$2700 Put | Limit Day  |      | 46.00 | 46.00          | Executed |
| 03/09/20 | 3937       | Option Buy Open   | 2        | SPXW Mar 11 '20 \$2700 Put | Limit Day  |      | 37.50 | 37.50          | Executed |

## Account #2

| Date     | Order Type | Order type        | Quantity | Symbol          | Price type | Term      | Price | Price<br>executed | Status   |
|----------|------------|-------------------|----------|-----------------|------------|-----------|-------|-------------------|----------|
| 03/09/20 | 2331       | Option Sell Close | 1        | SPXW Mar 11 '20 | \$2800 Put | Limit Day | 72.00 | 73.10             | Executed |
| 03/09/20 | 2330       | Option Sell Close | 1        | SPXW Mar 11 '20 | \$2700 Put | Limit Day | 30.00 | 30.00             | Executed |
| 03/09/20 | 2324       | Option Buy Open   | 1        | SPXW Mar 11 '20 | \$2700 Put | Limit Day | 26.50 | 26.50             | Executed |
| 03/09/20 | 2323       | Option Sell Close | 1        | SPXW Mar 11 '20 | \$2800 Put | Limit Day | 75.00 | 75.00             | Executed |

### **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:**

Resumed short position against 02/19/20 high on 02/2320.

##### **Intermediate term:**

Resumed short position against 02/19/20 high on 02/2320.

##### **Short Term:**

Day traders resumed a short position premarket open on 030320.

#### **NASDAQ:**

##### **Long term:**

Resumed short position against 02/19/20 high on 02/2320.

**Intermediate term:**

*Resumed short position against 02/19/20 high on 02/23/20.*

**Short Term:**

*Day traders resumed a short position premarket open on 03/03/20.*

**S&P 500:**

**Long term:**

*Resumed short position against 02/19/20 high on 02/23/20.*

**Intermediate term:**

*Resumed short position against 02/19/20 high on 02/23/20.*

**Short Term:**

*Day traders resumed a short position premarket open on 03/03/20.*

**Gold:** *Moved to a long position with the break above the 01/08/20 high on 02/22/20.*

**Bonds:** *Moved to a long position against the wave 1 high of 159.58 as we expect a move up to 168.51. Resume a short position with any move below the 159.58 make or break price.*

*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.*