

Woodson Wave Report (est.1997)

July 26, 2019

woodsonwave.com



**Top of Wave D and
why what the Fed does next week doesn't matter**

Fibonacci Options Day Trader

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2018 Performance Report

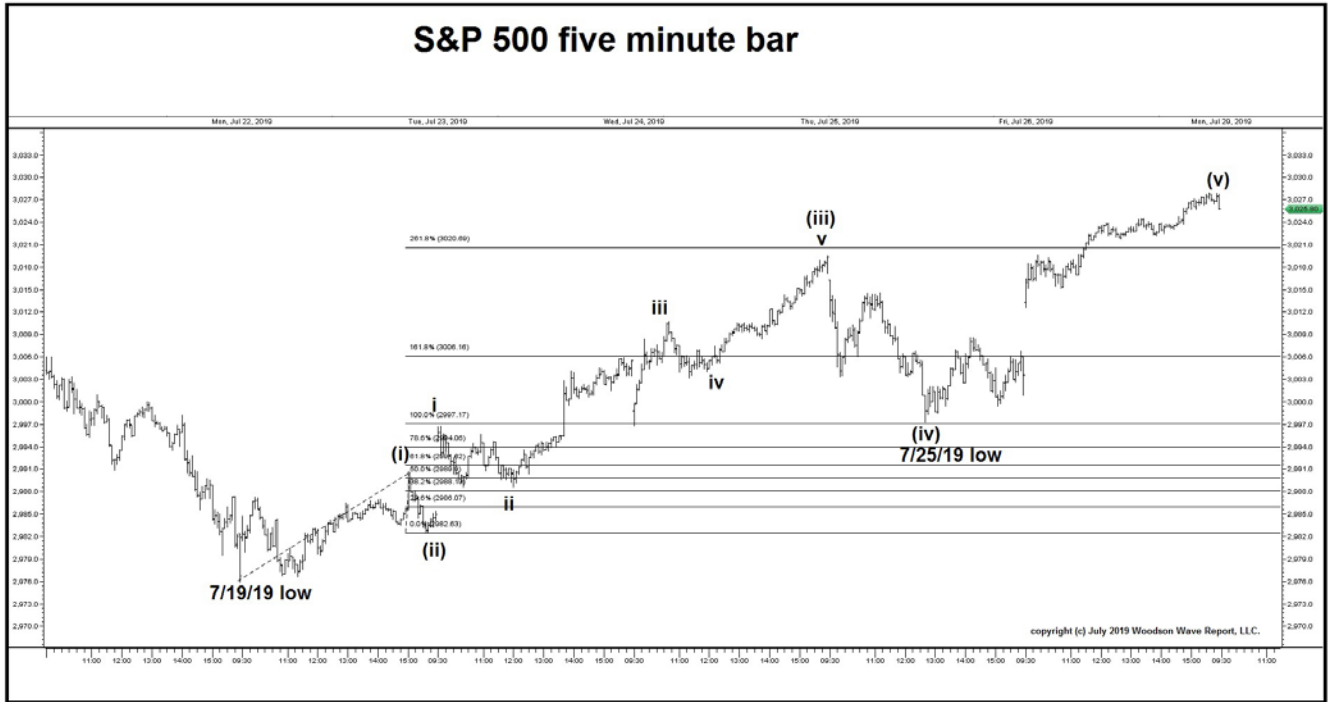
Account #1 + 29.59%

Account #2 + 69.04%

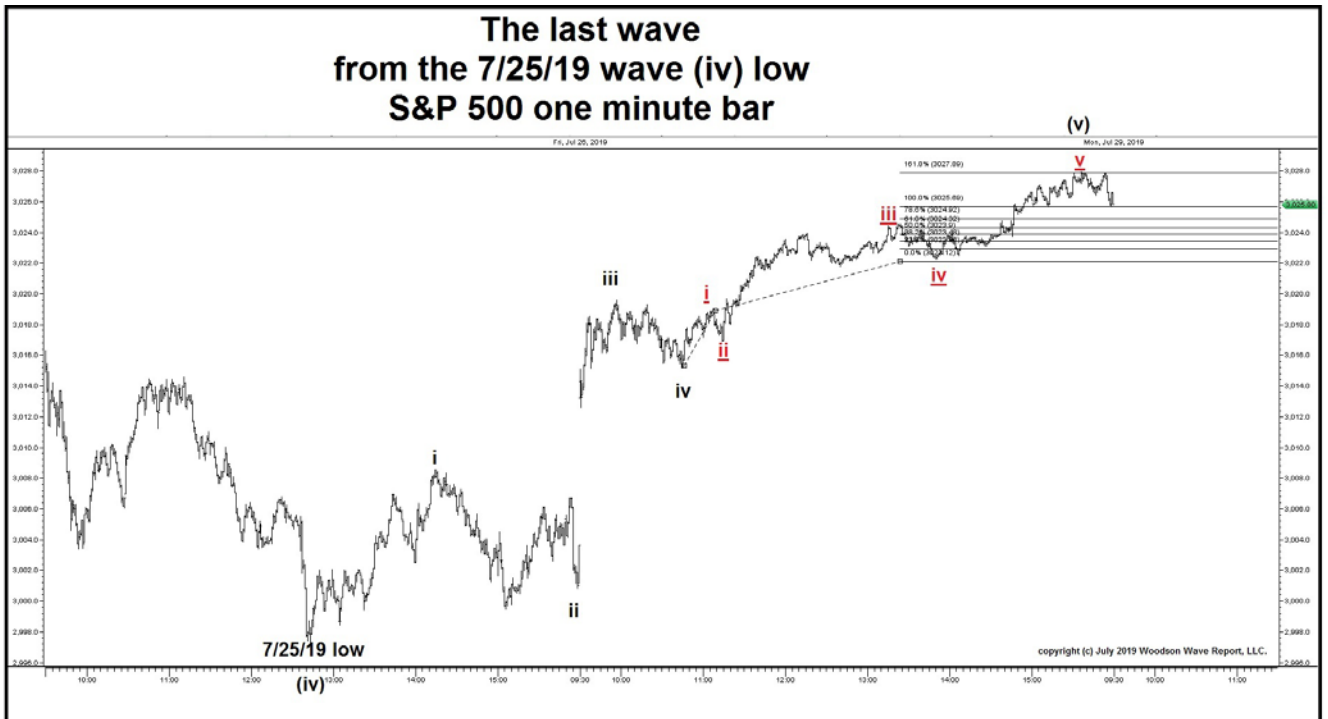
Account #3 + 133.47%

S&P 500 – 6.24%

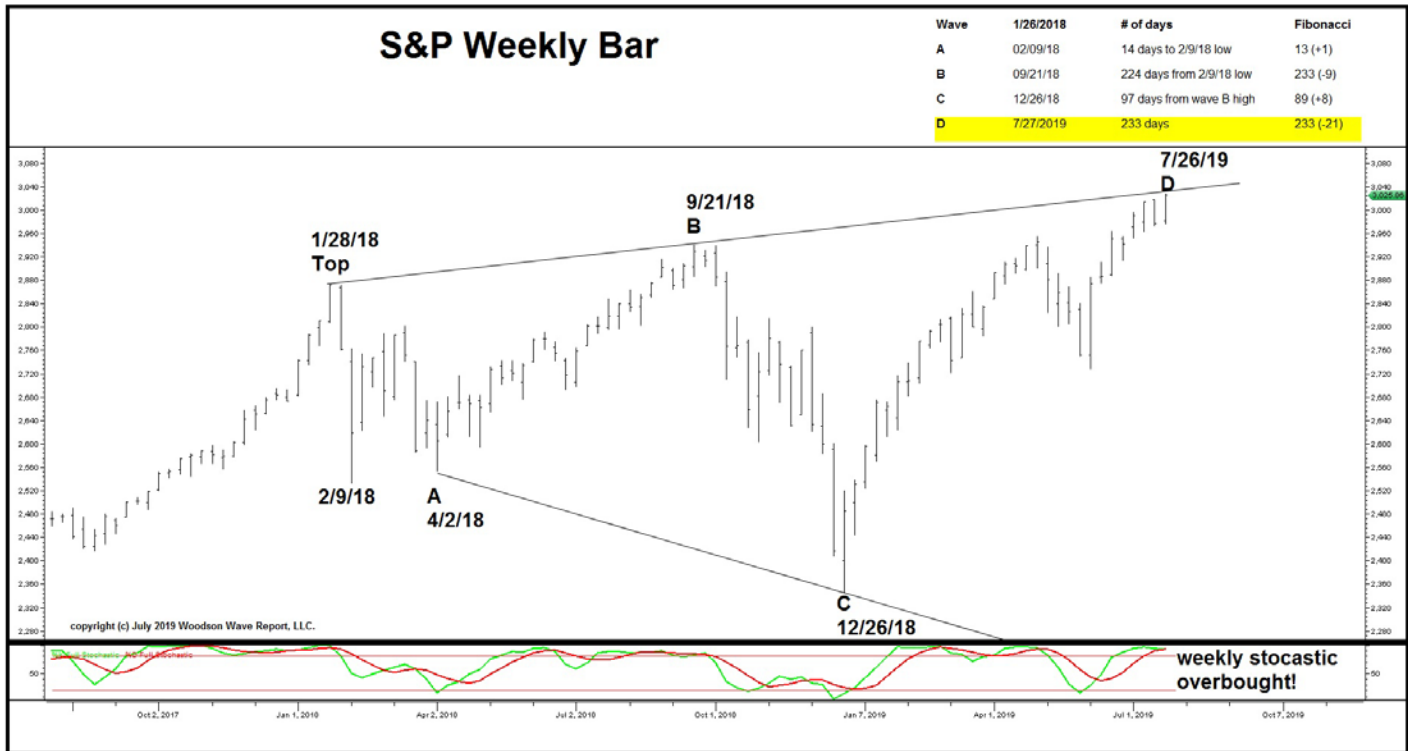
The last wave of the last wave



The last wave above.
The last wave of the last wave below.



The target price for the S&P to touch the upper trend line of the expanding triangle this week was 3032. The high in the S&P today was 3027.98, within a mere 4.02 points of a direct hit. A 99.87% accuracy or within .13 of 1% for a direct hit!



We mentioned last week that the S&P may top in wave D in a Fibonacci multiple of days before the ideal 233 days from the wave C low. From our 072419 report:

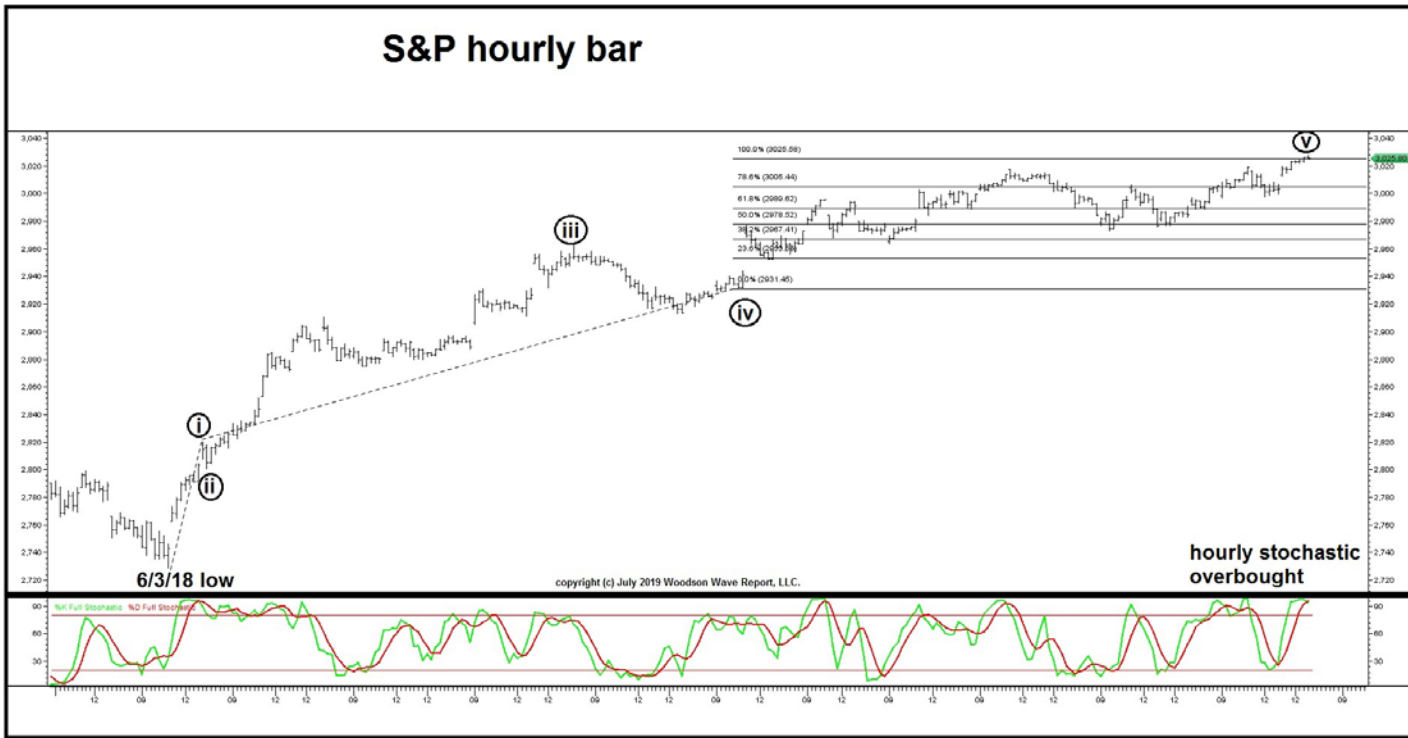
“Wave D’s cousin, wave B lasted a Fibonacci 233 – 9 days. Notice the “slippage” of the exact Fibonacci turn dates alternates from plus to minus with each wave. Wave D will be a 233 – 21 days on Sat July 27, 2019 ... If wave D is to top on one of those Fibonacci ratios, as Saturday is a non-trading day, expect the top to occur one trading day to either side, Friday July 26, or Monday July 29, 2019.”

Today is Friday July 26, 2019 and the S&P is within .13 of 1% of our target.

The market is overbought at every degree of trend – weekly, daily and hourly.



Daily from 12/26/18 low above. Hourly from 6/3/19 low below.



The Fed and the expected interest rate cut next week:

Elliott waves and Fibonacci ratios and extensions don't actually allow us to predict the future, although it may seem so. But what they do is open our eyes to events (expected and more so unexpected) in the future and give us a glimpse of events that are about to occur. Take the expected interest rate cut by the Fed next week and let's look at what is about to happen in the proper cause and effect mode. The cause for the market move is Elliott Waves and Fibonacci multiples or mass human psychology which dictates the waves which, as a human feedback loop, are repeating and predictable. As we all know the expanding triangle wave D high is here. This will cause market to collapse in wave E down to new lows. This is the cause and effect. What the media will tell everyone is the Fed's decision will dictate the direction of the market and they will use it as a reason or excuse or explain the move and the direction of the move AFTER it happens. It will go something like this.

Let's say the Fed cuts rates next week. AFTER the market falls (because it hit the top of wave D) the media will say the same old familiar phrases, "*The cut was already baked in to the market*" or, "*Buy the rumor and sell the fact.*" They will use these same "reasons" to explain why the market goes up AND why the market goes down AFTER it happens! It's like telling the world that the tail wags the dog and everyone should believe it!

WWR is saying it doesn't matter whether the Fed cuts rates by $\frac{1}{4}$ percent, $\frac{1}{2}$ percent, raises rates, or leaves them unchanged. The market is going to move down to new lows below the December low in wave E regardless. The Fed as always is a non-factor. The Fed is the tail and the traders are the dog. The traders will sell and the market will fall because the market has fulfilled the upper trend line of the expanding triangle fourth wave.

Fibonacci Options Day Trader Report:

We used this last wave of the last wave up in the market to buy and sell calls to take advantage of this move. We were in and out of the market a total of ten times today, buying to open a position four times and selling to close a total of six times. **We made a net realized gain of \$2,093.12 on 59.79% gain.**

REALIZED G&L SUMMARY

Total Gain Realized	Total Commissions & Fees
\$ 1,082.60	\$ 47.40

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 Jul 26 '19 \$3000 Call	1	7/25/2019	8.7	\$ 873.50	7/26/2019	13.8	\$ 1,374.02	\$ 500.52	57.30%
SPXW Jul 26 '19 \$3015 Call	1	7/26/2019	4.8	\$ 483.50	7/26/2019	6.9	\$ 684.02	\$ 200.52	41.47%
SPXW Jul 26 '19 \$3015 Call	1	7/26/2019	4.8	\$ 483.50	7/26/2019	7.1	\$ 704.02	\$ 220.52	45.61%
SPXW Jul 26 '19 \$3020 Call	1	7/26/2019	4.1	\$ 413.50	7/26/2019	4.8	\$ 474.02	\$ 60.52	14.64%
SPXW Jul 26 '19 \$3020 Call	1	7/26/2019	4.1	\$ 413.50	7/26/2019	5.2	\$ 514.02	\$ 100.52	24.31%
Total				\$ 2,667.51			\$ 3,750.11	\$ 1,082.60	40.58%

REALIZED G&L SUMMARY

Total Gain Realized	Total Commissions & Fees
\$ 1,010.52	\$ 9.48

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 Jul 26 '19 \$3000 Call	1	7/25/2019	8.3	\$ 833.50	7/26/2019	18.5	\$ 1,844.02	\$ 1,010.52	121.24%
Total				\$ 833.50			\$ 1,844.02	\$ 1,010.52	121.24%
Total both accounts				\$ 3,501.01			\$ 5,594.13	\$ 2,093.12	59.79%

Today's Trades

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Dale tweets his trades in real time.

Just before the close as the market was topping in wave D, we bought two August 2nd 3025 puts to establish a new position. We also layered in 500 more TVIX.

Account # 1

Date	Order	Type	Order type	Quantity	Symbol	Price type	Term	Price	Price executed	Status
07/26/19	3175	Option	Buy Open	2	SPXW Aug 02 '19 \$3025 Put	Limit	Day	18.00	18.00	Executed
07/26/19	3173	Option	Sell Close	1	SPXW Jul 26 '19 \$3020 Call	Limit	Day	5.20	5.20	Executed
07/26/19	3172	Option	Sell Close	1	SPXW Jul 26 '19 \$3020 Call	Limit	Day	4.80	4.80	Executed
07/26/19	3170	Option	Buy Open	2	SPXW Jul 26 '19 \$3020 Call	Limit	Day	4.10	4.10	Executed
07/26/19	3168	Option	Sell Close	1	SPXW Jul 26 '19 \$3015 Call	Limit	Day	7.10	7.10	Executed
07/26/19	3167	Option	Sell Close	1	SPXW Jul 26 '19 \$3015 Call	Limit	Day	6.90	6.90	Executed
07/26/19	3163	Option	Buy Open	2	SPXW Jul 26 '19 \$3015 Call	Limit	Day	4.80	4.80	Executed
07/26/19	3162	Option	Sell Close	1	SPXW Jul 26 '19 \$3000 Call	Limit	Day	13.80	13.80	Executed

Account # 2

Date	Order	Type	Order type	Quantity	Symbol	Price type	Term	Price	Price executed	Status
07/26/19	1568	Stock/ETF	Buy	500	TVIX	Mkt	Day	Mkt	12.7735	Executed
07/26/19	1567	Option	Sell Close	1	SPXW Jul 26 '19 \$3000 Call	Limit	Day	18.50	18.50	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: Moved to a short position after the close on 0717/19.

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

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

NASDAQ:

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

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

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

S&P 500:

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

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

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

Gold: Remain short in anticipation of wave 5 down to 1000.

Bonds: Moved to a short position after the close on 6/7/19.

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.