

Woodson Wave Report (est.1997)

August 14, 2019

woodsonwave.com



Wave 3 down in force!

Over \$13,000 net realized profit, 94% gain today

Fibonacci Options Day Trader

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2018 Performance Report

Account #1 + 29.59%

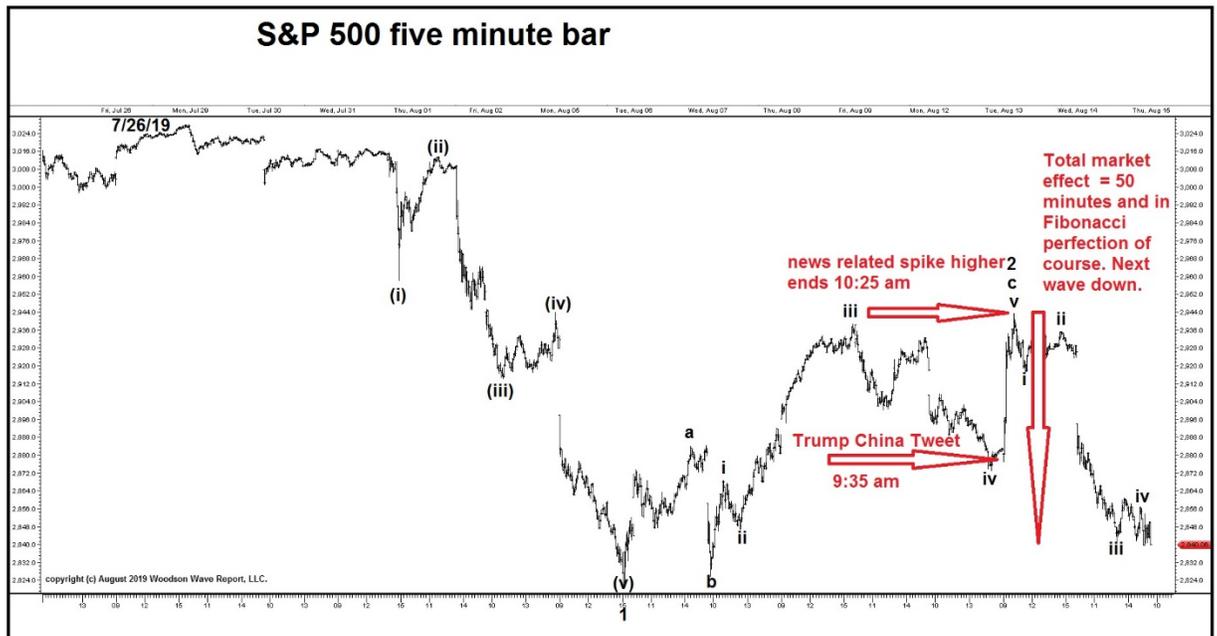
Account #2 + 69.04%

Account #3 + 133.47%

S&P 500 – 6.24%

Woodson Wave Report is still Timer Digest's #1 ranked market timing service **now for the 3 month period ending 080219**.
 Timer Digest (P.O. BOX 1688, Greenwich, CT. 06836/ 203-629-3503)

Wave 3 down in force



Upside resistance:
2900 = .382 retracement. Achieved.
2925 = .500 retracement. Achieved.
2938 = Wave 2 high. Achieved 0813.
2950 = .618 retracement.
3027 = All-time high.

Downside targets:

2894 = wave iii = wave i. **Achieved.**

2870 = wave iii = 1.618 of wave i. **Achieved today, 0814.**

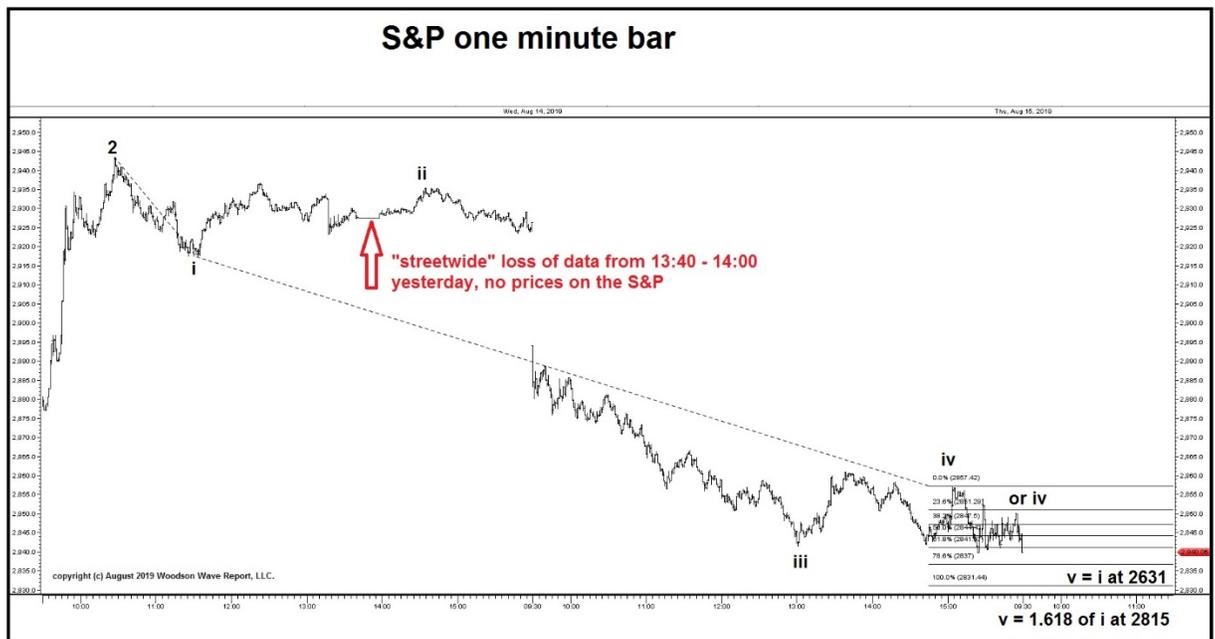
2831 = wave v = wave i.

2822 = August 5 low. A break below this low gives us confirmation of a larger trend move to new lows.

2744 = open gap from June 3, 2019.

2733 = wave 3 = wave 1.

2608 = wave 3 = 1.618 of wave 1 and Fibonacci .618 retracement of rise from Dec. low. A nice temporary stopping point for the end of a wave down but not the end of the entire wave E decline.



Wave three down is definitely in effect. From the second wave high, wave iii down gained almost a 4.618 multiple to wave i. We sold all our puts today and are flat going in to tomorrow for a couple of reasons. First, it's possible that wave v down ended already as it met the bare minimum

requirement of moving lower than the wave iii low. But the price action looks sideways and choppy suggesting the fifth wave is imminent. It was obviously a huge move down today and you rarely get 100% of the move. That plus this wave pattern is very near completion with the hour stochastic buried. We will watch and either trade wave v down tomorrow morning based on the open, or watch the move up and load up on puts as we are in SRM, sell rally mode.

More on the effect or in reality non effect of the tweet noted in the chart above below in our “Humans and Fibonacci” section below, but since I have the sound muted on the TV I did hear any mention of the “street wide loss of S&P data” yesterday for twenty minutes. I was not receiving any data on the S&P from 13:40 – 14:00 yesterday. I called my broker and he told me it’s a “street wide” loss of data. I also noticed on CNBC that the S&P was stuck at 2927 during the entire 20 minutes. Maybe somebody dumped a huge amount of something while the market feed was down so that no record of it could exist, right before the big decline today? I have no idea what this was about or if/why it was not reported. The S&P didn’t move for 20 minutes yesterday. No bid or ask and no price change. Very strange.

Stochastics

Weekly: Oversold, pointing down for the 3rd consecutive week and 25 and 66 with plenty of room to move further downward.

Daily: Just crossed at 50 and 56 suggesting that this is the beginning of the move down.

Hourly: Oversold at 11 and 7 suggesting a move up.

Humans and Fibonacci, cause and effect reversed

Now that the news related spike is over and behind us marking the spike higher in Fibonacci perfection at the end of wave 2 up, wave 3 down is in full force. You can see the effect of the tweet. It lasted an entire 50 minutes and identified top of the wave. As you know we subscribe to the fact that news does not move the market, that human emotions of hope, greed and fear move the markets and create the news. The cause and effect are reversed. The humans who think they move the market have no effect at all. They are merely reacting in Fibonacci perfection. The tweet did nothing, it actually coincided with market completing the fifth wave up to complete the larger second wave higher which marked the end of the wave. As usual, a “news related spike” to mark the end of the move.

The President and a lot of others think he is moving the markets with tweets. I remember during wave A down in the triangle a tweet stating something to the effect of *“why is the market going down, all the news is good?”*

It appears to the misinformed talking heads on the stock market channels that he does move the markets and many have said something to this effect – *“We’re just a tweet away that can move the market down (or up) 5 or 10 percent. You can’t predict that.”* And they use this as an excuse for their lack of ability to time the market and advise everyone to stay in so they don’t miss the next move up. When in reality we already know in advance that 99% of the “investors” will sell at the bottom of wave E down. It’s comical to watch and I spend most of my time the last few years with the business channel on but the sound muted. I find myself saying – I need to be on TV with a technical reason (in advance) to explain where the market is moving based on waves and Fibonacci, not listen to some bogus excuse to explain why the market moved where it did AFTER the fact. We know exactly what they are going to say and when they’re going to say it. It’s so predictable, it’s funny.

What will happen during wave E down is everyone will see that nobody, no Fed, no Central Bank, no government entity no matter how powerful they may seem to be, can move the markets or stop the inevitable. We saw this in 2000-2002 and again from 2007-2009 and we are seeing it again from 2018 – 2019 or 2020. There is no Fed “put”, the President, FOMC, nobody can change the course. It is predetermined and will happen regardless of their actions or inactions.

Fibonacci Options Day Trader Report:

We will pay the price for those 2 Aug 14th 2925 calls that went to zero as they will settle in the account tomorrow for a net realized loss of \$4,100. We made up for it by purchasing those puts yesterday that made up more than three times as much of that loss we will lose tomorrow. Together with a couple more puts we bought during the decline today, gave us **a net realized gain of \$13,803 on 94.28% gain.** The two puts we day traded gained 10% and 14%. The puts we carried over in to today from yesterday all gained more than 100% from a low of 122% to a high of 171%.

REALIZED G&L SUMMARY

Total Gain Realized	Total Commissions & Fees
\$ 7,482.08	\$ 37.91

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 Aug 19 '19 \$2850 Put	1	8/14/2019	28.5	\$ 2,853.50	8/14/2019	31.6	\$ 3,154.02	\$ 300.52	10.53%
SPXW Aug 19 '19 \$2850 Put	1	8/14/2019	28.5	\$ 2,853.50	8/14/2019	32.6	\$ 3,254.02	\$ 400.52	14.04%
SPXW Aug 19 '19 \$2925 Put	1	8/13/2019	20.8	\$ 2,083.50	8/14/2019	53	\$ 5,294.02	\$ 3,210.52	154.09%
SPXW Aug 19 '19 \$2925 Put	1	8/13/2019	20.8	\$ 2,083.50	8/14/2019	56.6	\$ 5,654.02	\$ 3,570.52	171.37%
Total				\$ 9,874.01			\$ 17,356.09	\$ 7,482.08	75.78%

REALIZED G&L SUMMARY

Total Gain Realized	Total Commission & Fees
\$6,321.04	

Symbol	Q	Opening Date	Opening Price	Opening Net Amount	Closing Date	Closing Price	Closing Net Amount	Realized Gain	Pct. Gain
SPXW Aug 19 19 \$2925 Put	1	8/13/2019	23.8	\$ 2,383.50	8/14/2019	53	\$ 5,294.02	\$ 2,910.52	122.11%
SPXW Aug 19 19 \$2925 Put	1	8/13/2019	23.8	\$ 2,383.50	8/14/2019	58	\$ 5,794.02	\$ 3,410.52	143.09%
Total				\$ 4,767.00			\$ 11,088.05	\$ 6,321.04	132.60%
Total both accounts				\$ 14,641.01			\$ 28,444.14	\$ 13,803.12	94.28%

Today's Trades

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Dale tweets his trades in real time.

Account #1

Date	Order	Type	Order type	Quantity	Symbol	Price type	Term	Price	Price executed	Status
08/14/19	3263	Option	Sell Close	1	SPXW Aug 19 '19 \$2850 Put	Limit	Day	32.60	32.60	Executed
08/14/19	3258	Option	Sell Close	1	SPXW Aug 19 '19 \$2850 Put	Limit	Day	31.60	31.60	Executed
08/14/19	3256	Option	Buy Open	2	SPXW Aug 19 '19 \$2850 Put	Limit	Day	28.50	28.50	Executed
08/14/19	3255	Option	Sell Close	1	SPXW Aug 19 '19 \$2925 Put	Limit	Day	56.60	56.60	Executed
08/14/19	3253	Option	Sell Close	1	SPXW Aug 19 '19 \$2925 Put	Limit	Day	53.00	53.00	Executed

Account # 2

Date	Order	Type	Order type	Quantity	Symbol	Price type	Term	Price	Price executed	Status
08/14/19	1631	Option	Sell Close	1	SPXW Aug 19 '19 \$2925 Put	Limit	Day	58.00	58.00	Executed
08/14/19	1628	Option	Sell Close	1	SPXW Aug 19 '19 \$2925 Put	Limit	Day	53.00	53.00	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: 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.