



Wendy Kirkland's Weekly Wealth Advisory

Weekly Wealth Building Newsletter for July 5, 2017

As stated in the *Wealth Building with Weekly Options* book, the strategy depends on locating liquid, high dollar, fast moving stock candidates. In addition, it is important to be aware of the overall market environment.

The content of this newsletter endeavors to support you and those strategy goals. The newsletter comes out on Wednesday evenings since Thursday is the day of new weekly option listings.

Candidates listed below offer weekly options and appear to be approaching a market sentiment, trend line or support and resistance area where a new trade could soon set up.

Remember as you draw trend lines either up or down, the stock can tap the line and continue on its current path for another leg, or, if the line is broken, it can signal a breakout/breakdown and trend reversal.

Stocks setting up patterns on either 30- or 60-minute charts move quickly. Build a watch list, and add and delete as they move beyond the pattern.

On the third week of an expiration month, all stocks become

weeklys. Be sure to apply the strategy rules for entry and exit.

And, please, remember to determine profit targets and stops prior to entering the trade.

This week:

The *Investor's Business Daily* has the market status in an Uptrend Under Pressure. There are six distribution days on the NASDAQ and four on the S&P 500.

There is a bit of a divergence taking place. The NASDAQ is wearing down. The S&P 500 and Dow Industrial indices are still holding up fairly well. The Dow Industrials made a record high on Monday. In contrast, the NASDAQ has now fallen beneath its 50-day moving average. It has also closed down in five of its last six trading days. The NYSE is now leading the NASDAQ, which shows some weakness in a Bull Market Rally.

The chart below shows the three top declining sectors. Interestingly, XLK made a lower high on its RSI in June. The price area shows it currently may be completing a head and shoulders pattern. Not pictured is the Healthcare Sector which has been overbought and is now heading down. Here is the complete list of [CandleGlance Sector Charts](#).



In most cases, you want the direction of the market to support the direction of your trades. Therefore, if you are day-trading, Calls on a day that the indices are up, while the overall market is in a downtrend, will be of less importance; though it is likely to bring about a day of intraday swings. If you are entering a trade that you expect to last several days, it is best to trade in the direction of the overall market.

Remember with our weekly strategy, it doesn't matter in which direction you trade, you just have to be on the right side of the trade. This is the reason to be aware of the market's mood, events, sector standing, and earnings reports.

In the commentary section, I have been annotating charts to note possible entries and exits to help reinforce what you are seeing on the charts you are annotating at home. This is my attempt to assure you are on track.

[Candidates: \(Depending on the pattern or trend lines, the bias may be another tap and continuation of trend, or a breakthrough may signal a change in direction.\)](#)

Be sure to check earnings date and follow the rules for OI, volume, and spread on each trade candidate.

This is a list of this week's candidates:

AAP, AAPL, AMZN, CELG, COST, DPZ, GS, IBM, MMM, REGN, TSLA, ULTA, UNP, WYNN

Symbol	Company	Exchge	Sector	Industry
AAP	Advance Auto Parts	NYSE	Cyclicals	Specialty Retailers
AAPL	Apple, Inc.	NASD	Technology	Computer Hardware
AMZN	Amazon	NASD	Cyclicals	Broadline Retailers
CELG	Celgene Corp	NASD	Healthcare	Biotechnology
COST	Costco	NASD	Cyclicals	Broadline Retailers
DPZ	Dominos Pizza Group	NYSE	Cyclicals	Restaurants
GS	Goldman Sachs Group	NYSE	Financial	Investment Services
IBM	International Business Machines	NYSE	Technical	Computer Services
MMM	3M Co.	NYSE	Industrial	Diversified Industrial
REGN	Regeneron Pharmaceuticals	NASD	Healthcare	Biotechnology
TSLA	Tesla Inc.	NASD	Cyclicals	Automobiles
ULTA	Ulta	NASD	Cyclicals	Specialty Retailers
UNP	Union Pacific	NYSE	Industrial	Railroads
WYNN	Wynn Resorts	NASD	Cyclicals	Gaming

Commentary:

CELG was on the June 28th newsletter.

The Wm%R broke below -20 at the end of the day on June 28th. The MACD histogram fell below 0 at the open on June 29th.

We chose the Jul(1) 132 strike put for its OI and volume. We entered a position at 10AM for \$0.95 cents per share

On June 30th the Wm%R made a higher low. We exited our position for \$2.50 per share or 163% profit.



Chatroom <https://chatroll.com/option-trading> Traders visit during trading hours to discuss charts and ask strategy questions.

Various aspects of strategies and chart indicators are presented and discussed to reinforce understanding. The chat is a bridge between various strategies. Feel free to join the friendly group of traders.

IMPORTANT NOTICE! Stock, futures, and option trading has large potential rewards, but also large potential risks. Option trading involves substantial risk of loss. Past performance is no guarantee of future results. As with all speculation, it is up to the individual to determine his or her own financial stability. You must be aware of the risks and willing to accept them in order to invest in the futures equity or options markets. Don't trade with money you can't afford to lose. This is neither a solicitation nor an offer to buy/sell securities, futures, or listed options.

NOTICE: Other than in testimonials and where identified as actual trading profits, the performance information in this email/newsletter is based on hypothetical or simulated trading. Hypothetical or simulated performance results have certain inherent limitations. Unlike an actual performance record, simulated results do not represent actual trading. Also, since the trades have not actually been executed, the results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown.