

The EXACT Criteria For My \$100,000 Trade...

As I write this, Apple stock is just a few dollars away from confirming my highest confidence entry point.

But we'll need to wait until 3:30pm on Friday, November 3rd to confirm.

In this short report, I am going to give you the exact criteria I will be using to confirm the opportunity.

And, as a bonus, I will give you the suggested option criteria using my suggested options structure for these signals.

Momentum:

The first criteria is something I call "net momentum" and it's a way we designed specifically to measure Apple's big moves.

Every major momentum cycle that Apple has entered in the last 5 years has been kicked off by a "net momentum" trigger at the beginning of the cycle.

To calculate this, we look at Apple's weekly high and weekly low for the current week and measure that net movement (this is why we wait for the 3:30pm Friday time frame so that we can measure the entire week).

We're looking for the high to low to have moved at least 5% compared to the price of AAPL at the open of the week. For instance this week opened at \$169.02 so we would need to see Apple stock have a net movement of at least \$8.45 to have "Net Momentum".

As of now, Apple's net movement is \$6.33 so we're just a few bucks away from reaching that critical threshold.

That also lines up with another key metric we look for.

Previous Weekly High:

Apple not only needs to possess “Net Momentum” as calculated above, but it also needs to close above the high of the previous week.

When Apple shows “Net Momentum” *and* closes (or looks to be closing comfortably at 3:30pm ET) above the previous week’s high, it’s a confirmed entry.

In this case, that number is \$174.01.

It’s the combination of these two metrics that we combine for a confirmed entry on Apple stock.

Exit:

I use a proprietary exit to get out of these Apple trades, but I can tell you that the average move over the last 3 years has been 13.6% on the underlying stock.

So if we get a close around \$176 which is what I am hoping for, we could see Apple run up to about \$200 a share which is a nice whole number to target.

******It’s important to note that the average move of 13.6% is based on a collection of trades varying from a few percent moves all the way to over 40% so you should not expect the average move to happen each time.

An easy way to manage the position is to stay in any time Apple’s weekly chart does not violate the previous week’s low. So by simply adjusting your stop to the low of each new week, you can manage your risk while maintaining the potential of a really big move.

Option Criteria:

Because we expect significant moves most of the time, I use 1 to 2 strikes “Out of the Money” call options on these AAPL entries.

If you want to go a little safer, you can go 1-2 strikes “In the Money” and if you want to be a bit more aggressive you can go 3-4 strikes “Out of the Money”.

In addition, these cycles last anywhere from 4-12 weeks on average (sometimes even longer) so we typically want to be at least 90 days away on our expiration date to give the trade time to develop.

**We can always close early and usually do, but we don't want to be fighting with time.

Now, AAPL will have \$5 strikes on monthly options so let's take a look at what that will mean in practice.

So if Apple stock is at \$176 on Friday at 3:30pm, you would look to buy:

- **Normal:** \$175 or \$180 Feb 16th 2024 CALL
- **Less Risk:** \$165 or \$170 Feb 16th 2024 CALL
- **More Aggressive:** \$185 or \$190 Feb 16th 2024 CALL

Conclusion:

Apple is not confirmed yet, but it's very close to my highest confidence trigger and I'll be throwing \$100,000 into it if we achieve the criteria I've laid out today.

I hope this report gives you some clear guidance on what to look for... and, of course, I hope Apple triggers and goes on a big run too :)

- Graham