

## July 5th, 2011 OEX/BCO Pre-Market Alert

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### Daily Pre-Market Alert:

PLEASE DO NOT RESPOND DIRECTLY TO THIS EMAIL - TO EMAIL FLOYD DIRECTLY, PLEASE SEND TO [INFO@OEXOPTIONS.COM](mailto:INFO@OEXOPTIONS.COM)

### Commentary:

The market is subject to elevated volatility after July 4th; U.S. Stocks surge most since July 2009 on Greece, and a positive manufacturing report.

Our calls through the week were profitable on average now at 100% or greater three of 4 and up to 40% the fourth day. An astounding week.

When you do lose with us, and you will, remember it is the sum of the parts that create the profit or loss for the month or year, not just one trade

"Only those that will risk going too far can possibly find out how low one can go." -T.S. Eliot



**Corporations Have Reaped In Huge Majority Of Post-Recession Income Growth, Report Finds**

Read our Monday commentary at length. And with the above, figure out who is to BLAME.

AND REMEMBER THE OLIGARCHS ARE IN POWER, EVERYWHERE. MORESO THAN EVER BEFORE. GUNS

WON'T HELP. WITS WILL.

Current Signals:

Open Signal:

**No open signals**

New Signal:

**There is risk to trading a call when the count strength is so oversold, and the euphoria so great. We also hesitate to recommend a put for the same reasons. Therefore, our strategy will be a bit different:**

**1.**

**OEX JUL 16 2011 590.00 CALL**

**This position went UP 100% on Friday**

**Last [Tick] 9.00[-]**

**Day High 9.20**

**Day Low 3.80**

**Previous Close 4.50**

**Prev. Close Date 06/30/2011**

**2.**

**OEX JUL 16 2011 590.00 PUT**

**This position dropped 45% on Friday**

**Last [Tick] 4.10[-]**

**Day High 8.70**

**Day Low 3.90**

**Previous Close 7.80**

**Prev. Close Date 06/30/2011**

**-DO NOT CHASE PRICES ON EITHER SIGNAL**

**-WATCH FUTURES AND WORLD NEWS**

**-DO NOT TRADE IF HIGH OR LOW RATIOS; STAY OUT OF THE MARKET**

**-BEST BUY ONLY EITHER PUT OR CALL AT 15% OR GREATER BELOW PRIOR DAY CLOSE. DO NOT PAY HIGHER**

**-BE READY FOR A LARGER SECOND BUY TO THE PUT ONLY IF THE OEX MOVES UP OVER 12,650 AND CLOSES ABOVE IT.**

**-TAKE TIGHT PROFITS TO THE CALL (SALE AT 12,746 HIGHEST SELL**

**-SELL THE PUT AT NO LOWER THAN 12,246-12,330**

*Review and note our longer term positions*

Arsenal Positions:

**None**

**BEFORE YOU TRADE, Study the following:**

**OEX Options Methods: <http://www.oexoptions.com/pages/OEX-DailyAlerts.html#Methods>**

### 1. Identify the signal bias

Signal Count Strength: 10 to call

Two Way Trades: Higher volatility possible

### 2. Study the market conditions

Upcoming Events/News: <http://www.bloomberg.com/markets/ecalendar/index.html>  
This defines the "news" that may trigger the market

Futures: <http://bloomberg.com/markets/stocks/futures.html>  
To learn more about Futures click here  
<http://www.oexoptions.com/pages/OEX-DailyAlerts.html#Futures>

### 3. Analyze the Dow projections

Actual:

Last [Tick] 12,582.77[+]

Day High 12,596.13

Day Low 12,404.08

Previous Close 12,582.77

Prev. Close Date 06/30/2011

To learn more about Floyd's Dow projections, click here  
<http://www.oexoptions.com/pages/OEX-DailyAlerts.html#DowProjections>

Read The Tape:

9:32 a.m \_\_\_\_\_

9:35 a.m \_\_\_\_\_

Difference \_\_\_\_\_

To learn more about how to Read the Tape, click here  
<http://www.oexoptions.com/pages/OEX-DailyAlerts.html#ReadingTheTape>

### 4. Use the pivot point and support and resistance lines to know when to trade.

DOW

Pivot Point Calculator			
(Enter H/L/C Values)	High	Low	Close
	12596.13	12404.08	12582.77
Results Will Calculate Automatically			
<b>R1</b>	12651.24		
<b>R2</b>	12719.71		
<b>R3</b>	12911.76		
<b>Pivot</b>	12527.66		
<b>S1</b>	12459.19		
<b>S2</b>	12335.61		
<b>S3</b>	12143.56		
<b>FIBONACCI</b>			

<b>38%</b>	12477.06
<b>62%</b>	12523.15
<b>50%</b>	12500.11

## OEX

<b>Pivot Point Calculator</b>			
	<b>High</b>	<b>Low</b>	<b>Close</b>
(Enter H/L/C Values)	595.85	585.95	595.25
<b>Results Will Calculate Automatically</b>			
<b>R1</b>	598.75		
<b>R2</b>	602.25		
<b>R3</b>	612.15		
<b>Pivot</b>	592.35		
<b>S1</b>	588.85		
<b>S2</b>	582.45		
<b>S3</b>	572.55		
<b>FIBONACCI</b>			
<b>38%</b>	589.71		
<b>62%</b>	592.09		
<b>50%</b>	590.90		

To learn more about Pivot Point/Support and Resistance Line analysis, click here  
<http://www.oexoptions.com/pages/OEX-DailyAlerts.html#PivotPoint>

**First Hour Pivot Action:** \_\_\_\_\_

5. Take the ATR to know the highest high, or lowest low of the day.

**Average True Range: 6.96**

To learn more about the ATR, click here  
<http://www.oexoptions.com/pages/OEX-DailyAlerts.html#CalculateATR>

6. Review what the buying bias is

OEX Put/call Ratio

<http://www.cboe.com/data/mktstat2.aspx#OEX>

**We answer all trader inquiries same day. Intraday alerts provided when market conditions so warrant.**

Email: [info@oexoptions.com](mailto:info@oexoptions.com)

**The simplicity of the market is its' greatest disguise©**

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