

The LongVol Report

April 2024
Issue 14 April 1

Manage your portfolio with actionable data and insights.

INSIDE

Relevant Links

[Subscribe to TLV](#)

[Members Portal](#)

[DeltaOne Membership](#)

Contributors

Dan Bustamante

Kush Patel, Analyst

Data Sources

Bloomberg LP, TD

Ameritrade, CME,

Company Filings, LongVol



Welcome.

– By Daniel Bustamante

This report has data and information for you to use but without application this entire report, like most financial data, is pointless. So let me try to lend some tips and insights to unlocking this report so you can apply it.

Each week there is an outlook on the market - I try to focus on things that are relevant and avoid the catchy news headlines that are not going to provide application. There is then a weekly cliff notes section: this highlights changes in each section for the week or notes that are important, you can skim this in 5-minutes to save you time or you can go page by page.

Each link here will take you to the corresponding monitors if you click on them.

You can upgrade this report by using the AST Alerts & \$100K Swing Portfolio by [clicking here](#).

Using The Data: A Guide

You can read a few articles on How to below:

- [How to Use The Report](#)
- [My Framework to Develop Ideas](#)
- [Trades v. Investments - A Difference](#)
- [Poker & Investing: Lessons from Phil Ivey](#)
- [Market Inflections](#)

[You can also get access to DeltaOne](#) - a private community where we dive into this report each week with AM Trader Meetings & Thursday Trader Development mentoring.

Daniel Bustamante

Table of Contents

Welcome..... 1

The Week Ahead..... 3

Cliff Notes for The Week Ahead.....4

The Momentum Monitor..... 5

Swing Trade Monitor..... 6

Special Situations Monitor..... 7

Educational Tip of The Week.....8

General Updates..... 9

Disclaimer and Links..... 10



The S&P500 and Nasdaq this week are going to be reactive toward this data and given it (and Nasdaq) are at technical areas of interest we might get a larger short move mid to end of week here so something to watch for index shorting or Momentum Monitor shorts that could turn into sledge-hammer shorts this week.

Another thing to note, we are about two weeks out on earnings season on major names so as usual expecting some repricing ahead of that and I would focus on getting in some momentum trades before we get to a sideways market as earnings start.

The Week Ahead

– By Daniel Bustamante

I don't know about you guys but I love a new quarter and a new monthly candle and that mixed with data makes it fun! As usual, new inflows/outflows start with a new month and new quarter so we'll see where that money goes. Given the Fed stance on inflation and the idea that we are going to see that increase, my expectations are that we see money flowing into; Gold miners, copper and natural gas related names as well as our beloved oil names. My belief is that we are also going to see rotation out of the Mag 7 / semi-conductor names a bit this week (and quarter) as the data gets worse with inflation and consumer spending.

So, the playbook should be in these sectors this week and quarter along with a lot of wide ranges in the semis/mag 7 names which is good for us in the active trader playbook strategies.

Crude oil - strong weekly close last week and a key technical level coming up that could break and lead to a larger move into \$89s end of week, at a very minimum, next week so WTI calls are something to start looking at as a shorter-duration swing. \$EOG in Swing Monitor is going after the ATH breakout so that should be on the radar.

Cliff Notes for The Week Ahead

Momentum Monitor: \$META \$MSFT and \$NVDA all still on watch for larger moves with \$AMD in focus as well.

Swing Trade Tracker: A lot of names in here deserve attention esp. \$SCHW - Gold longs need to be structured if not done already as well. \$CBOE short needs to be watched and \$ATO closed to ATH breakout. | \$EOG ATH breakout

Special Situations Monitor: \$KGC update.

- News everyday this week with NFP on Friday and ISM data tomorrow and Wednesday.
- Expecting rotation into gold miners names so would focus time there this week.
- \$88-\$89 is a target on Crude this week if \$8450s can press through with strength. If so WTI calls in play.
- \$NFLX swing short into earnings is something of interest to me

The Momentum Monitor

High beta, well-known, stocks that have strong underlying options volume as well as the volatility to move. Usually used for active trading purposes by most subscribers.

\$TICKER	Trend Flow (Next 1-7 days)	Put Call Ratio	Key Levels	Commentary
NVDA	Bearish	0.594	R1: \$910 S1: \$865	Weekly bearish candle last week so the read is bearish as long as we stay below \$910. \$865 is key for this and a close below that this week is very bearish and a big short if that does happen so something to watch.
AMZN	Neutral	0.403	R1: \$190 S1: \$175	Same notes as last week with a daily measured move completing so \$190 is a target but hard to see a breakout above that this week.
META	Bearish	0.609	R1: \$505 S1: \$470	Below \$470 this week creates a momentum shift and the start of larger selling. \$500 is a key spot so above that look for long but below we are short.
MSFT	Neutral	0.553	R1: \$425 S1: \$410	\$435 is still a big area to get through and if we break we do get a rally but \$425 is a big spot as of last week. \$410 is the line in the sand and a major technical support level to watch this week.
GOOGL	Neutral	0.275	R1: \$160 S1: \$150	Same notes. \$150 is key as long as we hold this we are after a Fib extension at \$160. Below \$150 spells a little trouble but NOT a big short.
NFLX	Neutral	0.802	R1: \$625 S1: \$605	Earnings 2 weeks out (4/15) bearish area on the charts \$605 is a key spot I think this is worth a light short look all week with ATM puts into next week off these highs as long as \$620 holds.
TSLA	Bearish	0.702	R1: \$185 S1: \$165	Finally a bounce with earnings 2 weeks out. Potential short on this with 2-3 week duration ATM puts but need to really babysit this day to day its not a "sure thing" but has the potential.
SMCI	Bearish	0.798	R1: \$1040 S1: \$990	I don't like the long unless \$1040 clears first but if we are weak on a bounce or open week this week then \$840 this week is a target to go after.
AMD	Neutral	0.784	R1: \$190 S1: \$174	Light long into \$190 is possible and above +\$195 is a new leg up. \$175 is key this week - below that changes the technicals to bearish.

Swing Trade Monitor

Stocks and ETFs that are 70% technically driven and 30% fundamentally/thematic tailwind driven. Typically hold times for stocks that make this list are designed for 1-12 weeks in duration. (*highlighted section means a notable update, no highlight means no update)

Ticker	Company	Date Mentioned	Updates/Notes	Commentary
RIVN	Rivian	1/1/24	No changes. Just waiting it out.	They're losing less money the last few quarters and technically a few things I like. I want to be clear: this is a dog of a stock that is not worth of shares, but for speculation, it has the ability to run hard so it makes it worth it for a swing trade esp with DITM.
CBOE	Chicago Board of Options	3/10/24	Last weeks close was not ideal but we need to see sellers come in this week.	Too far too fast concept. Stock is extended and a beneficiary of options trading but there are pure technical signals to get short this stock. If we trigger my targets are \$175 then \$160 and not many eyes on this which I like as a non-correlated portfolio short. Bearish weekly candle close last week expect to be short THIS WEEK.
AAP	Advance Auto Parts	3/17/24	\$85 R and \$75 support on this stock. More insider buying.	Stock has suffered the last few years and recently close to doubled off the lows. Third Point and uncle Dan Loeb are activist on this - expecting to see some shakeups on this here in the coming quarters. Need to see a pullback this week or next to initiate an AST Alert long.
SCHW	Charles Schwab	11/19/20	\$77 is the next target on this and we are breaking out strong and should continue too.	Re-visiting this again after earlier this year getting long post SVB news. You can catch up on the fundamentals here .
DD	Dupont	2/11/24	-\$1B share buyback -\$500 million of that buy back starts immediately -Free cash flow \$501 million -+6% increase to dividend	New ad after positive earnings last week with a very large stock buyback. They just completed one and a new one is now announced. Would like this to sell off \$2-\$3 to get an entry but if not this will be in play. \$73-\$75 are soft technical areas of interest. Technical soft-target reached. Need to exit and re-enter soon.
CAR	Avis	3/17/24	-Going to watch here for a short below \$105 into April earnings then track it to see what their plan is. Recent 10K .	Company is losing a lot of money in part due to higher interest rates so when they sell their fleet they are not getting as much as prior. They also completed a new debt offering for \$650 million but also had some buybacks last year that did not help.

Swing Trade Monitor

Stocks and ETFs that are 70% technically driven and 30% fundamentally/thematic tailwind driven. Typically hold times for stocks that make this list are designed for 1-12 weeks in duration. (*highlighted section means a notable update, no highlight means no update)

Ticker	Company	Date Mentioned	Updates/Notes	Commentary
TSN	Tyson Foods	1/7/24	<p>\$55 this week gets me long. Consolidated well on this just needs the technicals to fire off.</p> <p>Waiting for \$60 to clear to get long this.</p>	Oversold technically and \$50-\$54 is an area to watch for a technical inflection point. Earnings are approaching in February. This might be ready to go as soon as this week and could be a longer term (+3 month) trade. Share buybacks are active.
MTCH*	Match Group	2/19/24	<p>Might trigger the long this week as we held technical low.</p> <p>\$1B share buyback announced a few weeks ago.</p>	Recent earnings results were better than expected and this \$1B share buyback and it's trading at a 16 PE. The stock sell off last few years has been brutal but this has my attention now because of the share buyback and the other items listed. \$42 clears I likely get into a position and if \$46 breaks this becomes a trade in the AST Portfolio.
VLO	Valero	1/15/24	<p>Re-adding from last Summer. Fundamentally strong sector so that is the tailwind + we have strong technicals.</p> <p>Pullback is coming and a new long is going to go into the portfolio.</p>	<p>Share buybacks and div increases and fundamentally strong energy market.</p> <p>Big Q1 trade. Profit taking time here into \$170-\$180. We need to reset price for a few here.</p>
EOG	Eog Resources	1/21/24	<p>Guidance issued by the company on 1/12 expecting Q4 gain.</p> <p>\$120 support. We need to break out at \$125 next and more to go.</p>	<p>Active share buybacks and a CEO that is doing a good job in my view. We also got a technical selloff in December that finally brings this on to the radar.</p> <p>Breakout to ATH highs coming should focus on this name to start this quarter with DITM calls.</p>
NEM	Newmont Mining Group	2/11/24	<p>Triggering this week (already in GDXJ) but this is setting up expect the alert.</p>	This is a volatility add to the swing-monitor and nothing more. Likely a long on this into and through on earnings this week before the IV increases on this.
ATO	Atmos Energy	3/24/24	<p>Alert likely coming here in the next week or two. +\$122 is key and breaks this out.</p>	Going to start tracking as another energy long as we head into Q2.
SWX	Southwest Gas	3/24/24	<p>-Icahn major owner of this and bought a lot last fall</p> <p>- Above -\$75 gets me long this and we can start the swing trade.</p>	Inflation themed trade in this sector and their balance sheet is strong aside from that. Technicals are also great as we broke out of the \$55-\$65 range we've been in for a year.

Special Situations Monitor

Special situations investing. M&A/Short-Selling/Spin-Offs or extreme corporate or macro catalyst.

Ticker	Date Released	Key Catalyst	Updates	Commentary
XHB	12/10/23	Fed Meeting/Policy	<p>Housing starts dropped really hard which was a big decline so need to keep tracking this.</p> <p>Article.</p> <p>Close to technical inflection here in Q2 and something that I am watching this quarter.</p>	<p>Changes to this sector. The short was close to working but the housing data remains somewhat positive and we broke a technical inflection. Right now, we have a move to \$115 that probably prints. So as long as we stay above \$95-\$100 this is a long time for pullbacks. You can look at other home builders for setups as well because this is a proxy into this sector and right now this has technical signs of more to go.</p>
ABNB*	1/28/24	Share buyback announced	<p>\$6B buyback announced.</p> <p>Profit taking. Reset a new long here soon against \$155.</p>	<p>There was insider selling on this that was noticeable a few weeks ago but now a sizable share buyback. Technically, the larger time frame is showing bullish strength. If we clear +\$165 that is the catalyst for buyers and I may alert them in AST Portfolio.</p>
BA	1/7/24	737 Max Plane groundings from Feds.	<p>+\$204 this week likely long into \$212. Then above that this opens up but potential starts to a long this week.</p>	<p>More issues again on this. Close to a technical capitulation so against \$190-\$195 I am going to be buying 6+ month options on this to hold through end of month and to see about a move to above +\$200 then \$210.</p>
KGC	3/24/24	Gold miners/inflation trade	<p>Low P/E mining company with decent technicals. \$6 tested and failed so looking to see if a position at \$5-\$6 can be had.</p>	<p>This is a position that can trade the miners long theme and give me long equity v. options so if we breakout looking for \$8-\$9 a share on this and want to track it this coming quarter with growing EPS the last few years. Buying the shares and using it as a speculative share long for Q2 - no options for structure.</p>
CVNA	3/3/24	Short explanation..	<p>-Will update during the week.</p>	<p>Still waiting on this. Avoid this if you do not have a larger account; it's not worth your time. No updates here just waiting to see if we get the technical short entry which has not been signaled yet.</p>

Educational Tip of The Week

Sector ETFs: When you grab a theme (like gold/metals long) sometimes it's easier to just use a sector ETF to express the idea especially if your structure is going to use options v. the equity. You can research ETFs for sectors over at [ETFDB.com](https://www.etfdb.com)



Disclaimer and Links

[Follow me on Twitter](#)

[Follow Me on YouTube](#)

[Join DeltaOne - AM Trader Calls & Thursday Group Mentoring](#)

This is the disclaimer section.

None of the information in this report is intended (nor should it be construed as) a “trade signal” or “trade idea” service. This is designed to supplement your own research, to highlight things you might have missed, provide you with data and to give you our views on the markets.

The information contained in this publication is not intended to constitute investment advice and may not be suitable for you. As a subscriber you are required to conduct your own due diligence, research and come to your own conclusions on the information shared within this report. In no way is this publication to be construed as a solicitation of securities, offering memorandums or private placements. The opinions expressed within this report are those of the author and are subject to change without notice and do not reflect the opinions of any affiliated firms.

Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur.

The information compiled in this report has been compiled by LongVol.com and is protected under the copyright laws of The United States of America and/or other countries. All rights reserved. No parts of this publication, its contents, may be copied, reproduced, stored, disseminated, transferred, or used, in any form or by any means without prior written permission.

The publication is limited to sole use of paid subscribers. Simply put, if you enjoy it please do not share it, post it online or make copies for anyone else. Each reproduction of any part of this publication must contain notice of our copyright. Any unauthorized sharing, downloading, modification or sharing of the contents within this report may be in violation of statutory or common law rights which could subject the violator to legal action.

You accept the full [terms of use](#) by subscribing to this report.