

Trading The Setup

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Week of 12/14/20

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Week in Review

Kind of a ho hum week. Covid cases continue to rise. Vaccines are still an unknown for a few reasons - who will be getting them first? -- will they work? How long before someone is immune after taking? Will there be a limit on supplies? If there are shortages who has priorities over others?

All 3 indexes (Dow Jones, S&P and Nasdaq) attempted to move higher hitting new highs on Wed but by the end of the day all 3 also closed lower.

For the week the Nasdaq had gained 3 of the 5 days but in the end fell .7% which ended a 3 week win streak. The S&P fell on 4 of the 5 days and lost 1% overall and the Dow fell .6% for the week.

The S&P and Nasdaq added a distribution day per the IBD standards. S&P has had 4 distribution days in the past few weeks and the Nasdaq has 2. However with these distribution days there is no real sell off.

All three looked to go lower on Thursday and Friday but all reversed by the end of the day. The Markets are still in a confirmed uptrend per IBD.

Notable Earnings for the upcoming week

Week of 12/14/20								
Company	Sym bol	Report expected	Comp Rtg	Expected next qtr EPS % chg	Industry	Options strike price	Premium as % to stock price	Days to exp
Lennar	LEN	12/16/2020	67	10.30%	Bldg-Resident/Comml	73	1.3	5
Herman Miller	MLHR	12/16/2020	89	-35.20%	Hsehold/Office Furniture	40	3.6	5
Navistar Intl	NAV	12/17/2020	39	-78.90%	Trucks & Parts-Hvy Duty	n.a.	n.a.	n.a.
Steelcase	SCS	12/17/2020	41	-93.50%	Hsehold/Office Furniture	15	1	5
Accenture	ACN	12/17/2020	77	-1.90%	Computer-Tech Services	247.5	2	5
Rite Aid	RAD	12/17/2020	79	-98.10%	Retail-Drug Stores	19	6.8	5
Jabil	JBL	12/17/2020	83	21.00%	Elec-Contract Mfg	40	3.6	5
FedEx	FDX	12/17/2020	95	54.60%	Transport-Air Freight	290	4.1	5
Darden Restaurants	DRI	12/18/2020	54	-36.60%	Retail-Restaurants	115	3	5
Winnebago Industries	WGO	12/18/2020	61	34.20%	Bldg-Mobile/Mfg & Rv	60	4.2	5
Nike	NKE	12/18/2020	80	-11.40%	Apparel-Shoes & Rel Mfg	138	2.6	5

Investors Business Daily Top 50

The IBD 50 is a stock index that identifies the top 50 stocks on the US Exchange based on the IBD numbers. I like to follow the IBD top 50 to keep an eye on strong and new up and coming stocks.

This weeks IBD 50

Week of 12-14-20						
Symbol	Company Name	Rank	Price	Price Change	Price % Change	% off High
ETSY	Etsy Inc	1	170.02	4.72	2.86	1.3
CROX	CROCS INC	2	62.41	-0.55	-0.87	-6.2
TTD	The Trade Desk Inc Cl A	3	926.14	8.56	0.93	-0.9
LOGI	LOGITECH INTL SA	4	89.79	0.19	0.21	-6.2
AMD	ADVANCED MICRO DEVICES	5	91.65	-0.01	-0.01	-4.9
TER	TERADYNE INC	6	115.37	-0.31	-0.27	-3
LRCX	LAM RESEARCH CORP	7	491.7	1.55	0.32	-4.8
ENTG	ENTEGRIS INC	8	94.19	1.09	1.17	-5.9
NVDA	NVIDIA CORP	9	520.53	1.64	0.32	-11.6
PFSI	Pennymac Financial Svcs	10	59.74	0.29	0.49	-11.8
PYPL	Paypal Holdings Inc	11	214.06	-1.28	-0.59	-3
RGEN	REPLIGEN CORP	12	180.9	1.37	0.76	-14.9
NOW	Servicenow Inc	13	537.36	-0.64	-0.12	-1.4
MPWR	MONOLITHIC POWER SYSTEMS	14	306.57	-0.7	-0.23	-14.5
AMAT	APPLIED MATERIALS INC	15	88.3	0.41	0.47	-2.2
PKI	PERKINELMER INC	16	146.02	0.11	0.08	-1.6

FUTU	Futu Holdings Cl A Ads	17	42.6	-2.4	-5.33	-16.6
CDNS	CADENCE DESIGN SYSTEMS	18	118.52	1.07	0.91	-7
FND	Floor & Decor Hldgs Cl A	19	89.79	-0.59	-0.65	-1.5
TSM	TAIWAN SEMICONDUCTOR ADR	20	104.03	-0.2	-0.19	-3.5
TREX	TREX COMPANY INC	21	77.66	0.12	0.15	-4.4
SNPS	SYNOPSYS INC	22	236.39	2.22	0.95	-4.2
BIG	BIG LOTS INC	23	45.06	-1.45	-3.12	-21.3
PANW	Palo Alto Networks	24	309.93	2.06	0.67	-1.6
VIPS	Vipshop Holdings Ltd Ads	25	25.02	-0.34	-1.34	-4.1
VEEV	Veeva Systems Inc Cl A	26	264.05	-1	-0.38	-15.9
AMZN	AMAZON.COM INC	27	3116.42	14.93	0.48	-12.3
POOL	POOL CORP	28	337.79	6.39	1.93	-13.7
WST	WEST PHARMACEUTICAL SVCS	29	263.85	-2.82	-1.06	-13.5
HOLX	HOLOGIC INC	30	74.32	-1.93	-2.53	-4.1
CRNC	Cerence Inc	31	90.22	0.72	0.8	-5
APPS	Digital Turbine Inc	32	43.55	0.87	2.04	-5.2
BLDR	BUILDERS FIRSTSOURCE INC	33	35.77	-0.26	-0.72	-7
MRVL	MARVELL TECHNOLOGY GROUP	34	42.94	0.03	0.07	-9
RBA	RITCHIE BROS AUCTIONEERS	35	70.68	-1.69	-2.34	-10.1
HZNP	Horizon Therap	36	75.57	2.02	2.75	-12.8

	Public					
DT	Dynatrace Inc	37	39.09	0.38	0.98	-20
TSCO	TRACTOR SUPPLY CO	38	138.66	2.71	1.99	-11.7
TPX	Tempur Sealy Intl Inc	39	26.35	0.76	2.97	1.5
IIPR	Innovative Ind Prop	40	161.07	-0.11	-0.07	-2.4
DHI	D R HORTON INC	41	69.91	-0.06	-0.09	-13.9
FB	Facebook Inc Cl A	42	273.55	-3.57	-1.29	-10.2
DHR	DANAHER CORP	43	223.88	0.67	0.3	-9.8
AVGO	Broadcom Inc	44	405.82	-4.22	-1.03	-4.9
TROW	T Rowe Price Group Inc	45	151.49	2.15	1.44	-1.8
MNST	Monster Beverage Corp	46	88.02	-0.01	-0.01	-1
ADBE	Adobe Inc	47	475.91	-0.96	-0.2	-11.4
FBC	FLAGSTAR BANCORP INC	48	36.8	0.02	0.05	-6.4
ATVI	ACTIVISION BLIZZARD INC	49	83.68	0.57	0.69	-4.6
PCRX	Pacira Biosciences Inc	50	58.11	0.53	0.92	-14.6

Major Index Chart Review

Dow Jones Industrial (\$DJI)



Dow hit new highs again this week but then quickly reversed lower once doing so. Thursday pushed lower but turned around from Lows. Then Friday had a similar push lower but then was able to reverse and close higher. Which gives a nice reversal outside bar day. Potential sign for another push higher. m

S&P 500 (SPY)



Similar to the Dow SPY hit new highs followed by a push down. The push down seems to be finding support right around the previous resistance areas. Friday's action had a push down but reversed and closed higher than its open.

QQQ (NASDAQ)



The Q's performed very similarly to the other two with a new high then a reversal down followed by attempts to go back up. Thursday had a gap down after Wednesday's sell off but was able to reverse and close above its open and above the previous day close. Fridays made an attempt lower and then reversed higher just like the dow and the spy.

Top Stock Ideas for the upcoming Week

Symbol	Comp Name	Industry	Date Added	Entry	TTS Target	Stop
AMWL	American Well Corp	health information services	Dec 13	31.81	35.9	27.88
APPN	Appian	infrastructure software	Dec 13	154.07	154	145.97
BLNK	Blink Charging	specialty retail	Dec 13	29.77	33.7	26.87
DDOG	Datadog	application software	Dec 13	103.77	114.97	93.87
FSLY	Fastly	application software	Dec 13	101.72	119.74	88.17
FUV	Arcimoto	recreational vehicles	Dec 13	13.87	17.24	12.07

Charts Below

AMWL - Went public in Sept and moved quickly to Highs. It has pulled back since and now forming a base. Looking to get to 36 areas and if you want to be more conservative a break of Fridays high at 32.53. Target 35.90 and 40.50 area. Stop below recent consolidation 27.88 or tighter stop under Fridays Lows 29.99



APPN - Higher priced stock forming a wedge pattern - break above could get to 175 and potentially 190. Entry Above Friday High 154 Targets 175 and 190. Stop below Low on Friday 145.97



BLNK - After basing most of the year around 10 BLNK has had some strong moves. This stock is a little more volatile so just take that into mind. Entry 29.77 Stop 26.87 Target 33.70



DDOG - Forming a nice base with a good upside potential. Entry over 103.77 With Target up around 115. Stop Below Thursdays low or below Fridays low 93.87.



FSLY - Still trying to close the gap down from October. Slowly climbing its way back. In a small basing area. Looking to get above last week highs and move to previous high area. Entry: 101.72 Target 119.74 Stop below last week lows 88.17



FUV - Another sock that was basing along time and then jumped quickly to highs with a pull back and base. Entry over 13.87, Stop 12.07, Target 17.24



Previous Week Follow up

ASAN - recent IP pulled back after ipo and recovered now trading in tighter range - could be a nice move higher or possibly not ready yet let price action determine. I would like an inside bar or reversal bar of some sort before trying to enter. Target near \$34. Entry Near 28.25

12-11-20 Follow Up - Nice move up from the wedge line. If you were quick on 12/7 you could have been filled at the break. You could also have been filled on the pull back. Thursday had a big gap giving some potential points if you acted quickly. Its back in the wedge area now - not quite getting to target. If still in suggest move stop below low from Wed



BCOV - Nice volume breakout Nov 25th with some consolidation after and break to new highs friday - looking for continuation higher to around the \$20 level. Entry near 17.75

12-11-20 Update

BCOV made an attempt to move higher but then sold off with markets on Thursday



BILL- Move to new highs followed by some consolidation - with break out on Friday. Target around 80. Dont just jump in blind Monday see what happens at the open. Entry near 126

Update 12-11-20 -

BILL Hit Entry and moved strongly to target plus some



CARG - Mostly in a downtrend but has a tight consolidation which allows for good entry point and tight stop. Not a super strong stock but potentia to bounce up to \$28 area. Entry above 25.55

Update 12-11-20 -

CARG started the week slowly been then thurs and fri exploded to target and more



CGC - is in the cannabis group and has run up to 50 then dropped to lows of 10 so this one is fairly volatile but has a nice consolidation after a strong up move - potential to get 2-4 points if the group moves. Entry above 29.55

Update 12-11-20 -

CGC never triggered still below Entry line



GUSH - a leveraged ETF in the oil sector broke above a recent previous high with decent volume. A move to 55 is a good possibility if oil groups can continue to move higher. Entry near 41.60

Update 12-11-20 -

GUSH broke entry line a few times then closed higher and above 45 on Thursday - Still looking to get to target. If in suggest move stop to below low of Thursdays Low



OESX - Had a nice run up then pulled back to the trend line shown. Followed by a nice reversal bar. Enter above 9.55

Update 12-11-20 -

Entry triggered came within .25 of target. Suggest to move stop to break even or just below 9.29



ONEM - Nice consolidation bar with reversal bar right at resistance area - looking for move above base with target around 40. Entry above 36.25

Update 12-11-20 -

Entry Triggered and within 1point of target at high today. If in I would suggest moving stop break even.



REZI - consolidation with a break to new highs followed by a inside bar could provide nice opportunity higher to around \$24. Entry above 20.60

Update 12-11-20 -
REZI never triggered in.



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