



Trade Alert - (MSFT) – BUY

BUY the Microsoft (MSFT) *July 2021* \$225-\$235 in-the-money vertical Bull Call spread at \$9.00 or best

Opening Trade

6-9-2021

expiration date: July 16, 2021

Portfolio weighting: 10%

Number of Contracts = 12 contracts

Stock players should go ahead and buy the shares, which probably have a double in them over the next three years.

After a grinding nine-month long correction, technology stocks have suddenly returned from the dead. All the best names have already gained 10% or more. Clearly, investors have itchy trigger fingers with tech stocks at these levels.

In the meantime, technology stock prices have fallen 20-50% while earnings have

jumped by 20% to 40%. What was expensive became cheap. It was a setup that was begging to happen.

This is great news because technology stocks are the core to all non-indexed retirement funds.

Microsoft held up better than any major tech stock. It is therefore most likely to deliver an upside breakout to new all-time highs first.

I am therefore buying the Microsoft (MSFT) *July 2021* \$225-\$235 in-the-money vertical Bull Call spread at \$9.00 or best.

DO NOT USE MARKET ORDERS UNDER ANY CIRCUMSTANCES.

Simply enter your limit order, wait five minutes, and if you don't get done, cancel your order and increase your bid 10 cents with a second order.

This is a bet that Microsoft (MSFT) will not trade below \$235 by the July 16 option expiration day in 26 trading days.

Here are the specific trades you need to enter this position:

Buy 12 July 2021 (MSFT) \$225 calls at.....	\$29.00
Sell to short 12 July 2021 (MSFT) \$235 calls at.....	<u>\$20.00</u>
Net Cost:.....	\$9.00

Potential Profit: $\$10.00 - \$9.00 = \$1.00$

$(12 \times 100 \times \$1.00) = \$1,200$ or 11.11% in 26 trading days.

Statistics
 Financial Instrument: MSFT Opt. Volume: 163K Put/Call Volume: 0.42 Opt. Volume Change %: 78.402% Hist. Vol. Close %: 20.247% Opt. Implied Volatility %: 18.7%

Buttons
 Add Underlying Preview Order/Check Margin Impact **Close Position** Reverse Position View Account

Trading
Orders Log Trades Portfolio **Strategy Builder**

Strategies: B/A: 68 8.90 9.45 7 **Debit** Reverse Add Stock Make Delta Neutral Bull Spread

Action	Ratio	LastTrdDay	Strike	Type	Mltplr	
Buy	1	JUL 16 '21	225	Call	100	X
Sell	1	JUL 16 '21	235	Call	100	X

+ Add Leg X Clear All Legs

Place order: 12 DAY LMT 9.00 Transmit Add to Quote Panel Profile

Option Chains
 JUL 09 '21* (31 DAYS) JUL 16 '21 (38 DAYS) JUL 23 '21* (45 DAYS) AUG 20 '21 (73 DAYS) MORE



To see how to enter this trade in your online platform, please look at the order ticket below, which I pulled off of *Interactive Brokers*.

If you are uncertain about how to execute an options spread, please watch my training video by [clicking here](#).

The best execution can be had by placing your bid for the entire spread in the middle market and waiting for the market to come to you. The difference between the bid and the offer on these deep in-the-money spread trades can be enormous.

Don't execute the legs individually or you will end up losing much of your profit. Spread pricing can be very volatile on expiration months farther out.

Keep in mind that these are ballpark prices at best. After the alerts go out, prices can be all over the map.



Microsoft