

Cash Cow Newsletter

October 3rd, 2012

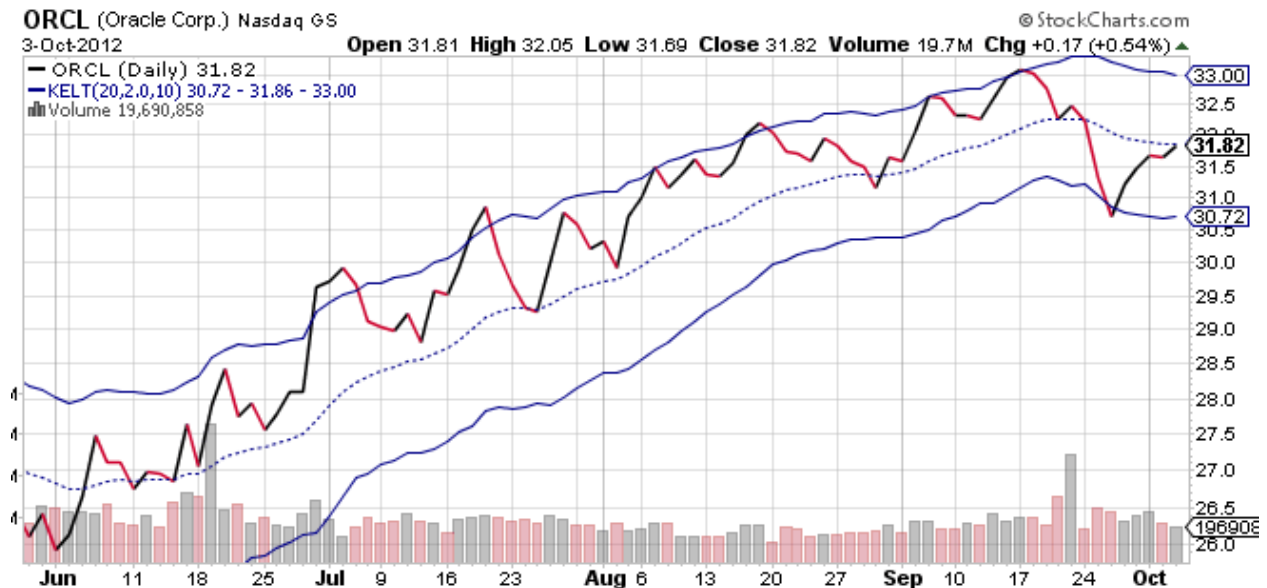
In this week's Cash Cow Newsletter we're going to briefly review last week's trades and look at some profit opportunities.

The first trade we'll review from last week is **ORCL**:

ORCL 9/26/12



ORCL 10/3/12



As you can see from the charts above, ORCL has rallied since closing below the lower Keltner Channel and producing a high probability 'buy' signal last week. Stocks that produce these high probability 'buy' signals usually have a strong rally in following weeks. Since ORCL has recently produced this high probability 'buy' signal and is currently trading at the mid Keltner Channel, there is a strong possibility that it will continue to appreciate in price in future weeks. We can consider 'rolling' this trade over into next week's expiration. By rolling this position over, we are compounding our profit and lowering our overall entry price into the position.

Now let's look at **AMZN**:

AMZN 9/26/12



AMZN 10/3/12



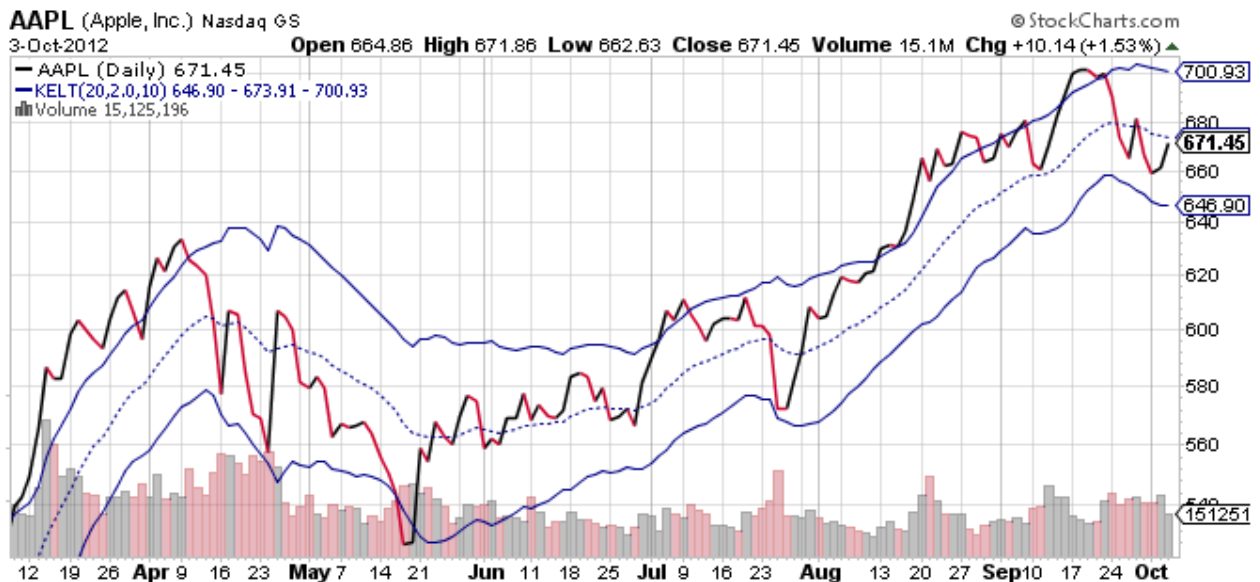
AMZN is slightly up from Wednesday's close, but as you can see from the chart above was relatively choppy through the week. AMZN is currently trading above the middle Channel, so we should consider taking partial profits on this position and look for better profit opportunities elsewhere.

Let's take a look at AAPL:

AAPL 9/26/12



AAPL 10/3/12



AAPL is also slightly up from Wednesday's close, but remained volatile during the week. Although AAPL is currently trading near the middle channel, it has made a recent series of lows with today's close, so we should consider taking partial profits on this position.

This week I'd like to look at some profit opportunities that utilize call option spreads on *Super Portfolio* stocks.

Super Portfolio Stocks

Super Portfolio stocks are the strongest performing stocks on a Prime Trade Select 'buy' signal. Typically, these stocks are in sectors that are performing well despite the financial troubles in Europe and the slow growing US economy. Most of the Super Portfolio stocks do not trade weekly options, so we will be looking at monthly expirations for these options.

The first Super Portfolio stock we'll look at is **TJX** (TJX Cos.):



I purchased TJX as a Super Portfolio stock in my Weekly Option Advisory on December 30th of last year. Looking at the one year chart, it's clear that TJX has been an excellent stock to own. We can take advantage of TJX's growth by purchasing a monthly call option spread. When looking at different price scenarios, I found the January 40/45 call option spread offered a 40.8%

return potential at current prices if the stock remained flat or increased in price.

The next *Super Portfolio* stock we'll look at is **HAIN** (Hain Celestial Group):



I introduced HAIN stock into the Weekly Option *Super Portfolio* in January of this year, and HAIN currently has an 82.4% return since then. HAIN has recently retraced in price and a November monthly 60/65 strike call option spread is currently yielding a 58.6% return if the stock remains flat, and a 69.5% return if the stock increases in price.

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