

In this week's *Cash Cow Newsletter* we are going to briefly analyze the recent performance of the S&P 500 Index and then look at new profit opportunities for the September 21st expiration.

As I anticipated in last week's Newsletter, the Market rallied after breaking above its On Balance Volume (OBV) resistance line. Interestingly enough, the current rally appears similar to the rally we experienced in July. The \$SPX remains in a 50/100-Day EMA uptrend, and OBV is trending up:



The %SPX closed near the upper Keltner Channel today. Even in this position it is possible for the index to continue its rally like it did in May and July of this year.

This week we should focus on utilizing short-term Call Option Purchases to take advantage of a continued rally. We should also use stocks that are trading near the middle Keltner Channel to increase our chances of success.

The first profit opportunity I'd like to show you this week is **LEA** (Lear Corp):



Lear Corporation designs, manufactures, and supplies automotive parts to large auto manufacturers.

The company has a history of consistent Revenue, Equity, and Retained Earnings growth.

LEA is in a 50/100-Day EMA uptrend that is confirmed with the presence of an up-sloping On Balance Volume. The stock is trading near the middle Keltner Channel, presenting a good entry point for us.

We can take advantage of future price gains by initiating a Call Option Purchase on LEA for the September 21st expiration.

The next profit opportunity we'll look at this week is **JNJ** (Johnson & Johnson):



Johnson & Johnson researches, develops, manufactures and sells various health care products worldwide. Over the past several years the company has consistently increased their Revenue, Retained Earnings and Equity.

The stock recently closed below the lower Keltner Channel, producing a High Probability 'Buy' Signal. JNJ closed near the middle Keltner Channel today and is still relatively oversold.

We can take advantage of future gains by initiating a Call Option Purchase on JNJ for the September 21st expiration.

The last profit opportunity we'll look at this week is **XLF** (Financial Sector ETF):



XLF is an ETF that tracks the performance of the Financial Select Sector Index. As you can see from the chart, XLF is in a 50/100-Day EMA uptrend with up-sloping On Balance Volume.

We can take advantage of future price gains by purchasing a Call Option on XLF for the September 21st expiration.

This newsletter includes some trading ideas following Chuck Hughes' trading strategies along with educational information. For a complete listing of Chuck's exact trades, including specific entries and exits and real time Portfolio tracking, please call Brad at 1-866-661-5664 or 310-647-5664.

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