



Hello All,

Welcome to our second installment of The Week Ahead written by Blake Young. If you did not see this last week this is some bonus content to your education. The information is not a Chuck Hughes Strategy. We are confident as your progress as a trader; you will find this information very beneficial. It never hurts to get other perspectives as well.

This Past Week

This past week was the first week in many that the economic data was relatively positive and beat expectations. Consumer sentiment beat expectations. Manufacturing data outperformed and the Jobs Opening and Labor Turnover also improved. Monthly Non-Farm Payroll missed, though, arguably the most impactful monthly economic report. U.S. equities rallied in response to the positive data. Volatility also fell to a new 5-week low which can be interpreted as fall risk aversion or rising risk appetites.

THE WEEK AHEAD

Next week is one of the lightest weeks in the past quarter and arguably for the year. There are very few economic reports and arguably no influential earnings reports. Next week, the most important economic news will be Consumer Price Index (CPI), which is expected to show a slowing inflation growth rate but could be a surprise.

Monday 06/06: None

Companies Reporting Before - None

Companies Reporting After- None

Tuesday 06/07: None

Companies Reporting Before - SJM

Companies Reporting After - None

Wednesday 06/08: Institute of Supply Management (ISM) Manufacturing Purchasing Managers Index (PMI). Job Openings and Labor Turnover Survey (JOLTS), FOMC Member Bullard Speaks

Companies Reporting Before: BFB, CPB

Companies Reporting After - None

Thursday 06/09: Weekly Unemployment Claims

Companies Reporting Before - None

Companies Reporting After - None

Friday 06/10: Consumer Price Index (CPI), Core CPI, Preliminary University of Michigan Consumer Sentiment

Companies Reporting Before - None

Companies Reporting After - none

Forecast

Equities have been able to stabilize and gain. However, we still don't see any measurable change in inflation. We could see sustained high prices and a significant decrease in demand and economic growth. Until oil and food prices come down some, core CPI will have lower significance.

For the Profit Harvester Trade recommendations below, be sure to follow the entry and exit rules, especially the entry prices.

Profit Harvester Trade Rules

- 1- Watchlist High Liquidity: 500k shares a day and penny increment options
- 2- Signal: Big move on Friday: 2.5% or more up (or down)
- 3- Signal Confirmation: Single Deviation breakout based on 20 days (using a 20-day Bollinger with a single deviation as confirmation to the 2.5% breakout move.
- 4- Entry Price: Confirmed intraday distribution entry at OB or OS pullback - This is a Time Price Opportunity chart (monkeybar) distribution projection. It generally means it needs to pull back to within 20% of the mid-price of Friday's large candle.
- 5- Target is a "fair price" or projected 50% level on the new distribution for the next day. (I hand calculated this on Friday after close)

Profit Harvester Trade Recommendations

(The following is intended for educational purposes only. Investors should research for due diligence and understand their own risk tolerance. Investors must recognize that investing holds no guarantees—you could lose money.)

In the previous week's Profit Harvester, DAL and GE triggered their trade and hit the target before falling to the stop price. Next week, we are looking at TWTR for a bullish trade and CI for a bearish trade. Please note that TWTR is a weaker bullish signal, but it is the only bullish signal that showed today. For all of the Profit Harvester examples, if the trade does not trigger within the first two trading days of next week, the trade is canceled.

Twitter Inc (TWTR)

Step 1, the Setup:

BUY TWTR long or buy a call option with a 70 delta for 7-14 days, when the price is anywhere between \$40.50 and \$40.20

Step 2, the stop loss:

Set a stop-loss price of \$0.90 below the entry price

Step 3, the profit target:

Consider taking profit if TWTR rises \$0.30 per share higher.

Probabilities: For initial target from the entry provides a 75% probability of a win.



If you cannot see the chart clearly click the link below.

[TWITTER \(TWTR\).png](#)

Cigna Corporation (CI)

Step 1, the Setup:

Sell CI short or buy a put option with a 70 delta for 7-14 days when the price is anywhere between \$258 and \$259.50

Step 2, the stop loss:

Set a stop-loss price of \$2.80 above the entry price

Step 3, the profit target:

Consider taking profit if CI falls \$1.40 per share higher.

Probabilities: The initial target from the entry provides a 66% probability of winning.



If you cannot see the chart clearly click the link below.

[CIGNA CORP \(CI\).png](#)

Worthwhile Reading from the Past Week:

[Exclusive: Elon Musk wants to cut 10% of Tesla Jobs](#) -Reuters

[Wall St ends down with strong jobs data keeping the pressure on for rate hikes](#)- [Investing.com](#)

[Stocks Resume Weekly Losses as Jobs Reul Rate beats:Markets Wrap](#) - Bloomberg

Have a great weekend,