

Trade Alert - (SPY) - BUY

**Buy the S&P 500 (SPY) *September 2022* \$440-\$450
in-the-money vertical bear put spread at \$9.10 or best**

Opening Trade

8-9-2022

expiration date: September 16, 2022

Portfolio weighting: 10%

Number of Contracts = 11 contracts

I will be the first to admit that at the height of the summer doldrums, and at the top of a 10% move in the market, there are very few attractive trades out there on a risk/reward basis.

Not only that, the volatility Index (VIX) has just suffered a decline from \$36 to \$20 in seven weeks. The few trades out there pay very little.

There is no law that you have to have a position every day of the year. Overtrade your account and only the brokers win. I'm all about cherry-picking.

However, I did promise you a trade alert, and a promise is a promise.

At least with the (SPY), we have a short-term double top that may be unfolding.

Therefore, I am recommending the **S&P 500 (SPY) *September 2022* \$440-\$450 in-the-money vertical bear put spread at \$9.10 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 by 10 cents with a second order.

If you don't do options, stand aside. This is a short-term options play only.

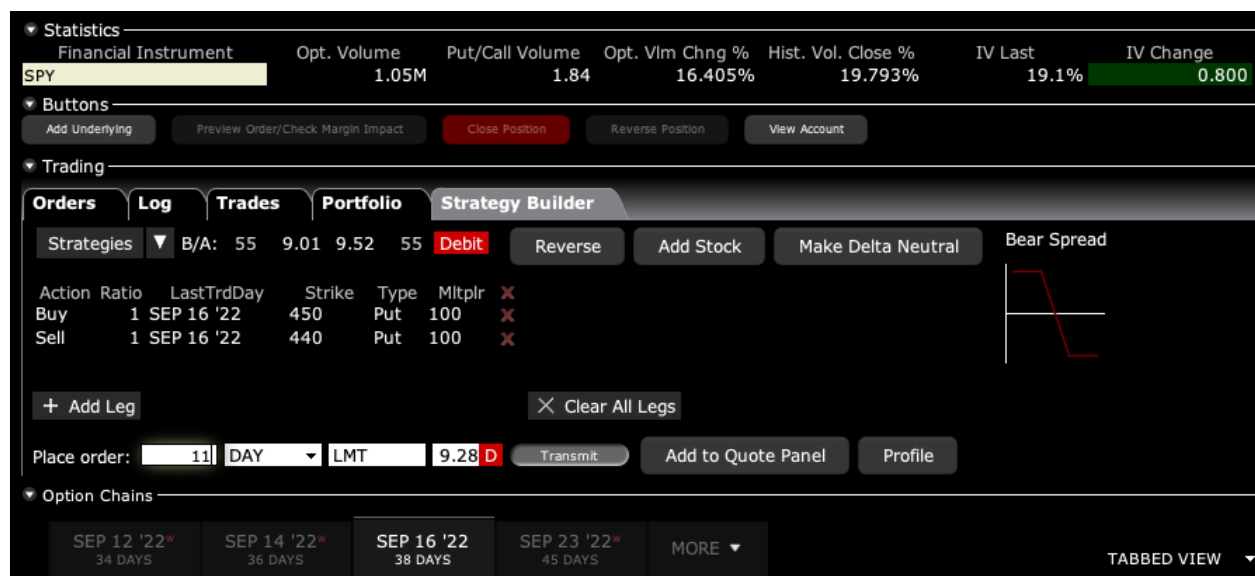
This is a bet that the S&P 500 (SPY) will not trade above \$440.00 by the September 16 options expiration day in **27** trading days.

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

Buy 11 September 2022 (SPY) \$450 puts at.....\$39.00
Sell short 11 September 2022 (SPY) \$440 puts at.....\$29.90
Net Cost:.....\$9.10

Profit: \$10.00 - \$9.10 = \$0.90

(11 X 100 X \$0.90) = \$990 or 9.89% in 27 trading days.



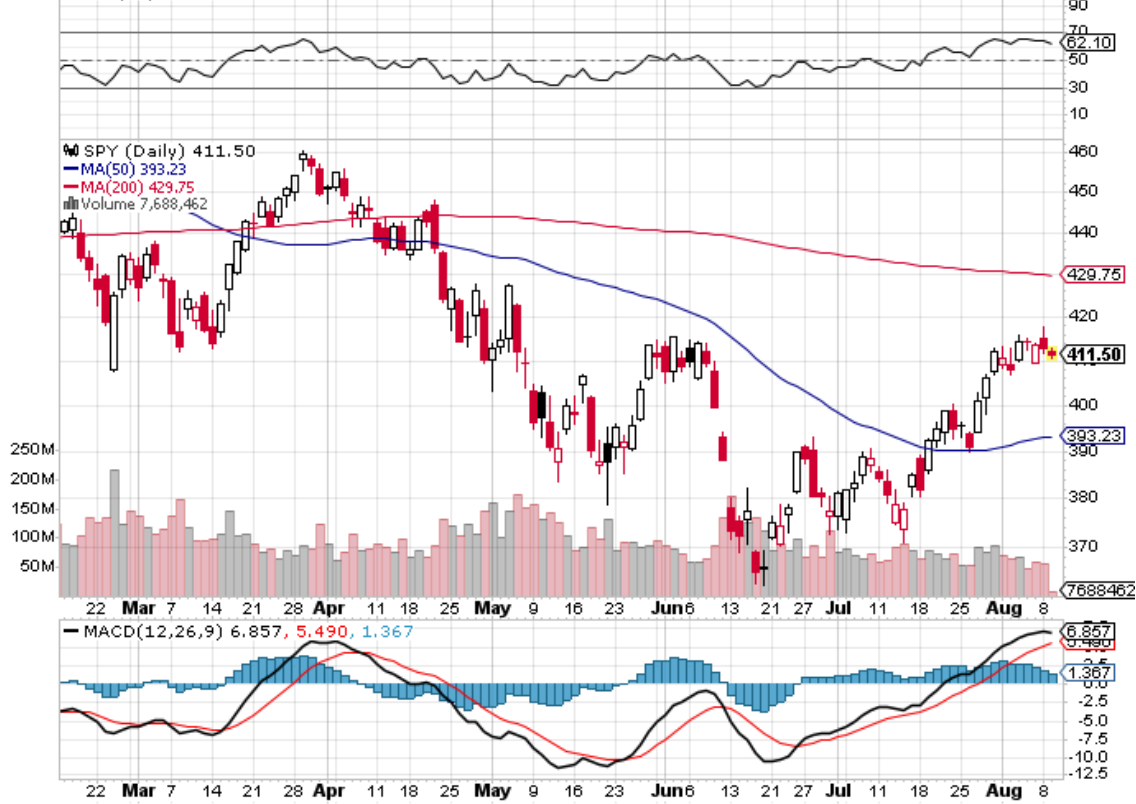
SPY SPDR S&P 500 ETF NYSE + BATS

9-Aug-2022 10:30am

Open 412.22 High 412.75 Low 410.73 Last 411.50 Volume 7.7M Chg -1.49 (-0.36%)

© StockCharts.com

RSI(14) 62.10



\$VIX Volatility Index - New Methodology INDX

9-Aug-2022 10:39am

Open 21.41 High 22.17 Low 21.41 Last 21.83 Chg +0.54 (+2.54%)

© StockCharts.com

RSI(14) 41.70





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.

This is not a solicitation to buy or sell securities

The Mad Hedge Fund Trader is not an Investment advisor

For full disclosures click here at <http://www.madhedgefundtrader.com/disclosures>

The "Diary of a Mad Hedge Fund Trader"(TM) and the "Mad Hedge Fund Trader" (TM) are protected by the United States Patent and Trademark Office

The "Diary of the Mad Hedge Fund Trader" (C) is protected by the United States Copyright Office

Futures trading involves a high degree of risk and may not be suitable for everyone.