



Trade Alert - (FCX) – BUY

BUY the Freeport McMoRan (FCX) June \$32-\$35 vertical BULL CALL spread at \$2.65 or best

Opening Trade

6-8-2023

expiration date: June 16, 2023

Portfolio weighting: 10%

Number of Contracts = 40 contracts

The debt ceiling has been raised by \$4 trillion, inflation is falling, and interest rate cuts are ahead, so happy days are here again.

And then there's that AI thing, which promises to double if not triple in growth.

The domestic China-dependent commodity sectors of the economy, in the doghouse all year, is about to move back into the spotlight.

A severe short squeeze in copper is developing, leading to a massive price spike later in 2023. Copper prices could jump from the current \$9,000 per metric tonne to \$15,000 by December, say industry insiders.

Therefore, I am buying the **Freeport McMoRan (FCX) June \$32-\$35 vertical BULL CALL spread at \$2.65 or best**

Don't pay more than \$2.70 or you will be chasing.

A Chinese economic recovery and exploding EV growth are the reasons. Copper is down this year on recession fears.

I believe the fundamental argument for Freeport McMoRan is so compelling that I am going to dive in, even though the Volatility Index (\$VIX) is at a miserable \$14 handle, a two-year low.

If you can't do options buy the stock. My long-term target for (FCX) is \$100, up from today's \$37.47. (FCX) is the world's largest copper producer.

Please remember that I told you earlier that each Tesla needs 200 pounds of copper, that Tesla sales could reach 2 million vehicles this year, and that they could sell 4 million if they could make them. The ten-year target is 20 million cars a year.

This is a bet that the (FCX) will not fall below \$35.00 by the June 16 option expiration in 7 trading days.

If you are looking for other copper plays, please take a look at the United States Copper Fund (CPER), First Quantum Minerals Ltd. (FM.TO), and Antofagasta (ANTO.L), hang on. We are going much higher once the stock market bottoms.

I have a feeling that Freeport McMoRan is my new rich uncle, cutting me generous but undeserved maintenance checks every month.

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

Buy 40 June 2023 (FCX) \$32 calls at.....\$5.50

Sell short 40 June 2023 (FCX) \$35 calls at.....\$2.85

Net Cost:.....\$2.65

Potential Profit: $\$3.00 - \$2.65 = \$0.35$

$(40 \times 100 \times \$0.35) = \$1,400$ or 16.00% in 10 trading days.

Statistics

Financial Instrument

FCX

Opt. Volume

72.0K

Put/Call Volume

0.59

Opt. Volume Change %

145.635%

Hist. Vol. Close %

40.804%

Buttons

Add Underlying

Preview Order/Check Margin Impact

Close Position

Reverse Position

View Account

Trading

Orders

Log

Trades

Portfolio

Strategy Builder

Strategies

B/A: 63 2.65 2.81 43 Debit

Reverse

Add Stock

Make Delta Neutral

Bull Spread

Action	Ratio	LastTrdDay	Strike	Type	Mltplr	
Buy	1	JUN 16 '23	32	Call	100	<div>Consolidated</div>
Sell	1	JUN 16 '23	35	Call	100	<div>Consolidated</div>

+ Add Leg

Clear All Legs

Place order:

40

DAY

LMT

2.74 D

Transmit

Add to Quote Panel

Profile

Option Chains

JUN 02 '23*
0 DAYS

JUN 09 '23*
7 DAYS

JUN 16 '23
14 DAYS

JUN 23 '23*
21 DAYS

MORE

FCX Freeport-McMoRan, Inc. NYSE

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7-Jun-2023

Open 37.79 High 38.31 Low 37.53 Close 37.57 Volume 14.0M Chg -0.17 (-0.45%) ▼

▲ RSI(14) 57.03

FCX (Daily) 37.57

MA(50) 37.82

MA(200) 36.67

Volume 13,974,770







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

If you are uncertain about how to execute an options spread, please watch my training video on “*How to Execute a Vertical Bull Call debit Spread*” by clicking here at

<https://www.madhedgefundtrader.com/ltt-vbcs/>

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.