



Trade Alert - (FCX) – BUY

BUY the Freeport McMoRan (FCX) April 2024 \$37-\$40 vertical BULL CALL spread at \$2.60 or best

Opening Trade

3-15-2024

expiration date: April 19, 2024

Portfolio weighting: 10%

Number of Contracts = 40 contracts

I believe that there is a major rotation in the market underway, out of technology stocks that have been leading all year into commodity stocks. We have already seen major upside breakouts in gold and silver and copper is jumping on the bandwagon.

A severe short squeeze in copper is developing, leading to a massive price spike later in 2024. Copper prices could jump from the current \$4.05 a pound for the CME contract to \$10.00 by December, say industry insiders.

A Chinese economic recovery and soon-to-recover EV growth are the reasons. Copper is the only industrial metal up this year, some 6%.

I believe the fundamental argument for Freeport McMoRan is so compelling that I am going to dive in, even during this period of extreme volatility.

If you can't do options, buy the stock. My long-term target for (FCX) is \$100, up from today's \$44.11. (FCX) is the world's largest copper producer.

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

Therefore, I am buying the **Freeport McMoRan (FCX) April 2024 \$37-\$40 vertical BULL CALL spread at \$2.60 or best.**

Don't pay more than \$2.75 or you will be chasing.

This is a bet that the (FCX) will not fall below \$40.00 by the April 19 option expiration in 20 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), Antofagasta (ANTO.L), and 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:

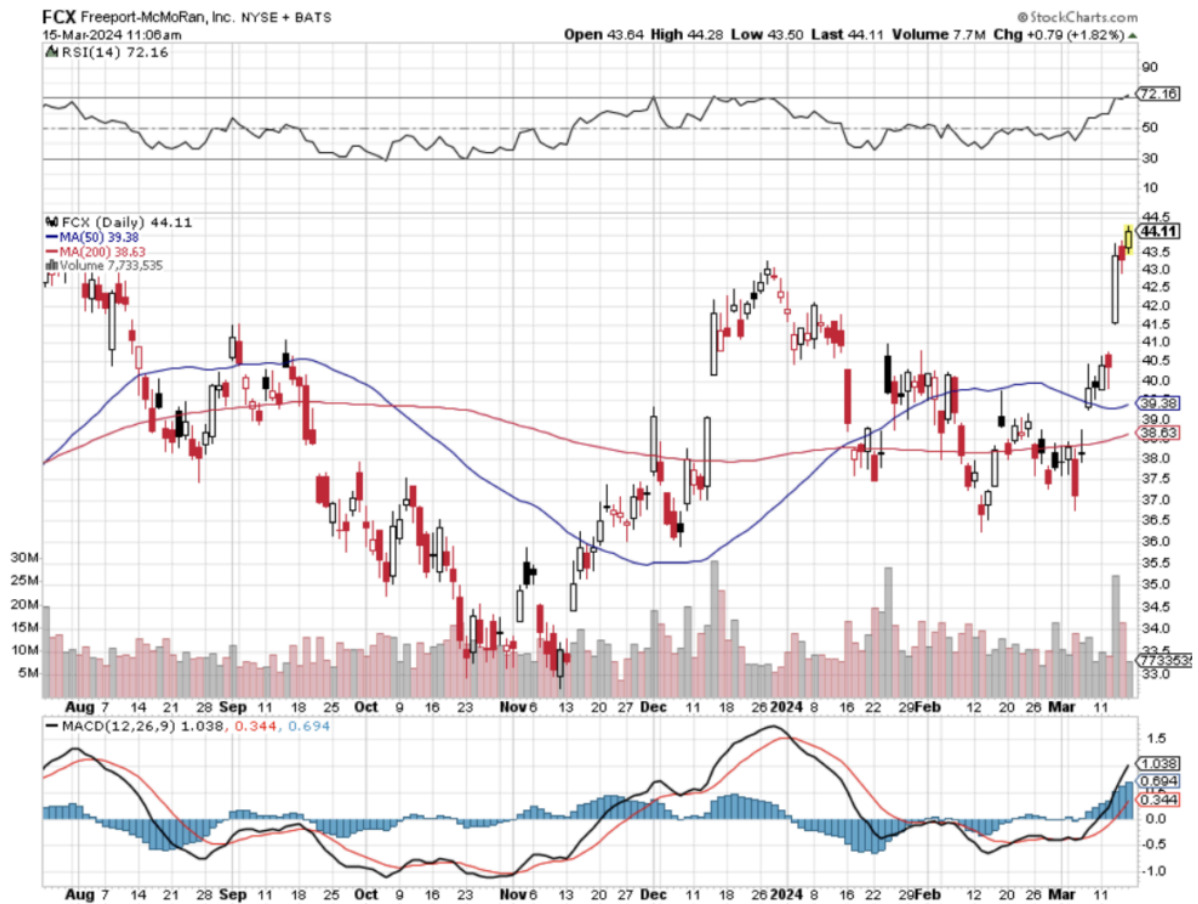
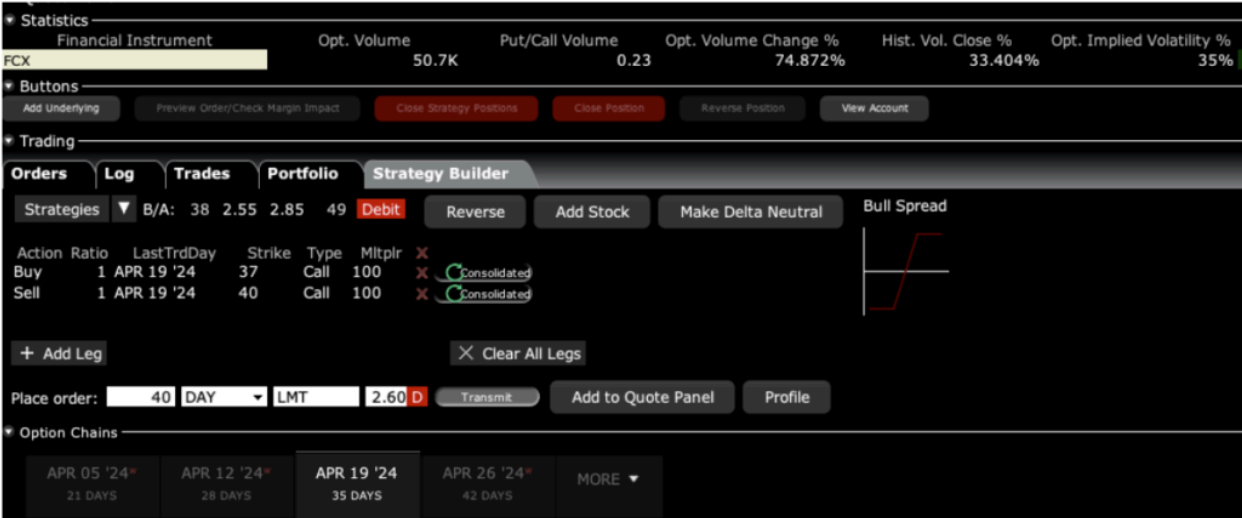
Buy 40 April 2024 (FCX) \$37 calls at.....\$7.50

Sell short 40 April 2024 (FCX) \$40 calls at.....\$4.90

Net Cost:.....\$2.60

Potential Profit: $\$3.00 - \$2.60 = \$0.40$

$(40 \times 100 \times \$0.40) = \$1,600$ or 16.00% in 20 trading days.







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.