



Trade Alert - (GLD) – BUY

BUY the SPDR Gold Shares (GLD) October 2024 \$215-\$220 vertical BULL CALL debit spread at \$4.50 or best

Opening Trade

9-10-2024

expiration date: October 18, 2024

Portfolio weighting: 10%

Number of Contracts = 25 contracts

With the stock market flip-flopping on a daily basis along with volatility, gold (GLD) is holding up incredibly well. When you throw bad news on a stock and it refuses to go down, buy it with both hands.

A Fed interest rate cut of 25 basis points is now a certainty on September 18 and all falling interest rate plays in the stock market are in play. Rising rate plays and flat technology could be the trade for the rest of 2024.

It is all very gold-positive.

This is all on top of 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.

If you can't do options, buy the stock. My long-term target for (GLD) is \$300, up from today's \$232, sometime in 2025.

Therefore, I am buying the **SPDR Gold Shares (GLD) October \$215-\$220 vertical BULL CALL debit spread at \$4.50 or best.**

Don't pay for than \$4.70 or you will be chasing.

The bull case for gold is simple. Falling interest rates mean less yield competition for gold, which yields nothing. China and Russia have been stockpiling gold for years to avoid international financial sanctions. The only way the Chinese can save right now is to buy gold.

A global gold shortage is developing with new mine costs rising. Gold also offers protection against rising US debt, which is expected to hit \$35 trillion shortly.

On top of all this, Chinese speculators have shifted their interest from real estate, which has crashed, to precious metals. This adds a large retail element that has never existed before.

SPDR Gold Shares (GLD) is a play on physical gold. They are shares in a corporation that owns 400-ounce gold bullion bars held by a London trust. It is far safer owning gold through the (GLD) than through owning your physical gold bars via a third-party custodian. If the custodian goes under, which is frequent, your gold is gone. With (GLD) your credit risk is with State Street, a highly-rated firm with a strong balance sheet.

For details about SPDR Gold Shares (GLD), please visit their website at <https://www.spdrgoldshares.com>.

This is a bet that the (GLD) will not fall below \$220 by the October 18 option expiration in 28 trading days.

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

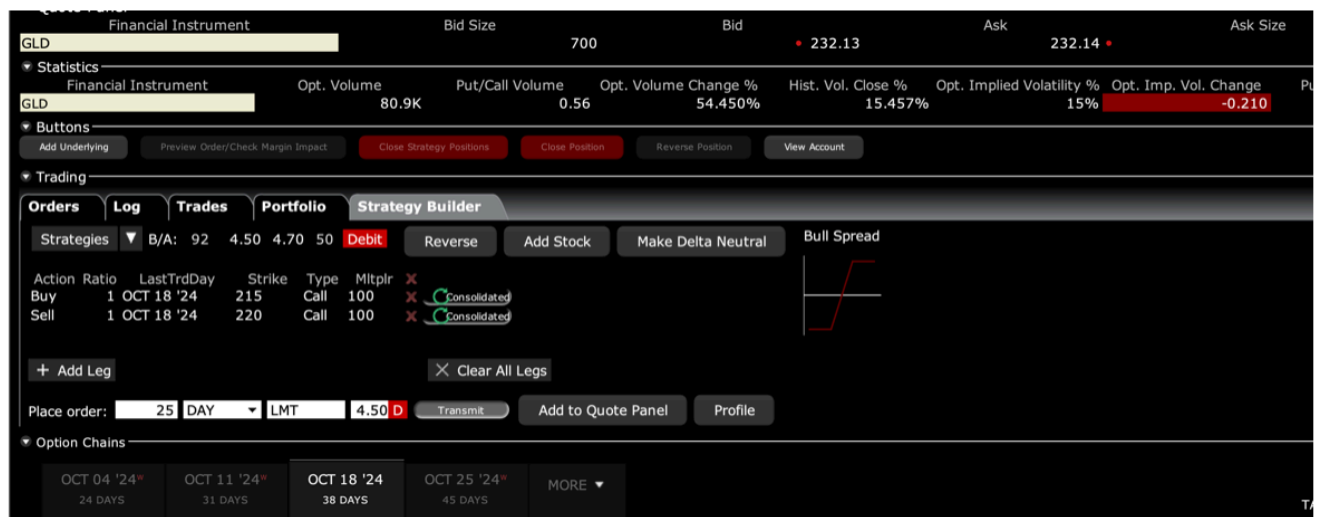
Buy 25 October 2024 (GLD) \$215 calls at.....\$18.50

Sell short 25 October 2024 (GLD) \$220 calls at.....\$14.00

Net Cost:.....\$4.50

Potential Profit: \$5.00 - \$4.50 = \$0.50

(25 X 100 X \$0.50) = \$1,250 or 11.11% in 28 trading days.





If you are uncertain about how to execute a bear put 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.

