



Buy the Tesla (TSLA) *October 2024* \$180-\$190 in-the-money vertical bull call debit spread at \$8.80 or best

Opening Trade

9-18-2024

expiration date: October 18, 2024

Portfolio weighting: 10% weighting

Number of Contracts = 12 contracts

For the first time ever, Tesla is not trading off their monthly vehicle sales, which this year have been flat. Instead, the stock is focusing on the company's long-term goals, many of which are finally starting to kick off profits.

Those would include Full self-driving software (FSD), the global electric charging network, roll out of the Cybertruck and semis trucks, lithium processing and recycling, solar energy, industrial-scale battery storage, and other moonshots we haven't heard about. Wireless charging should go mainstream next year.

These were always the basis of my long-term forecast for the shares of \$1,000.

We also have an enormous advantage with this trade in that the options are sporting a sky-high 61% implied volatility.

Tesla's big Robotaxi event will take place on October 10 and the stock usually rises going into these. Drones have spotted these vehicles racing around the Warner Brothers lot in Los Angeles and there have been mapping active satellites in the neighborhood.

Therefore, I am buying the Tesla (TSLA) *October 2024* \$180-\$190 in-the-money vertical bull call debit spread at \$8.50 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.

Elon Musk really checkmated the rest of the EV industry with his massive price cuts and buyer incentives, which is 35% after adding in newly qualifying government subsidies.

With this trade, I am willing to bet that Tesla shares will not fall below \$190 by the October 18 option expiration in 24 trading days.

Tesla will remain the top EV maker for the next decade easily.

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

Sell 12 October 2024 (TSLA) \$180 calls at.....	\$33.00
Buy to cover short 12 October 2024 (TSLA) \$190 calls at.....	<u>\$24.50</u>
Net cost:.....	\$8.50

Potential Profit: $\$10.00 - \$8.50 = 1.50$

$(12 \times 100 \times \$1.50) = \$1,800$ or 17.64%

Financial Instrument

TSLA

Bid Size

Bid

Ask

Statistics

Financial Instrument

Opt. Volume

Put/Call Volume

Opt. Volume Change %

Hist. Vol. Close %

Opt. Implied Volatility %

TSLA

1.91M

0.62

104.897%

59.595%

61.2%

Buttons

Add Underlying

Preview Order/Check Margin Impact

Close Strategy Positions

Close Position

Reverse Position

View Account

Trading

Orders

Log

Trades

Portfolio

Strategy Builder

Strategies

B/A:

Reverse

Add Stock

Make Delta Neutral

Bull Spread

Action

Ratio

LastTrdDay

Strike

Type

Mltplr

Buy

1

OCT 18 '24

180

Call

100

Closed

Sell

1

OCT 18 '24

190

Call

100

Closed

+ Add Leg

Clear All Legs

Place order:

13

DAY

LMT

8.50

Transmit

Add to Quote Panel

Profile

Option Chains

OCT 04 '24^w

OCT 11 '24^w

OCT 18 '24

OCT 25 '24^w

MORE

19 DAYS

26 DAYS

33 DAYS

40 DAYS





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

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

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

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

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