

Trade Alert - (GLD) – BUY

**BUY the SPDR Gold Shares (GLD) November 2024
\$230-\$235 vertical BULL CALL debit spread at \$4.40 or
best**

Opening Trade

10-16-2024

expiration date: November 15, 2024

Portfolio weighting: 10%

Number of Contracts = 25 contracts

With the ECB cutting interest rates this month by 25 basis points, the global rate-cutting frenzy is going global.

That broke gold out to a new all-time high this morning and it doesn't look like it's going to back off. Time to double up.

A Fed interest rate cut of 25 basis points is now a certainty on November 6 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.

If you can't do options buy the stock. **My long-term target for (GLD) is \$300, up from today's \$246, sometime in 2025.**

Therefore, I am buying the **SPDR Gold Shares (GLD) November \$230-\$235 vertical BULL CALL debit spread at \$4.40 or best.**

Don't pay more than \$4.60 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 principal savings vehicle from real estate, which has crashed and has no future, to gold. 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 own physical gold bars via a third part 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> .

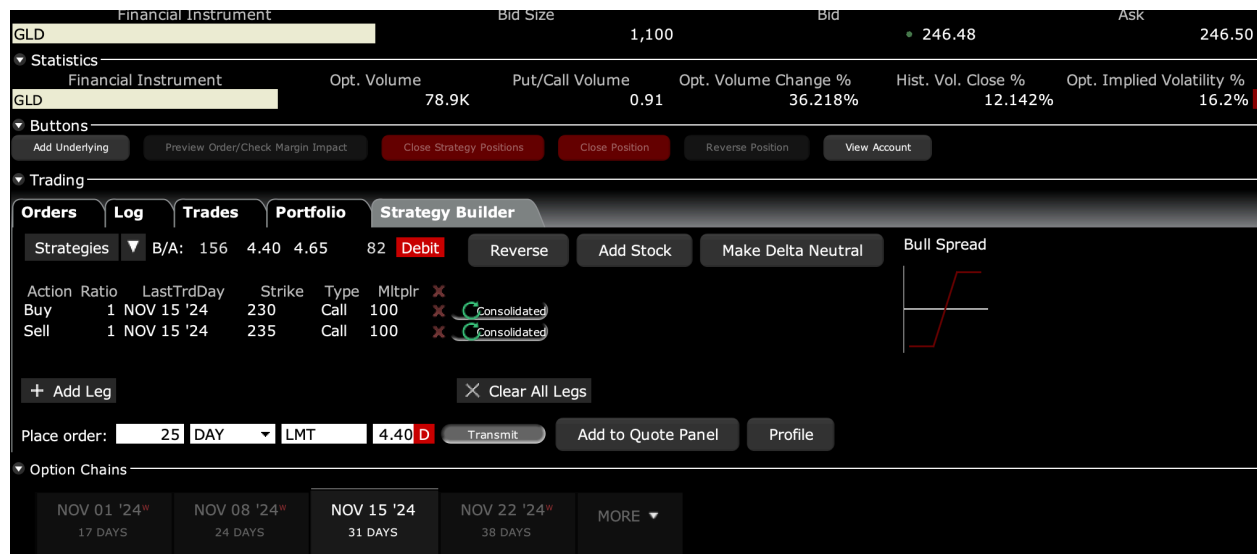
This is a bet that the (GLD) will not fall below \$235 by the November 15 option expiration in 22 trading days.

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

Buy 25 November 2024 (GLD) \$230 calls at.....\$18.00
Sell short 25 November 2024 (GLD) \$235 calls at.....\$13.60
Net Cost:.....\$4.40

Potential Profit: \$5.00 - \$4.40 = \$0.60

(25 X 100 X \$0.60) = \$1,500 or 13.64% in 22 trading days.





To see how to enter this trade in your online platform, please look at the order ticket above, 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 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.

