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The Smart Option Seller

Let's Grab That Cash!



Issue #1072 January 3, 2024 - By Lee Lowell

New Trade!

Hello Smart Option Sellers,

Happy new year! Welcome to 2024!

I hope everyone had a great holiday season, and you're ready to get back to it.

2023 was a 100% profitable year for the Smart Option Seller newsletter (as was 2022), and I'm gunning for the same in 2024.

Let's start out the year with a new trade, but not a new name.

Micron Technology (MU)

We played MU profitably 7 times (7 times!) in 2023, with the last two closed out in later October and early November. And we're going back for more.

For most stocks (and indexes) 2023 was a great year.

But like many years during the first few days, we get selling that comes in to lock in lots of those gains. We're currently seeing it right now.

And this makes for great put-selling opportunities.

MU still remains in a nice uptrend, but has pulled back recently to a potential support area of its 20-day moving average. These are the higher-probability types of setups we like (pull-back in an uptrend).

Here's the [current chart](#).

With MU currently near \$82 per share, we'll have \$19.50 of downside cushion, which equates to a buffer of 23.7%.

If you like MU and agree with my synopsis, this play could be right for you.

Here's what you can choose to do (official):

Sell (sell-to-open) the MU March 15, 2024 \$62.50 strike put option contract for a limit credit sell price of \$.25 per contract or higher, GTC, as an opening transaction (sell-to-open).

Currently, the market for this put option is \$.27 bid/\$.28 offer, so we should have no problem selling it for \$.25 or higher. If MU stock rallies today though, the option price will drop. So let's be quick!

If you don't get filled today, make sure to keep your order working "GTC".

Do not sell for anything less than \$.25 per contract.

Here are the instructions for the unofficial trade.

For more information on the unofficial trades, scroll down to the "Announcements" section of the newsletter below.

These are optional and unofficial, and I won't be tracking them, so you're on your own to manage.

Please stay within your comfort zone!

Here's what you can choose to do (unofficial):

Sell (sell-to-open) the MU March 15, 2024 \$80 strike put option contract for a credit sell price between the current bid/ask levels, as an opening transaction (sell-to-open).

Since this is a near-the-money strike, it will move much faster, both higher and lower. This trade is meant to be taken only if you are **very bullish** from this point.

Currently, prices are near \$3.35 per contract.

You could also choose any strike you want above or below the \$80 level. Up to you to decide how aggressive to be.

If you are going to trade multiple contracts, my advice would be to look for 50% decay when taking initial profits, or set a profit/loss threshold that works for you.

Any drop in the price of MU stock will put these positions underwater. Remember - I will not be following these trades or offering updated guidance. Stay within your comfort zone!

As for our current portfolio - we only have one holdover from 2023: CVS.

The position is very close to our profit-taking threshold, so maybe we'll be able to

lock in gains very soon.

Ok, that's all for now. Get those new sell orders in there and let us know how you do.

Continue to hold all other positions as-is.

Contact us [here](#) with fills, comments, questions or concerns.

Best,

Lee

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Current Portfolio

Continue to work all other trades as instructed and continue to hold all other open positions as-is.

See the Current Portfolio below for current prices & instructions.

Note on the Current Portfolio - if you are a new subscriber and don't have a position yet on any of our trades, make sure you enter your order at the original recommended prices. The Current Instructions column gives the most recent updates. If you are unsure or have any questions, please ask us!

Smart Option Seller Portfolio

<u>Put-Sell Option Positions</u>	<u>Entry Date</u>	<u>Entry Sell Price</u>	<u>Current Price</u>	<u>Current Instructions</u>
SCHW Oct 20, '23 \$47.50 P	9/13/2023	\$.34/contract	N/A	Closed. BTC for \$.05 per contract See instructions from 10/16/23 Alert
MU Dec 15, '23 \$47.50 P	9/28/2023	\$.26/contract	N/A	Closed. BTC for \$.12 per contract See instructions from 10/31/23 Alert
MU Dec 15, '23 \$52.50 P	10/10/2023	\$.26/contract	N/A	Closed. BTC for \$.06 per contract See instructions from 11/09/23 Alert
SCHW Jan 19, '24 \$40 P	11/7/2023	\$.32/contract	N/A	Closed. BTC for \$.05 per contract See instructions from 12/14/23 Alert
CVS Feb 16, '24 \$60 P	12/11/2023	\$.25/contract	\$0.07	STO for \$.25 per contract or higher See instructions from 12/11/23 Alert
Unofficial Position				
UNG Jan 19, '24 \$4.00 Call	4/11/2023	\$3.60	\$1.38	See instructions from 4/11/23 alert
SCHW Jan 19, '24 \$55 P	11/7/2023	Various	\$0.14	See instructions from 11/7/23 Alert
UNG Jan 19, '24 \$5.00 P	11/30/2023	Various	\$0.13	See instructions from 11/30/23 alert
CVS Feb 16, '24 \$72.50 P	12/11/2023	Various	\$0.46	See instructions from 12/11/23 Alert
CVS Feb 16, '24 \$75 P	12/11/2023	Various	\$0.82	See instructions from 12/11/23 Alert
Legend				
STO = Sell-To-Open/Sold-To-Open				
BTC = Buy-To-Close/Bought-To-Close				
BTO = Buy-To-Open/Bought-To-Open				