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The Smart Option Seller

Let's Grab That Cash!



Issue #1086 February 9, 2024 - By Lee Lowell

New Trade!

Hello Smart Option Sellers,

It's Friday!

How about a new trade?

It's on a stock that I've mentioned for a long time now, and have been waiting for the right time to get in.

Verizon (VZ)

VZ was in a tailspin since late 2020 and only started to move back higher in October 2023.

That was a long time stuck in a bear move.

But I believe the tide has finally turned.

VZ is one of the biggest and most popular cell phone carriers in the U.S., if not the whole world.

The stock price finally moved above its 200-day moving average (very important) near \$35 per share in November 2023.

If you've watched any of my free YouTube videos, then you know how much I've profiled VZ, and that I've been waiting patiently to get in.

It now trades near \$40 and hitting upon good support of its up-trending 50-day moving average.

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

I'm ready to give it a go with a new put-sell trade, but it does have some caveats.

The biggest caveat is that we'll only have about a 10% downside cushion (\$4 downside) for this trade, whereas we typically look for at least a 20% cushion with individual stocks.

I'm okay with this exception today mainly because VZ typically doesn't move that large and that it's falling back to support.

If you are a fan of VZ and think a potential buy near \$36 per share could be a good investment if assigned (very rare for us), then this trade could be right for you.

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

Sell (sell-to-open) the VZ April 19, 2024 \$36 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 \$.26 bid/\$.29 offer, so we should be able to sell it for \$.25 or higher.

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

Remember, you can always start your offer sell price at \$.28 or \$.27. You don't need to sell right at \$.26 to start. You can haggle!

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 VZ April 19, 2024 \$40 strike put option contracts for a credit sell price between the current bid/ask levels, as an opening transaction (sell-to-open).

Since these options are near-the-money strikes, they will move much faster, both higher and lower. These trades are meant to be taken only if you are very bullish from this point.

Currently, prices are near \$1.40 to \$1.45 per contract.

You could also choose any strike you want below the \$40 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 VZ stock will put these positions underwater. Stay within your comfort zone!

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>
CVS Feb 16, '24 \$60 P	12/11/2023	\$.25/contract	N/A	Closed. BTC for \$.06 per contract See instructions from 1/12/24 Alert
BMJ Mar 15, '24 \$42 P	12/22/2023	\$.26/contract	\$0.08	Closed. BTC for \$.12 per contract See instructions from 2/5/24 Alert
MU Mar 15, '24 \$62.50 P	1/3/2024	\$.26/contract	N/A	Closed. BTC for \$.07 per contract See instructions from 1/30/24 Alert
SCHW Apr 19, '24 \$50 P	1/24/2024	\$.29/contract	\$0.32	STO for \$.25 per contract or higher See instructions from 1/24/24 Alert
<u>Unofficial Position</u>				
CVS Feb 16, '24 \$72.50 P	12/11/2023	Various	\$0.18	See instructions from 12/11/23 Alert
CVS Feb 16, '24 \$75 P	12/11/2023	Various	\$0.98	See instructions from 12/11/23 Alert
BMJ Mar 15, '24 \$52.50 P	12/22/2023	Various	\$3.65	See instructions from 12/22/23 Alert
MU Mar 15, '24 \$80 P	1/3/2024	Various	\$1.52	See instructions from 1/3/24 Alert
SCHW Apr 19, '24 \$65 P	1/24/2024	Various	\$4.35	See instructions from 1/24/24 Alert
<u>Legend</u>				
STO = Sell-To-Open/Sold-To-Open				
BTC = Buy-To-Close/Bought-To-Close				
BTO = Buy-To-Open/Bought-To-Open				