

OptionProfessor.com Quick Alert
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Stocks- WATCH S&P- VIX-Hedge?



BY THE OPTION PROFESSOR

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AD: Bonus Partner Education:

- PDF: [7 Stocks Top Investing Experts Are Buying Now](#)

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**OptionProfessor Alert:
08/11/22 - Stocks-WATCH S&P-VIX-Hedge?**

We warned of the 48-Hours ahead on Tuesday and WOW did we get VOLATILITY! Stocks went thru the roof as the consensus is that inflation has peaked and will rollover and the Fed may be done after the next 75-100 point hike which the market has already priced in. If we add the fact that WAGES are UP and jobs are plentiful...soft landing ODDS RISE! Big money has gone into AAPL AMZN MSFT GOOGL as these are companies that have earnings & free cash flow in all types of economic situations wherein semiconductors are more sensitive. Rallies in ARKK companies short covering??

This has been a LOW CONVICTION RALLY with institutions and hedge funds in some cases reducing exposure-retail is up.
RIGHT NOW!-We said Do NOT fight the tape (bears need VIX =25+ & AAPL under 160-155) BUT DO NOT FIGHT THE FED!

IMPORTANT to WATCH! The relationship between the VIX (Volatility Index) and the S&P 500 (SPX) is at KEY LEVELS NOW

We have seen the VIX in this LOW neighborhood 4 TIMES in the past year and the SPX has been near a HIGH POINT.

In January VIX sub 20 and the SPX near 4800....following month VIX 35+ and SPX fell toward 4200...In Feb VIX near 20 and SPX at 4600...following month VIX 35+ and SPX near 4200...In April VIX near 20 and SPX 4400+...following months SPX 3800-3650.....RIGHT NOW we have the VIX sub 20 and the SPX entering KEY RESISTANCE 4250-4350 (200 day MA)

In the next month; the winds of change could blow. LIQUIDITY is thin helping UPMOVES & may also aid DOWNMOVES.

In MARCH; we got good economic data that was reversed in subsequent months and there is a RISK that may happen.

The CPI & PPI data broke a FEVER but may not break the back of INFLATION. Gasoline price drops were BIG and may not continue and 8% to 9% inflation rates are still producing NEGATIVE real wage growth and NEGATIVE real interest rates.

The JOBS market and INFLATION rates are MILES away from Fed targets & FED SPEAKERS insist "nowhere near done"

The Fed meets in Jackson Hole & 6 weeks a rate hike. Easing monetary conditions and spikes in assets=no DEMAND HIT!

The derivatives markets are not seeing FOMO so while we may see SOME further UPSIDE....Time to PRICE OUT HEDGES

How do HEDGES work? What are the uses & risks of each type of HEDGE? How can you adjust the HEDGES afterwards?

Great Questions! The OPTIONPROFESSOR has ENCOURAGED YOU to get the PDF Report that can Help Educate You.

The PDF Report "How to HEDGE Against Market DECLINES and Upside SURPRISES" we believe may be helpful to you.

Go to optionprofessor.com...submit your email & phone #.....we'll explain how to get the reports SENT to YOUR INBOX.

The Option Professor is a Graduate of Boston College...Trained at the Options Institute CBOE..35+yrs of Knowledge.

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- 07/26/22 – Stocks-Earnings & Consumer Recession Begun?
- 07/21/22 – Stocks-Are You Ready For Next Week??
- 07/20/22 – STOCKS-Green Light For The BULLS?
- 07/14/22 – Stocks-From Concern to Panic?
- 07/12/22 – Growth Fears Replace Inflation Fears!
- 07/07/22 – STOCKS-Upside Surprise? Big News!
- 07/05/22 – STOCKS-Say Hello to DEFLATION!
- 06/30/22 – Stocks-Inflation Fears Now Earnings Fears
- 06/29/22 – Stocks-Where's the Rally Into July 4th?
- 06/23/22 – Stocks- BIG SPIKE Into July 4th?
- 06/21/22 – Stocks RIP Higher! Lows In?
- 06/16/22 – Stocks-Fed Does U-Turn-What Now?
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