



KingCambo's OEX Delivery Call

First Quarter 2004:

General Strategy: We are looking for moves on the DOW that are 200 points or better. Some of these turns will last 1 to 3 days, others will last a week or several weeks for significant points. In the money or near the money OEX puts and calls is the best way to profit on these moves.

I am pleased with the results for January. Our methodology produced 4 trades for this first month, three of which produced locked profits and one which was stopped out for a -2.00 point loss. The OEX 570 play was particularly rewarding.

Going in to February now we are first focused on the window of the 3rd - 5th which among other things is a Gann permanent cycle date. In particular we are looking at February 9th for a significant change or acceleration in market trend.

Current and Closed OEX Swing Trade Positions:

- January 8th - opened position FEB 540 PUTS - January 13th - locked profits
- January 20th - opened FEB 560 PUTS - January 21st - stop loss hit
- January 22nd - opened FEB 565 PUTS - January 23rd - locked profits
- January 26th - opened MARCH 570 PUTS - January 29th - locked profits

OEX Market Status:

On the daily OEX chart below there are numerous points this week for us to consider:

1. A three price break SHORT formed in the OEX on Wednesday the 28th with a close below 564. I consider this to be a technical breakdown in the index.
2. For the first time in months the Gann main 1 x 1 angle has been seriously breached.
3. Fibonacci 34 PMA support for now will be first tested at the 553 area. This is also a Square of 9 target from the recent highs.
4. CCI index although still positive is at it's lowest strength since November 2003.



Other important Square Of 9 levels:

- Immediate resistance at 562, 568 and 575
- First supports at 557, 553 and 549

The dates we want to be aware of for important changes or acceleration of trend during this first quarter of 2004 are:

January 2004:

- January 9th (closed)
- January 21st (closed) - minor corrections
- January 29th - (closed) - significant turn

February 2004:

- February 3rd - 5th - general trend dates
- February 9th - in particular an important trend date
- February 17th - minor trend date
- February 20th - minor trend date
- February 27th - general trend date

March 2004:

- March 2nd - 3rd - important trend dates
- March 10th - general trend date
- March 17th - minor trend date
- March 22nd - greater trend date
- March 29th - general trend date

If you would like to receive the actual alerts in real time as opposed to after the fact, you may do so FREE for 30 days at this link here:

- <http://www.kingcambo.com/oex/>

All subscribers to the OEX Call may attend our live trading forum free of charge. To connect to the live trading channel you can print the instructions from this link:

<http://www.kingcambo.com/connect/connect.pdf>

IMPORTANT NOTES:

- *These CIT dates require a 2 day window of opportunity - this means they might hit a day prior or a day later*
- *It is a bad idea to try to jump in a position ahead of a projected CIT - I will not alert an entry until I see price confirming the CIT on a 60 minute chart basis.*
- *Trading Alerts will be delivered via email, text alert to your cell phone or pager, and in our live forum in mIRC*
- *Upon becoming a PAID subscriber I will provide you with my proprietary buy/sell scripts for Esignal and Wave59 free of charge*
- **Options trading has large potential rewards, but also large potential risk. You must be aware of the risks and be willing to accept them in**

- order to invest in the options markets. This is ESPECIALLY true with OEX options. OEX should be traded with RISK capital ONLY.
- Do not trade OEX with money you can't afford to lose. This is neither a solicitation nor an offer to buy/sell OEX options. No representation is being made that any account will or is likely to achieve profits or losses similar to those discussed. The past performance of any trading system or methodology is not necessarily indicative of future results

