



Special Situations Investing | Active Trading

www.LandsharkCapital.com

9.20.2021

Dear readers,

The Landshark Capital report covers a 30,000 foot view of markets with tactical trade ideas and execution notes. This letter is part of the [AT Membership](#) at Landshark Capital.

- Morning trading notes
- Trade idea generation
- Market commentary

Is available within our private [community here](#).

While we cover a vast amount of ideas to make you aware of potential situations in the markets you will see us focus on certain ideas to which we either have current positions in or plan to take positions in. Any changes are highlighted and usually noted in the private chat. This report is not intended to be used as financial advice. The intent is to bring your attention to ideas in the market that we believe could potentially be actionable. You agree to the TOS on our website by accessing this report.

The Coming Weeks.

So I figured we'd start the month action-packed but it's really been more like waiting in the plane aisle waiting to deboard why that one person tries to remember where they put their bag. I think we've all said what we had to about the month so let's focus on future alpha generation.

Macro-wise, Evergrande is still a big issue, really big. Nobody knows if China is going to bail them out or what happens but like I said there are usually run-offs with things of this size. They're debt default makes Lehman brothers look like the \$5 blackjack tables. Blackrock, among others, are large debt holders. That has to spill off into other primes. The banks already guided lower earnings so maybe they're saying risk-off, well, they are saying that. What I see happening are one of two scenarios:

Scenario one: We range widely on the indices. Large back and forth swings. This is ok. If this happens you trade futures, or, you day trade options at ¼ size risk and get in and out quick. No holds. We recognize that this might be this environment so we must adjust accordingly

Scenario two: We break down hard on these markets. I am hoping this happens. What causes it? Evergrande and maybe debt ceiling items with the government. If this happens I am going to press it a bit and try to make some coin.

That is what I see for the coming weeks. It seems straight-forward.

Please be sure to read the final pages as some notes are included.

Tickers for Tendies

Tickers for Tendies are equities that are used for active-trading during the week. If you want short-term opportunity then look here. These are the [\\$FANG stocks](#).

TICKERS	NOTES
AAPL	Nobody cares about the new iPhone except teenagers and 30 year old TikTokers. We say that happen in price action last week. If we break \$146s, then \$138-\$140 is my target. Plan is to trade this hard into that level and get a chunk of gains from it.
NVDA	\$216 then \$210 - the major supports. Pending tech breakdown, can get nasty on this, and hope it does. Don't like the long.
TSLA	This trade remains crowded as usually but \$800 is r. As always it's available for fast moves, breakdowns creating quick buying ops.
NFLX	I don't like this in scenario 2 as a short stock. Just keeping it here for now. Long looks like it is there and could be, if we ramp for whatever reason then \$625s are viable.
FB	\$355s have to snap to get this downside going. Failed ATH breakout - looks week and can be but \$355 area going to be support. Prior ABCD not valid anymore because of the new daily pullback.
GOOGL	\$2850 is your number. IF this snaps its a short setup that is A+ ranked lower. I like this set up if it triggers lower. Still like this name short. We should try to focus this on the day trades to catch some coin (½ lots if needed)
MSFT	Stock buyback plan in play. If this fails \$295s then this is going to tank. B set up for me. But the failure with a stock buy back should help the move lower.
ROKU	\$350 is R. \$275 the macro target. I like this stock but always have to be nimble with it because of its personality.

Event Driven Names

Active watch of stocks with the potential news coverage/policy change etc that can affect names in a meaningful way.

BABA	\$140-\$155 support zone. Wide range I know but this should have some volatile moves finally here. Expecting gap ups a lot on this so stick and move OR use a LEAP option to express idea on this. \$200 SEP calls for a nice little core position idea.
YANG	BEAR china ETF. Potential 30%-40% upside on this name. Share positions only. \$23-\$28 target. Good way to express China breakdown in coming months.
KWEB	China Internet ETF - I have linked info on the etf here. Click click. There is good volume on the options chain and the chart looks great. Might be a core swing position.
NAIL	Not a trade yet but curious to see if the trend continues or if we go sideways. Good way to track housing sector with this ETF. If market is pricing in Fed policy change the trend may change so just going to keep this here to see if de-risking comes in housing names.
CAT	China driven name. This should be a swing trade (core position short) - November and December puts with this, maybe even longer. After \$160 on this name. A + set up with fundamental drive and technical pullback. Core position: JUNE 2022 190 puts.
BLK	I hate this company so shorting it brings me excitement. 3rd largest holder of Evergrande bonds which just stopped trading. They own a B worth, not a lot for these weasels but enough to drive their stock price down.

Degen Monitor

Mid cap, speculative, beaten up stocks, SPACS, high short interest.. Also known as the degenerate stocks. Ticker for this index: To learn more about the \$DEGEN index [please click here.](#)

GME	\$260 high end R. Can see this run again to \$260 - I might actually play this as a move and have alerts to watch this.
AMC	Shorts were squeezed here. \$50 is big R on the name and not likely that it breaks through. Look for shorts to reinitiate the selling on this and maybe we can jump on. Might be time, finally, to jump on the short side.
LCID	There were MASSIVE shorts on this name the last month and they drove it down hard. Those lows were short covering. What you have here are the degen retail space buying into another hype of electric cars. It's inevitable and everyone wants it. The IV on the options is high on every chain. The FEB 2022 25 calls are a position I will core trade. Good move thus far. Likely done for a while but can hold.
BLNK	Nice short interest here. Technical setup as well \$26-\$29 is hard support PLUS a daily ABCD. January 2023 80 calls with max purchase at \$3.00. Nice core position trade.
FSR	Nice pullback last few months on this name. Technically a nice area as well. LEAP play here with the January 2023 20 calls. Really like this as a set up A +

Mid Cap Money

Mid cap equities that are setting up for short-term trades. Tracked names usually in [MDY](#) and [IWM](#). Not much here this week that I like.

XPO	ABCD + potential ATH breakout forming on this name here. The mid cap space looks ok so lets see if RVOL increases on the name in the week's head.
FCX	\$32s break we have a risk off even to \$25s here. Good looking weekly candle that is bearish so need to watch this.
LCID	There were MASSIVE shorts on this name last month and they drove it down hard. Those lows were short covering. What you have here are the degen retail space buying into another hype of electric cars. It's inevitable and everyone wants it. The IV on the options is high on every chain. The FEB 2022 25 calls are a position I will core trade.

Indices

Major indices. Please check the chat for daily updates on these. Light notes below for you to watch at a macro view.

SPX 500 (ES Futures)	Monthly looks so ready to unleash hell lower. \$4400 breaks we have \$4300s on deck. This is really the key here this week and coming weeks to watch this index to see if it snaps.
Nasdaq Futures	\$15000 then \$14,500 are supports here. This like the rest of them wants to really tank. Futures traders need to capitalize here.
Russell 2000	\$2200 really the level here again. IWM chart posted in #charts chat and discussed potential breakdown on this, see that for more.

Notes for coming weeks on indices: These things are primed to tank and I hope that they do. This is a situation where you can use ES futures options to trade this idea. For actual futures this is where big money can be made for those that know what they are doing. If new, combo a futures put and trade your futures as usual. The put lets you get the bigger move without the whipsaw that the futures contract gives you.

Energy Markets

The focus here is on WTI crude and oil/energy related names in the space.

Crude Oil Futures	\$63s are support now. This has to continue to run with \$80 area as a target. Oil names are in play and should wake up.
OXY	\$30 needs to clear for a big move but add this to the list for the coming months.
SLB	\$30 then \$34 have to break if they do this is a low set on this stock.
XLE	Generally - all of the energy charts look the same. No direction.
DVN	JAN 28 calls maybe. Breakout on an abcd and a recent high for breakout there potential. Not a big flyer but maybe small risk.

Notes:

Many new additions to the report. Mainly in #DegenStocks and then inside the #Energy names.

My Personal Trading Notes for Weeks Ahead:

I like the short plays presenting themselves here and hope we break down. We have another 2 months after this of good trading then slow December. Think about that when we look at how many trading days that is and what needs to be done to reach personal goals. I want to maximize my trades and pull out some change from this selloff, if we get it. I don't want to bank on it but I am ready for it and want to do my best to get the most.

Google is still a favorite short for me as are AMD and MSFT and NVDA. The coming weeks are going to be tricky and I think there are going to be some moves. These Friday sell-offs are interesting to me and they keep you on your toes. I'll probably be trading some futures the next 2 weeks because of what the indices are doing and that is a scenario for good trading opportunities.

BLNK and FSR I like those LEAP ideas and probably will trade those and not look. Sort of, setting up my book for the end of year to let some ideas work the next 3-5 months.

Apple looks great to me as well. I want to be able to short that hard if that area we chatted about breaks: the stock is a go to and if we tank then it usually tanks quick, even more so, since its been in that range as of late.

The whole evergrande thing can be the catalyst for this market to really break down. It just might take time to get headlines to run with it right. That might be a month so just take it slow.

If you notice, a lot of the discussion is on longer duration options right now. I want to structure a bit differently, at this point, and longer duration, even 1 or 2 lots I am comfortable with.

The banks. Still on these as discussed. Goldman, JPM, AXP all of them are prime to drop into October earnings.

***NOTES ON MENTORSHIP**

Tendies Playbook all but done.

Good work on the good/bad end of week. I think this is helping people to adjust and work toward the goals. I think that the \$10,000 mark is THE goal - yes, some months are slow, but we do what we need to do to get to that goal.

Remember to keep inside your risk parameters. If we get an A+ move set up, sure, go MAX risk + some but scale out before the end of day.

The #VOICE channel at the bottom of the discord is a way you can talk to each other. I streamed live the other day, trying to do that as we get moves or when I think relevant discussions should be had.

Notes on Futures Course:

So far the feedback on this course has been great. I am really glad to see this because these are good tools to use in certain market conditions. Share P&Ls, even sim ones, and discuss. That motivates everyone and we can push to get results going on this. We start the Webinars in October with Chris leading this.

***Notes on Mentor Sessions:**

This week's mentor Session will be at 4:30 pm EST Tuesday.

Thanks for reading.

Daniel X. Bustamante