Title: GME TA, theory, and plan for next week
Author: Waste_Surround5495
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GME saga price action in one picture. It looks like we tend to run on the 25th of various months between 1 month and 4.5 months apart but usually 3 months apart and big runs begin with a day of 10 mil in volume or more. There may be reasons for the variations depending on the SHF strategies (covering early/late to remain unpredictable or short covering/closing) but the anticipated run for end of this month will be spicy due to quad witching day, yearly rebalance, rate hikes, and FOMO- both on the retail and institutional level.

Please note that on previous runs, with the exception of the last two on 3/29 and 6/8, we have not been testing the downward sloping resistance. It seems that as they let their obligations compound, more fuel is added to the rocket and they are barely hanging on. This leads me to have 2 hypotheses

1. With the hike in rates we have seen more volatility and tend to be holding a higher floor. Yeah, I know, there could be a dozen different reasons the price is moving as it is but the one that sits best with me is that they are reducing their obligations to avoid being margin called due our rate hike bear market while their collateral shrinks. Knowing that GameStop has next to 0 debt and the rate hike will not affect them as it does and will continue to affect other stocks. This is apparent by the way GME has maintained the higher floor when compared to sticky floor and towel stonks.
2. Fear of split FOMO. As we know, SHFs have partners in market makers that have the power of ultimate liquidity production - the split in itself does not really concern them. The buying pressure from retail that has been seen and that is possible sub 100 has them terrified. So much so that as soon as the price was testing our strongest support around 77 on 11 and 12 May they either decreased their obligations as much as possible 2 months after the last run instead of the standard 3 months or so and/or we saw the first group begin closing their shorts.

While we now have a higher floor and are developing a stronger support, we know that it behooves the other side to begin covering obligations from a lower price. We also know that they have stacked the put chain all the way down to 60.

My theory is that while they will short us down prior to the run it will not test our 77 support and anything below our next level of supports of 115/108 will be short lived. While the pressure for the next run will be subdued due to May OPEX/ short closing we will be starting mostly from a higher level and that will give us the spring needed to break trend and test 200 again maybe even hit the 250 and 350 resistances but I am bullish on 200.

If while we run RC announces the split, we will likely find a higher floor as they won't want us loading up pre-split.

My plan. If we do drop down, to sub 90 or so, I won't even worry about buying calls, just shares because my current cost basis including what I lost on options is in the $3xx range. Buying another xxxx shares at that price will go a long way in making me profitable and providing a feasible way to profitably sell calls at the peak above my cost basis. If we don't drop that low, I will buy .1-.3 delta 15/30/45 DTE calls and sell the calls prior to peaking to be sure to capitalize on all IV possible. I will do my part in exercising as many deep ITM calls as I can because I ultimately want the SHARES. In any case, my ques to buy will be:

1. Price nearing our 77 support when we have lower volatility
2. Breaking key resistances next week on Tuesday or Wednesday.
3. When we hit 6+ million in volume while green.

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