



FACEBOOK
(FB)



2.4.16

FB 110.50 Bottoms new wave style!



It has been my experience that passive buyers generally know what they are doing and when it comes together at a critical point in my forecast I have to GO with it.

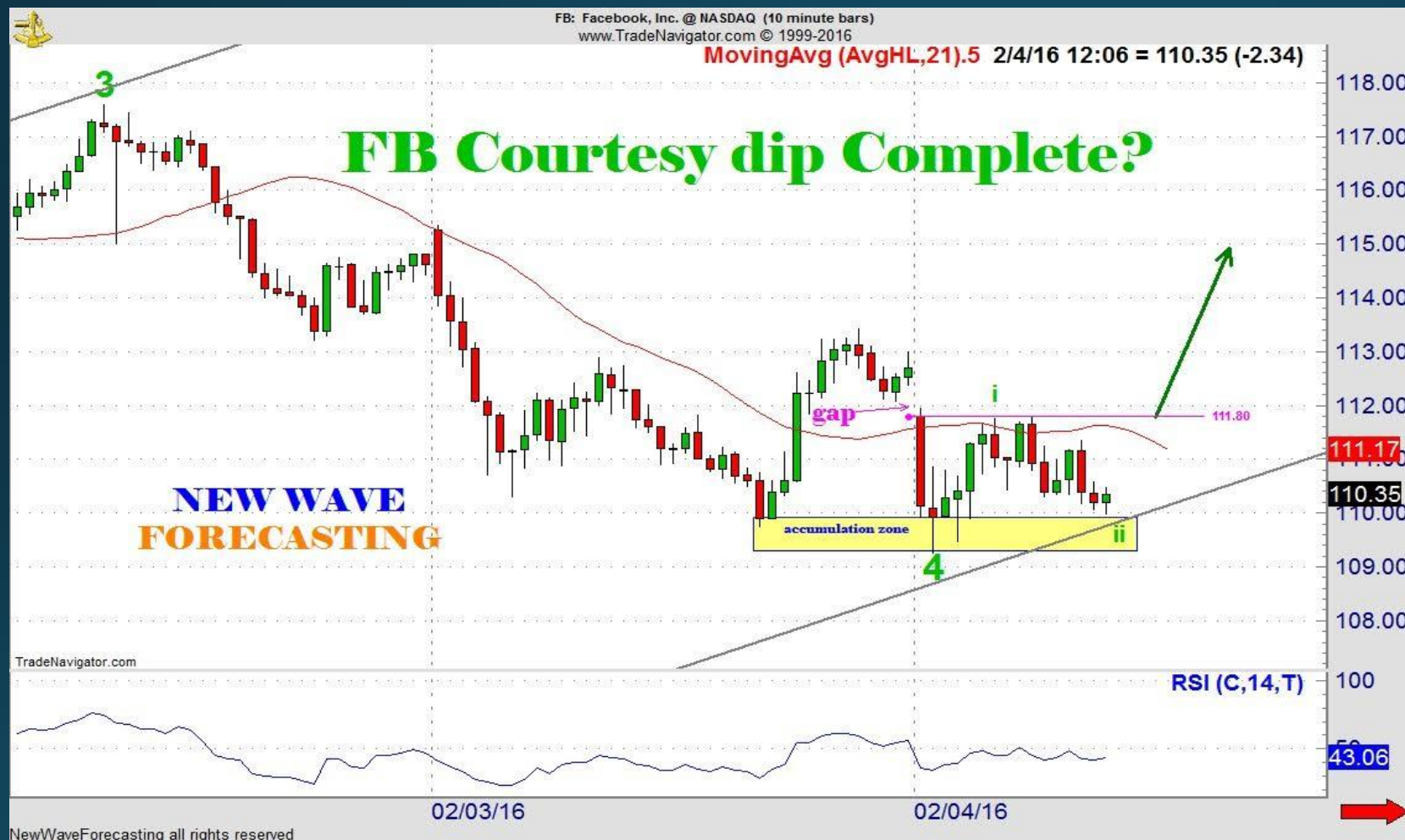
The idea of selling puts comes to mind just in case we have not seen the worst in Facebook just yet...

FB 109.90 in accumulation zone, but perhaps not bottomed



I do think Facebook is likely going to breach 109 before this break is complete but that remains to be seen. Clearly as I am pushing a bullish scenario if a new low comes it should be virtually instantly rebuffed.

FB 110.40 Probably bottomed big courtesy dip!



Maybe Facebook will drop below 109 BUT maybe it won't? With a 120+ upside target it might make sense to do something here just above 110...Clearing 112 would put quite a kick into these pants....

FB 110.25 Courtesy dip scenario coming together



I may not be optimistic about the broad market today but if there is anything worth still owning at this point it is Facebook. The 38% retracement is below 109 and the preferred strategy (assuming it gets there) is to execute on the way back up through 109.50 or so. If a new session high comes prior that would probably indicate the turn is already in.

FB \$113 probably turned up



The sub \$110 trap in Facebook may have been the bottom of the forecast wave iv. If that is the case the courtesy dip scenario is a setback towards 111.50 or so. \$109 is still possible in this ridiculous world of volatility.

FB 111.50 wave IV correction spot on for now



I guess if there is still any one stock left worth owning it may be Facebook. What concerns me here is that this top may already be done and dusted. The 38% correction is below \$109 so there is more real estate available below and tomorrow might be a buying opportunity.

FB \$114 It was TIRED...



Looks like the froth I noted earlier was the top of wave iii in Facebook and now prices should back and fill for a while, possibly even visiting 110 prior to resuming a climb to new all time highs. Hopefully we can find something to do along the way...

FB \$117.25 and getting tired



I am pretty confident that FB will trade above \$120, and hopefully twice! That being said the risk/reward gets worse as that level nears. The wave 4 scenario should be a textbook courtesy dip setup.

FB \$115 Close Bullish, but vulnerable



I don't know what kind of a "moon shot" Facebook is on but a gap and go Tuesday would suggest that \$130 is coming before a \$5-10 wave iv courtesy dip sets up. For now support is around \$110.

FB 11.40 ascent should be slowing into a blowout peak



Facebook has had an unbelievable run off the sub \$90 bear trap I identified with the stock trading at \$93. Based on a midway gap assumption I think wave iii should be close to blowing out a peak.

If this is a lead story on the financial news a buying climax should be near.

FB (92.50) Bear Traps \$90



Relative to many others FB has held up pretty well and what will be important is what happens tomorrow, specifically what happens if today's HIGH is exceeded. I was watching this one develop early on but it was not until the name popped that it was clearly a bear trap below \$90 today. Any self respecting trap needs a least a \$5 move to close out so another put sell scenario for a volatility crushing bounce and/or consolidation.