



**LikeFolio**

# AAPL Bearish

## Opportunity Alert

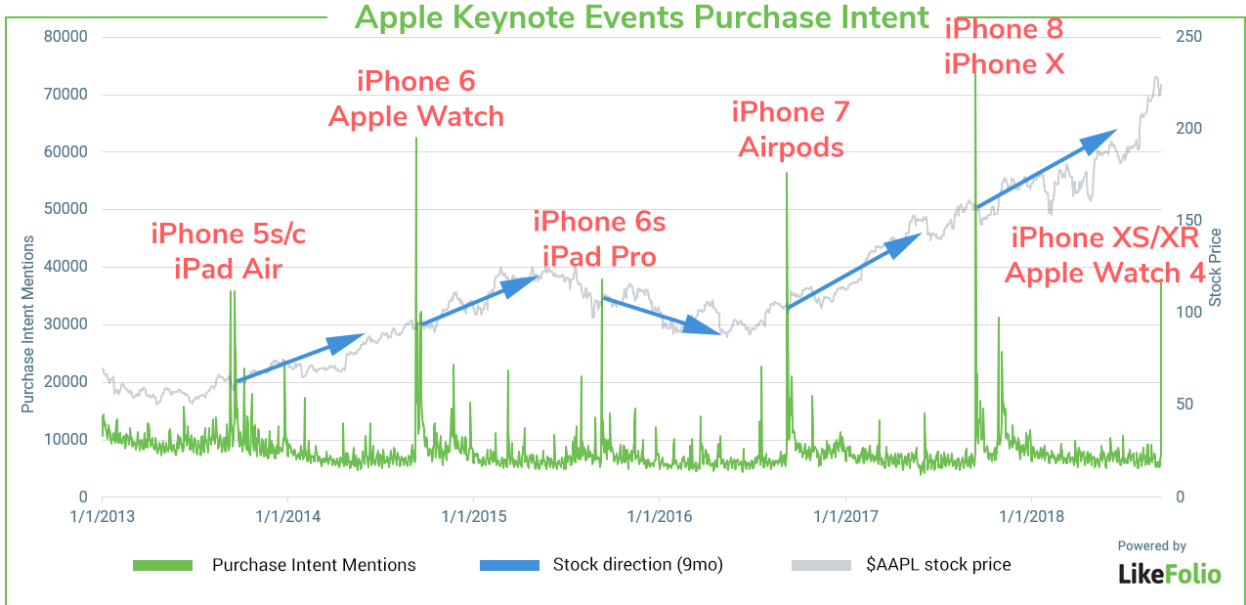
September 13, 2018

### SUMMARY

Apple Inc. has always unveiled striking new products in the month of September since Steve Jobs was giving the presentation himself. Apple's Purchase Intent (PI) Mentions on the day of the Keynote have proven to be a reliable indicator of the American Consumer's interest in the new technology announced. PI Mention volume has consistently preceded expected sales numbers in the following fiscal year, and it just so happens that Purchase Intent for yesterday's Keynote fell *far* short of the levels seen in 2016 and 2017. We are initiating a BEARISH ALERT for AAPL with a duration of at least nine months.

# LIKEFOLIO SOCIAL DATA

For each new iPhone revealed since the iPhone 5s/c in September of 2013, the amount of PI Mentions on the day of the announcement has accurately predicted the performance of AAPL shares in the 9-12 months. **This year's keynote drew PI levels that were significantly lower than 2016/2017 levels, and reminiscent of the 2015 announcement of the iPhone 6s and Apple Watch... which was followed by the only down draft in AAPL stock of the past 6 years.**



On the day of the 2017 Address, Apple Purchase Intent Mentions reached a new all-time high after the iPhone X was unveiled, and the stock price has increased by more than 40% since then. Conversely the 2015 Keynote exhibited a notable decrease in PI volume from the previous year, which resulted in an unprecedented year over year decline in Apple's share price during the 2016 fiscal year.

**The 2018 PI numbers suggest 2019 will be an uphill battle for Apple.**

# KEY POINTS

- 1 Purchase Intent Mentions for Apple’s brands have routinely spiked up to a yearly high on the day of the company’s annual Keynote Address, where they reveal the latest iPhone and complimentary tech to be sold throughout the next fiscal year.
- 2 The size of the PI Mention Spikes relative to each other varies drastically from one year to the next and has been a phenomenal indicator of the future performance of AAPL stock.
- 3 Apple’s most recent product release has been met with lackluster enthusiasm, and the total Purchase Intent Mentions for the day pales in comparison to the previous two years.
- 4 Apple recently surpassed a Trillion-dollar valuation, and the initial investor reaction to the Keynote has been bullish. Any trade with a duration into their next fiscal year should benefit from disappointing sales down the line.

# OPPORTUNITY DETAILS



**Direction:**  
Bearish



**Duration:**  
9-12 Months



**Target:**  
\$195

# TRADE IDEAS

Simple

Short shares of AAPL.

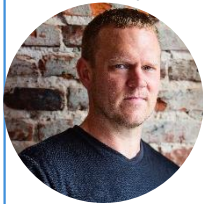
Option  
Play

Sell the April 19 225/235 Call Spread @ \$4.72 Credit. Max Loss \$528, Max gain \$472 per contract.

```
SELL -10 VERTICAL AAPL 100 18 APR 19  
225/235 CALL @4.72 LMT
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Aggressive

Buy far-dated Put contracts, or sell naked Calls.



Andy's Pick

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