



# PERFECT APPLE TRADE

DAILY UPDATE

***Apple drops to 3-week low as Wall Street stumbles in wake of escalation in Russia-Ukraine conflict...***

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**February 22, 2022, 9:00 AM PST**

**Stock: APPLE Inc**

**Ticker: NASDAQ: AAPL**

**Price: 164.95 USD**

**-2.40 (-1.43%) today**

**Today's Apple Trade Status: Inactive**

**Action I'm taking: Waiting for indicators to align for next trade**

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Our Key Indicator generated a red bar for Apple on Tuesday as bearish sentiment rules Wall Street in the face of the escalation of Russia-Ukraine tensions. The downside bar is the third in a row and the second of that duration so far this year.

Our Confirming Indicator remains crossed to the bears after sliding below the zero axis line towards the end of last week. In a sign that momentum is now strongly favoring the bears, the indicator now sits at its lowest level of the month.

In terms of the timing of our next Top Strategy trade, big-picture events will probably dictate when that happens. Apple is simply not immune to the high volatility being generated from the geopolitical tensions in Eastern Europe. The impact is seen in the stock's downside momentum, and we'll need to see a reversal of that trend before our Confirming Indicator flips back to the bears, a requirement for the trade to receive a green light. Whether a momentum reversal happens from a change in the overall market environment or a discrete bullish event tied closer to the stock itself remains to be seen.

Apple is down about 1.7% late Tuesday morning, underperforming all the key equity indexes for the session. The stock's bearish price action continues to be influenced by the big dose of investor uncertainty caused by Putin's aggressive move into Ukraine. Apple's intraday high for Tuesday is \$166.69, the stock's fourth-consecutive lower-high. The stock's price action slid as far as \$163.85, the lowest level since Jan. 28. At this point, Apple has given back almost all the gains it made following the strong post-earnings performance that came after the company's

Q-4 numbers came in stronger than expected. Perhaps the stock will receive a bump from its annual stockholder meeting that is scheduled for March 4. Short-term support is at \$154.70, about 6% away from its current price action. Short-term resistance is found up at \$176.65, with a more robust line of resistance at \$182.94, the stock's record high from early January. As of this writing, Apple sits at \$164.95, off 1.43% as the morning session concludes.

After a relatively strong opening that followed a sharp decline in overnight futures trading, Wall Street is in full retreat, with all of the key indices taking a minimum hit of 1%. The chief culprit driving the market's bearish sentiment on Tuesday is the escalating level of aggression being shown by Russia's President Putin, who has made it clear that he intends to reshape the map of Ukraine in his favor.

Tuesday's performance by the equity market continues the recent strong bearish trend, and based on the short week's initial directional moves, Wall Street could be looking at a third consecutive week of declines. A clear technical indication of the mood of the market may be found in Nasdaq's chart, which shows a so-called death cross. As would be expected from a signal bearing that name, it is considered to be a predictor of an upcoming downside trend.