



**PERFECT  
APPLE TRADE**  
DAILY UPDATE

*Apple drops 4% Thursday morning on news of Russia's invasion of Ukraine, but claws back all but 1% on cusp of afternoon session...*

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**February 24, 2022, 9:00 AM PST**

**Stock: APPLE Inc**

**Ticker: NASDAQ: AAPL**

**Price: 157.46 USD**

**-2.64 (-1.64%) 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 Thursday morning, extending the current bear run to a fifth-straight session. That makes it the second-longest downtrend of the year for the indicator. The downtrend is a clear reflection of the strong bearish sentiment permeating the market as the geopolitical turmoil in Eastern Europe amps up volatility across all asset classes.

Accordingly, our Confirming Indicator remains crossed to the bears for the fifth consecutive session and now sits at its lowest level below the zero axis line since the end of January. The momentum indicator's down-trend began two weeks back and will require a sustained effort from the bulls to turn the tide.

Apple's annual shareholder meeting is scheduled for March 4, and holds some potential for stirring some bullish sentiment for the stock, though more often than not the event offers few surprises and therefore rarely moves its price action. At this point, the most likely scenario for reversing Apple's momentum and ultimately triggering a new Top Strategy trade may be positive news on the geopolitical scene or a less aggressive policy move from the Fed than is currently expected.

Apple had a brutal start to Thursday's session, with the stock opening with a 4% decline. However, it has been clawing its way back towards the breakeven line, recouping about three-quarters of that initial loss as of late morning. The stock is outperforming the Dow and its 2% loss, near-par with the S&P 500, and underperforming the Nasdaq and its marginal gain.

Apple's intraday high for the session is \$158.83, the stock's fifth-consecutive lower-high. The session's low of \$152 was the lowest level for the stock since mid-November. The price action has sent the stock probing well below its recent support of \$154.70, with the next support level down at \$146.36. A more robust support line may be found at the early-October low of \$138.27. Resistance sits up at \$176.65, though a new level of short-term resistance may be in the process of establishing itself over the next several days. As of this writing, Apple sits at \$157.46, off 1.64%, as we head into the afternoon session.

Wall Street is now in full-blown bear mode on Thursday, with both the Dow and the S&P 500 on the cusp of entering correction territory. If the Dow ends the day's session below 33,119, it would be a 10% decline from its recent record close and technically land it in correction territory. At that point, it would join the S&P 500 as the last of the trio of key equity indices to fall into the correction zone.

As for the Nasdaq, a fall below 12,845 would officially leave the tech-heavy index in a bear market, as defined by a fall of at least 20% from its record highs reached back in November.

The market mover this morning was Russia's invasion of Ukraine, leaving the region on the brink of full-scale war. The uncertainty in the market may be seen in the CBOE Volatility Index (VIX), commonly referred to as the "fear index." The print for the VIX topped out at 38, the second-highest level of the year.