

New Year 2020: Three Cheap Trades to Consider Now

Over the last few weeks, we've highlighted many oversold opportunities.

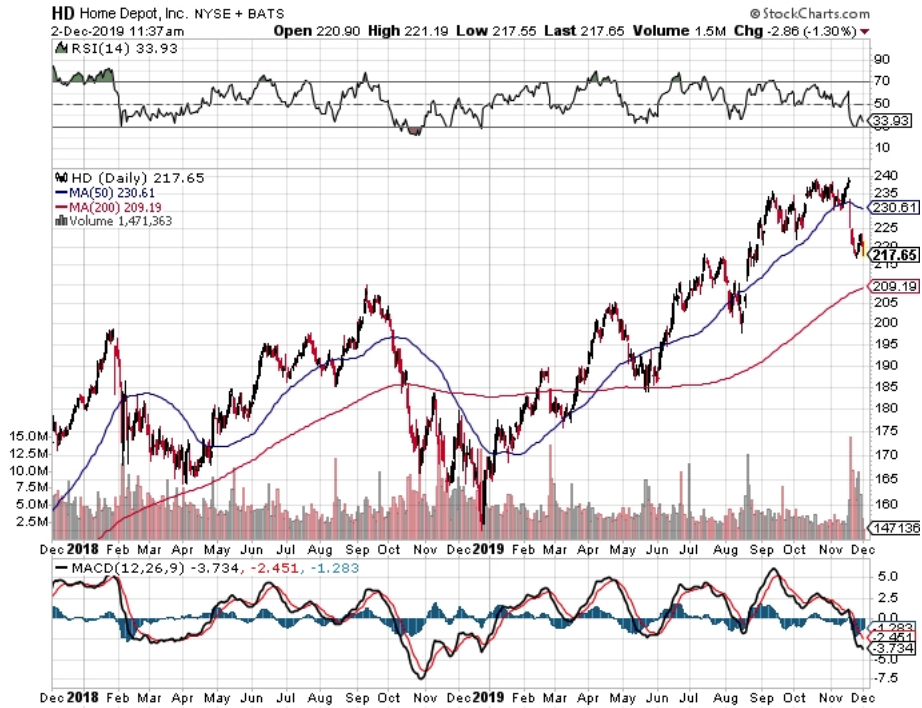
- Charles Schwab (SCHW) ran from \$38.70 to \$49.50
- E-Trade Financial (ETFC) ran from \$38.85 to \$44.30
- Ameritrade (AMTD) moved slightly higher from \$36.05 to nearly \$52 on buyout
- Amazon (AMZN) ran from \$1,715 to \$1,800
- Ulta Beauty (ULTA) slipped from \$236.08 to \$234
- UPS (UPS) ran from \$114.10 to \$120
- Keurig Dr. Pepper (KDP) ran from \$27.50 to \$31
- Planet Fitness (PLNT) ran from \$60.15 to \$74
- Johnson & Johnson (JNJ) popped from \$129.50 to \$138
- Interactive Brokers (IBKR) did pull back from \$48 to \$48
- Aphria Inc. (APHA) fell from \$5 to \$4.75
- Qualcomm (QCOM) ran from \$81.15 to \$84
- Beyond Meat (BYND) ran from \$82.04 to \$83
- General Electric (GE) ran from \$10.93 to \$11.28
- Mattel Inc. (MAT) pulled back from \$12.19 to \$11.70
- Shake Shack (SHAK) ran from \$59.20 to \$62
- Chesapeake Energy (CHK) ran from 57 cents to 60 cents
- Twilio Inc. (TWLO) slipped from \$104.26 to \$103.29 so far
- **Nektar Therapeutics (NKTR) slipped from \$20.53 to \$20.29 so far**
- **Canopy Growth Corp. (CGC) ran from \$18.30 to \$18.60**
- **Kohl's Corp. (KSS) fell from \$48.20 to \$47 so far**

Overall, that's not bad at all.

But like I've said, we find opportunities just like these all the time. That's because investors have tended to overreact to news. In fact, we just found three more trades to own now.

Home Depot (HD)

Over the last four winters, Home Depot has exploded higher. In January 2015, for example, the stock ran from a low of \$90.60 to a high of \$106.40. In January 2016, HD stock ran from \$118.70 to \$126. In January 2017, it ran from \$125.69 to \$150. In January 2018, it ran from a low of \$180.57 to a high of \$209. All thanks in part to the sale of snow removal equipment, generators, and even rock salt.



Velocity Shares Daily 2x VIX Short-Term ETN (TVIX)

Velocity Shares Daily 2x VIX Short-Term ETN tracks an index of futures contracts on the S&P 500 VIX Short-Term Futures Index. With market volatility ticking higher, markets turning lower on trade war fears, and U.S. elections nearing, we'll see plenty of volatility in 2020. One of the best ways to hedge for downside is with a stock that tracks volatility, such as the TVIX.



Micron Technology (MU)

We believe we could see further upside in the stock with 5G. Micron products will be used in every sector that uses 5G. 5G will bring massive improvement in data speeds, and data centers will have to be upgraded to handle the increased bandwidth.



This is because 5G will need a frequency spectrum between 28 and 39 gigahertz.

Therefore, 5G networks will require 100 times more resources than a 4G network, for example, which also means that they'll need more storage. As a result, demand for Micron's memory chips could increase substantially. Better yet, Micron and Qualcomm announced a partnership to develop 5G enabled autonomous driving platforms.