CAPTAINS 3% CLUB

WEEKLY PREMIUM COLLECTION NEWSLETTER

Issue #1 • Week of July 6, 2026 • Data as of July 2 close (markets closed July 3 for Independence Day)

1 | MARKET OVERVIEW

Index / Gauge	Close (Jul 2)	Week Chg	Read
S&P 500 (SPX)	7,483	+1.7%	Record high into the holiday; broad market strong
Nasdaq 100 (NDX)	29,329	-0.4%	Flat week masks violent rotation out of chips
Russell 2000 (RUT)	2,996	-0.4%	Consolidating just under 3,000
VIX	15.81	-14.1%	Index premium lean - but leveraged-ETF IV is rich

A tale of two markets this week, Captains. The Dow closed at an all-time high on July 2 and the S&P; added 1.7%, yet semiconductors suffered their worst two-day selloff in a month: Micron dropped 13% in a single session, Intel fell 9%, AMD 7%, and the SOX/SMH complex shed 7-10% - roughly $1.3 trillion in sector value. The catalysts: SK Hynix slowing HBM memory expansion, growing skepticism that AI capex will pay for itself, and a more hawkish tone from the Fed under Chairman Warsh. Money rotated rather than left - financials ripped (FAS +11.5%) and gold miners firmed.

For premium collectors this is a gift: the selloff dropped 11 of our 16 tickers into the lower half of their Keltner Channels or onto pivots and fib levels, while IV on the leveraged funds inflated - premiums are the richest they have been in weeks. The discipline this week is size, not opportunity: several underlyings (GOOGL, META, MSFT, AMZN) report earnings in late July, and our rules say we do not trade into earnings on PMCC shorts.

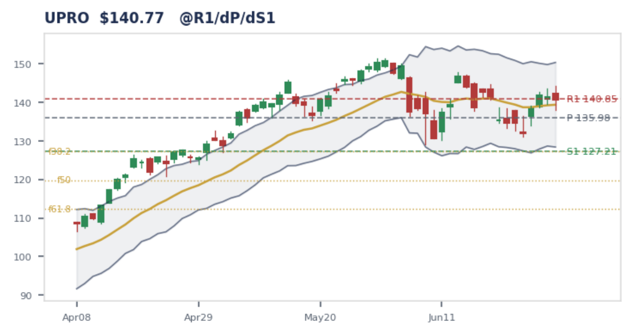
2 | LAST WEEK'S RESULTS - SCOREBOARD

Maiden voyage - Issue #1 has no prior case studies to score. The scoreboard starts tracking this week's case studies and reports back in Issue #2: premium collected, CoC%, and how each position was managed under the club exit rules.

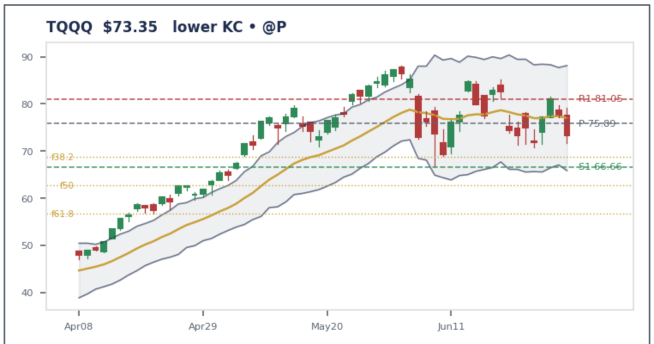
3 | WATCHLIST SCAN - THE 16

Ticker	Price	Wk %	KC Half	At Pivot	At Fib	Range	ATM IV	VolRk*	Setup?
UPRO	$140.77	+6.6%	upper	R1/dP/dS1	-	top	36%	93	N
TQQQ	$73.35	+2.1%	lower	P	-	top	72%	100	Y
TNA	$72.86	-0.5%	upper	P/dS1	-	top	53%	72	N
SOXL	$181.47	-15.8%	lower	S1	38.2/50	top	186%	100	Y
DPST	$142.31	-0.8%	upper	dS1	-	top	65%	47	N
FAS	$163.85	+11.5%	upper	R2	-	top	44%	68	N
LABU	$303.45	+9.9%	upper	R1	-	top	97%	73	N
NAIL	$49.2	-7.9%	upper	P/dP	-	bottom	78%	99	Y
YINN	$22.08	+2.9%	lower	dP	-	bottom	73%	36	Y
NUGT	$126.01	+3.1%	lower	P/dR1	-	bottom	75%	82	Y
NVDX	$16.03	+2.5%	lower	dS1	-	bottom	73%	79	Y
NVDL	$28.22	+2.3%	lower	dS1	-	bottom	72%	76	Y
MSFU	$24.1	+9.6%	lower	R1/dR1	-	bottom	70%	87	Y
AMZU	$34.31	+10.0%	lower	R1/dP	61.8	bottom	71%	83	Y
METU	$21.49	+11.4%	lower	R1	-	bottom	86%	100	Y
GGLL	$115.01	+13.8%	lower	R1/dP/dS1	50	top	72%	78	Y

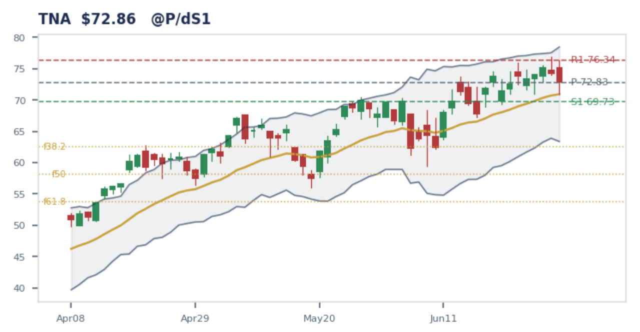
*Setup = lower half of Keltner Channel, and/or sitting at a daily/weekly pivot, major fib level, or bottom half of the 90-day range. Pivots: P/S1/R1 = weekly, dP/dS1/dR1 = daily. ATM IV = ~30-day at-the-money implied volatility from the chain. *VolRk = 1-year volatility-rank proxy (percentile of current 30d realized vol) - 80+ means premium is rich, go deeper OTM per the delta lesson; under ~40 means premium is lean, expect to need the 30Δ. The club began logging true IV this week (C3C_IV_log.csv); a genuine IV Rank replaces this proxy once the history builds.*



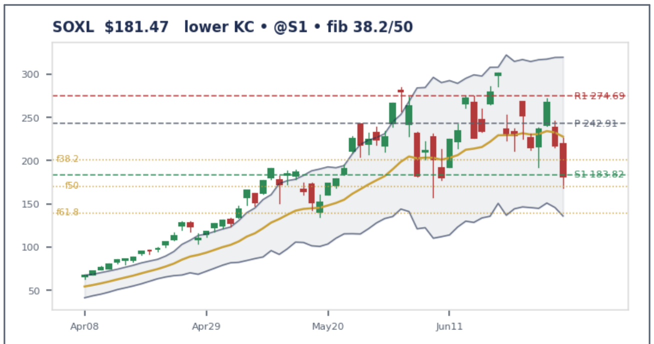
UPRO — S&P; 3x. Rode the broad-market strength to +6.6%; upper KC half at R1, top of range. No setup - let it come back to the channel midline before writing anything.



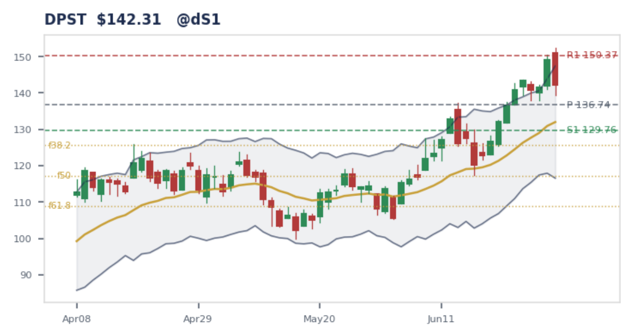
TQQQ — Nasdaq 3x. The flat NDX week hid a violent rotation; TQQQ sits in the lower KC half right on the weekly pivot. Setup. CSP premium 7%+ for 35 days; Jan 2028 LEAPs at 0.93Δ run ~5.3% Tv, inside the 6% cap.



TNA — Small caps 3x. Upper KC half, top of range, hugging the weekly pivot. No setup - but the Jan 2028 $25C at 3.0% Tv is the cheapest 3x LEAP on the board when it does pull back.



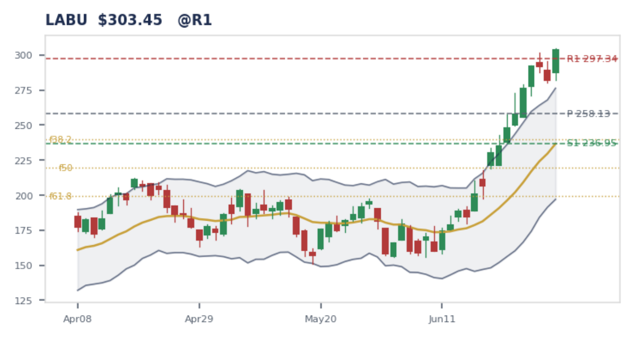
SOXL — Semis 3x. The week's story: -15.8% on the chip rout (Micron -13%, $1.3T sector wipeout). Now lower KC half, sitting on weekly S1 with the 38.2/50 fib cluster. Prime setup with exploding IV - premiums are enormous, and so is the knife-catch risk. Size accordingly.



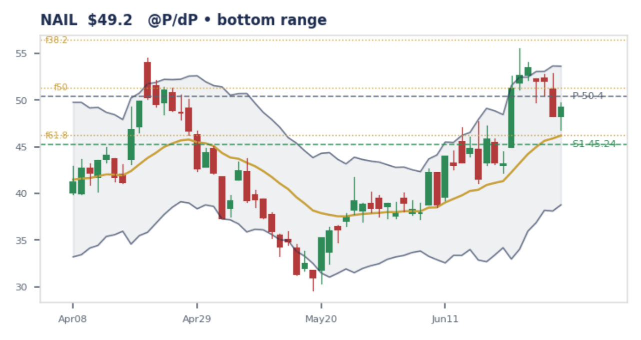
DPST — Regional banks 3x. Upper KC, top of range - banks caught the rotation bid. No setup.

FAS — Financials 3x. +11.5%, the week's rotation winner, tagging weekly R2. No setup - chasing strength is not our game. Best LEAP inventory on the board (6 expiries out to Dec 2028) for later.

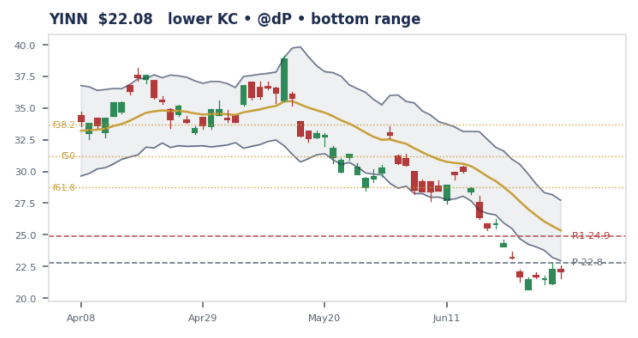
4 | FLEET REVIEW (cont.)



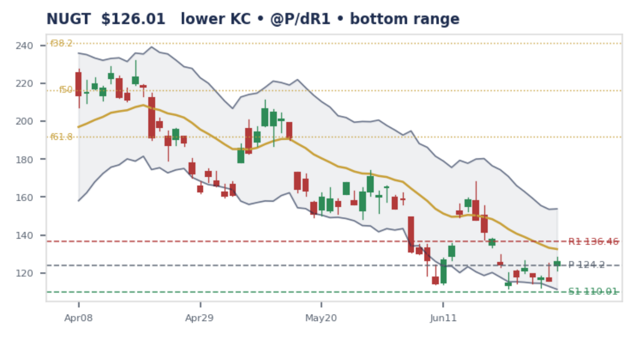
LABU — Biotech 3x. +9.9%, upper KC at R1. No setup. Watch for a fade back into the channel - biotech premiums (11%+ Tv CoC on ITM CCs) will be worth the wait.



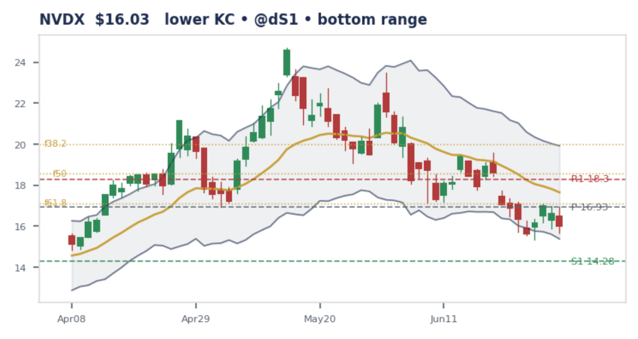
NAIL — Homebuilders 3x. -7.9% to the bottom of its range at the weekly pivot. Setup for stock-based strategies; CSP pays 8.2%/35d. PMCC: nothing meets criteria - LEAP Tv is above the 6% cap.



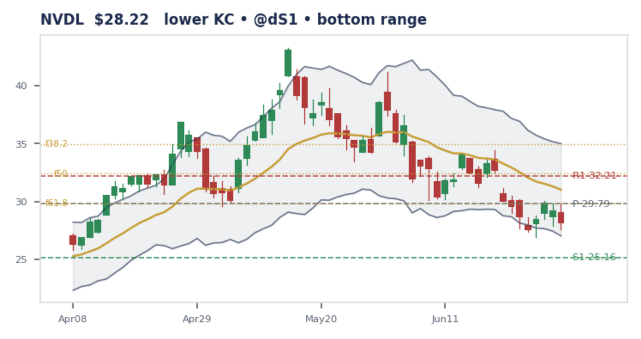
YINN — China 3x. Lower KC, bottom of range. Setup. This week's cleanest CSP case study: 8.7%/35d at the $20.50 strike. PMCC: nothing meets criteria.



NUGT — Gold miners 2x. Lower KC at the weekly pivot while gold consolidates. Setup. Covered-call writes pay ~9%/21d. PMCC: nothing meets criteria (Tv above the 4% cap for 2x).

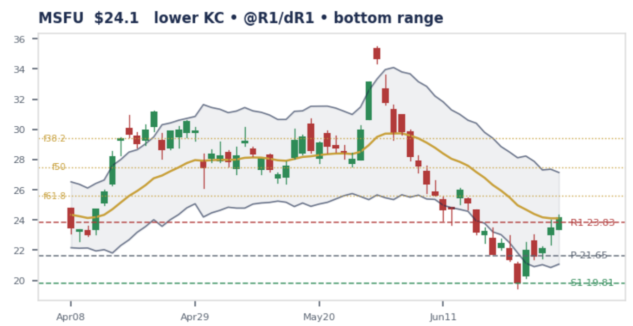


NVDX — NVDA 2x (T-Rex). Lower KC, bottom of range. Setup. The deep $4.43 LEAP at 0.97Δ carries just 0.8% Tv - the best PMCC engine on the board. NVDA reports late August; keep shorts inside July.

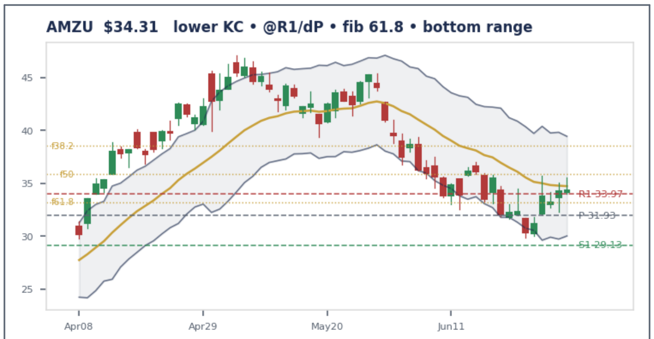


NVDL — NVDA 2x (GraniteShares). Same picture as NVDX but its LEAP Tv misses the 4% cap - nothing meets criteria for PMCC. CSP/CC premiums still healthy at 7-9%.

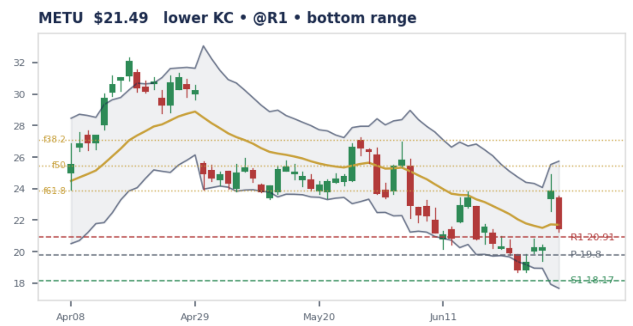
4 | FLEET REVIEW (cont.)



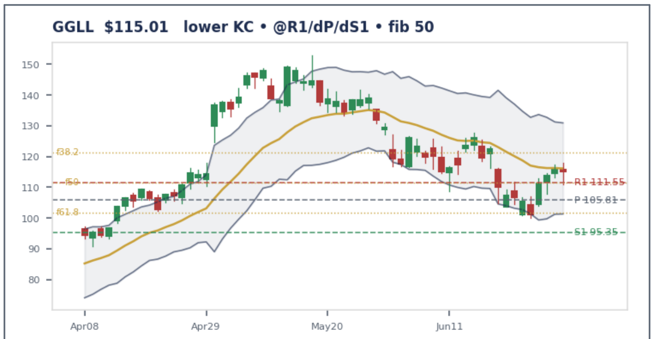
MSFU — MSFT 2x. +9.6% bounce to R1, still lower KC. Thin chain (only Jan 2027 listed - no LEAP ≥365d, nothing meets criteria). Only the 14-day CSP clears the bar. MSFT earnings late July - stay short-dated.



AMZU — AMZN 2x. +10% to the 61.8 fib at R1, still bottom of range. 14-day CSP pays 3.3%. AMZN earnings ~Jul 30 - nothing that spans it. PMCC: nothing meets criteria.



METU — META 2x. +11.4% but still lower KC, bottom of range. Jan 2028 $10C at 0.90Δ / 2.9% Tv qualifies cleanly for PMCC - but META reports ~Jul 29, so shorts stop at Jul 24 per the earnings rule.



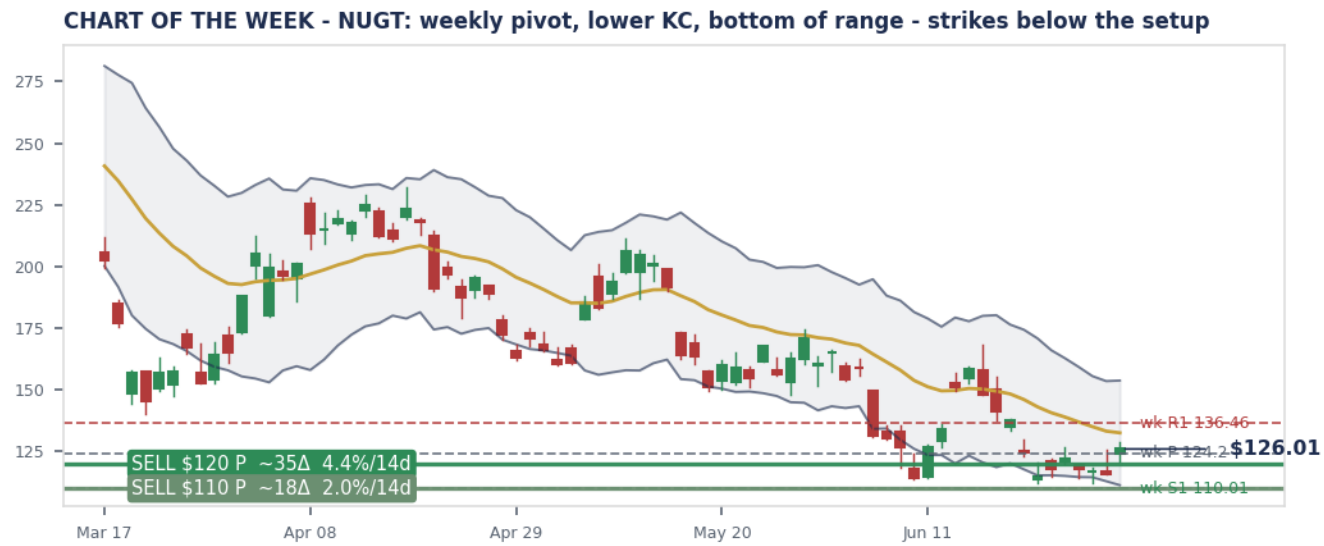
GGLL — GOOGL 2x. +13.8% breakout week, at the 50 fib. Jan 2028 $45C (0.93Δ, 4.0% Tv) sits right at the 2x cap. GOOGL earnings ~Jul 22: wait for the print or keep the short at Jul 17.

5 | ★ TOP PICK OF THE WEEK & WEEKLY INCOME BOARD

★ TOP PICK OF THE WEEK - NUGT (Gold Miners 2x, $126.01)

Weekly CSP: Sell Jul 17 (14 DTE) $120 Put, ~35∆, mid $5.30 - CoC 4.4% for two weeks; conservative route: $110 Put, ~18∆ (13% below spot), still pays 2.0%.

Why it outranks the board: three-point confluence (lower KC half, sitting on the weekly pivot, bottom of range) with none of the baggage - no earnings anywhere near it, no sector knife falling. AMZU scans 4-for-4 on confluence but its pivot is R1 resistance after a +10% bounce week; SOXL pays triple but is mid-knife. NUGT is the paycheck without the drama - exactly what the delta lesson preaches.



WEEKLY INCOME BOARD - best weekly-cycle CSP on every setup ticker (target: 1.5-2% per 7-14d). Two routes per the delta lesson: standard ~30∆, and the deeper 15-20∆ strike that still clears the bar.

Ticker	~30∆ Weekly (Jul 17)	CoC	Deep 15-20∆ Weekly	CoC	Note
NUGT ★	$120 P	4.4%	$110 P (18∆)	2.0%	Top pick - cleanest risk
AMZU	$32.80 P	3.3%	$30.80 P (20∆)	1.6%	4/4 confluence, but at R1 after +10%
SOXL	$169 P	12.6%	$140 P (20∆)	7.1%	Triple pay = knife risk. Size small
NVDX	$15 P	3.7%	$14.50 P (19∆, 7d)	2.1%	Clean; NVDA earnings far off
METU	$20 P	2.8%	$19 P (19∆)	2.2%	META earns Jul 29 - weekly clears
GGLL	$110 P	3.7%	$104 P (21∆)	2.0%	GOOGL earnings ~Jul 22 - stay Jul 17
TQQQ	$70 P	4.2%	$65 P (21∆)	2.5%	At weekly pivot
YINN	$21 P	4.2%	$19 P (17∆)	2.0%	Bottom of range
NVDL	$26.67 P	3.2%	$25 P (19∆)	1.9%	Same engine as NVDX
MSFU	$23 P	3.7%	$21 P (16∆)	1.9%	Thin chain - use limit orders
NAIL	$47 P	4.3%	$44 P (21∆)	2.5%	At weekly pivot, bottom range

6 | THIS WEEK'S CASE STUDIES

CASE STUDY - CSP on YINN ($22.08)

Sell Aug 7 (35 DTE) $20.50 Put, ~33Δ, mid $1.78

CoC: 8.7% for 35 days (rule: 3%/30d) - collateral $2,050

Setup: lower KC half, bottom of range, at daily pivot

If assigned at $20.50: write CCs at the same strike until called away

CASE STUDY - CSP on TQQQ ($73.35)

Sell Aug 7 (35 DTE) $69 Put, ~35Δ, mid $4.90

CoC: 7.1% for 35 days - collateral $6,900

Setup: lower KC half, at weekly pivot

Only for accounts happy to own TQQQ at 69

CASE STUDY - OTM CC on NUGT ($126.01)

Buy shares $126.01 - Sell Jul 24 (21 DTE) $125 Call, mid $11.15

CoC: 8.9% for 21 days (ATM-style write)

Setup: lower KC half, at weekly pivot, bottom of range

Goal: called away at 125; if not, rewrite

CASE STUDY - ITM CC on SOXL ($181.47)

Buy shares $181.47 - Sell Aug 7 (35 DTE) $175 ITM Call, mid $44.95

Tv = 181.47 - 175 - 44.95 → Tv $38.48 = 21.2% Tv CoC / 35d

Downside cushion to $136.52 breakeven (-25%)

Setup: at weekly S1 + 38.2/50 fib cluster after -15.8% week

Semis are falling knives this week - the fat premium is the market paying you for that risk. Size small.

CASE STUDY - PMCC on SOXL

LEAP: Jan 2028 (567d, 18.7 mo) $36 Call, 0.95Δ, mid $154.50, Tv 5.8% (3x cap 6%) ✓

Short: Jul 31 (28 DTE) $235 Call, 0.40Δ, mid $19.73

Combined delta +0.55 - meets 'best' bar (min +45, best +55)

Short premium = 12.8% of LEAP cost in 28 days

CASE STUDY - PMCC on NVDX ($16.03)

LEAP: Jan 2028 (567d) $4.43 Call, 0.97Δ, mid $11.70, Tv 0.8% ✓

Short: Jul 24 (21 DTE) $17 Call, 0.40Δ, mid $0.75

Combined delta +0.57 - short expires before NVDA's late-Aug earnings ✓

Short premium = 6.4% of LEAP cost in 21 days

PMCC LEAP scan - nothing meets criteria this week: *NAIL, YINN, NUGT, NVDL, MSFU, AMZU (LEAP time value above the 4%/6% leverage cap, or no listed expiry ≥365 days). GGLL and METU qualify (Jan 2028) but GOOGL/META report earnings ~Jul 22-29: keep any short call inside Jul 17-24 expiries or stand aside per the earnings rule. No credit-spread case study this week - straight CSP premium is rich enough; spreads return when IV cools.*

7 | CAPTAIN'S CORNER - DELTA SELECTION: TAKE THE PAY, NOT THE RISK

Delta is not just a Greek - it is roughly the market's estimate of the probability your short option finishes in the money. Sell a 30-delta put and you are accepting about a 30% chance of assignment. That is the deal we normally make, because in calm markets a 30-delta strike is what it takes to collect our 1.5-2% for 7-10 days or 3% for 30 days. The target comes first; the delta is just the price we pay to reach it.

But when IV is elevated - like this week - the whole chain gets paid more, and that changes the math. Premium is so fat that strikes far below the market still clear our target. Look at real SOXL puts expiring July 10 (7 DTE), quoted at Thursday's close with SOXL at $181.47:

Strike	Delta	~% Below Spot	Mid Premium	CoC (7 days)	vs. Weekly Target
$163	30∆	10%	$11.40	7.0%	4x the 1.5-2% target
$150	21∆	17%	$7.40	4.9%	3x target
$140	16∆	23%	$4.53	3.2%	2x target
$125	10∆	31%	$2.68	2.1%	Still meets target

Read that bottom row again: a strike **31% below the market** still pays 2.1% for one week - comfortably inside our 1.5-2% goal - while cutting the assignment odds from roughly 1-in-3 to 1-in-10. The 30-delta strike pays 7%, and 7% for a week sounds wonderful right up until SOXL gaps down another 15% and you own it. **That extra 5% is not free money - it is the market paying you to hold risk you do not need to hold.**

So the rule of thumb, Captains: **fix the paycheck, then minimize the risk.** Decide the CoC you need (1.5-2% weekly, 3% monthly), then walk DOWN the delta ladder to the furthest-out strike that still clears it. In lean IV you will need the 30-delta to get paid - that is fine, it is the normal deal. In rich IV, take the same paycheck at 10-15 delta and let someone greedier own the falling knife. Getting greedy at the 30-delta in an IV spike is how premium sellers end up bag-holders. The club target is 3% a month - not 3% a week - and the surest way to miss it is to reach for more.

8 | RULES QUICK REFERENCE

Strategy	Entry (all: lower KC half / pivot / fib / bottom of range)	Exit
CSP	~30∆ put • 3%/30d or 1.5-2%/7-10d • stock you'd hold	Expire worthless; if assigned → CC at orig. strike
OTM CC	ATM or 1-strike OTM call • 3%/30d	Called away, or rewrite
ITM CC	Profit = Tv • 3% Tv/30d or 1.5-2%/7-10d	Called away, or rewrite
PMCC	LEAP ≥365d (best 15mo+), prefer 90∆, Tv ≤3%/4%/6% (stock/2x/3x) • short 30-40∆ • combined ∆ min +45 best +55 • no earnings	Roll rules • close 2d pre-expiry • 80% max profit
ReWrite	ATM/1 OTM call on held shares • 3%/30d	Called away, or rewrite

IMPORTANT DISCLAIMER