



From the desk of John Thomas  
Macro Millionaire  
Tuesday, April 3, 2012

Sell the Currency Shares Japanese Yen Trust (FXV) June, 2012 \$120 Puts at \$3.10 or best

- Closing Trade
- 4-3-2012 – 2:30 pm EST
- expiration date: June 15, 2012
- Portfolio weighting: 5%
- $(\$5,000/100/\$3.20) = 12$  Contracts

Take the 3 day, 24% profit and run. Easy money is hard to come by these days.

No change in fundamentals here. But I just got the commitment of traders report from the Chicago Mercantile Exchange and it almost triggered an attack of Montezuma's revenge.

In the past few weeks, the net position held by traders in the futures market has swung from a 4-year high long position to a 4.5-year high short position. This is a swing of Biblical positions, and will put a floor under any short-term depreciation of the Japanese currency.

Remember the last time this happened? In January, when everyone and his second cousin was running shorts in the Euro. When that happened the beleaguered European currency appreciated from \$1.26 to \$1.35, despite the deteriorating economic picture.

When the trade gets too one-sided nobody makes any money, no matter how great the fundamentals are.

I have no doubt that I will come back to revisit the yen many times this year. But for right now I will hold off until I get a better entry point. And right now, things have suddenly gotten interesting in equities on the short side.



*Fiat Lux,*  
*John Thomas*

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