

# Disclaimer

- .Today's webinar is for educational purposes only.
- .Nothing in today's presentation should be considered a recommendation to buy or sell any security.
- .All stocks and options shown are examples only.
- .Any pricing or potential profitability shown does not take into account your trade size, brokerage commissions or taxes which will affect actual investment returns.
- .Stocks and options involve risk and are not suitable for all investors and investing in options carries substantial risk.
- .Past stock or option performance is no guarantee of future price appreciation or depreciation.
- .Prior to buying or selling options, a person must receive a copy of Characteristics and Risks of Standardized Options available at:<http://www.cboe.com/Resources/Intro.aspx>.

# InvestorsObserver Workshop

# InvestorsObserver Workshop

- What's going on at *InvestorsObserver*:
- Market update
- Member-driven content: Questions, site demonstrations, etc.
  - Can prepare slides for questions submitted ahead of time: Mention “workshop”

# What's New

- Updates to Watchlists
  - View in screener
  - Easier to edit watchlists

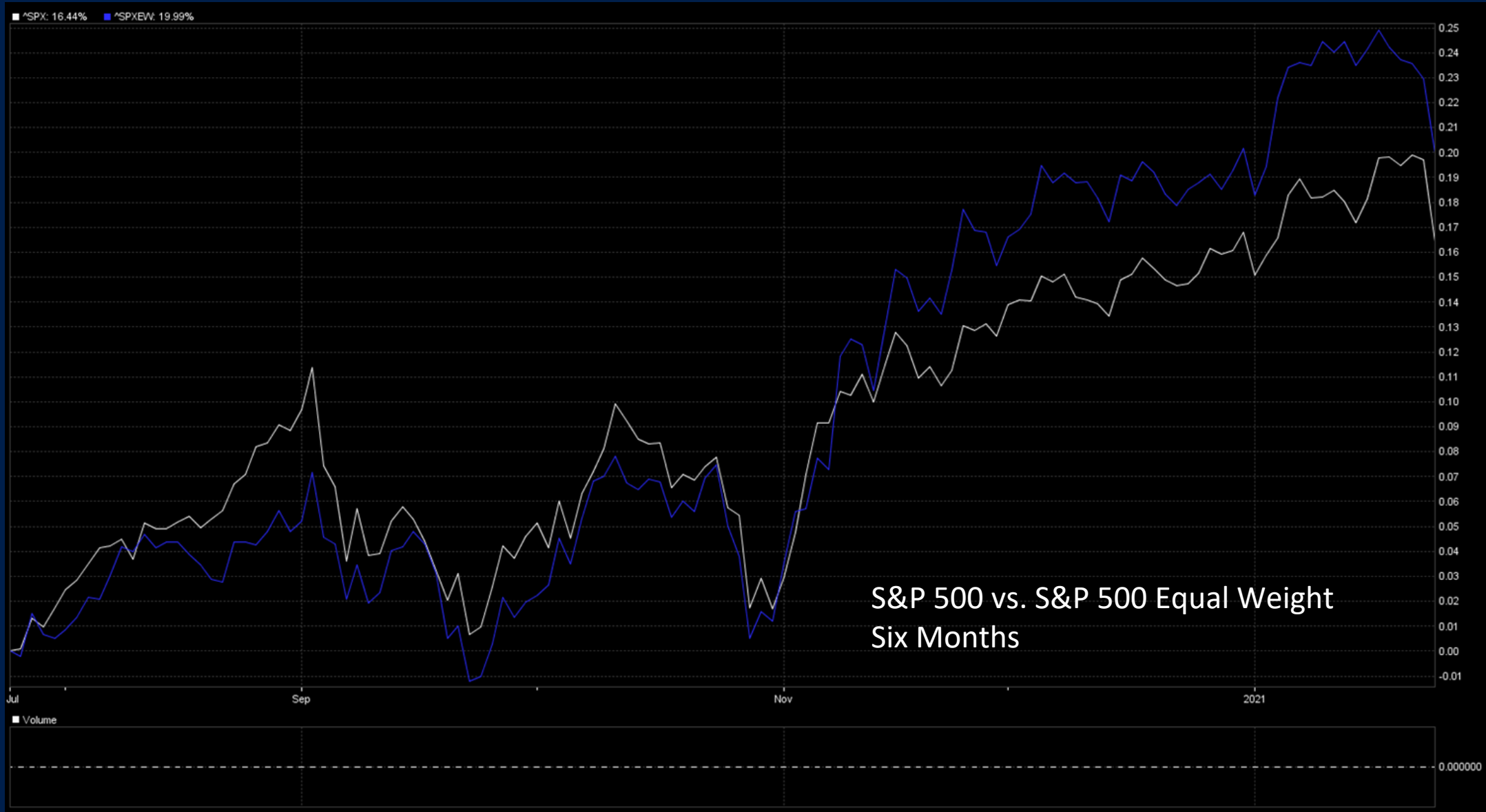
# S&P 500



# S&P 500



# S&P 500



# S&P 500





# S&P 500



# What is happening?

- Still a virus-driven economy
  - Cases are rising again
    - New cases seems to be slowing as we get past holiday-travel season
  - Vaccine provides a light at the end of the tunnel
  - New strains keep emerging
    - Seem to be covered by vaccines so far
    - Slower transmission rates will lead to fewer mutations
- Stimulus
  - Republicans seem likely to try to block most of Biden's agenda at this point.
    - Hard to know what may pass
    - Issues related to taxes can pass through reconciliation
- Earnings
  - So far, modestly better than expected, but forward guidance has been mixed.

# Fast data

From JP Morgan

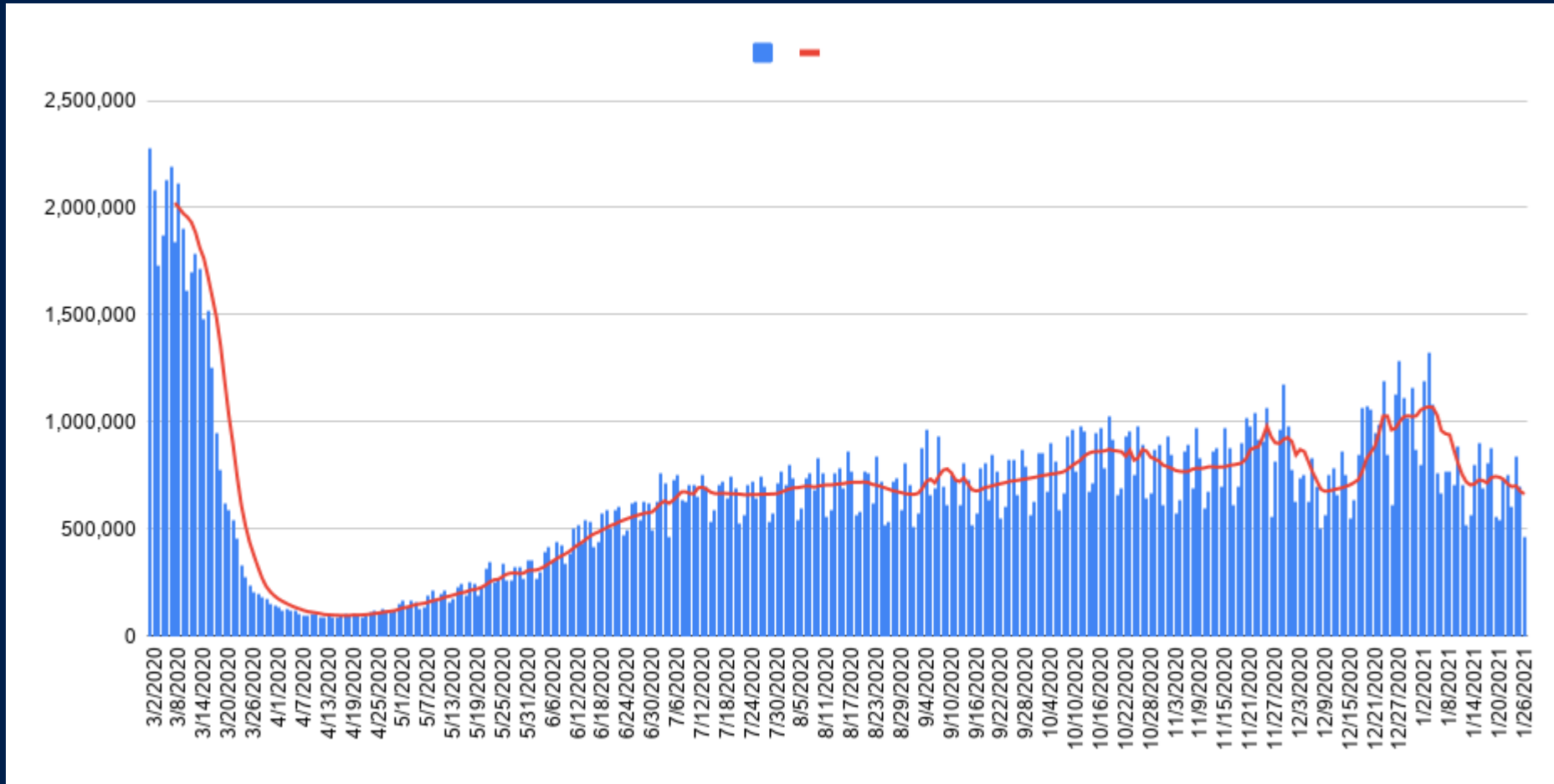
- On January 23, our tracker of Chase consumer card spending rose from -5.2% to -4.7%.
- The tracker fell -1.2%-pt over the prior week, and it is 32.4%-pt above its low of -37.1% on March 30.



Source: J.P. Morgan. % change over year-ago in 7-day average of total spending.

# Fast data

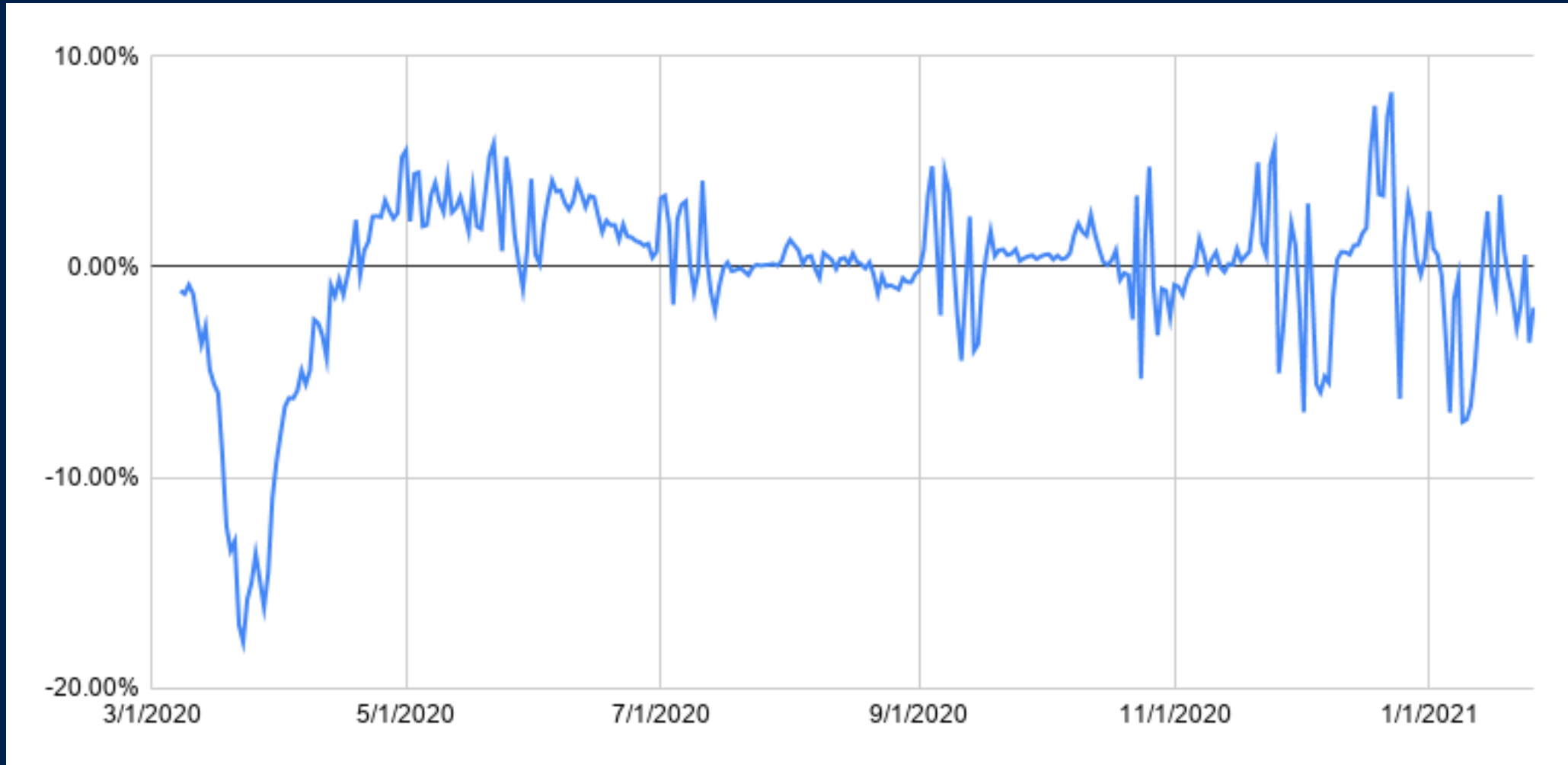
data from TSA



Passengers per day and seven-day average

# Fast data

data from TSA



Daily rate of change in seven-day average

# GameStop and Other Memes

Featured article about the how and how on News page.

- Things to remember
  - Lots of people in markets for lots of different reasons
    - I drive a car, I've never been in a race.
    - Driving and racing are both legitimate uses for cars, albeit with different risks and rewards
  - GME's gains aren't your losses. (Unless you were short)
  - All the factors that helped GME go so high so fast can also contribute on the way down.
  - No one has actually made any money here until they close a position.

# Questions?

*I want to know more about options trading. Can I do that with platforms like etoro, robinhood, webull, trading 212?*

*-- Muhammad*

Some of these platforms allow option trading.

Probably fine if you just want to buy a call or put now and then.

If you're serious about options trading, should probably go with a broker that has a more robust set of tools.

- multi-leg order tickets to allow spread trading
- educational materials about how to use the tools
- telephone support

Robinhood already broke the rest of the industry. No one charges commissions anymore. You can still benefit from Robinhood's disruption of the industry, but do it with a better platform.

# Questions?

*I like to know how when good news comes out on a stock the stock in less than 1 sec may jump 10 or 15%. How can I be one of the 1st to jump in when good news come out?*

*2nd question*

*I see ETFs like ARKK. When I buy this etf this means I am buying group of stocks what if the group of stocks price went up and the ETF had no movement as investors may have no interest in it, would that make me lose the profit if I bought them individuals or ARK has to buy back share to adjust the profit -- Michael*

Question 1: You can't. Machine reading algorithms and other high-speed traders will always beat you.

You can still ride the momentum, but you're never going to be first, or even fifth.

You can still make money from trading headlines, but you need to know which ones are likely to lead to sustained gains, and which ones will cause a pop and drop.

Question 2: ETFs are pinned to the value of the underlying assets. The ETF plumbing works by creating and destroying shares to keep the fund pinned to the value of the underlying basket.

Certain levered ETFs have gotten unpinned at times, or some broad ETFs in times of severe disruption, but those tend to be pretty short lived.



# Questions?

*Hi, new paid sub here & really like your platform! Any plans to enable trading in my TD Ameritrade account directly from your site? Just curious. It would speed things up a bit, but not biggie if it's not in the works. Also, how does your Options Autotrade arrangement with TDA function? -- David*

Two-way linking is something we've considered... Requires a lot of work for each brokerage. Not currently on the schedule, but not totally out of the question either.

Autotrading is a relationship between you and TD Ameritrade.

- You make allocations for what you want put in your account

- TD checks with us to make sure you're a subscriber

- We send portfolio updates to TD at the same time we send updates to subscribers

- TD handles all of the trading in your account

- InvestorObserver has no access or visibility into your account.

# Questions?

*I really would like to make use of the Option trading trade you daily give, can you briefly demonstrate how to make an option placing on Iq.com platform or any similar broker platform. -- James*

Can't provide this kind of demonstration:

A few points about choosing a broker

Good educational materials and support show the company is serious about helping investors. Lots of new brokerages have popped up recently, but many of them don't provide any support and have hard to navigate platforms.

How to place trade:

Spread ticket.

You want to place both legs at the same time for a net price.

# Questions?

*Is now the time to buy up more shares of my tech stocks that have taken a big hit this week ? --John*

It depends on which stocks and what your goals are.

- If the stock is down because tech stocks are generally down... probably fine.
- If you're a long-term investor who has some extra cash to invest... probably fine.
- If your stock had some negative development that caused it to go down... maybe read what people are saying about it to see if you still like the stock.
- If you're a short term investor who is underwater and want to try to double up for when things bounce... maybe see what is going up and try to put some money in that.

# Questions?

*What is the best way to salvage a bull put spread when the stock price falls below both the long and short put. There are three days left before expiration. --Randy*

There isn't really a good way to do this. This is one of the things that makes Vertical Spreads risky, you only get one shot.

Some services recommend rolling the position. This means closing the current trade, and opening a new trade on the same stock either further OTM, longer-dated or both.

If you're underwater, this frequently means you have to widen the spread or put cash into the trade.

Both of those options are making a new trade, with more at risk, on a stock that just moved against you.

Better strategy seems to be: close the trade, find a new position on a different stock.

You take a loss, but aren't doubling down on a stock that just broke down unexpectedly.

# Questions?

*I was hoping that you could discuss more about the InvestorKeyhole service. -- Ben*

## InvestorsKeyhole:

- Part of the Elite service
- Four trades per day
- bull-put credit spreads (mostly)
- Trades are self-guided after entry
- Most expire worthless (this is the full-profit scenario)
- InvestorsKeyhole trades are written further OTM than trades from the Portfolio or screener, so they should require less attention, but also have lower rates of return.

Questions?