

**OEX Options**

Learn to Daytrade

Long-term Trading Strategies

**Bluechip Options**

## **Commentary for the week of Nov 7th, 2011**

**The first week the Dow slipped in a slippery battle between support and resistance. Bulls see highs of 12,746, with a potential drop to 11,890 before or AFTER this move; Floyd continues to see whipsaw but upside through December. Now is the time ALWAYS to lock profits when you can.**

### **G-20 Ends With Little to Show**

<http://online.wsj.com/article/SB10001424052970203804204577017353037510564.html>

### **Dow Snaps Win Streak**

<http://online.wsj.com/article/SB10001424052970203804204577017512073206828.html>

---

### **Economic Calendar:**

<http://www.bloomberg.com/markets/economic-calendar/>

**We are enclosing 4 Dow and OEX Point and Figure charts showing the bullish % and the area above 50 day and 200 day moving averages. We saw our first slippage this past week**

**We are also leading off this week with charts as our conversations this week will be entirely about existing holdings, current recommendations, and where equities now play an even more important role**

**The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little. FDR**

**(Many Christians will find this socialistic jargon as giving is only IN the Bible, not over sharing)**

---

**At OEX Options we offer an advanced mentoring service to a limited group at a time. Our approach is legendary in that we have no course, no book, and all is customized to the client. Study:  
<http://www.oexoptions.com/AdvancedMentoring/AM.html>**

**I find most fascinating a recent subscriber at 20 years of age, my youngest client yet. I require of students that they take a number of psychological tests and also write a letter to me answering a series of questions .**

**This letter has been slightly altered to protect confidentiality, but is presented along with my responses to the client and an analysis of his psychological testing. What AJ is learning about himself is how we teach you to effectively trade.**

## **His Letter:**

**"I was born in India, Punjab, on November, 08, 1990. My dad was a farmer; he came to United States in 1999. In 2001 me, my mom, brother, and sister came to the United States. I started school in 6th grade. I didn't know any English a lot of kids made fun of me and I didn't know how communicate with them. That motivated me to learn English rapidly. As years progressed I learned the language. I started high school in 2004. On my senior year I took a Pharmacy tech course. I completed my pharmacy tech course, got my licensed, and graduated from high school in June, 2008. Right after high school, I was looking for a job as a pharmacy tech. They were paying about \$13 dollars an hour. I thought I would save up and look for a business opportunity. I applied at various place but didn't get any response from any employers, they were all looking for experienced techs. So, I started working at Subway for part time and started college. I saved about \$6,000 dollars and I was looking to invest it.**

**"**

**I started searching online for opportunities, while I was doing that, I came across a website that was teaching people how to sell insurance and become an Insurance agent. The fee was \$5000 dollars, so I decided to drop college and pursue that career. Andy xxxxx was the fellow, who taught that course. I did some research and started building a relationship with Andy. He really liked me, and he was a good man and still is. I was only 19 years old. While all this is going on, he happened to be starting a company. He wanted me to be part of it and I was really excited and I said yes. The company he started was selling insurance leads to insurance agents. I worked as a Sales rep. Did that for about 4 months wasn't making and money and the company was failing. He decide to hire a Manger name David xxxxxxxi . I started working with David and built a good relationship. David was a insurance agent as well and on the side he had his own business selling exclusive insurance leads to the top companies who were selling those insurance leads to agents. I wasn't making any money with the company. David decided to offer me a job. It was from home what I would do was input the insurance leads in the data base of the companies that were selling those leads to the insurance agents. I was making good money about \$3,000 dollars a month. I did that for about 7 months.**

**David was also a day trader. He traded crude oil for a living. He got me into trading crude oil. I was really interested and I wanted to do it as**

well. While I was working for David inputting the insurance leads. He was paying me every 45 days. I trusted him, we had a good relationship and he started teaching me how to trade crude oil. He introduced me to a trading room. I started trading and I lost about \$5,000 dollars first. While that happened I talked to David I told him I lost \$5000 dollars. He said that's just the learning huddle. He said he lost about \$15,000 dollars when he started. That gave me some hope; I stuck with it and lost another \$5000 dollars. While all that is going on David had owed me \$8000 dollars. He said he was going pay me the next week and he was going on a vacation for 4th of July. After that day I never heard back from him, he still owes me \$8000 dollars till today. I called him, left him voicemail, emails, and still haven't heard back from till today. Now I'm here writing this letter to you.

**\*What would your Father say about you? My father describes me as a hard worker, responsible, mentally tough, mature, and good money management. If even though I lost a lot of money investing. He still believes i will be successful one day.**

**\*What would your Mother say about you? My mother describes me as a loving, caring, takes care of my younger brother and sister. Setting good examples for my brother and sister.**

**\*Do you want a physical relationship with a man or a woman? I want a physical relationship with a woman. I am currently single and not looking for a relationship. I think I'm not ready for another relationship. I don't have the time or the energy. I am really thankful of having a father, mother, brother, sister and my dog to keep me busy right now.**

**\*Do you feel denied anything? I don't feel denied of anything.**

**\*If you were seriously going to invest how much money could you manage to obtain, outside of the 2k you have now? If I was seriously going to invest I can manage to obtain whatever I have saved up at the time I am ready to invest. I wish I had more money but I don't. I can save a lot of money. I don't like wasting my money on things I don't need. I don't go out a lot just because I don't want to spend money. If I go out I know I am going to end up spending money.**

**\*If you were rich what would you do? If I was rich I would still invest in real estate, business, stocks and etc. I would also give money to charities, help people in need. I rather have a big impact on someone's like then go spend my money on something I don't need and make someone a small profit.**

**\*What is rich? How much money you make in a year? (What is a lot?) I personally want to be a millionaire first then a billionaire. That's my goal and a dream. Will I achieve it? I don't know but I will give my 100 percent. I do not want to worry about money, not worrying about paying my bills. Knowing you have a skill to make money anytime. It's not that I'm greedy I just love watching my account grow. I want to grow my account with smart and sound decisions.**

**\*What do you want to be when you are 30 and 40? When I am 30 I want to be successful, hopefully on my way to being a millionaire. I know it's not that easy to be a millionaire and it's not going to happen overnight as long as I know I am trying my best at it. I want to get married someday and start a family hopefully when I'm around 30 but I don't want to get married till I'm not financially satisfied. I want be able to support my family and give my kids a good role model. When I'm 40 hopefully I am a millionaire by then.**

**\*Where do you want to live? I want to live here in southern California. I can't imagine myself moving out of here. I grew up here this is my home. It would be just strange leaving somewhere else.**

**\*Who do you hate and why? Who do I hate.....? I don't hate anyone. If I dislike someone I just completely cut my communications with them and my life goes on.**

**\*Who do you tolerate but just barely, and why? I quite don't understand this question.**

**\*Are you worried about your future? Yes, I am worried about my future especially at this point of my life. I think its make or break point of my life. I want to be successful, be able to support my family someday.**

**\* Why do you want to trade? As compared to "play the horses", trade and buy/sell? I want to trade because I am really into it. I am really fascinated by trading. I really want to learn how to trade. I know I will give my 100 percent to learn and get educated about trading. I am willing to do whatever it takes to become a professional trader. I want a skill that I know I can make money anytime and that to me is true freedom.**

**\* Do you believe in religion? Which one? How much? How does it influence your life? I do believe in religion. My religion is Sikhism. I grew up with the religion. My parents are very religious we go to temple twice a week, every Wednesday and Sunday. Being a Sikh influenced my beliefs it taught me to help people. We believe there is only one God and all human beings are equal.**

**\* If not to above, why?**

**\* Do you masturbate? If so, how often a week? If not, why not? I do masturbate about 4-5 times a week. I am still a virgin that's do to my religion. You're supposed to be a virgin till marriage.**

**\* Are you more attracted to women then men? I am more attracted to women but I would prefer to have men has my friends then women. When you have women as friends it just complicates your friendship with each other. Having male friends I am more comfortable. Having a female companion is a different story. I will have a female companion but male friends.**

**\*What is your favorite color? I don't really have a favorite color. I like anything that goes with the fashion.**

**\*When we have a week to do anything, no limit to cost, what would we do, where would we go? If we have a week to do anything and unlimited money. I would go help people in need. I know that today a lot of people live in poverty. What we have is nothing close to people have in Africa, India, china and etc. I would also help animals in need. A lot of animals are abused, mistreated, and without homes. I want to start an origination with good hearted, genuine people that will help people and animals. In today's world we need more than one person to make a change.**

**Please answer these questions in as detailed a fashion as you can. I am also enclosing a psychological test. Please complete, score, and send me the results page"**

**AJ utilized a version of a Myers Briggs psychology test that I use and scored a strong ISTJ.**

**ISTJ introverted-sensing-thinking-judging**

**Quiet**

**Serious**

**Practical**

**Dependable**

**Loyal**

**Steadfast**

**Responsible**

**Sensible**

**Patient**

**Conservative**

**Values hard work and honesty**

**What AJ shows me immediately is that has introverted, high work ethic, deep respect and works and thinks. I know already he**

**will be successful and am now ready to start recommending what to do next. Our Core Book Library listing on the website lists books Floyd sees as valuable and the first book any of us should read in Tom Dorsey" Point and Figure Charting.**

**For those for more beautiful charts and more deep explanations consider The Definitive Guide to Point and Figure Charting by J. De Plessis.**

**I personally have read Dorsey's book at least 40 times. Much of it is also outlined in the movies in our password protected area.**

**So AJ, you are one wonderful young man with work ethic. I am proud to have you as an immigrant and you are what makes The United States of America.**

---

**MOVIE COMING THIS WEEK: MORE ON ILLOGICAL LOGIC. We are receiving huge positive feedback on how to learn to argue with the fundamentally illogical.**

**This week we also will be going over a great number of our existing holdings and buys and sells in equities. It has actually been easier to profit on equities than options with this type of volatility.**

**Prepare soon for a shift in Treasuries and some new option plays, and pay particular attention to our stock lessons this morning.**