



INDEX OPTIONS

We trade options on index and ETF's.

Use the option chain on your brokerage to find the appropriate at the money (ATM), in the money (ITM), or out of the money option (OTM) for your risk tolerance.

Use simple rules:

1. Pay prior day close on the option as the highest price you will pay.
2. Take your first buy at up to 21% less than the prior day close (less for ATM or ITM), and a second buy at up to 33% less.
3. Hold a position no longer than 4 market days after your combined buys.
4. Trade options and exchanges that have VOLUME. Volume creates volatility.

The 30 Stocks of the Dow Jones Industrial Average as of February 13, 2007

COMPANY NAME	PRIMARY EXCHANGE	TICKER	STYLE	ICB SUBSECTOR	MARKET CAP RANGE	WEIGHT PCT	USD CLOSE
3M Co.	New York SE	MMM	N/A	Diversified Industrials	Lrg. Cap.	4.84	76.43
Alcoa Inc.	New York SE	AA	VAL	Aluminum	Lrg. Cap.	2.22	35.00
Altria Group Inc.	New York SE	MO	VAL	Tobacco	Lrg. Cap.	5.45	86.05
American Express Co.	New York SE	AXP	GRO	Consumer Finance	Lrg. Cap.	3.65	57.60
American International Group Inc.	New York SE	AIG	VAL	Full Line Insurance	Lrg. Cap.	4.38	69.12
AT&T Inc.	New York SE	T	VAL	Fixed Line Telecommunications	Lrg. Cap.	2.35	37.19
Boeing Co.	New York SE	BA	GRO	Aerospace	Lrg. Cap.	5.65	89.29
Caterpillar Inc.	New York SE	CAT	N/A	Commercial Vehicles & Trucks	Lrg. Cap.	4.10	64.73
Citigroup Inc.	New York SE	C	VAL	Banks	Lrg. Cap.	3.40	53.71
Coca-Cola Co.	New York SE	KO	VAL	Soft Drinks	Lrg. Cap.	3.05	48.21
E.I. DuPont de Nemours & Co.	New York SE	DD	VAL	Commodity Chemicals	Lrg. Cap.	3.25	51.33
Exxon Mobil Corp.	New York SE	XOM	VAL	Integrated Oil & Gas	Lrg. Cap.	4.78	75.45
General Electric Co.	New York SE	GE	VAL	Diversified Industrials	Lrg. Cap.	2.26	35.77
General Motors Corp.	New York SE	GM	VAL	Automobiles	Lrg. Cap.	2.32	36.59
Hewlett-Packard Co.	New York SE	HPQ	VAL	Computer Hardware	Lrg. Cap.	2.70	42.59
Home Depot Inc.	New York SE	HD	GRO	Home Improvement Retailers	Lrg. Cap.	2.64	41.76
Inc.	New York SE	HON	VAL	Diversified Industrials	Lrg. Cap.	2.94	46.51
Intel Corp.	NASDAQ NMS	INTC	GRO	Semiconductors	Lrg. Cap.	1.32	20.90
International Business Machines Corp.	New York SE	IBM	VAL	Computer Services	Lrg. Cap.	6.22	98.29
Johnson & Johnson	New York SE	JNJ	GRO	Pharmaceuticals	Lrg. Cap.	4.14	65.38
Co.	New York SE	JPM	VAL	Banks	Lrg. Cap.	3.23	50.95
McDonald's Corp.	New York SE	MCD	VAL	Restaurants & Bars	Lrg. Cap.	2.84	44.90
Merck & Co. Inc.	New York SE	MRK	VAL	Pharmaceuticals	Lrg. Cap.	2.78	43.95
Microsoft Corp.	NASDAQ NMS	MSFT	GRO	Software	Lrg. Cap.	1.84	29.03
Pfizer Inc.	New York SE	PFE	VAL	Pharmaceuticals	Lrg. Cap.	1.67	26.39
Procter & Gamble Co.	New York SE	PG	GRO	Nondurable Household Products	Lrg. Cap.	4.10	64.71
Corp.	New York SE	UTX	N/A	Aerospace	Lrg. Cap.	4.25	67.20
Verizon Communications Inc.	New York SE	VZ	VAL	Fixed Line Telecommunications	Lrg. Cap.	2.41	38.04
Wal-Mart Stores Inc.	New York SE	WMT	GRO	Broadline Retailers	Lrg. Cap.	3.04	47.98
Walt Disney Co.	New York SE	DIS	N/A	Broadcasting & Entertainment	Lrg. Cap.	2.19	34.59

Source: DowJones.com

iShare Sector Funds ETFs – Ranked by trading volume as of February 13, 2007

This table lists the iShares sector funds and ranks them by trading volume.

The list of available sector indexes is quite large and it is impossible to track and trade them all. Traders need to focus on the index opportunities with the greatest amount of liquidity or that meet a specific need.

Name	Symbol	Trading Volume
iShares Dow Jones US Real Estate	IYR	8,088,759
iShares S&P SmallCap 600 Index	IJR	4,348,392
iShares Russell 1000 Growth Index	IWF	1,561,263
iShares Russell 2000 Value Index	IWN	1,275,904
iShares Russell 2000 Growth Index	IWO	1,220,959
iShares Nasdaq Biotechnology	IBB	1,072,348
iShares Cohen & Steers Realty Majors	ICF	988,874
iShares Russell 1000 Value Index	IWD	893,110
iShares S&P 500 Index	IVV	699,552
iPath MSCI India Index ETN	INP	608,725
iShares S&P 500 Growth Index	IWW	458,840
iShares Dow Jones Transportation Average	IYT	422,516
iShares S&P 500 Value Index	IVE	408,429
iShares Goldman Sachs Networking	IGN	374,326
iShares Dow Jones US Telecom	IYZ	257,260
iShares Russell 3000 Index	IWV	235,942
iShares Russell 1000 Index	IWB	225,914
iShares S&P MidCap 400 Index	IJH	220,915
iShares Lehman 7-10 Year Treasury	IEF	204,800
iShares S&P Europe 350 Index	IEV	179,675
iShares Russell Midcap Index	IWR	163,469
iShares Dow Jones US Broker-Dealers	IAI	152,650
iShares Dow Jones US Basic Materials	IYM	147,990
iShares S&P MidCap 400 Growth Index	IJK	113,520
iShares Dow Jones US Oil Equipment Index	IEZ	107,600
iShares Russell Midcap Value Index	IWS	104,055
iShares Goldman Sachs Software Index	IGV	94,076
iShares Dow Jones US Home Construction	ITB	93,630
iShares Goldman Sachs Technology Indx	IGM	84,701
iShares Dow Jones US Consumer Services	IYC	84,200
iShares Russell Midcap Growth Index	IWP	80,500
iShares COMEX Gold Trust	IAU	77,800
iShares Goldman Sachs Semiconductor	IGW	75,437
iShares Dow Jones US Energy	IYE	73,682
iShares S&P MidCap 400 Value Index	IJJ	71,167
iShares Dow Jones US Technology	IYW	67,043
iShares Dow Jones US Oil & Gas Ex Index	IEO	60,900
iShares S&P SmallCap 600 Value Index	IJS	58,712
iShares Dow Jones US Utilities	IDU	54,823
iShares S&P SmallCap 600 Growth	IJT	50,600
iShares S&P Global Healthcare	IXJ	49,390
iShares Russell Microcap Index	IWC	44,069
iShares Dow Jones US Financial Sector	IYF	42,200
iShares Goldman Sachs Natural Resourc	IGE	40,458
iShares Dow Jones US Healthcare	IYH	35,650
iShares S&P Global Financials	IXG	30,200
iShares Russell 3000 Growth Index	IWZ	27,488
iShares S&P Global Telecommunications	IXP	26,762
iShares Dow Jones US Medical Devices	IHI	25,500
iShares Dow Jones US Total Market Ind	IYY	24,265
iShares Dow Jones US Consumer Goods	IYK	24,134
iShares Dow Jones US Aerospace & Defense	ITA	22,705
iShares Dow Jones US Healthcare Provider	IHF	22,000
iShares Dow Jones US Industrial	IYJ	18,550
iShares S&P Global Technology	IXN	17,140
iShares S&P Global 100 Index	IOO	14,700
iShares S&P Global Energy	IXC	10,500
iShares S&P/TOPIX 150 Index	ITF	10,400
iShares S&P 1500 Index	ISI	9,900
iShares Dow Jones US Financial Services	IYG	7,000
iShares Dow Jones US Pharmaceuticals	IHE	6,100
iShares Lehman 3-7 Year Treasury Bond	IEI	1,900
iShares Dow Jones US Insurance	IAK	1,600
iShares Dow Jones US Regional Banks	IAT	1,100

Source: Morningstar.com

Holding Company Depository Receipts (HOLDRs)

Company	Symbol
Biotech HOLDRs	BBH
Broadband HOLDRs	BDH
B2B Internet HOLDRs	BHH
Europe 2001 HOLDRs	EKH
Internet HOLDRs	HHH
Internet Architecture HOLDRs	IAH
Internet Infrastructure HOLDRs	IIH
Market 2000+ HOLDRs	MKH
Oil Service HOLDRs	OIH
Pharmaceutical HOLDRs	PPH
Regional Bank HOLDRs	RKH
Retail HOLDRs	RTH
Semiconductor HOLDRs	SMH
Software HOLDRs	SWH
Telecom HOLDRs	TTH
Utilities HOLDRs	UTH
Wireless HOLDRs	WMH

Source: americanstockexchange.com

Select Sector SPDRs

Select Sector SPDR	Symbol
Health Care	XLV
Materials	XLB
Energy	XLE
Financials	XLF
Industrials	XLI
Technology	XLK
Utilities	XLU
Consumer Staples	XLP
Consumer Discretionary	XLY

Source: sectorspdrs.com

ISE Sector Indexes

ISE Indexes	Ticker
ISE 100	IXX
ISE 250	IXZ

ISE 50	IXK
ISE Bio-Pharmaceuticals Index	RND
ISE Gold Index	HVY
ISE Homebuilders Index	RUF
ISE Integrated Oil and Gas	PMP
ISE Oil and Gas Services	OOG
ISE Revere Wal-Mart Supplier Index	WMX
ISE Semiconductors Index	BYT
ISE SINdex	SIN
ISE U.S. Regional Banks	JLO
ISE Water	HHO
ISE-CCM Homeland Security	HSX
ISE-CCM Alternative Energy	POW
ISE-CCM Nanotechnology Index	TNY
ISE-Revere Natural Gas	FUM

Source: iseoptions.com

CBOE Sector Index Options

CBOE Indexes	Ticker
CBOE Gold Index	GOX
CBOE Internet Index	INX
CBOE Oil Index	OIX
CBOE Technology Index	TXX
GSTI Computer Hardware	GHA
GSTI Internet Index	GIN
GSTI Multimedia Networking	GIP
GSTI Semiconductor Index	GSM
GSTI Software Index	GSO
GSTI Services Index	GSV
GSTI Composite Index	GTC
MS Retail Index	MVR
MS Biotech Index	MVB
MS Oil Services Index	MGO
MS Multinational Company Index	NFT
MS US Portfolio Strategy Intrinsic Value Basket	MSV

Source: cboe.com

CBOE PowerPack Indexes

CBOE PowerPack Indexes	Ticker
CBOE PowerPacks Banks Index	PVK

CBOE PowerPacks Biotech Index	PVP
CBOE PowerPacks Gold Index	POU
CBOE PowerPacks Internet Index	PVL
CBOE PowerPacks Iron & Steel Index	PVF
CBOE PowerPacks Oil Index	POY
CBOE PowerPacks Oil Service Index	PVO
CBOE PowerPacks Pharmaceuticals	PFU
CBOE PowerPacks Retail	RPY
CBOE PowerPacks Semiconductor	PVU
CBOE PowerPacks Technology	PVC
CBOE PowerPacks Telecom Index	POQ

Source: cboe.com

AMEX SECTOR INDEX OPTIONS

AMEX Sector Index Options	Ticker
AMEX Airline Index	XAL
AMEX Biotechnology Index	BTK
AMEX Computer Technology	XCI
AMEX Defense Index	DFI
AMEX Disk Drive Index	DDX
AMEX Gold Bugs Index	HUI
AMEX Natural Gas Index	XNG
AMEX Oil Index	XOI
AMEX Pharmaceutical Index	DRG
AMEX Securities Broker/Dealer Index	XBD
Deutschebank Energy	DXE
Interactive Week Internet Index	IIX
Mini-NASDAQ 100 Index	MNX
Morgan Stanley Commodity Related	CRX
Morgan Stanley Consumer Index Options	CMR
Morgan Stanley Cyclical Index Options	CYC
Morgan Stanley Technology Index	MSH
NASDAQ Biotech Index	NBI
NASDAQ 100 Index	NDX
SPADE Defense Index	DXS

Source: amex.com

PHLX Sector Index Options

PHLX Sector Index Options	Ticker
PHLX/KBW Bank Index	BKX
KBW Capital Markets Index	KSX

KBW Indurance Index	KIX
KBW Mortgage Finance Index	MFX
KBW Regional Banking Index	KRX
PHLX Defense Sector	DFX
PHLX Drug Sector	RXS
PHLX Europe Sector	XEX
PHLX Gold /Silver Sector	XAU
PHLX Housing Sector	HGX
PHLX Oil Service Sector	OSX
PHLX Semiconductor Sector	SOX
PHLX Utility Sector	UTY
PHLX World Energy Index	XWE
SIG Cable, Medical & Entertainment Index	SCQ
SIG Casino Gaming Index	SGV
SIG Coal Producers Index	SCP
SIG Footware & Athletic Index	FSQ
SIG Investment Managers Index	SMQ
SIG Oil Exploration & Production Index	EPX
SIG Semiconductor Capital Equipment Index	SEZ
SIG Semiconductor Device Index	SDL
SIG Specialty Retail Index	RSQ
SIG Steel Producers Index	STQ
TheStreet.com Internet Sector	DOT
Wellspring Bioclinical Trial Index	WHC

Source: phlx.com