Teaching Course

- **How to maximize risk management**


DKNG 1/1/20–9/19/20 1D [NASDAQ] D: 9/18/20 O: 53.25 H: 55.7 L: 52.6 C: 55.39 R: 3.1
Hi: 55.7
55.39
Buy
2
Lo: 17.6
$-0.13
$-0.55
Volume 36,566,587
1
TTM_Squeeze (CLOSE, 20, 1.5, 2.0, 1.0) 813.93 0
3
<millions>
Trade
T&S
Active Trader
Buttons
Chart
Phase Scores
Dashboard
L 2

STOCK CHART

The How to Buy Options

We look at 60-90 days options with a delta of 30-50. On the slide, NOV call 50. We are buying on the breakout at $ 5.

We buy insurance in the form of a OCT put 45, 30 days expiration (Delta -40-50) for $ 5 and place a sell order -50%. For those who want less risk, you can hold the put for 7-10 days. I usually sell the put if I see that the stock is going in the direction I need.

AMD
ADVANCED MICRO DEVICES INC COM
79.48
+1.425
+1.83%
B: 79.87
A: 79.95
Share
D
Style
Drawings
Studies
Patterns
AMD 1/1/20–7/22/20 1D [NASDAQ]
D: 8/14/20
AMD
Hi: 62
61.79
Lo: 36.75
$0.32
$0.18
$0.18
65
60
55
50
45
40
35
Volume
N/A
100
50
<millions>
TTM_Squeeze (CLOSE, 20, 1.5, 2.0, 1.0)
N/A
N/A
Y: -111.323
405.187
-111.32
-500
Trade
T&S
Active Trader
Buttons
Chart
Phase Scores
Dashboard
L 2

STOCK CHART

The How to Buy Options

We look at 60-90 days options with a delta of 30-50. On the slide, SEP call 70. We are buying on the breakout SEP call 70 at $ 2.

We buy insurance in the form of a AUG put 60, 30 days expiration (Delta -40-50) for $ 4.5 and place a sell order -50%. For those who want less risk, you can hold the put for 7-10 days. I usually sell the put if I see that the stock is going in the direction I need.


FDX
FEDEX CORP COM
254.44
+4.27
+1.71%
A: 257.75
Share
Style
Drawings
Studies
Patterns
FDX 1/1/20–8/7/20 1D [NYSE] D: 8/7/20 O: 172.47 H: 183.88 L: 172.47 C: 183.53 R: 11.41
FedEx
Hi: 183.88
183.53
Lo: 88.69
$0.65
$2.53
$0.65
200
160
140
120
100
80
Volume 6,311,099
15
10
5
<millions>
TTM_Squeeze (CLOSE, 20, 1.5, 2.0, 1.0) 808.006 0
2,000
808.006
0
-2,000
1
2
3
Trade
T&S
Active Trader
Buttons
Chart
Phase Scores
Dashboard
L 2

STOCK CHART


COST
COSTCO WHOLESALE CORP COM
355.00
+2.86
+0.81%
B: 355.02
A: 355.50
Share
D
Style
Drawings
Studies
Patterns
COST 1/1/20–8/4/20 1D [NASDAQ]
D: 8/4/20
O: 329.56
H: 339.82
L: 328.92
C: 339.79
R: 10.9
Hi: 339.82
339.79
350
330
320
310
300
$1.89
$0.70
Volume
3,933,264
4
2
<millions>
TTM_Squeeze (CLOSE, 20, 1.5, 2.0, 1.0)
724.37
0
1,000
Trd
TS
AT
Btns
C
PS
DB
L2
N

STOCK CHART

The How to Buy Options

We look at 60-90 days options with a delta of 30-50. On the slide, OCT call 350. We are buying on the breakout at $ 4.

We buy insurance in the form of a SEP put 330 , 30 days expiration (Delta -40-50) for $7 and place a sell order -50%. For those who want less risk, you can hold the put for 7-10 days. I usually sell the put if I see that the stock is going in the direction I need.

A Trap


TSM
TAIWAN SEMICONDUCTOR MANUFACTU ADR S...
82.62
+1.55
+1.91%
B: 82.53
A: 82.68
Share
Style
Drawings
Studies
Patterns
TSM 1/1/20–9/15/20 1D [NYSE] D: 9/15/20 O: 81.56 H: 86.79 L: 81.38 C: 85.85 R: 5.41
Hi: 86.79
C
B
F No dividends no earnings
E Dividend
Lo: 42.7
$0.73
$0.75
$0.417
$0.78
$0.42
85.85
Volume 21,048,351
A
D Volume is not mo
<millions>
TTM_Squeeze (CLOSE, 20, 1.5, 2.0, 1.0) 95.628 0
95.628
Trade
T&S
Active Trader
Buttons
Chart
Phase Scores
Dashboard
L2

STOCK CHART

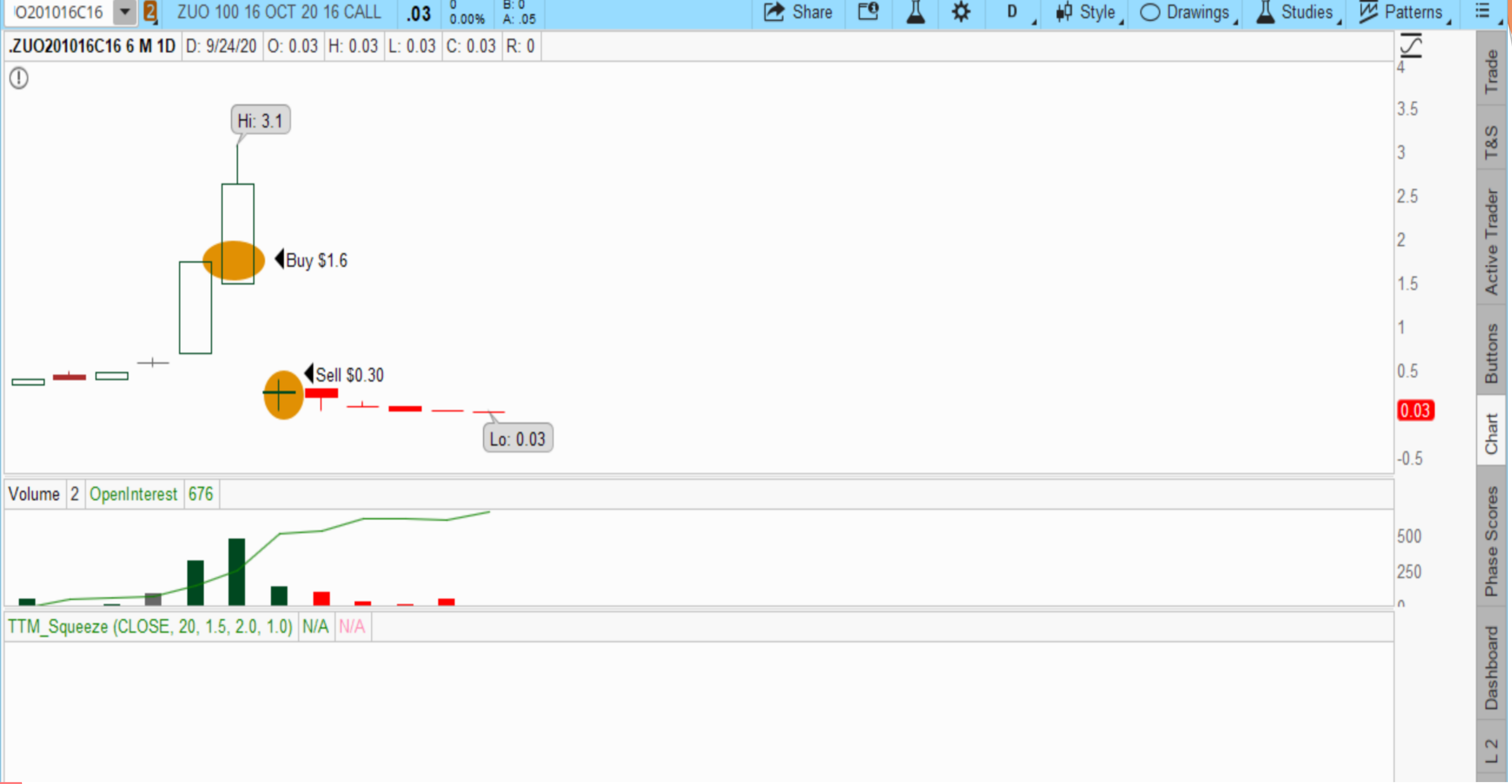
The How to Buy Options

We look at 60-90 days options with a delta of 30-50. On the slide, NOV call 90. We are buying on the breakout at $3.5. We can see that after the false breakout, the stock got back under the level of resistance and we sell our call for $3

We buy insurance in the form of an OCT put 85, 30 days expiration (Delta -40-50) for $ 4.5 . We can see that after the false breakout, the stock got back under the level of resistance and we sell our put for $6.
Total: 3.5-3-6+4.5=$1 Profit

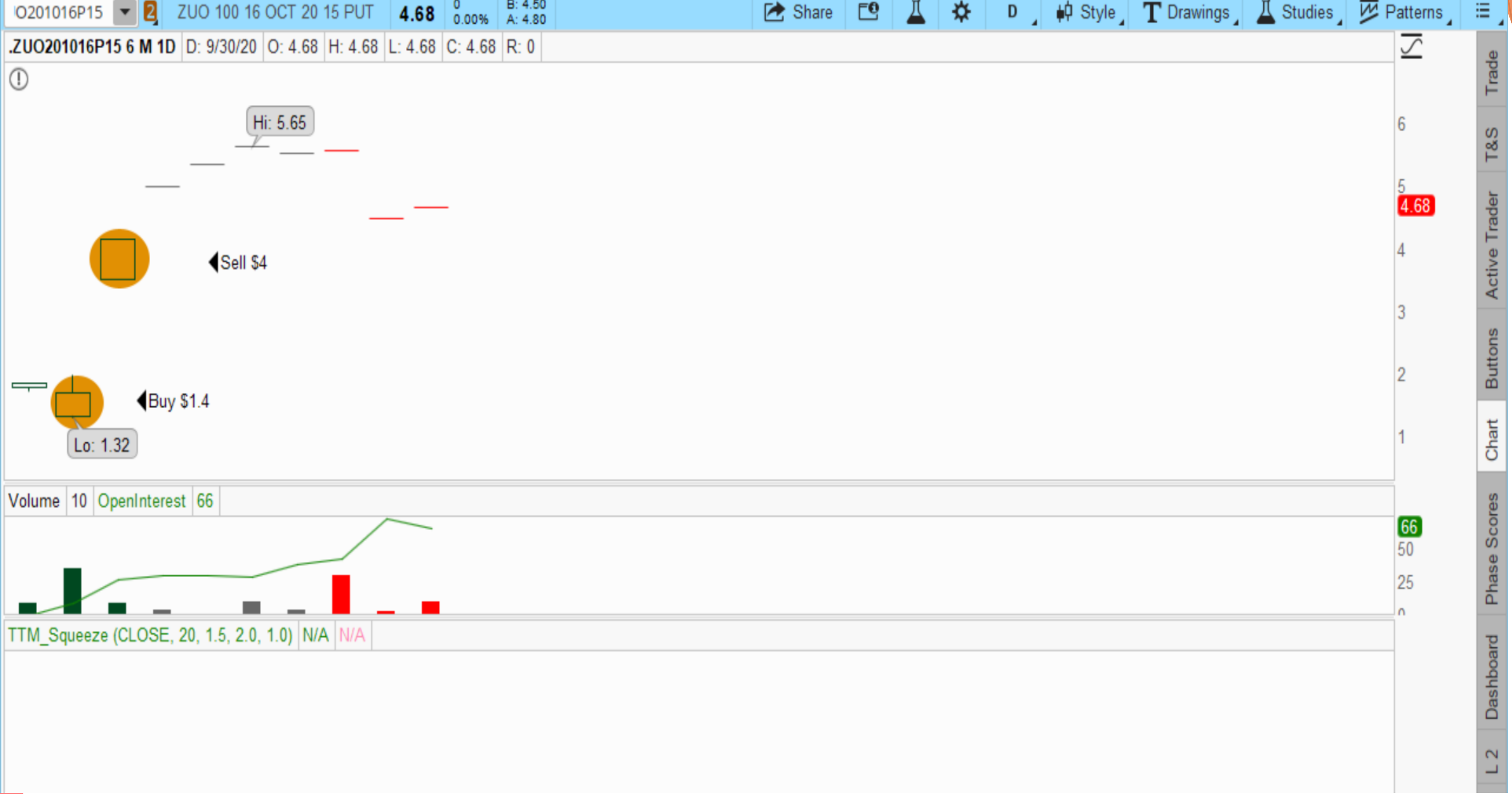

ZUO 1/1/20–9/2/20 1D [NYSE] D: 9/2/20 O: 16.88 H: 17.79 L: 15.25 C: 16.17 R: 2.54 Earnings: $-0.165(est) $0(actual) Earnings Conference Call
Hi: 17.79
16.17
Lo: 6.21
$-0.06
$0
Volume 8,896,952
TTM_Squeeze (CLOSE, 20, 1.5, 2.0, 1.0) 143.599 0
<millions>

STOCK CHART



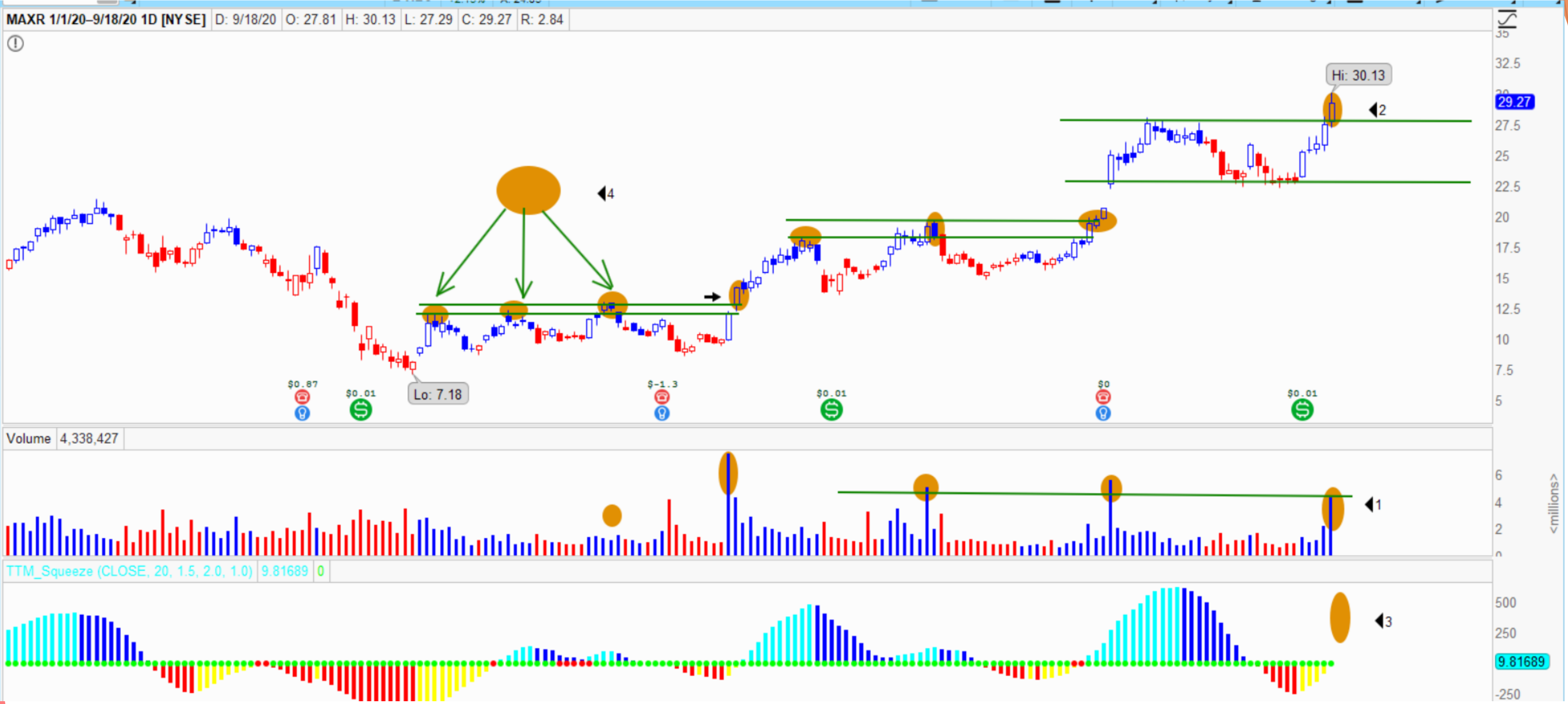
The How to Buy Options

On the slide, OCT call 16. We are buying on the breakout at $1.6. We can see that after the false breakout, the stock got back under the level of resistance and we sell our call for $0.30



We buy insurance in the form of an OCT put 15, 30 days expiration (Delta -40-50) for $ 1.4 . We can see that after the false breakout, the stock got back under the level of resistance and we sell our put for $4.

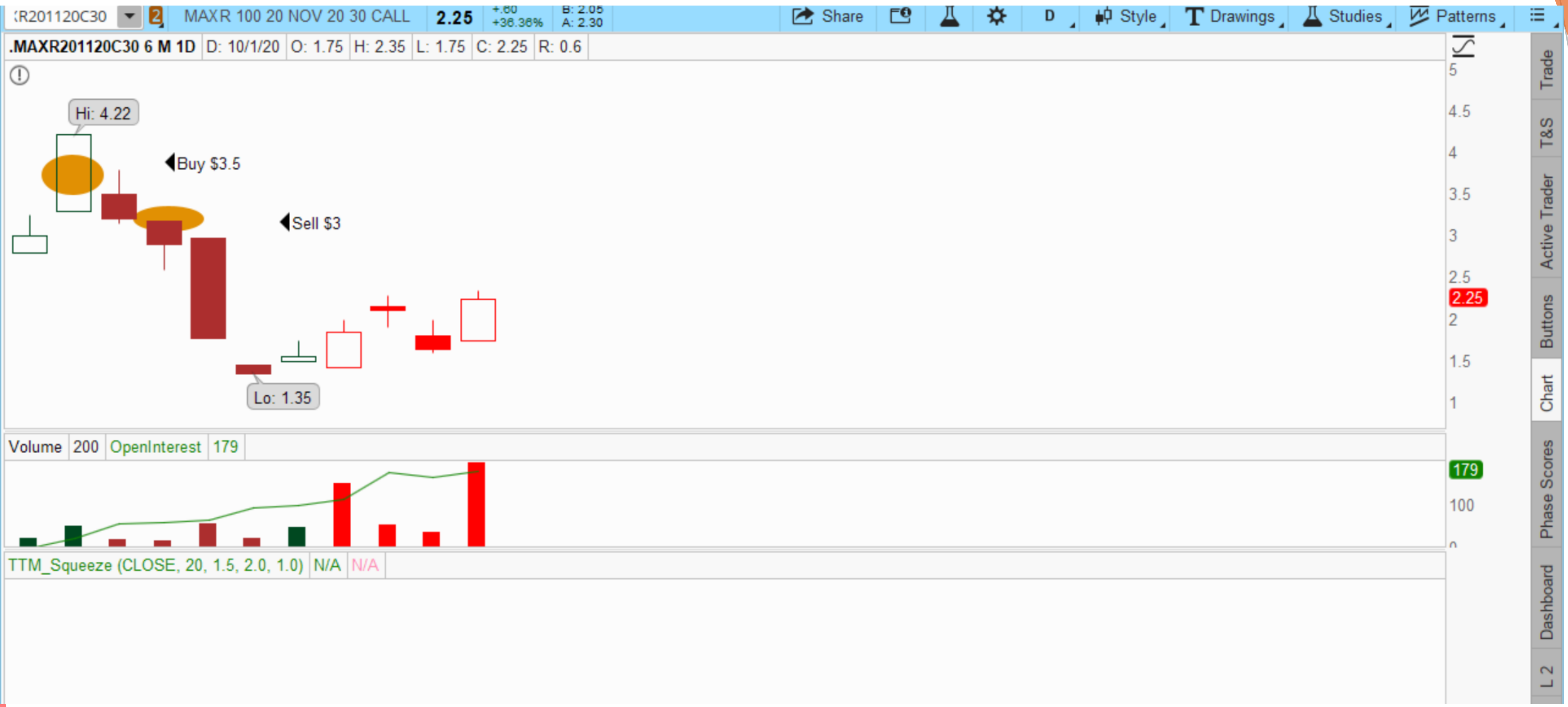
Total: -1.6+0.3-1.4+4=$1.3 Profit



MAXR 1/1/20–9/18/20 1D [NYSE] D: 9/18/20 O: 27.81 H: 30.13 L: 27.29 C: 29.27 R: 2.84
Hi: 30.13
Lo: 7.18
29.27
Volume 4,338,427
TTM_Squeeze (CLOSE, 20, 1.5, 2.0, 1.0) 9.81689 0
9.81689
<millions>

STOCK CHART

We can see that after the fake breakout, the stock got back under the level of resistance.



The How to Buy Options

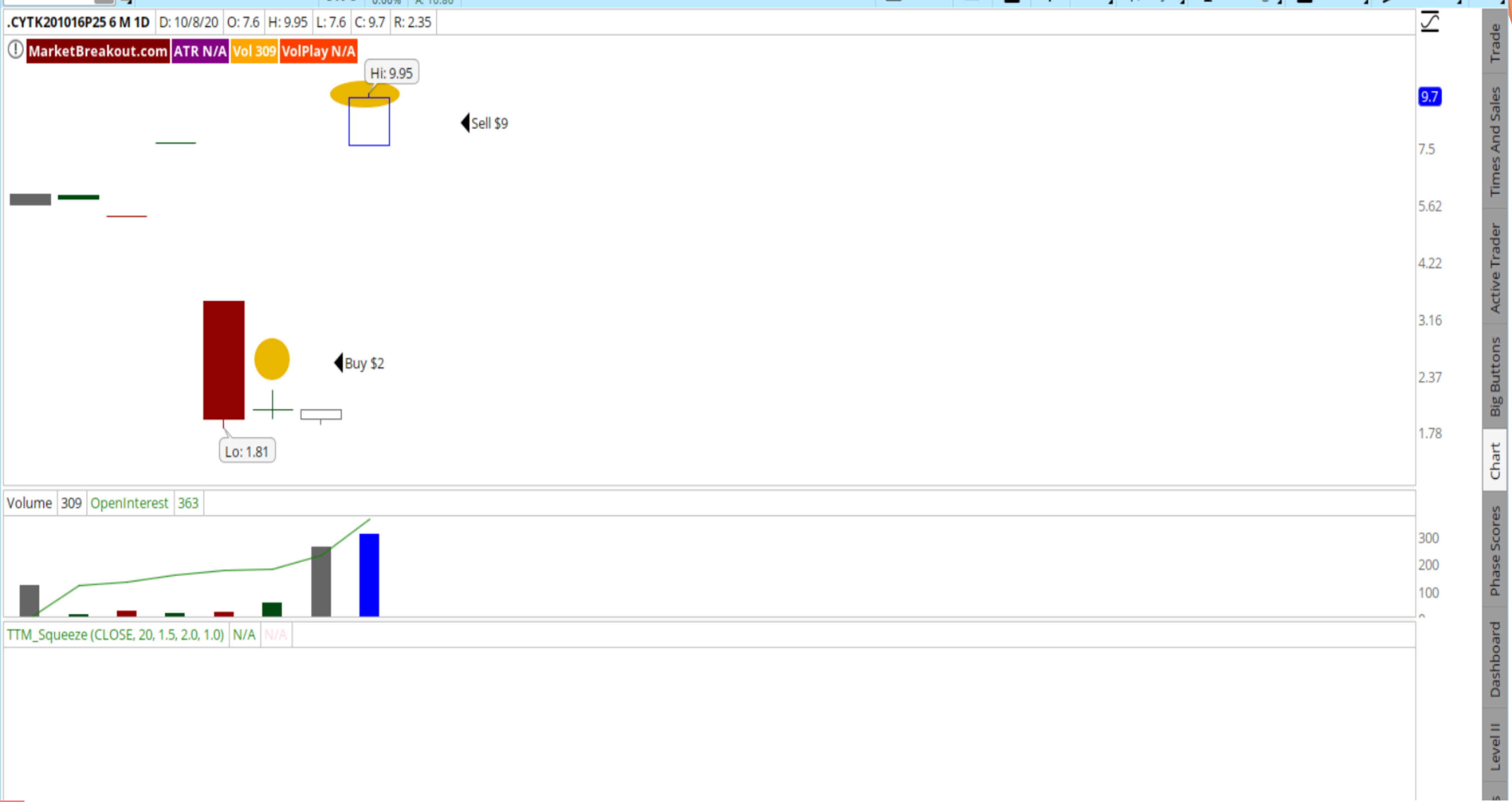
We look at 60-90 days options with a delta of 30-50. On the slide, NOV call 30. We are buying on the breakout at $3.5. We can see that after the false breakout, the stock got back under the level of resistance and we sell our call for $3

We buy insurance in the form of an OCT put 30, 30 days expiration (Delta -40-50) for $ 3.5 . We can see that after the false breakout, the stock got back under the level of resistance and we sell our put for $4.
Total: -3.5+3-3.5+4=$0 loss

We can see that after the fake breakout, the stock got back under the level of resistance.

The How to Buy Options

We look at 30-90 days options with a delta of 30-50. On the slide, NOV call 30. We are buying on the breakout at $8. We can see that after the false breakout, the stock got back under the level of resistance and we sell our call for $2



We buy insurance in the form of an OCT put 25, (Delta -40-50) for $ 2. We can see that after the false breakout, the stock got back under the level of resistance and we sell our put for $9. Total: -8+2-2+9=$1 profit

For buying options use the following strategies:

1. Buy 50% now and if it goes down -10-30% buy another 50%.

2. Wait for -20% and buy 100% of options (there is a risk that the price will not go down).

3. Hedge your risk Buy protect put or risk 2% of your account in one trade.
4. Do not forget to use double ensures if you trade more than $100 000.
5. Don't keep more than 3 open positions overnight.

6. After buying the 1st position wait until it will grow by 40% and only then buy the 2nd position.

After doubling your account, take your invested money back into your bank account. Then risk 3% of your current account each trade.. If you are buying for long term investments then 1st buy a protective PUT, the second keep in your portfolio 50% of options CALL and 50% options PUT.