

Everything's  
**easier** when  
you have the  
right tools!

# Lifestyle Trader Newsletter

**Aussie Rob**  
A WORLD LEADER IN TRADING SOFTWARE & TRAINING



**Rob Wilson** Dip. FS  
aka "Aussie Rob"  
[www.lifestyletrader.com.au](http://www.lifestyletrader.com.au)



## Merry Christmas!

**Aussie Rob News: 40  
December 2006**

G'day Folks

Tis the season to be Jolly.... And I tell ya, it is sooo inspirational to hear of sooo many people's successes this year. Think about how far you have come with your trading. How much have you learnt in such a short period of time?

I'm just back from running a 2 Day Hands-On Computer Lab Training Workshop in Bris Vegas and boy, what a weekend it was! If you haven't attended one, ya gotta make it a New Years Resolution to do it. You wouldn't believe how many people are now paper trading options after attending the labs. I'm really focusing on teaching people strategies that minimize risk and maximize reward and there are no better strategies to do that than OTM Bull Put & Bear Call Spreads. And the best news is, my scanner finds the candidates for you! Well, Bull Put Spreads so far but not for long as 5.0 is due out shortly and it'll contain Bear Call Spreads. What's the difference? "They're exactly the same, but opposite"!?!?!? hrmmm, guess I better explain that one a bit better in the training notes that will be released with 5.0.

This month's newsletter is gunna be different than the rest. I won't be focusing on Commodities, Options or Forex. I'm gunna focus on trading in general. It's gunna be a bit shorter than the others as time is limited because we're gearing up for an influx of visitors to the office this week as some of you are traveling in from all over the place to join us in our end of year celebrations, then I'll be shutting the laptop down for the Christmas / New Year Holidays.

**This month's quote is gunna be two:**

*"Losers visualize the penalties of failure and winners visualize the rewards of success."*

**Rod Gilbert**

Now how true is that??? It's amazing how people bring failure onto themselves. They do so by thinking of all of the reasons why something won't work instead of focusing on the reasons why it can! We have to apply a positive mindset to our trading. Part of our 90 day apprenticeship is to get to know how YOU work. You need to find out what works best for you, what you are the most comfortable trading. Once you



know, keep practicing until you are 200% convinced that YOU CAN DO IT. Then, and only then can you start trading live in the market “knowing” that YOU CAN DO IT. You’ll then be able to visualize the rewards of success!!!

As I was searching the net for this month’s quote, I found the one above and then something made me click on one more link and then miraculously I found this one:

*“We are each of us angels, with only one wing. We can only fly by embracing each other.”*

**Luciano De Crescenzo**

This one jumped off the page at me and made me think of a special moment on the weekend. One of my new students, Greg, has recently been confined to a wheelchair and has been an awesome inspiration to all of those around him. He’s a young bloke and has tackled his unfortunate circumstances head on. Nothing is gunna step in his way of success!

Greg inspired us all on the weekend by saying that one of the best things that he has found with learning to trade is the fact that everyone is helping each other, which is what the whole Aussie Rob/Lifestyle Trader culture is all about. He said that unlike other businesses, traders can all help each other to learn and the more we all help each other, more chance we all have of attaining success! You see, we, as traders, are not competitors. “We can all fly by embracing each other”! How true is that!

### **Head Office Christmas Break**

I’m sure you’ll agree, the Head Office TEAM are due for a well deserved break. Head Office will be closed from 3pm Friday the 22<sup>nd</sup> of December through to Tuesday the 2<sup>nd</sup> of January.

Neither Customer Service nor Admin emails will be answered over this period.

**Computer/Software Support** will be available via email: [support@lifestyletrader.com.au](mailto:support@lifestyletrader.com.au)

And

**Trading and Brokerage Support** will be available via email: [tradingsupport@lifestyletrader.com.au](mailto:tradingsupport@lifestyletrader.com.au)

No emails will be replied to on public holidays.

### **J. PAUL GETTY'S WEALTH SECRETS**

No doubt your email inbox is similar to mine. Spam, spam and more spam... some ham and eggs and then at last, some “real emails” buried amongst the trash. I was sifting through the trash the other day and found a real gem. A friend of mine sent me some snippets of J. Paul Getty’s Wealth Secrets. I thought, “If they’re good enough for ole J.P. then they’re good enough for Aussie Rob”.

I wish I knew the author of the “snippet” but unfortunately he/she’s unknown, but still, not wanting to be busted for “plagiarism”, I’ve added a few Aussie Rob twists. Here we go, ya ready to learn???

The late J. Paul Getty’s rules for accumulating wealth were simple and straight to the point. In fact, they were so simple that most people who read them either fobbed them off as being too basic or typically believed that they had known and used them most of their lives... but these people are probably not rich. (So far this sounds like most traders who know all the basics but don’t apply them. We all need reality checks every now and then, don’t we, so then we do go “back to basics” to either sharpen our skills or find what we’re do’n wrong.) So while these guidelines may lack romance or an obvious direction, be



assured that they are the real deal. Apply them as soon and as often as you can, and apply them with intelligence and creativity. In other words, just plain old DO IT!

**Rule No. 1:** To acquire wealth today, you must be in your own business. (*We're do'n ok here so far, trad'ns a business, isn't it?*) (*Hang on a minute... here's where a lot of traders go wrong, right from the beginning. They don't treat their trading like a business.* **Reality check No. 1:** "Treat your trading like a business".) You may think that the corporate executive with a \$200,000 salary is better off than a small business owner, but the executive will be pushing the proverbial uphill to double his income and of course taxes will eat up most of any increase. The simplest profession has unlimited opportunity to expand their business AND their income, and even salesmen, who in most cases are able to write their own paycheck, can control their sale increases themselves. Yes they can, you know the sales rules, the one who makes the most calls, gets the most appointments, who do the most presentations, who end up making the most sales. Isn't everything in life just a numbers game? Do the numbers and the rest will take care of itself. (*Again, easily fobbed off as being too basic, bla bla bla...*)

**Rule No. 2.** You must have a working knowledge of the business when you start. (*Hrmmm, does that ring a bell? Yeh, I'd love to do your course but I wanna make some money first and then I'll invest in your training course. Sounds funny doesn't it, like putting the cart before the horse but so many people think that way.* **Reality check No. 2:** "Get yourself educated!") If you don't know what you're doing when you start, your mistakes will be costly and most times, unnecessary. (*By putting your money into education first, you'll have that knowledge for life. If you don't and you put it immediately into trading, the market will probably take it from you and then where will you be? You'll end up "paying" one way or other. These people, well... more than "probably" won't be rich!*) Start smart and stay that way by continuing to increase your knowledge as you go along.

**Rule No. 3.** You must save money in your personal life and in your business venture as well. (**Reality check No. 3:** Create a "forced" savings plan. Start the plan right now by reading George S. Clason's book, "Richest Man in Babylon". You'll find the paperback version on the web for 10 to 20 bucks. ... Those who don't read it, well... they're probably not rich.) Discipline is the key to saving money. You must develop the will power to deny yourself immediate gratification or the temptation to gamble on the quick buck. Resources will be needed for expansion and should be guarded carefully.

**Rule No. 4.** You must take risks, both with your own money or with borrowed money. Risk-taking is essential to business growth. Nelson Bunker Hunt is admired for his guts in trying to corner the silver market, not scorned for losing money on this deal. Some of the richest men have staked their entire fortunes and lost, several times over, before the risk-taking paid off. Back those risks with good judgment, experience, commitment, and the right support. Seek advice on risks from the wealthy who still take risks, not friends who dare nothing more than a football bet. (*You know the difference between taking an "educated risk" and down right "gambling", right? Educated traders take educated risks. They stack as many odds as possible in their favor by following their Trading Plan and using Trading Software while the Gambler puts his money on a "quick pick" touted by one of those TV Talk'n Heads or the "expert" next door. Wait a minute, isn't he a Plumber? Crikey, no offence to Plumbers, you know where I'm com'n from.* **Reality check No. 4:** Get the right tools to enable you to take "educated risks"... those who don't, well... I'm sure you know the scoop by now... they're probably not rich.)

**Rule No. 5.** You must not only learn to live with tension, you must seek it out. Thrive on stress! (*Man, what you bin smok'n???*) **LIVE ON STRESS.** If it means getting physically fit (*Now that's better, I can do that, I can watch cricket from the couch all day long!*), having a psychiatric overall (*hrmmm, could come in handy*) or losing 50 pounds before you can handle it, DO IT. Once you can learn to thrive on stress, you will not only enjoy it, you will seek it out willingly and enthusiastically and wonder how you could live any other way. Men of means look at making money as a game which they love to play. Consider it



serious business and you will suffer far more stress than you need or want. Keep your perspective or your stress level will rocket beyond your control. *(I know I've joked a bit with this one, but hey, how true is this? Again, it's something that we all know but it's something that we need constant reminding on. Reality check No. 5: No Pain, No Gain. As they say, "Obstacles are only challenges that come along to help you achieve your goals." They're little hurdles that need to be "jumped" or "crashed right through" depending on how aggressively you wanna achieve that goal." Those who don't take risks... .. they're probably not rich.)*

**Rule No. 6.** Build wealth as a by-product of your business success. If wealth is your only object in business, you will probably fail. *(Sound familiar? How many Traders "just had to make money on a trade, and lost???? If ya "just have ta make money on a trade, more than likely, you'll loose. Reality No. 6: Ya just gotta have enough trading capital to handle the ups and downs of trading, AND, it's gotta be "risk capital". Don't bet your house or your kid's College Fund! Those that do... .. they're probably not rich.)* Wealth is only a benefit of the game. If you win, the money will be there. If you lose, and you will from time to time if you play long and hard enough, it must have been fun or it was not worth it. *(On a personal note, Training and running Workshops/Seminars is like that for me. I trade, I don't "need" the training income, I do it because it's "fun" and nothing motivates me more than hearing of my students' success! ((Come to one of my training sessions and see how to have fun while you're learning. For more info, go to [www.lifestyletrader.com.au](http://www.lifestyletrader.com.au)) The wealth really is secondary. An observation that I've made many times is "The more passionate a person seems about their business, the less that person seems to focus on the wealth." Watch for it.)*

**Rule No. 7.** Patience. This is the greatest business asset. Wait for the right time to make your moves. Let your business grow naturally, not by pressing your luck. *(and does this fit trading???? Do ya need to be patient? Do ya need to wait until a trade comes to ya or do ya force a trade? Reality No. 7: Remember the story of the Kangaroo and the Wombat? Or was that the Hare and the Tortoise? Something about "Slow and steady wins the race?" Some people jump in "boots and all", they hear of a new trading method but do they have the patience to papertrade it first? They don't and... they're probably not rich!)*

**Rules No. 8.** Diversify at the top. Once you've made it, you'll understand that any business is limited in the challenges it offers. You'll want and need other games to play, so you'll look for other ventures to hold your interest. *(Amazing, isn't... how many times have we heard, "Don't put all ya eggs in one basket"? Learn how to trade Options. Learn how to trade Forex and learn how to trade Commodities. Successful traders learn how to diversify, those who don't, well... (( caught ya! I can see ya smil'n! )) ..... they're probably not rich!)*

Folks, these are some of the very basic rules that good ole J.P. lived by as he became a Billionaire. I know that I don't really need to say, "Use them for your own benefit and watch your income grow... " You already knew that, right? Sure ya did, but we all need to be taken back to basics from time to time. We all need to "re-read the rules". We all need to go back and re-write our goals. AND... We all need to continually educate ourselves.

I'm glad you've made the effort to hang in there with me with this article... *Those that didn't, well, you guessed it... they're probably not rich!*

### **Lifestyle Investor Services**

G'day Traders,

The response to my "Sessions" has been amazing so I thought I'd share with you some of their benefits:



The Sessions is a month long program that teaches you how to use the Lifestyle Platform. It not only teaches you how to place orders but also how to manage your account, trade using a strategy and I also show you some wonderful strategies for protecting your investments.

Although my background is Forex and then Commodities my favourite is definitely options. This is because they can deliver amazing returns on risk and Rob's scanner finds em for ya!

During the options Session, I teach my clients some amazing ways to protect themselves in each of the strategies Rob teaches. I even teach how you can find discrepancies that mean you are covered no matter what happens to the market. There really are some amazing trades out there! Last month someone found a trade with a 5% return two days before expiry. This month another client put on a trade with a 10% return with just 3 days to go and used at strategy taught in the Sessions as protection!

Get out there and track down these amazing trades!

Scott

[tradingsupport@aussierob.biz](mailto:tradingsupport@aussierob.biz)

Lifestyle Investor Services

### **Scott's Column ~ Wrapping Paper**

G'day traders,

Today I'm going to talk about wrapping paper and New Years Resolutions. Aussie Rob asked me to deliver something with a little Christmas cheer and as creative as I am, this is the best I can come up with.

Aussie Rob has many great tools for you to use and one of the most important is the Trade Sheets. It seems many of you have been saving them up to wrap all your Christmas gifts with. Not good! Not only will most children cry when they see that you have not even bothered to buy butcher paper but you won't be able to use them to write out your trades.

Paper trading is about writing your trades down! Yes there's a spreadsheet but how much simpler is it when you have it on paper? Always use the paper – use it in conjunction with the spreadsheets.

**Trading is your business now.** You have invested in great software and an amazing organisation as well as your mind! Trading is not an artistic endeavour. That's why I paint – that's my creative release. You must have a routine and structure to your trading time.

Whilst you are driving down to the shopping centre to buy Christmas gifts have a think of how you are going to organise the time you devote to trading. For live trading this is what I do:

#### **Before the ARLT update:**

1. Check trading calendar for any important events.
2. Log into my trading platform – note the fills on any stops from last night.
3. Go through each trading sheet in order. I should have one for each Currency Pair and Commodity that I trade even if I don't have a position. I should also have one for each Option position.
4. Write down most recent price and check if I need to adjust my stop.
5. Note any positions I have been closed out of.



6. If I have a position open, adjust my stop if needed – write down where the market is and stop price.
7. Note my total account balance including open positions.
8. Check how much margin I have used.

**After the ARLT update:**

1. Go through each trade sheet and check entry / exit signals on ARLT. If I have a signal I check the margin and calculate the stop and how much I am risking as a % of my account balance (from above).
2. I place the trade and stop or exit position and cancel stop.
3. If I did place an order which I have been filled on I check my fill and double check my stop is GTC.
4. Write down each position and stop. I use a new trade sheet for each new position and if I have exited I place aside the 'old' trade sheet and put a new blank trade sheet in with the product name to check tomorrow.
5. Go through exited positions – check profit / loss on the trade. Make a note about how my stop worked.
6. Double check my stops are working and my fills.
7. Check my total account balance again.
8. Call trading buddy and go over positions.

**When statement arrives:**

1. I note my total balance.
2. I note the amount of margin I have used.
3. I reconcile all my trades.

So this Christmas give yourself a gift and get organised. Goal Posters are great. Set achievable targets with rewards. You should give yourself the reward only if you have followed ALL your rules. The rewards should be something like dinner for both you and your partner. I think targets of 2% / week and 5% / month are realistic and achievable. Being organised is going to be the simplest and most rewarding thing for your trading.

Have a VERY MERRY CHRISTMAS and a fantabulous new year and if you don't have a New Year's resolution, you have one now!

Regards,  
Scott  
Lifestyle Investor Services



## Make You Kid a Millionaire

Thanks for sending me this article John!

Call it the ultimate Christmas gift for your child or grandchild: a cool \$1 million.

It's a lavish gift, but not a prohibitively expensive one. A monthly contribution smaller than your current cable TV bill, made faithfully until the child turns 18 and then left to simmer until retirement, will hit seven figures without outlandish investment choices.

A newborn has nothing but time -- and that's something this strategy exploits to the fullest. Let's say a 30-year-old manages to save up and then invest a lump sum of \$10,000. At an annual return of 8%, by the time she's 65, that \$10,000 will have grown to nearly \$150,000. Not bad, right?

But then compare it to what a 5-year-old could make from the same \$10,000. The extra 25 years of growth would give him over \$1 million by age 65. A newborn would need just \$6,700, less than the cost of a decent used car.

If you don't happen to have \$10,000 handy, not to worry. You can get the same results with a monthly investment, made even smaller if you can persuade your child to keep the contributions up over the long haul.

Take a look at what's possible in the table below. All the examples presume 8% average annual growth, a reasonable return from a diversified mix of stocks, bonds and cash, according to respected financial research company Ibbotson Associates.

To accumulate \$1 million by age 65:

Starting at:	One-time contribution	Monthly contribution until age 18	Monthly contribution until age 65
Birth	\$6,721	\$56	\$38
Age 5	\$9,875	\$98	\$57
Age 10	\$14,511	\$200	\$85
Age 15	\$21,321	\$662	\$127

Pretty neat, huh? I've heard from quite a few parents excited about the possibilities. Many believe their own financial futures were stunted by not investing early enough, and want their children to avoid the same mistake.

But there's a downside. While time can help the young grow a fortune, it can also magnify any investing mistakes made along the way. If that 5-year-old's account is traded excessively, charged high fees or invested too conservatively, the nest egg may be dramatically smaller.

If our youngster eked out only a 6% annual return over time, for example, his account would be worth just \$330,000 at retirement age.



### Some other points to consider are:

- No matter how much you want to secure your child's financial future, you must attend to your own first. (Your kid won't thank you for your largesse if she winds up using it to support you in your dotage.)
- **You have no consumer debt.** Again, you want to be on sound financial footing yourself before helping your kids, and that means paying off the credit card balances, unsecured personal loans and any other high-rate debt. (If you've got low rates on your auto loans or student loans, though, you don't necessarily have to pay those off before you invest for your kids.)
- **You're saving for college.** That future \$1 million won't mean much if your kid doesn't get a good education or winds up saddled with massive student loan debt.
- **You're willing to spend some time educating your children about money.** For the million-dollar plan to succeed, your children have to understand the importance of keeping their mitts off the money so it can grow. They need to know that every \$1,000 they withdraw at age 21 will cost them nearly \$30,000 in future retirement money -- plus any taxes and penalties that may be owed for tapping the money early.

If you've got your financial bases covered, then you can proceed.

Again, one of the best gifts you can give your children is to teach them the principles of "The Richest Man in Babylon"!

### Hotmail is a Pain in the....

We constantly receive reports from people with Hotmail email address saying that they do not receive our emails. We cannot guarantee replies to Hotmail. If you are using a Hotmail email address, we strongly suggest that you consider upgrading to a superior email provider. Take a look at GMAIL which is Google's FREE email service: [www.gmail.com](http://www.gmail.com)

### Data Feed Update Times

Here are the current data update times:

	<u>US EST</u>	<u>Sydney</u>	<u>Syd Daylight Saving</u>
<b>Forex:</b>	6:15pm	8:15am	10:15am
<b>Options:</b>	6:45pm	8.45am	10:45am
<b>Stocks:</b>	7:00pm – 7:15pm	9:00am – 9:15am	11:00am – 11:15am
<b>Commodities:</b>	7:00pm – 7:15pm	9:00am – 9:15am	11:00am – 11:15am

To equate the above times to your local time, go to: [www.worldtimeserver.com](http://www.worldtimeserver.com)

**Note:** Forex trades around-the-clock so we base our "close" on the prices at 5:00pm US EST. We base the following day's "open" on the price of the first trade that occurs after 5:00pm US EST.

### Forex News

What can I tell ya except.... "Profit's flow'n everywhere!"



## Commodity News

Ya getting ya slice of the Golden action? Make it on the way up and now we're mak'n even more on the way back down! Who cares which way it goes, so long as it goes somewhere, right?

## Options Essentials CDs

I continually get great feedback from clients after they have studied my CDs. They contain a lot of psychology as well as great option information. They were created for all traders, not just options traders as there are elements in them that can help you no matter what you trade. Take the section on the creation of a Goal Poster for example. The reason why most people break the rules is that they have not set goals important enough to stop them breaking the rules. What's worse, most people haven't set any goals at all. Have you? I don't mean just thinking, "Doh, I wanna make a million bucks trading...." I mean, clear, concise, realistic and trackable written down goals.

If you seriously want to become a more successful trader you need to step up to the plate and start doing things different to what you have done in the past, afterall, if you keep doing what you have been doing in the past, your future will simply mimic your past.

Go to <http://www.aussierob.biz/cdoffer.htm> and order a copy of the CDs right now and receive free shipping! You can never learn too much, turn off the TV and spend that time constructively educating yourself!

**Think about this...** *We save and save to educate our children for their future however we do not spend the money to educate ourselves. The importance of educating yourself is to be able to make more money that can be used towards our children's education.*

Well that's it for 2006.. Kerry, I and my entire Staff and Licensees would like to thank ya'll for making 2006 an absolutely incredible year for the Aussie Rob Lifestyle Group of Companies. If you thought that 2006 was a great year full of incredible opportunities, then wait till you see what comes up in 2007. To say that it will be fantabulous would be an understatement.

In closing, we wish you a very merry and prosperous festive season and look forward to helping you achieve more goals in 2007.

Until then...

Kind Regards

Aussie Rob

[www.aussierob.biz](http://www.aussierob.biz)

*"Everything's EASY when you know how!"*

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