

Giddy Folks

Another great week has come and gone. The Sydney Traders Expo was a blast. It was certainly a bit different than Vegas and Orlando. I guess with only 20 million people DownUnder we can't expect 100 exhibitors!?!?! Gee, we miss the US already and we've only been back DownUnder for 2 months. Might just have to book a booth for the Vegas Expo in December!

Now onto trading...

We can't start an update without a "Robert" message first, can we? :-))))

*"I am having good success so far with your ARLT. Thank you for providing this. Cannot wait till the forex module comes."* Robert

And now here's Jim...

*"Giddy Rob,  
Got your Update #10 and am a bit surprised to hear you're a little thin skinned. I guess when you get in the company of the big dogs, they show their teeth when displeased. It's OK tho, stay the way you are so that you keep your try to please ways. It's part of your charm. Best of luck. Count me as a happy client and my name's not Robert."*

Jim

## **FAQs**

Some great questions have come in this week which has been a tremendous help with formulating the FAQs for the website. Here are some of them...

## **Stocks**

Q. Looking at stocks on the ARLT charts, I often find the Daily Chart very bullish but the Weekly quite bearish or vice/versa. What is the interpretation for this?

A. The daily chart is the short term trend while the weekly chart is the long term trend. Conservative traders prefer to only trade in the direction of the long term trend. Don't ever forget that "the trend is your friend"!

## **Watch List**

Q. What is the purpose of your Watch List and how do I use it?

A. The whole idea of my Watch List is for you to keep an eye on my previous Watch Lists to find trending stocks to put into your own Watch List.



Q. What are the select criteria of your Aussie Rob's Watch List?

A. It's a proprietary process that I have developed over the years.

Q. What are the entry/exit signals?

A. When the green line crosses over the red line just like the rules in the User Manual. See Commodities section for the rules of the crossovers.

Q. How do I utilize your list to make money?

A. As per above, the whole idea of my Watch List is for you to keep an eye on my previous Watch Lists to find trending stocks to put into your own Watch List. Enter and exit by following the crossover rules. Once you've paper traded it for awhile, you'll find what works best for you.

Q. Are those stocks for the swing or position trade?

A. It really depends on what happens after you enter the trade. If the lines cross, get out. If they don't, stay in until they do or when you want to profit take.

## Options

Q. Do you use Covered Puts, I have done a few with good success. I did a CP on NABI for Nov. expiration but have already closed the trade at a good profit, of course a bit of good luck that NABI gapped down. Last month had a good CP on PFE as well.

A. That's the beauty of options, you have so many options. If the charts are bullish, trade bullish option strategies. If the charts are bearish, trade bearish option strategies.

A.2 The High Yield Naked Put Scan is a great way to find High Yield Covered Puts.

Run a scan.

Bullish Stocks: Write Naked Puts (or play it safer with Bull Put Spreads)

Bearish Stocks: Write Covered Puts

**Editor's Note:** As an options trader, you'll love the simplicity of my Options Scanner. It scans for ITM Covered Calls with the objective to purposely get called out. And OTM Naked Puts.... good premium with very low risk. Today I wrote a deep OTM put on NABI.... I got .65 premium on a 7.50 Put and the stock is now trading at 12.85 It would have to go down nearly 6 bucks to reach my break even point by Nov's expiration. This trade equates to a whopping 46% return or in other words, \$650 on a \$1400 margin with ten contracts. How EASY is that???? This is why I teach people to SELL options and not to BUY them.

If NABI goes UP: I keep the premium

If NABI trades SIDEWAYS: I keep the premium.

If NABI plummets to \$7.50: I still keep the premium.

Stress Free, End of Day Trading..... (turn the page)



Sounds good doesn't it? BUT..... what happens when it drops to less than \$4.00 overnight???

Yeh, sometimes "life happens"... The lesson to be learnt on this one is NOT to break the rules. Those of you who have attended my Naked Put training classes will know that I preach, "You must like the stock"... In other words, it must be Bullish! A quick look at my charts will demonstrate that NABI certainly isn't bullish!

Why am I telling you this?

Simple.... To show you that we are all human and at times we get a bit slack and break the rules. (Yeh, me too!) I want you to learn from my mistake on this one. I have been trading NABI for a few months and have made some great money from it. This month the premium was great again so I jumped right on in and wrote Naked Puts. I've been a tad bit busy lately and haven't focused too well on my personal trading. I broke two of my rules:

1. Not completing a trade sheet (See attached) before I entered the trade. If I had completed the trade sheet, I would never have entered this trade.
2. Not getting my Trading Buddy to check my trade sheet before I entered the trade.

Number 2 is the hardest one for me to swallow as Kerry and I made a pact to NEVER place a trade without the other confirming it. Hrrmmm, what do I teach at my workshops? "Blokes break the rules so they need a Sheila as their Trading Buddy". With that said and done, my Sheila's not too happy with me right now, so this is my public confession!

Percy sent me an email asking if I write Covered Puts as he has been using my Scanner to trade both Naked Puts (if stock is Bullish) and Covered Puts (if stock is Bearish). Percy did his homework and saw that NABI was Bearish so he wrote Covered Puts and made a bucket load. WELL DONE MATE, enjoy the Fosters! ;-)

## FOREX

Those of you who are hang'n out for FOREX to be added to my Lifestyle Trader had better take a read of the Commodities update below! YES, the FOREX is the latest buzz in the trading world but it's nothing new. You've been able to trade Currency Futures for how long? Hrrmmm, wonder why the buzz is on FOREX so much? Maybe because it is unregulated and easier for promoters to open shop and .... Hrrmmm. But what about the incredible deal that you can trade with no commission! Yeh right.... What do you think a 3, 4 or higher pip spread is? I know that Brokers are really great people but do you really think that they work for nothing? I had better stop here and bite my tongue before I really get started!?!?!? I'm sure you get my drift!

**Bottom Line:** Check out trading Currency Futures!



## Commodities ~ What's Hot

I mentioned the price of Corona going up a few weeks ago, you been keeping an eye on the Peso? Check out both the Daily and the Weekly. A nice long entry was triggered last Friday/Monday and it's screamed up to make new highs this week. No Rocket Science required, just chart pattern recognition!

Rice's short has been closed with some great profits and now we're long and trading back in the direction of the long term trend! YAHOOOO

E-Minis are all hot again this week and the Nikkei is powering ahead.

And what about the Moo Cows, how good are they? Could the increase in beef consumption be a result of the bird flu? You see folks, fundamentals play an important part of commodity trading too. If people stop eating chooks (Aussie for Chicken – There's your "how to speak Orstralian" lesson for this week), what other flesh eating carnivorous choices do they have? Moo Cows and Piggies? Hrmmm, interesting, eh?

Ah, gee wiz, I just checked out the Piggy charts and they went from 6110 at Tuesday's open to close on Friday at 6227. Surprise?????

Copper has been basing and now seems to have broken back out to the upside.

Palladium has continued it's stair step up this week. Do you see what I meant when I discussed "basing" last week? Once it broke out of it's sideways range, off she went....

Coffee.... Nice.... Make money on the way up, make some more on the way down, oh gee, it's going up again... ka-ching goes the cash register!

Lumber.... Long last Friday at 31030 and now it's 33270! Who's ya Daddy?

Mr Juicy.... I mentioned last week: *"He's broken new highs and the sky is now the limit!"* Not much that I can add to it this week, except more profits!

## Commodities ~ What's Not

Aussie Dollar is making a huge correction and don't I love it!:-) It gives those Greenbacks a heck of a lot bigger bang DownUnder! Switch to the Weekly chart and take a look at the lows of 14 Jan (7439) and 15 July (7433). It's broken those support levels this week. Now take a look where the next support level is.... Interesting, eh! Show me the Moneeeeeey! :-)))))))))

What did I say last week about the Yen? Where is it trading today? How could you not possibly be making good money outta this???



Crude has been whipsawing around but still in the general downward direction. Flip to the Weekly and check support!

Heating Oil short is do'n well.

I'm not trying to sound like a broken record, BUT.... What did I say last week about the Euro Dollar, 10 Year Notes & Treasury Notes???? Just to refresh your memory, here it is again.. *"The Euro Dollar is trying to go down while the 10 Year Notes & Treasury Bonds could freefall if they break through support."* What happened to them this week? Too EASY! ;-)

And now for Corn.... again, a little reminder about what I wrote last week....*"what an absolute beauty! I was flabbergasted in reading a recommendation from one of the largest US Futures Brokers give a long recommendation on Corn earlier this week. "Ahhh, it is coming into a bullish Corn period and the price is at record lows, surely it can't go any lower so let's put our hard earned money at risk and gamble going long...." Or words to that effect!?!?!?!? Please excuse my cynicism but it infuriates me to read Brokers recommendations like this one. It certainly feels good to be in control of your own financial security without having to follow garbage recommendations like this!!! Hrmmmm, why are they called "Broker"?"* LONG AND WRONG!

**I wonder who's a tad bit excited???? :-)**

Soybean Oil short has been exited with great profits and now it looks like it's gunna go down again. Flip over to the Weekly chart and see if it looks like a "Head and Shoulder" pattern setup?

Wheat.... Ohhhh, ya gotta check this one out.... Here's what I said last week: *"Well do your math on that one!?!?!? 3342 down to 3176, will certainly go along way to pay the grocery bills!"* and now for this week: pull out the abacus again but ya better be sitting down.... 3342 down to 3112..... damn, this is hot!!! Actually, it's going down so maybe I should have said, "damn, this is COLD".... However ya wanna say it, the profits are flow'n!

Gold has continued it's downward correction.

Cotton.... Well at this rate it looks like I'm getting a new shirt for Christmas. Check out the Weekly chart and see the stair-step down. Pretty cool, eh?

## **Commodities – Neutral**

Sugar: The only thing that I wanna add to last week is, "Wait for it to break new highs"....

Last week: *"Look at the weekly to see the long term trend then flick back to the daily. It's kinda basing, right? I tell ya, if it breaks out to the upside, ya better stock up on ya candy as a Hershey's bar could double! Do ya know, it won't? Nah, why not? That's because companies like Hershey's is what the Futures market is all about.... They hedge! Take a read of my Futures Made EASY Manual again and you'll see what I mean."*



## Aussie Rob's Watch List

The whole idea of my Watch Lists is for you to keep an eye on my previous Watch Lists to find trending stocks to put into your own Watch Lists.

The Bears only just outnumber the Bulls this week! 10:08

Next week I'm gonna be adding a lot more as I have had requests for more stocks to be added to my Watch List. I run 5 different scans and then select the stocks that appear in 4 or 5 of the scans. As of next week, I'll include those that are on 3 scans too and list them accordingly.

5 Scan:        Bullish (Green)        Bearish (Red)  
4 Scan:        Bullish (Black)        Bearish (Black)

It's great to hear that this service has been useful and that a lot of you are enjoying "cycling" your Watch List.

## This week's chart lesson is on DLX.

Take a look at the Daily Chart and see how it had been flat-lining for a couple of weeks.... Those of you who are technical traders could imagine what the Bollinger Bands must look like! Nice "squeeze" eh? I'll teach ya's a few neat things about Bollinger Bands when the technicals are added into ARLT, which I have just heard is not too far away. Anyway, now switch over to the weekly chart and you'll see a beautiful chart pattern! DLX has been stair-stepping down. No degree in Rocket Science to tell ya where it was heading after it broke out of it's sideways trading range! ;-)

My point with this..... ALWAYS check the weekly chart as trading is all about recognizing patterns! (*right click on the chart to switch between Daily and Weekly charts*)

### Bullish List

APTI  
CXW  
EME  
ESLR  
GES  
MIG  
MTD  
PCR  
PLXS  
TRAD  
WVVI

### Bearish List

RDK  
LVB  
LFUS  
HTRN  
HLTH  
CRY



# Aussie Rob

A WORLD LEADER IN TRADING SOFTWARE & TRAINING

Well that's it for another week, hope you've been banking some of these great profits! I've oiled the chain on the Honda, gas prices are going down so Kerry and I are gunna go and blow off a few cobwebs!

AVEAGREATWEEKEND and we'll catch ya's in the market next week!

Kind Regards

The Aussie Rob Team

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

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

