



# Hughes Optioneering™

## Blueprint for Risk-Free Trades

### PowerTrend

If price on the last day of the month closes above  
The **10-month simple moving average (SMA)**  
BUY: Stocks, ETFs, Call Options

If price on the last day of the month closes below  
the **10-month simple moving average (SMA)**  
BUY: Inverse ETFs or Put Options



### Prime Trade Select

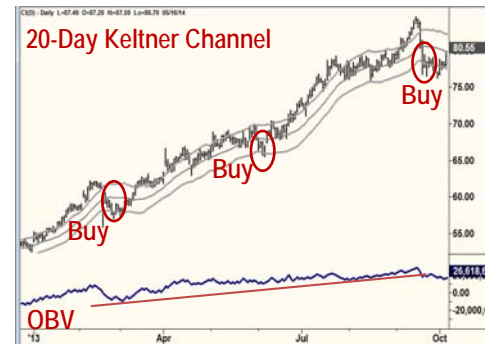
Once a stock or ETF has passed the PowerTrend test, Prime Trade Select determines potential to win and finds a low-risk entry point

Daily **On Balance Volume (OBV)** indicates the degree of buying or selling pressure – OBV should be in an uptrend to buy, in a downtrend to sell

Use 20-day **Keltner Channels** to identify low risk entry points...

- Buy at the middle or lower band in an uptrend
- Sell at the middle or upper band in a downtrend

Hint: Stocks & ETFs making a new 52-week high...  
which are also in a leading industry...  
make excellent candidates for an Optioneering profit opportunity.



### Option Trades Scientifically Engineered to Win

Take full advantage of the wealth-building power of options...

If you've never traded options before, you'll be delighted to see how easy it is. They're traded on an exchange, just like stocks... You enter the same types of "Market", "Limit", and "Stop" orders as you would with stocks... And price is determined by a bidding war between buyers and sellers, the same as with stocks.

CALL Options give you the "right", but not the "obligation" to BUY an equity at the "Strike" price

PUT Options give you the "right", but not the "obligation" to SELL an equity at the "Strike" price

You'll find everything you need to know about trading options laid out in the simplest of terms in your WCA manual.

## PowerTrend Option Strategy

Buy In-The-Money Call options for **Prime Trade Select** bullish stocks and ETFs

Buy In-The-Money Put options for **Prime Trade Select** bearish stocks and ETFs

**1% Rule:** Buy Deep-In-The-Money options that require no more than 1% increase (1% decrease for Puts) in the price of the underlying equity to breakeven

### 1% Rule Calculation

Strike Price + Option Premium = Breakeven Stock Price

Breakeven Price - Current Price = Price Move Required

Price Move Required / Current Price = % move

WCA Option Calculator gives you % move at a glance

**30% Rule:** If an option's price drops by 20%, start looking to get out before it hits 30%... This should give you a better than 3-to-1 profit/loss ratio

**Let it Roll:** At option expiration you must either exit all together or rollover to a new option... "sell to close" expiring option and "buy to open" a new option.

Rolling over your option positions will reduce the cost basis & risk; and will allow you to compound your returns to triple and quadruple-digit levels.

Using spread orders to rollover options will reduce commissions. And, if you place limit orders mid-way between the 'bid/ask' you can reduce slippage.

## Market Neutral Spread

Eat Well & Sleep Well when you buy **Near-the-Money Put** options to lock in profits... Protect your Stocks, ETFs, and Deep-In-the-Money Calls from downside risk... and at the same time, leave unlimited upside potential.

WCA Calculators let you know worst case, best case, and everything in between!

Stock Symbol	Stock Price	Call Strike	Call Buy Price	Put Strike	Put Buy Price
CI	76.36	50	17.0	72.5	1.42

**Best Case: 167.5%    Worst Case: 22.1%**    Calculate    New Analysis    Print

% Change	30%	20%	10%	0%	-20%	-40%	-60%
Stock Price	\$99.27	\$91.63	\$84.00	\$76.36	\$61.09	\$45.82	\$30.54
Call Value	\$49.27	\$41.63	\$34.00	\$26.36	\$11.09	\$0.00	\$0.00
Put Value	\$0.00	\$0.00	\$0.00	\$0.00	\$11.41	\$26.68	\$41.96
Spread Value	\$49.27	\$41.63	\$34.00	\$26.36	\$22.50	\$26.68	\$41.96
Spread Cost	\$18.42	\$18.42	\$18.42	\$18.42	\$18.42	\$18.42	\$18.42
Spread Profit	\$3,085	\$2,321	\$1,558	\$794	\$408	\$826	\$2,354
Spread % Return	167.5%	126.0%	84.6%	43.1%	22.1%	44.9%	127.8%

Please realize this Optioneering Blueprint is ultra-condensed for your convenience. The **Wealth Creation Alliance** manual contains easy-to-follow explanations, step-by-step instruction, and loads of illustrations with circles, arrows, and annotations... simple enough for a kid to follow.

But, you don't really need to know any of this stuff to profit. Because Wealth Creation Alliance emails contain word-for-word instructions you can just read to your broker or enter online.

**Nothing to it but to do it... So let's go make you some money!**