

## >: Show Me the Money!

Tuesday, November 27, 2007 / Jason Jovine

I just wanted to say to you all that it has never been easier than it is today to make money. The information and the ability to make money are out there. The question that you have to ask yourself is:

### **Am I willing to put in the effort and do what it takes to make money?**

This is the hardest part. The easiest thing to do in life, whether it's about how much you weigh or how much money you have, is to just accept mediocrity, but you don't have to; the choice is truly yours.

With the advent of the internet, you can get financial advice from people who a few years ago were only available to the richest people in the world. You needed at least \$1,000,000 in your account just to simply exchange basic words with these world class money managers.

Now, because of services like investment newsletters, some of the best financial minds coming from Wall Street can simply e-mail you what they think and why they think it, and it only ends up costing you a few dollars a day!!

That said, with all of the tools and technology that exist that make it seamless to act on profitable trading and investment ideas, shockingly, there are still some people out there who continue to find excuses not to do so!

### **What do you need to take your money seriously? Do you need someone to come to your house and press the buttons on your keyboard for you? Come**

Some of the more common excuses that I have heard from people for not making money trading are:

#### **1) My Brokerage firm won't allow me to do certain types of options trading.**

Folks, if your brokerage firm does not allow you to trade the way that you want, then **FIRE THEM!**

There are about a thousand firms (e.g. optionsXpress, E\*Trade, Scottrade, etc.) out there that would love to accept your business. You can find a firm that will let you trade the way that you want. **DO YOUR RESEARCH!**

When assessing a firm that you are thinking about trading with, you should, of course, take into account such factors as:

- a) Commissions and Fees
- b) Trade Executions
- c) Margin Rates
- d) Interest Paid on Cash
- e) Responsiveness
- f) User friendly website

Just to name a few.

#### **2) I can't do options or other types of speculative trades in my IRA or 401k.**

That is OK. Don't do it in your IRA or 401K, but open up an account where you can do the trades. Remember: don't risk money that you can't afford to lose. Your IRA and 401k are meant for your retirement, and I would never say that you should take your money out of either of them and **play?** with it. What I am saying is that if your assets are allocated correctly, you can take a slice of your overall portfolio and put it into a discretionary account that you can trade with.

#### **3) I don't understand options.**

I bet you didn't know how to ride a bicycle, either, when you first got on one, right? Here at Tycoon, we have heard those of you who have voiced this issue loud and clear, and that is one reason why Chris Rowe released his **C.R.I.S.S.**

product on November 15th. If you truly go through the entire package that comes to you with the program, you will gain knowledge that could make you hundreds of thousands or millions of dollars. Not to mention the money that you will make from avoiding common **rookie?** mistakes.

#### **4) Options are too volatile.**

Believe it or not, options, if used correctly, can be used to reduce risk, not increase it. Furthermore, risk and reward go hand in hand. As previously mentioned, I would never suggest that you mortgage your home and put all of your money into options. What I would suggest is that you have a

slice of your portfolio in more aggressive plays (such as certain kinds of options) to give your portfolio that extra kick.

**5) I think that the stock market is going to crash.**

With all due respect, don't quit your day job. The market will go up and down. Over the long term, the market always goes up.

With derivative investments like options, the more volatile the underlying asset from which the option derives its value, the more valuable the option is. When you get a chance, take a look at some of the option prices on some of the more speculative, higher Beta stocks; you have to pay more for them. Generally the lower Beta stocks have options that are less expensive, which indicates less interest/demand because people know that the probability of that option going significantly higher before expiration date is about as probable as Britney Spears' wearing underwear.

**Now, what is your excuse for not cashing in?**

**Until the next time, folks, spend your hard-earned money wisely.**



Jason Jovine  
Chief Investment Officer

[≥](#)