

Disclaimer

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- Nothing in today's presentation should be considered a recommendation to buy or sell any security.
- All stocks and options shown are examples only
- Any pricing or potential profitability shown does not take into account your trade size, brokerage commissions or taxes which will affect actual investment returns.
- Stocks and options involve risk and are not suitable for all investors and investing in options carries substantial risk.
- Past stock or option performance is no guarantee of future price appreciation or depreciation.
- Prior to buying or selling options, a person must receive a copy of Characteristics and Risks of Standardized Options available at: <http://www.cboe.com/Resources/Intro.aspx>.

InvestorsObserver Workshop

InvestorsObserver Workshop

- What's going on at InvestorsObserver?
- Charts
- What Else is Happening?
- Chinese Stocks
- Member-driven content: Questions, site demonstrations, etc.
 - Can prepare slides for questions submitted ahead of time: Mention “workshop”

What's going on at IO?

- We're working on an Android App
 - Hopefully done later this year
 - Two projects, We didn't want to sit on iOS while we waited for Android.
- All the stock features and My Portfolio
- Can get news alerts for your portfolio and watchlist
 - Pretty carefully filtered to try to include only the most important things

S&P 500



S&P 500
One Year

NASDAQ



Nasdaq
One Year

Russell 2000

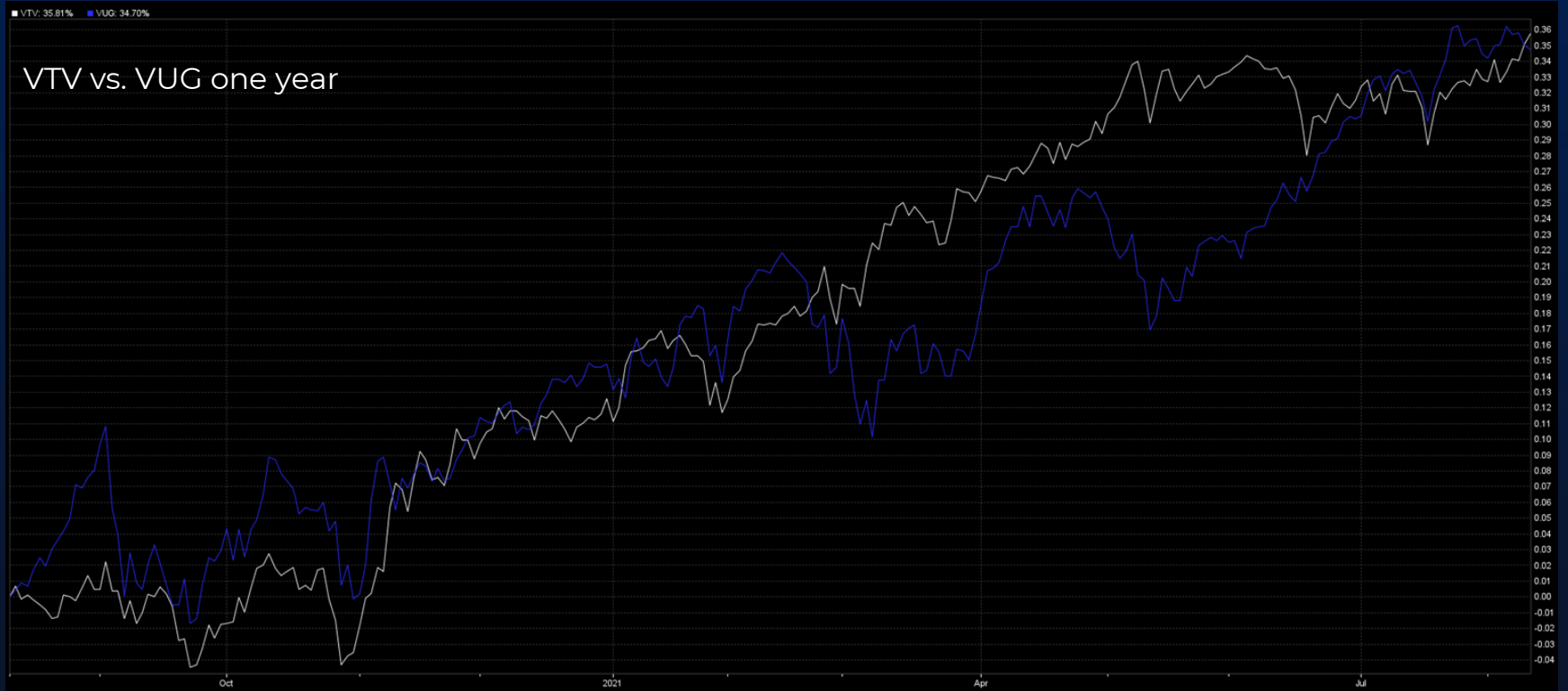


Russell 2000
One Year

S&P 500 vs. S&P 500 EW



Growth vs. Value



What Else is Going On?

- Federal Reserve, or really, guesses about what the Fed might do, driving markets
 - Everything is interest rates right now.
 - Market's responses to economic data is largely about what the Fed might do, not the actual news.
- Consumer Price Index
 - Core number lower than expected
 - Price increases for used cars slowed,
 - Airfares fell
 - Prices for some things are still rising, but “transitory” still seems to be in play
 - Lots of supply disruptions
- Productivity rising along with wages.
 - This means employers are paying more, but also getting more

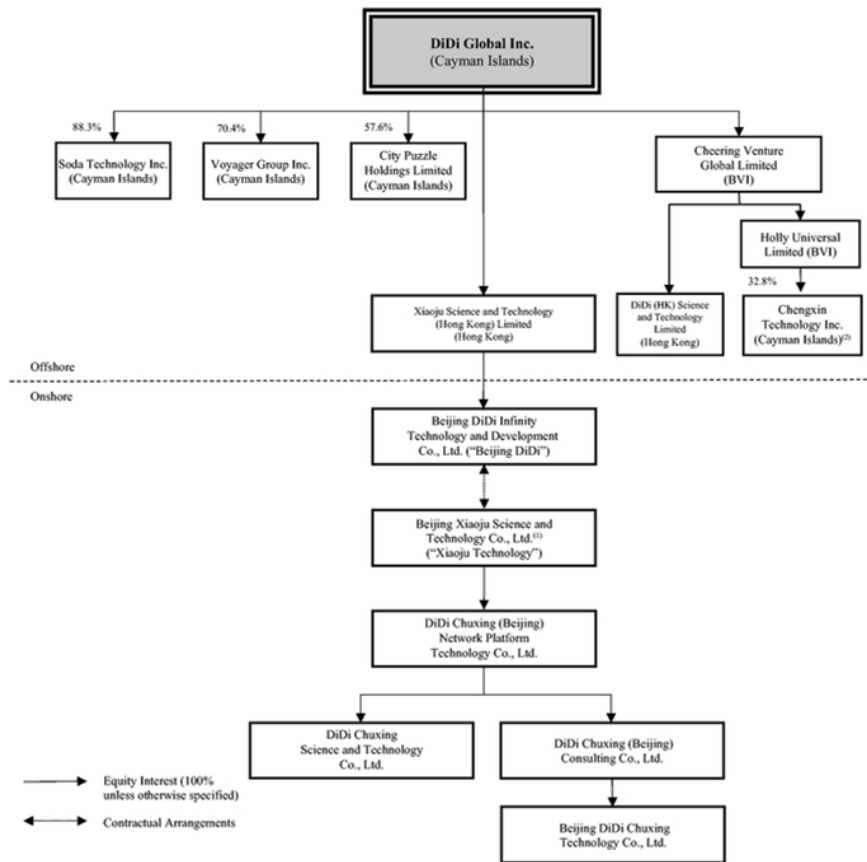
Hot Right Now

- Real Estate
 - Specifically residential and industrial REITS
 - Retail REITs have also been strong.
 - Some of this is about interest rates, but there's also a lot of demand so leases are getting renegotiated at higher prices.
- Consumer Cyclical
 - Back to School is back. -- Apparel and footwear
 - Internet retail at the bottom...
- Industrial
 - Industrial distribution and Rental & Leasing
 - Both of these are about increasing production capacity.
 - Staffing and Shipping are also doing well here

Chinese Stocks

- Foreign ownership of Chinese companies is technically illegal
 - Most Chinese companies with stock that trades in the U.S. use a Variable Interest Entity structure, which is sort of a technicality that China has allowed, so far.
 - China remains a communist country. They have adopted some amount of capitalism, but only so far as it advances the party's interests.
 - Jack Ma and other billionaires have 'disappeared' for a while after saying the wrong thing, or otherwise appearing to buck the party.
- Serving the Party's interests
 - What value does China get from American investors making money on Chinese citizens spending money on education or ridesharing?
 - China, so far, still seems happy to accept foreign investments in sectors that can help it project power (military or commercial) abroad: automobiles, drones, various other tangible goods that could either compete with existing world powers or contribute to military technology.
- Ultimately, the fate of these investments will be whatever serves the party.
 - You might make a quick buck
 - China isn't interested in letting a lot of profits flow from its citizens into the hands of U.S. or other foreign investors.

DiDi Corporate Structure



Questions?

1. How to effectively use IO to short stocks or use it to benefit when the market goes down?

2. How to use IO to hedge or protect existing account to protect from a market correction? -- Stan

1. The site is set up to feature things with high scores, because most investors are long only. You can certainly screen for things with low scores, look for industries that are performing poorly etc.
 - i. Really, the inverse of any long strategy should probably work. Instead of good fundamentals and weak charts, look for stocks that keep going up despite poor fundamentals, etc.
2. Diversification is the key here. Trim big winners, top up parts of your portfolio that have gotten out of proportion.
 - a. If you have so much in stocks that you're worried about it, the solution is to have less in stocks.
 - b. Important to remember that there's no prize for having a high daily average balance. Investing is a long game. No one ever consistently times the market, so you have to be ready to ride through some volatility.
 - c. Key is to have the right amount of risk. Next month's rent shouldn't be in stocks. Money you need to grow, but won't need for years shouldn't be in something with a zero expected return.

Questions?

I have been watching ATOS for a few months. I've even had profit on a couple of trades with it. It still has a price target of \$7.00 and a strong buy rating from the average of analysts. It hit a high of \$9.80 on 6/25, and now trading not far above \$3.00. What has happened for this stock to take such a tumble? -- Barry

Biotechs gonna biotech... Scroll through the news on ATOS and it's full of stories that mention double-digit percent moves, in either direction.

Stock got a lot of hype in May and June, and seem to have gotten ahead of itself.

Biotech is a risky business. You spend years doing very expensive science experiments and hopefully end up with a product that works and makes millions of dollars.

Until that happens though, it's basically about trying to manage how much cash you're burning.

Questions?

Hello, if possible make some comments on MRNA (Moderna stock) today which was as low as 16% down to \$383 lost like \$75.00 in one day,,. Any comments will be helpful positive or negative.. thank you! --Kevork

Moderna's chart looks a lot ATOS did in June.

MRNA is profitable, but the stock is up more than 300% this year. At the peak on Monday it was up almost 70% since the middle of July.

Vaccine stocks have been super-hot, probably because they posted huge earnings numbers and the outlook looks good.

Does it look 300% better than it did in January? I'm not sure... Generally stay away from anything with a chart that's starting to look parabolic.

Good news on MRNA is that if you bought it before last week, you've still got a pretty nice profit.

Questions?

Is there a way to see the management of a company's insider holdings? -- Danny

Usually the absolute holdings (stock) aren't very useful.

What's more interesting is the buying and selling (flows).

We have that covered in our news section.