

**February 5, 2025, Course Review**



**KINGSFORD CHASE**

# Alexander Wolfe's Content



Good morning, dear members!

First, I want to thank our "Options Magnificent" Mr. Elliot for his excellent presentation yesterday, where he thoroughly explained the advantages of options trading and the core logic behind options coding, topics that have often puzzled the majority of investors. Through this sharing, we delved deeper into the mysteries of options trading. For exploring more profound, win-win trading experiences, I encourage everyone to study and absorb this knowledge post-session. Feel free to ask any questions if you're unsure.

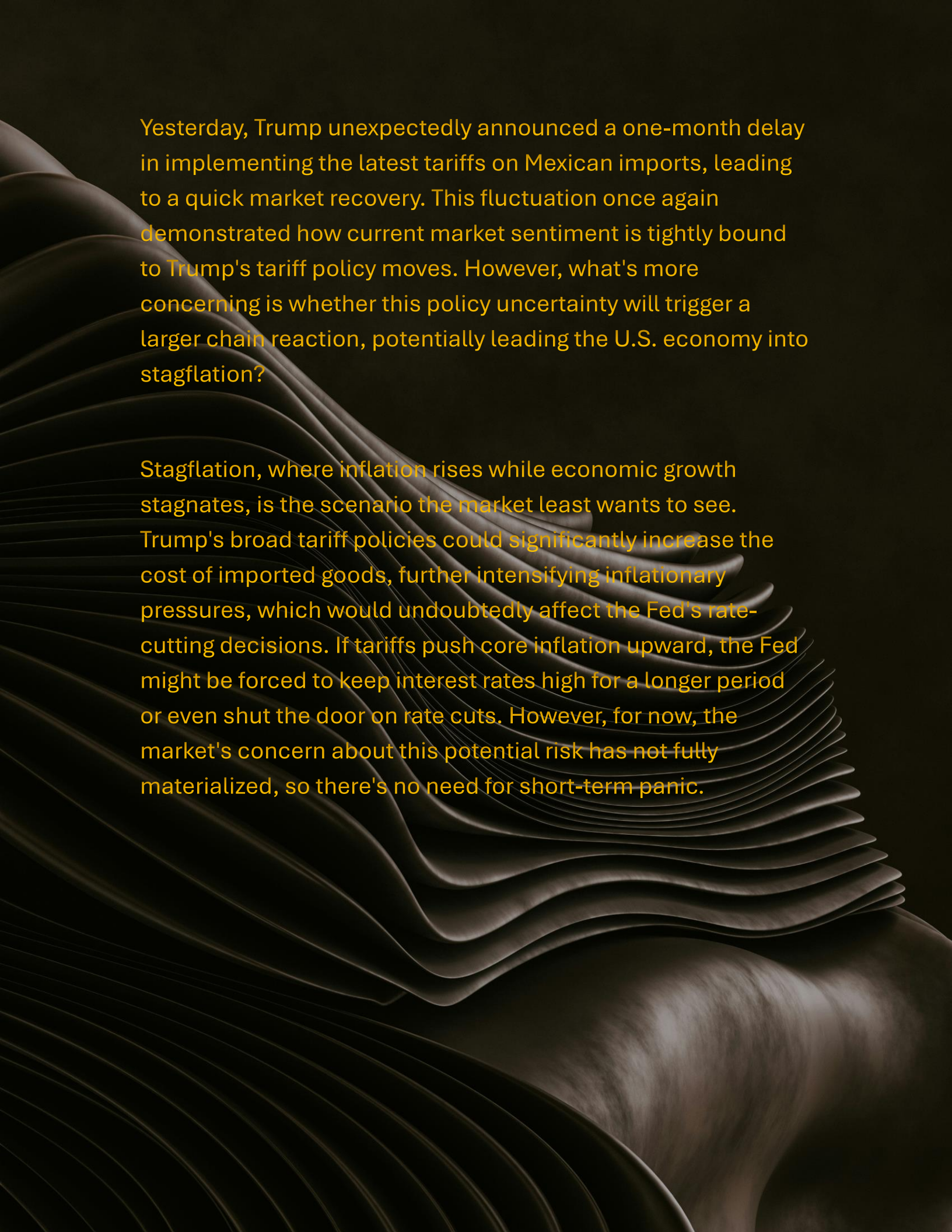


Today, I'll bring you some highly influential topics that you absolutely cannot miss:

1. An in-depth analysis of today's ADP data release
2. Stocks expected to surge by 100% over the next two months, along with their trading strategies
3. This session's major benefits giveaway: Exciting rewards await!

Every learning session is a step toward success. Let's explore more investment strategies together and climb to the peak of wealth!






Yesterday, Trump unexpectedly announced a one-month delay in implementing the latest tariffs on Mexican imports, leading to a quick market recovery. This fluctuation once again demonstrated how current market sentiment is tightly bound to Trump's tariff policy moves. However, what's more concerning is whether this policy uncertainty will trigger a larger chain reaction, potentially leading the U.S. economy into stagflation?

Stagflation, where inflation rises while economic growth stagnates, is the scenario the market least wants to see. Trump's broad tariff policies could significantly increase the cost of imported goods, further intensifying inflationary pressures, which would undoubtedly affect the Fed's rate-cutting decisions. If tariffs push core inflation upward, the Fed might be forced to keep interest rates high for a longer period or even shut the door on rate cuts. However, for now, the market's concern about this potential risk has not fully materialized, so there's no need for short-term panic.





Looking at the market itself, we can see from the recent trajectory of the S&P 500 index that despite significant short-term volatility, the overall trend remains within an upward channel, indicating that the long-term bull market trend is still solid. Historical experience tells us that in a major bull market, even if short-term pullbacks occur due to external uncertainties, as long as the fundamentals of the market do not undergo significant changes, the market often rebounds quickly post-correction. This is the core logic behind the "buy-the-dip strategy" we've been emphasizing this week.

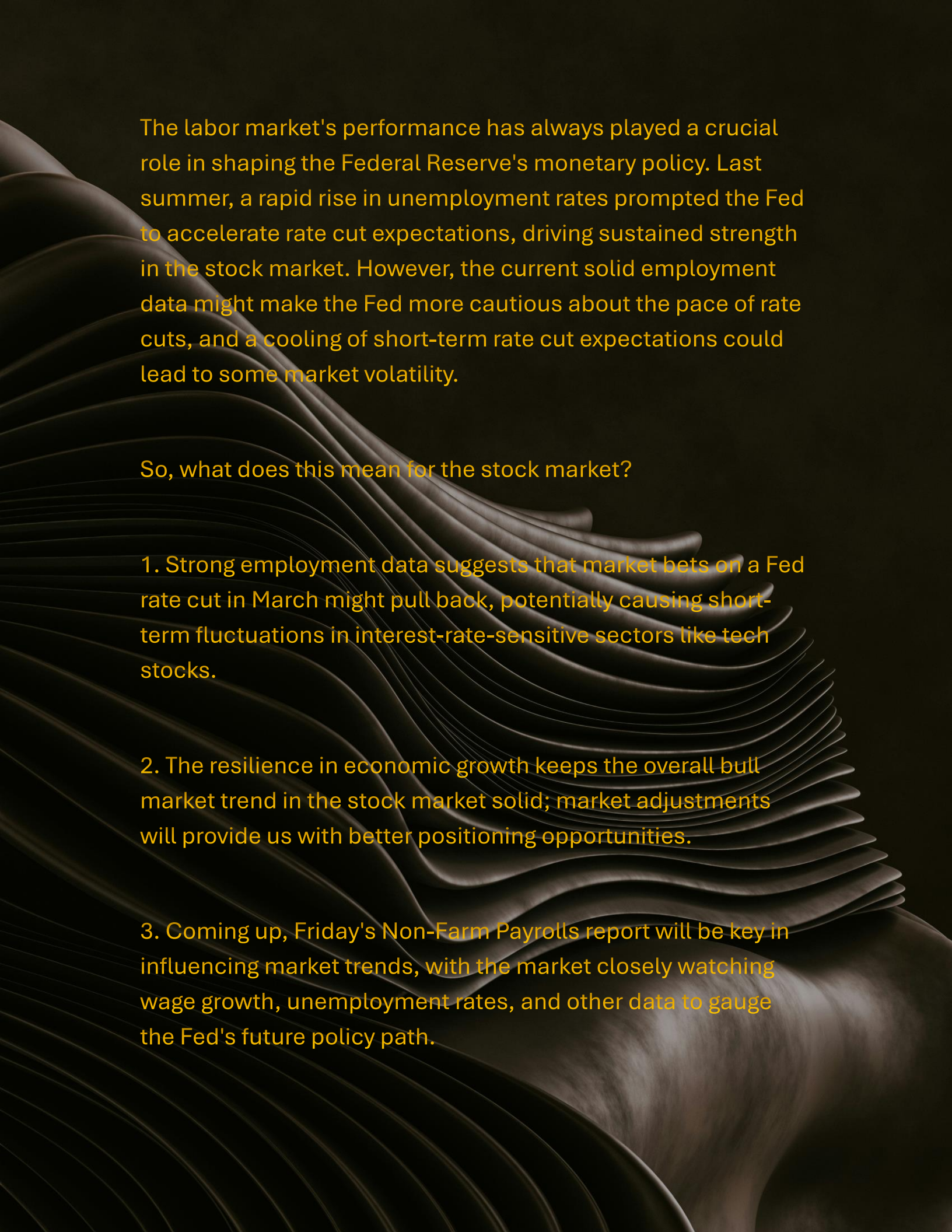


While there is some uncertainty in the current market, as we've repeatedly stressed: market fluctuations are short-term, but it's the trend that determines wealth growth. Each adjustment presents a golden window for optimizing positions and buying at the lows.

So, the question arises—did you seize the opportunity to buy at the lows after this recent downturn? Or did you miss these golden entry points due to short-term market volatility?

The volatility in the stock market once again demonstrates the complexity and unpredictability of the investment landscape, but it's these very fluctuations that bring new opportunities! Now, let me discuss an important economic data release from today—the ADP employment numbers. The data shows that U.S. employment increased by 183,000 in January, far exceeding the market expectation of 150,000, and December's figures were revised up to 176,000. This series of data indicates that the U.S. labor market continues to expand healthily, with employers still hiring and layoffs remaining limited, even as job vacancies decrease and wage growth slows. The market shows strong resilience overall.

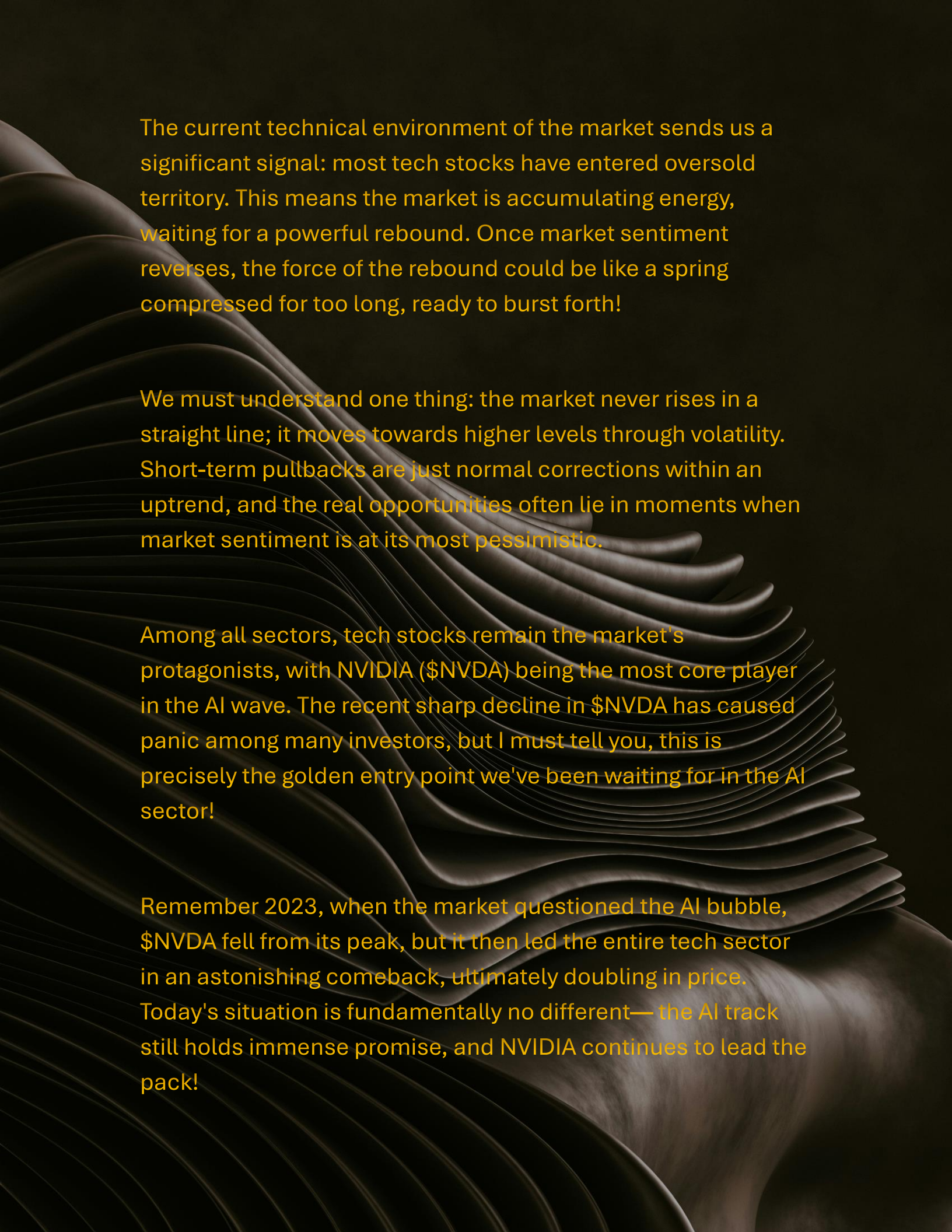




The labor market's performance has always played a crucial role in shaping the Federal Reserve's monetary policy. Last summer, a rapid rise in unemployment rates prompted the Fed to accelerate rate cut expectations, driving sustained strength in the stock market. However, the current solid employment data might make the Fed more cautious about the pace of rate cuts, and a cooling of short-term rate cut expectations could lead to some market volatility.

So, what does this mean for the stock market?

1. Strong employment data suggests that market bets on a Fed rate cut in March might pull back, potentially causing short-term fluctuations in interest-rate-sensitive sectors like tech stocks.
2. The resilience in economic growth keeps the overall bull market trend in the stock market solid; market adjustments will provide us with better positioning opportunities.
3. Coming up, Friday's Non-Farm Payrolls report will be key in influencing market trends, with the market closely watching wage growth, unemployment rates, and other data to gauge the Fed's future policy path.



The current technical environment of the market sends us a significant signal: most tech stocks have entered oversold territory. This means the market is accumulating energy, waiting for a powerful rebound. Once market sentiment reverses, the force of the rebound could be like a spring compressed for too long, ready to burst forth!

We must understand one thing: the market never rises in a straight line; it moves towards higher levels through volatility. Short-term pullbacks are just normal corrections within an uptrend, and the real opportunities often lie in moments when market sentiment is at its most pessimistic.

Among all sectors, tech stocks remain the market's protagonists, with NVIDIA (\$NVDA) being the most core player in the AI wave. The recent sharp decline in \$NVDA has caused panic among many investors, but I must tell you, this is precisely the golden entry point we've been waiting for in the AI sector!

Remember 2023, when the market questioned the AI bubble, \$NVDA fell from its peak, but it then led the entire tech sector in an astonishing comeback, ultimately doubling in price. Today's situation is fundamentally no different—the AI track still holds immense promise, and NVIDIA continues to lead the pack!





Based on past market experience, the opening of the stock buyback window from mid-February to April each year injects new liquidity into the market, pushing stocks into a more stable, or even accelerated, upward phase. This not only means the market will gain more support but also signals that we are about to enter a new golden investment period!

At this time, maintaining confidence and sticking to the plan is crucial; once the market rebounds, our portfolio's returns could see a qualitative leap. Especially for our earlier positioned core stocks like \$VRT, \$CORZ, \$NVDA, and \$HOOD, they are at the best stage of accumulation post-adjustment. Once the market stabilizes, these high-growth stocks will quickly experience capital inflows, realizing strong upward momentum. We've seen this scenario play out multiple times before, and this time will be no different!

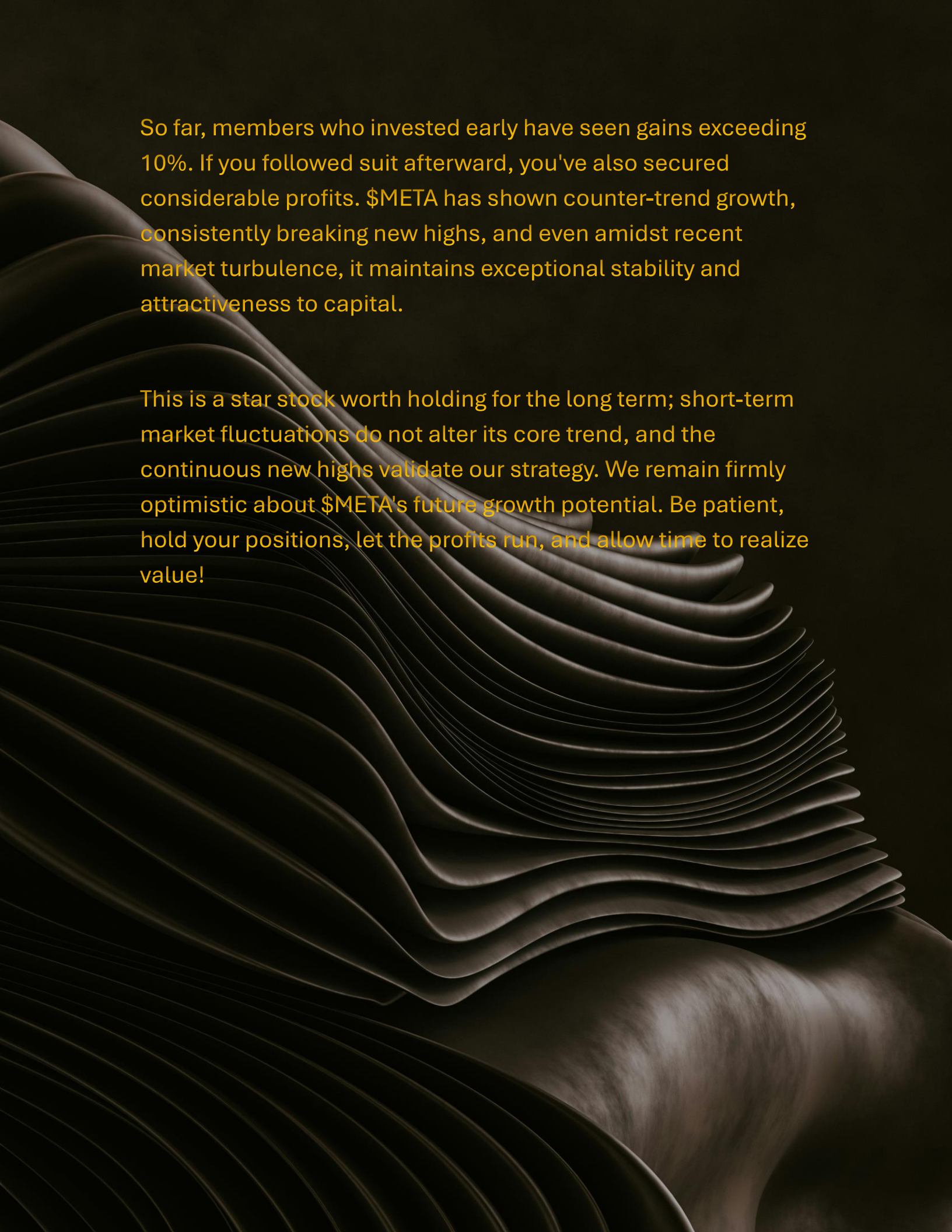
Now is the eve of opportunity; we must be prepared to seize this rare market chance. Remember my words: market volatility is our friend, not our enemy.



Additionally, among our core holdings, \$META continues to demonstrate strong market leadership. With its platform boasting billions of monthly active users worldwide, it's no longer just a social media company; it's a pivotal pillar of the global digital economy. At the same time, \$META's ongoing investments in the metaverse and AI sectors lay the foundation for its future growth drivers.








So far, members who invested early have seen gains exceeding 10%. If you followed suit afterward, you've also secured considerable profits. \$META has shown counter-trend growth, consistently breaking new highs, and even amidst recent market turbulence, it maintains exceptional stability and attractiveness to capital.


This is a star stock worth holding for the long term; short-term market fluctuations do not alter its core trend, and the continuous new highs validate our strategy. We remain firmly optimistic about \$META's future growth potential. Be patient, hold your positions, let the profits run, and allow time to realize value!



If your portfolio is chaotic, with a diverse array of stocks, then your investments are unlikely to form a truly strategic layout, ultimately leaving you at the mercy of market sentiment and missing out on stable profit opportunities. In the current market environment, where economic data from various countries send mixed signals, making short-term index movements more unpredictable, this is exactly when we need to focus on core sectors and select quality stocks!

Looking to find stocks that could rise over 100% in two months? That might sound like a tall order. But don't worry, stay tuned for my logical reasoning next! I will show you how to identify unlimited potential investment opportunities in this ever-changing market. Let's use our wise eyes to catch a miracle together!





Time is precious, so let's get straight to the point: a significant policy catalyst for the cryptocurrency market is on the horizon!

Yesterday, French Hill, the Republican Congressman and Chairman of the House Financial Services Committee, officially announced that members from both the Senate and the House will form a dedicated working group on digital assets, aiming to create a policy framework that favors the development of the cryptocurrency industry. This move is undoubtedly a significant signal that the U.S. government is further embracing digital assets!

In fact, back in January, President Trump ordered the creation of a "Cryptocurrency Working Group," composed of heads from various government agencies, with the goals of:

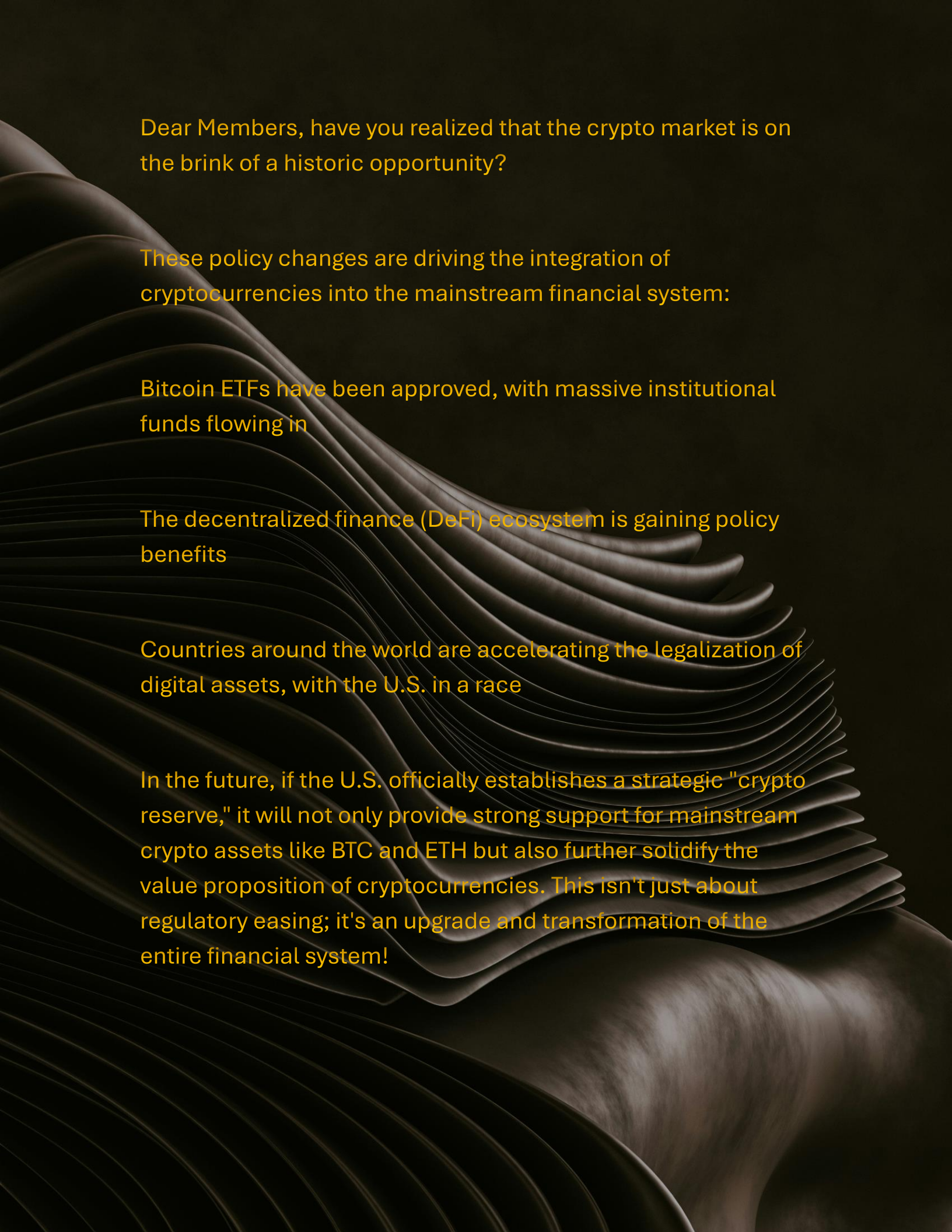
1. Formulating new digital asset regulations
2. Exploring the establishment of a national cryptocurrency reserve
3. Promoting broader applications of blockchain technology

During his campaign, Trump promised to become the "crypto president," strongly advocating for the adoption of cryptocurrencies and using digital assets to attract broader market capital. He not only supports the growth of the crypto industry but also launched his own cryptocurrency token and encouraged businesses to adopt blockchain technology.

Now, with both houses of Congress officially getting involved in shaping crypto policies, it signifies that cryptocurrencies are about to enter a clearer, more friendly regulatory environment, which will accelerate institutional capital inflows, bringing unprecedented incremental funding support to the crypto market.







Dear Members, have you realized that the crypto market is on the brink of a historic opportunity?

These policy changes are driving the integration of cryptocurrencies into the mainstream financial system:

Bitcoin ETFs have been approved, with massive institutional funds flowing in

The decentralized finance (DeFi) ecosystem is gaining policy benefits

Countries around the world are accelerating the legalization of digital assets, with the U.S. in a race

In the future, if the U.S. officially establishes a strategic "crypto reserve," it will not only provide strong support for mainstream crypto assets like BTC and ETH but also further solidify the value proposition of cryptocurrencies. This isn't just about regulatory easing; it's an upgrade and transformation of the entire financial system!



The next crypto bull market might have already begun under this policy catalyst!

Looking back at history, every super cycle in cryptocurrencies has been closely tied to policy and market conditions. This time, the policy shift by the U.S. government could be the strongest catalyst for this market cycle.

I believe most of our members from last term remember clearly that after the SEC sequentially approved several BTC ETFs last year, their prices surged by as much as 90%. At that time, I led you to bet on \$MSTR, and many members achieved returns exceeding +230%. This historical data provides us with valuable reference points.

Now, we must ask ourselves:

Have you already included crypto assets in your investment portfolio?

Have you recognized that policy benefits are bringing historic opportunities to the crypto market?

Are you ready to embrace the new cycle of wealth growth?





So, in the current market, who has the most potential to be the "hero"?

Currently, with the crypto market reaping policy benefits, \$HOOD (Robinhood) undoubtedly stands out as a vanguard worth watching!



As a leading global trading platform, it holds a significant market share in the cryptocurrency trading sector, with astonishing growth potential in user numbers. With regulatory easing and increased market activity, Robinhood's trading volume is poised for explosive growth, which in turn should significantly boost its profitability, thereby opening up more room for stock price appreciation.

The market always needs its "heroes," and \$HOOD is right at the forefront, capturing the focus of capital. When the profit effect of such core beneficiary stocks is amplified by the market, it will inevitably attract more investors into the crypto arena, escalating the heat of the entire sector.

For members already holding shares, remain steadfast and patiently wait for profit maximization! For those who haven't yet positioned, now is an excellent time to seize the moment and include it in your investment portfolio!



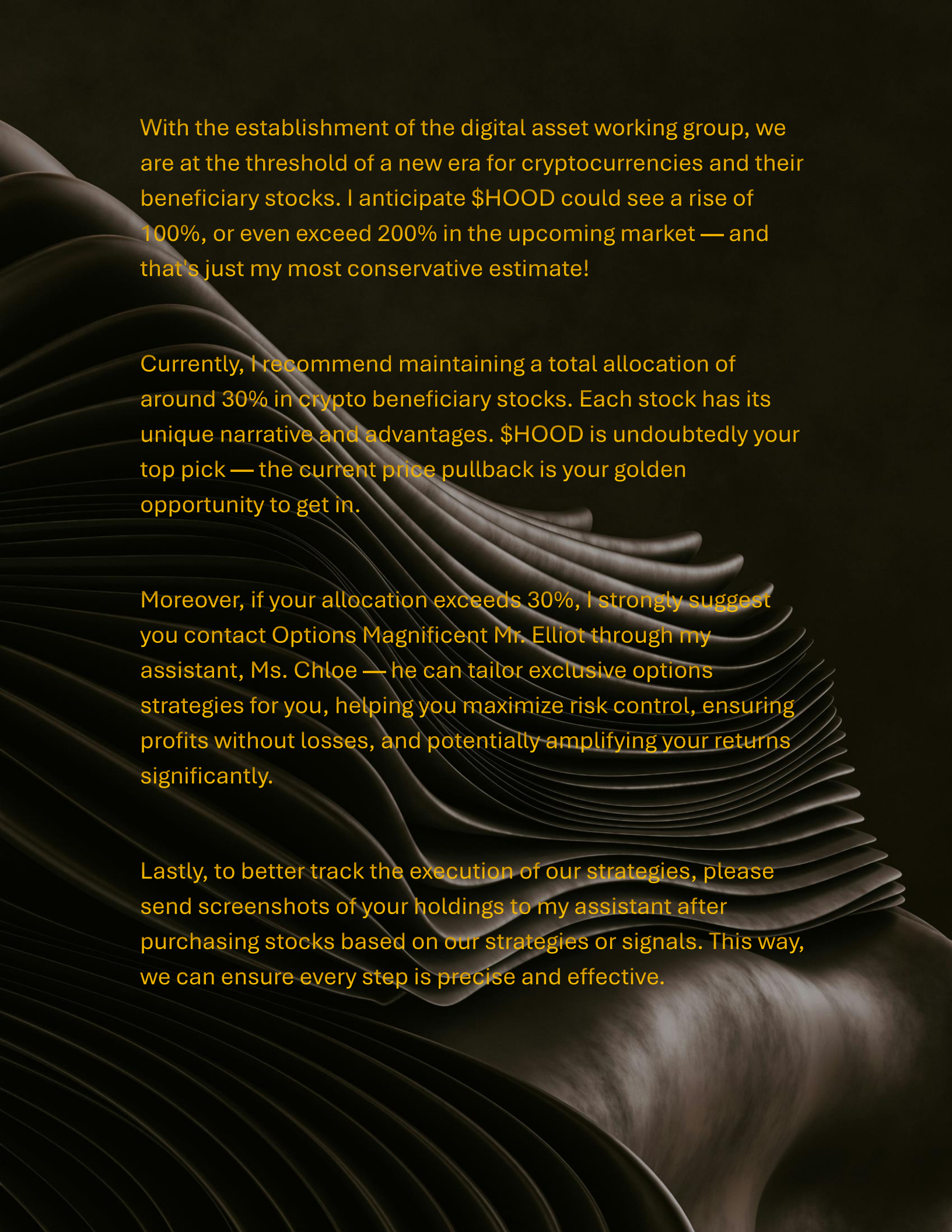
Why is \$HOOD the "core force" in the crypto market?

1. Industry Leader Status: As one of the primary global crypto trading platforms, Robinhood boasts a massive user base, particularly influential among young investors, ensuring a stable demand in the market.

2. Policy Benefits: Improvement in the U.S. regulatory environment, especially support for digital asset trading, will directly drive Robinhood's user growth and increase in trading volume.

3. Favored by Capital, Steady Against Downturns: From recent market trends, \$HOOD has demonstrated strong resilience against downturns, providing stable support during market pullbacks. Once the market rebounds, \$HOOD is poised to lead the charge! This indicates not only high attention from market capital but also the potential to become a hero stock in this crypto market cycle.





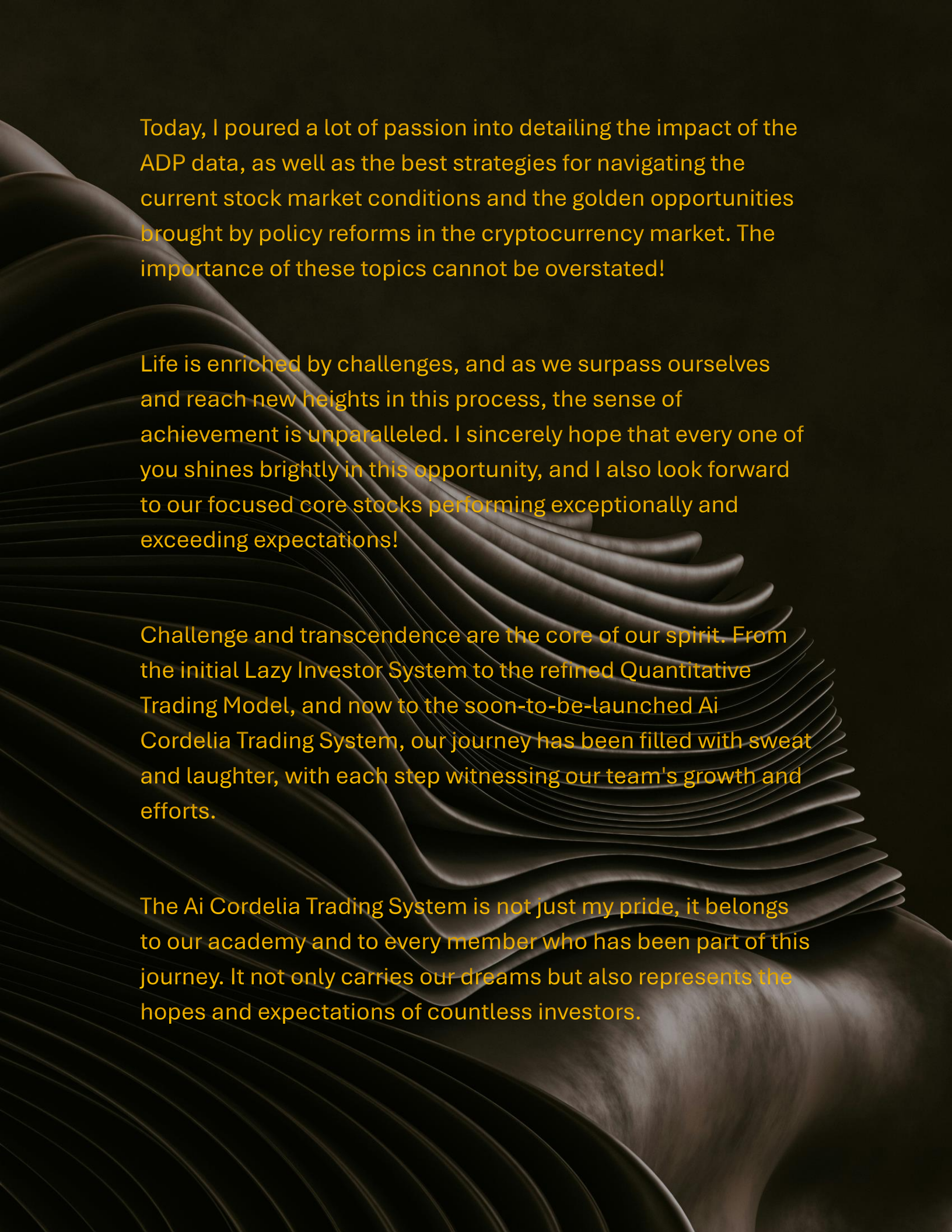
With the establishment of the digital asset working group, we are at the threshold of a new era for cryptocurrencies and their beneficiary stocks. I anticipate \$HOOD could see a rise of 100%, or even exceed 200% in the upcoming market — and that's just my most conservative estimate!

Currently, I recommend maintaining a total allocation of around 30% in crypto beneficiary stocks. Each stock has its unique narrative and advantages. \$HOOD is undoubtedly your top pick — the current price pullback is your golden opportunity to get in.

Moreover, if your allocation exceeds 30%, I strongly suggest you contact Options Magnificent Mr. Elliot through my assistant, Ms. Chloe — he can tailor exclusive options strategies for you, helping you maximize risk control, ensuring profits without losses, and potentially amplifying your returns significantly.

Lastly, to better track the execution of our strategies, please send screenshots of your holdings to my assistant after purchasing stocks based on our strategies or signals. This way, we can ensure every step is precise and effective.



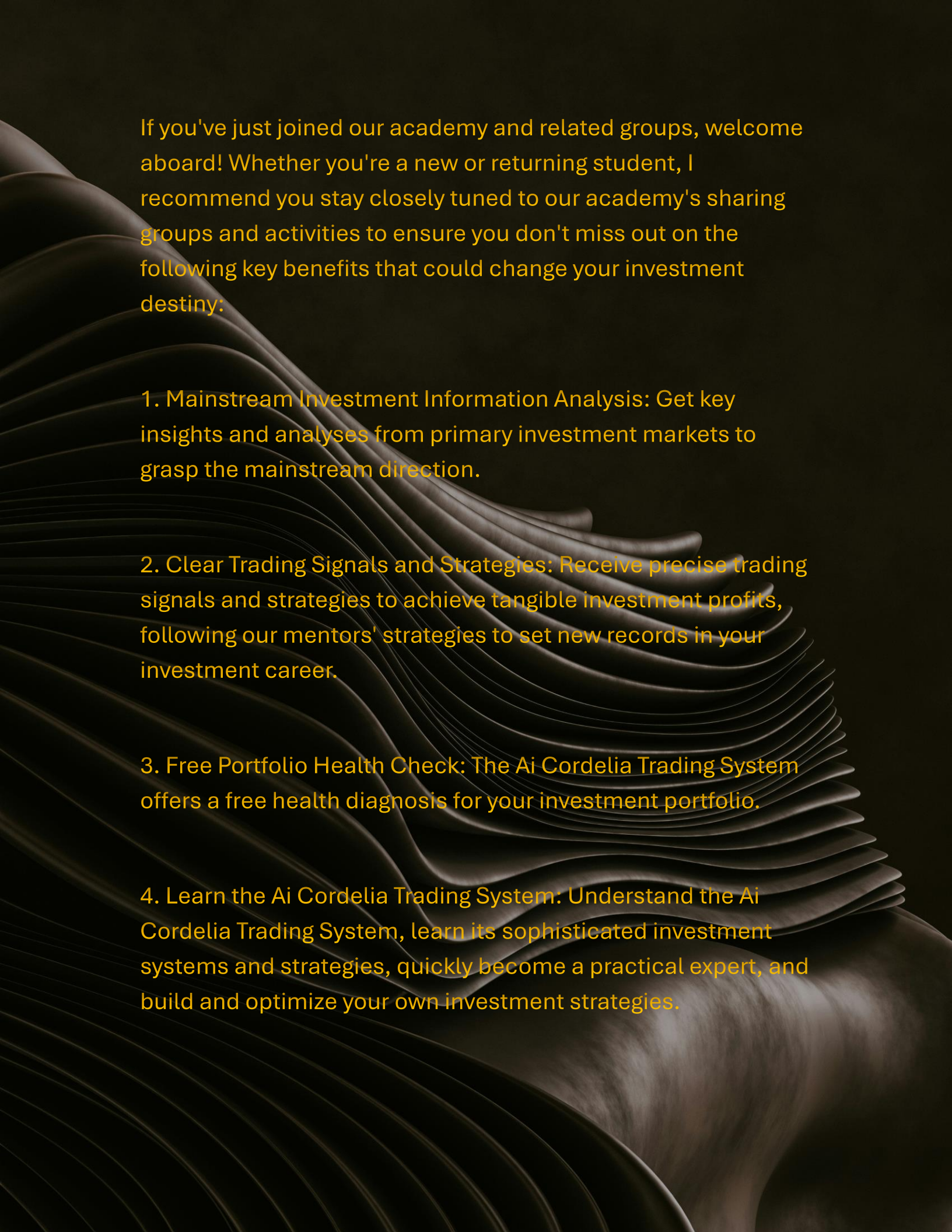


Today, I poured a lot of passion into detailing the impact of the ADP data, as well as the best strategies for navigating the current stock market conditions and the golden opportunities brought by policy reforms in the cryptocurrency market. The importance of these topics cannot be overstated!

Life is enriched by challenges, and as we surpass ourselves and reach new heights in this process, the sense of achievement is unparalleled. I sincerely hope that every one of you shines brightly in this opportunity, and I also look forward to our focused core stocks performing exceptionally and exceeding expectations!

Challenge and transcendence are the core of our spirit. From the initial Lazy Investor System to the refined Quantitative Trading Model, and now to the soon-to-be-launched Ai Cordelia Trading System, our journey has been filled with sweat and laughter, with each step witnessing our team's growth and efforts.


The Ai Cordelia Trading System is not just my pride, it belongs to our academy and to every member who has been part of this journey. It not only carries our dreams but also represents the hopes and expectations of countless investors.



If you've just joined our academy and related groups, welcome aboard! Whether you're a new or returning student, I recommend you stay closely tuned to our academy's sharing groups and activities to ensure you don't miss out on the following key benefits that could change your investment destiny:

1. **Mainstream Investment Information Analysis:** Get key insights and analyses from primary investment markets to grasp the mainstream direction.
2. **Clear Trading Signals and Strategies:** Receive precise trading signals and strategies to achieve tangible investment profits, following our mentors' strategies to set new records in your investment career.
3. **Free Portfolio Health Check:** The Ai Cordelia Trading System offers a free health diagnosis for your investment portfolio.
4. **Learn the Ai Cordelia Trading System:** Understand the Ai Cordelia Trading System, learn its sophisticated investment systems and strategies, quickly become a practical expert, and build and optimize your own investment strategies.



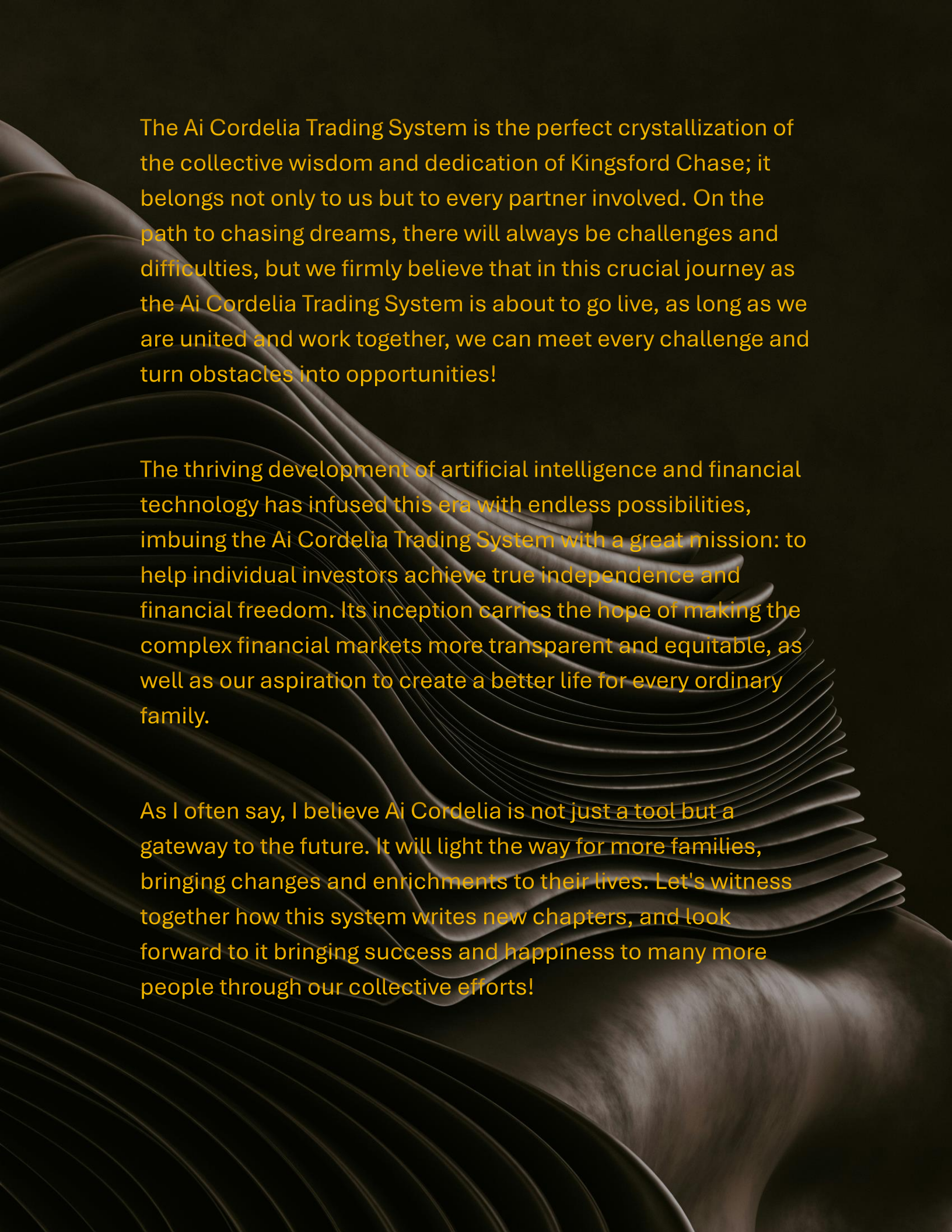


5. Participate in Testing Plans: Join the Ai Cordelia Trading System's testing plan for free and enjoy a series of major perks, such as acquiring academy tokens.

6. Lead Trading Mentor Succession Event: Participate in the Financial Academy's Lead Trading Mentor succession event, where you can not only gain various benefits and learn premium investment knowledge but also join the mentors' fan club and access VIP investment information.

7. Join the Academy Foundation: Outstanding students have the opportunity to join the Academy Foundation, support charitable causes, enjoy internal foundation benefits, improve community and public quality of life, and drive social progress and development.

8. Build Friendships and a Learning Environment: Meet like-minded friends, join a strong learning team, and mutually improve with them.



The Ai Cordelia Trading System is the perfect crystallization of the collective wisdom and dedication of Kingsford Chase; it belongs not only to us but to every partner involved. On the path to chasing dreams, there will always be challenges and difficulties, but we firmly believe that in this crucial journey as the Ai Cordelia Trading System is about to go live, as long as we are united and work together, we can meet every challenge and turn obstacles into opportunities!

The thriving development of artificial intelligence and financial technology has infused this era with endless possibilities, imbuing the Ai Cordelia Trading System with a great mission: to help individual investors achieve true independence and financial freedom. Its inception carries the hope of making the complex financial markets more transparent and equitable, as well as our aspiration to create a better life for every ordinary family.

As I often say, I believe Ai Cordelia is not just a tool but a gateway to the future. It will light the way for more families, bringing changes and enrichments to their lives. Let's witness together how this system writes new chapters, and look forward to it bringing success and happiness to many more people through our collective efforts!



This afternoon at 3:30 PM Eastern Time, Mr. Options Magnificent Elliot Carver will present an unmissable, insightful session! The topic of this course is: "What are the Risks for Sellers in the Options Market." Mr. Elliot will delve into how to use innovative strategies to achieve steady profits in options trading, maximize gains, and effectively mitigate risks.

This will be a rare learning opportunity, particularly for those looking to advance their skills and achieve consistent profits in the options market - you definitely don't want to miss it! Please set aside the time in advance to join the session on time and pursue excellence with us.

Let's open the door to financial freedom together, and I wish you a fulfilling and wonderful day!



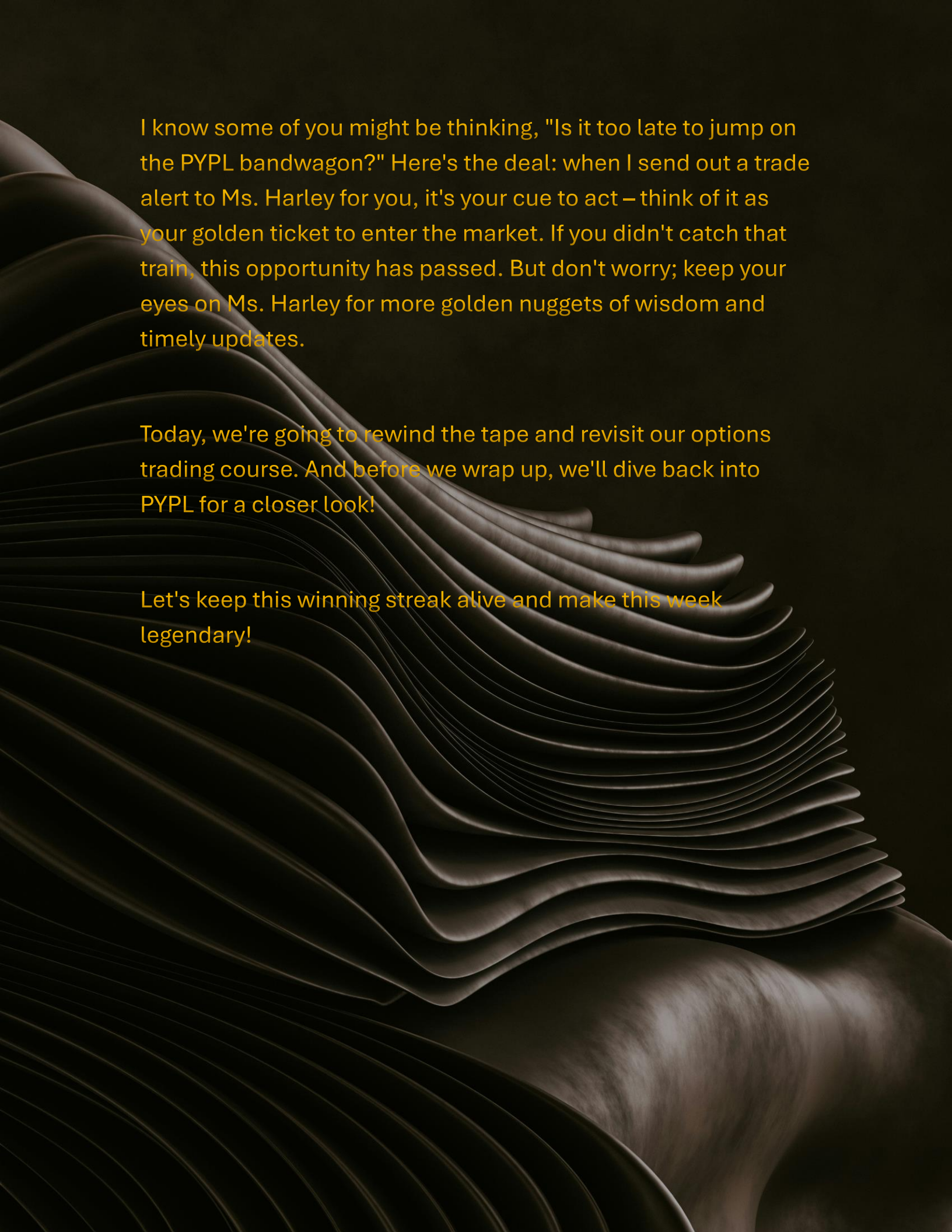
## Elliot Carver's Content



Good afternoon, everyone!

Can you believe it's already Wednesday? Time's racing by and with this morning's PYPL trade lock-in we are absolutely crushing it! 🔥

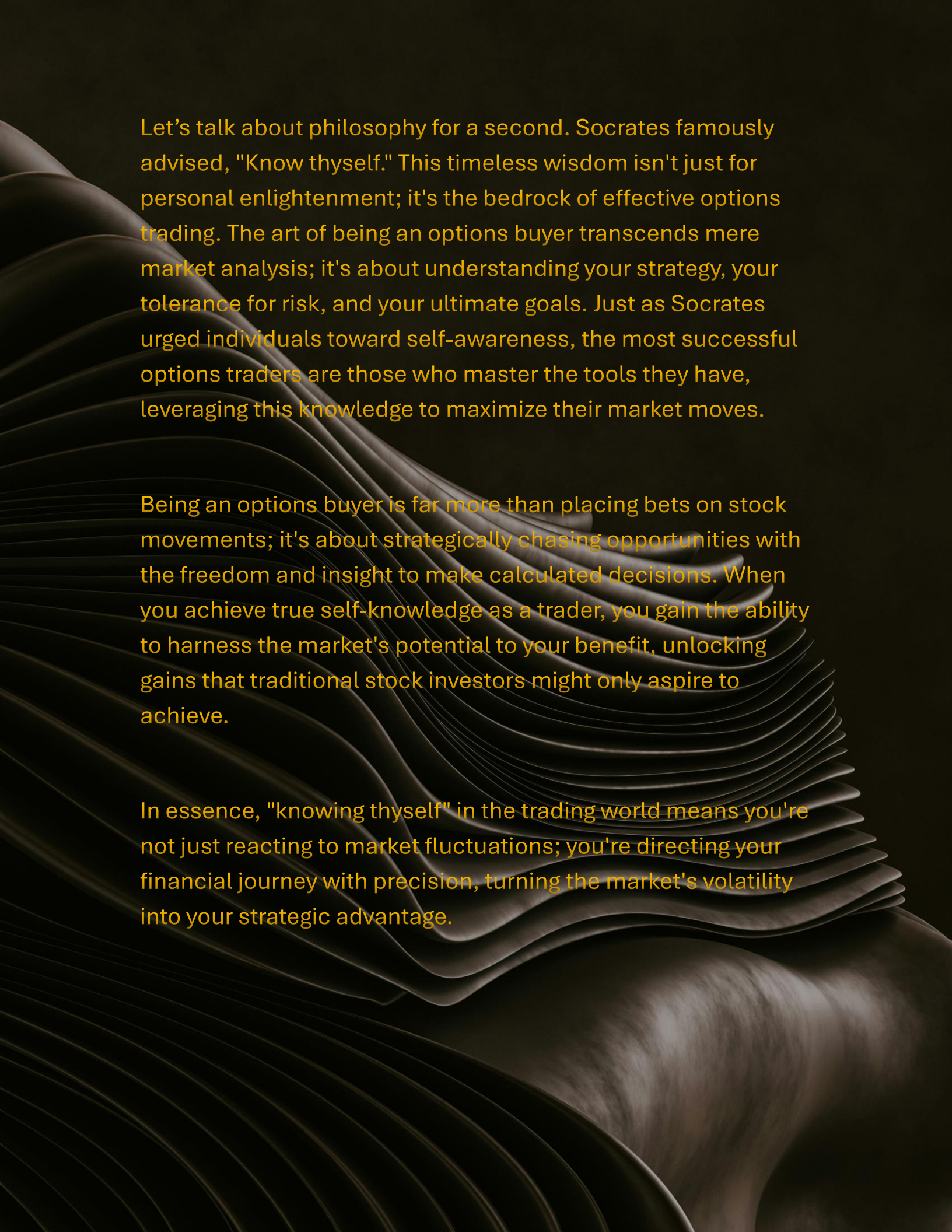




I know some of you might be thinking, "Is it too late to jump on the PYPL bandwagon?" Here's the deal: when I send out a trade alert to Ms. Harley for you, it's your cue to act – think of it as your golden ticket to enter the market. If you didn't catch that train, this opportunity has passed. But don't worry; keep your eyes on Ms. Harley for more golden nuggets of wisdom and timely updates.

Today, we're going to rewind the tape and revisit our options trading course. And before we wrap up, we'll dive back into PYPL for a closer look!

Let's keep this winning streak alive and make this week legendary!



Let's talk about philosophy for a second. Socrates famously advised, "Know thyself." This timeless wisdom isn't just for personal enlightenment; it's the bedrock of effective options trading. The art of being an options buyer transcends mere market analysis; it's about understanding your strategy, your tolerance for risk, and your ultimate goals. Just as Socrates urged individuals toward self-awareness, the most successful options traders are those who master the tools they have, leveraging this knowledge to maximize their market moves.

Being an options buyer is far more than placing bets on stock movements; it's about strategically chasing opportunities with the freedom and insight to make calculated decisions. When you achieve true self-knowledge as a trader, you gain the ability to harness the market's potential to your benefit, unlocking gains that traditional stock investors might only aspire to achieve.

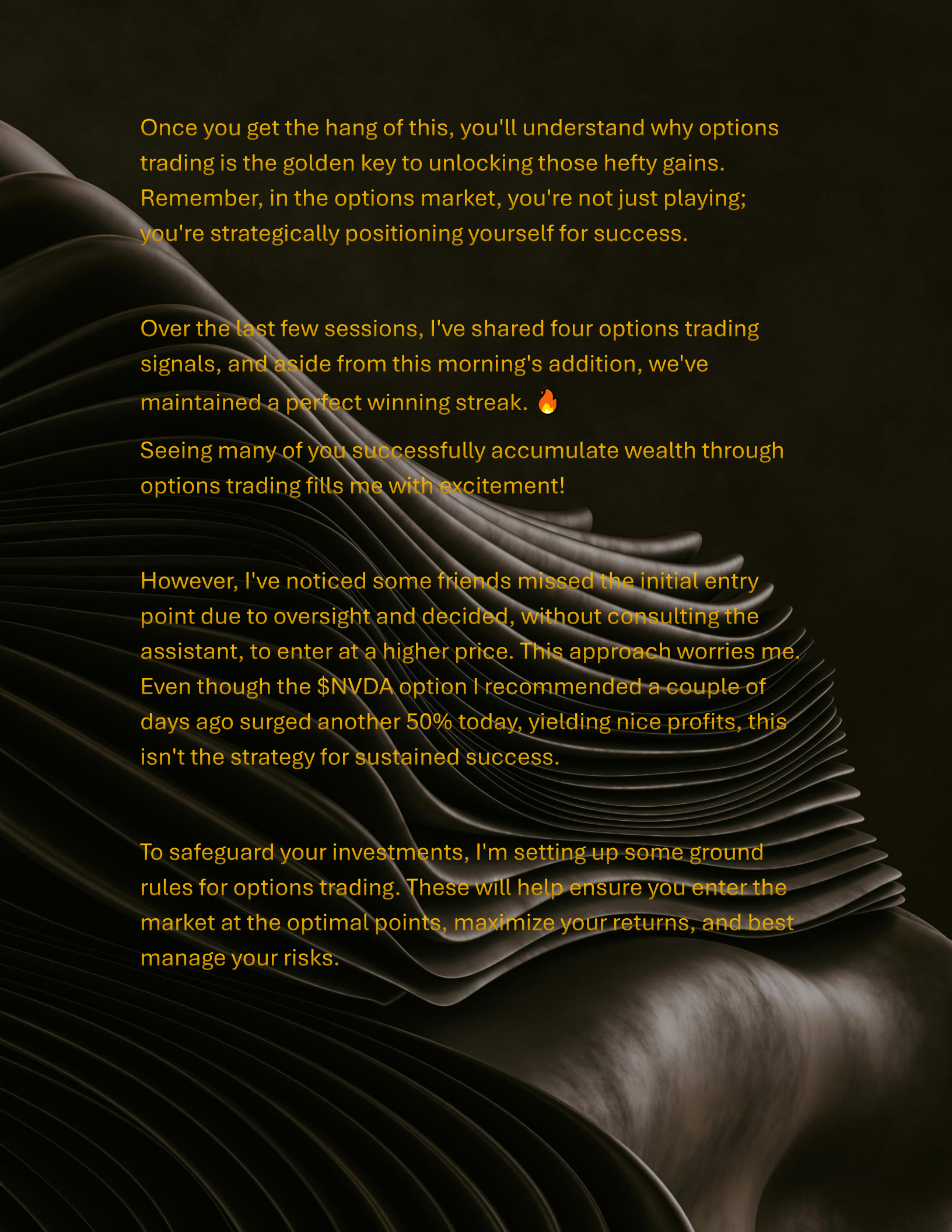
In essence, "knowing thyself" in the trading world means you're not just reacting to market fluctuations; you're directing your financial journey with precision, turning the market's volatility into your strategic advantage.





In our last masterclass session, we dissected the risks and rewards associated with being an options buyer. The primary risk is clear: you could lose the entire premium you've paid. Keep an eye on time decay and implied volatility as well, but don't overlook the advantages – as a buyer, you hold rights, not obligations, giving you the flexibility and freedom to strategize your moves.

Here's the game-changer: you're entering the arena with low costs but with the potential for unlimited gains. Look at the \$NVDA option trade we discussed; it just skyrocketed another 50% today. That's the magic of options! Buyers can leverage a small investment into substantial profits compared to traditional stock trading. It's all about mastering the game and embracing the dynamic world of options trading.



Once you get the hang of this, you'll understand why options trading is the golden key to unlocking those hefty gains. Remember, in the options market, you're not just playing; you're strategically positioning yourself for success.

Over the last few sessions, I've shared four options trading signals, and aside from this morning's addition, we've maintained a perfect winning streak. 🔥

Seeing many of you successfully accumulate wealth through options trading fills me with excitement!

However, I've noticed some friends missed the initial entry point due to oversight and decided, without consulting the assistant, to enter at a higher price. This approach worries me. Even though the \$NVDA option I recommended a couple of days ago surged another 50% today, yielding nice profits, this isn't the strategy for sustained success.

To safeguard your investments, I'm setting up some ground rules for options trading. These will help ensure you enter the market at the optimal points, maximize your returns, and best manage your risks.

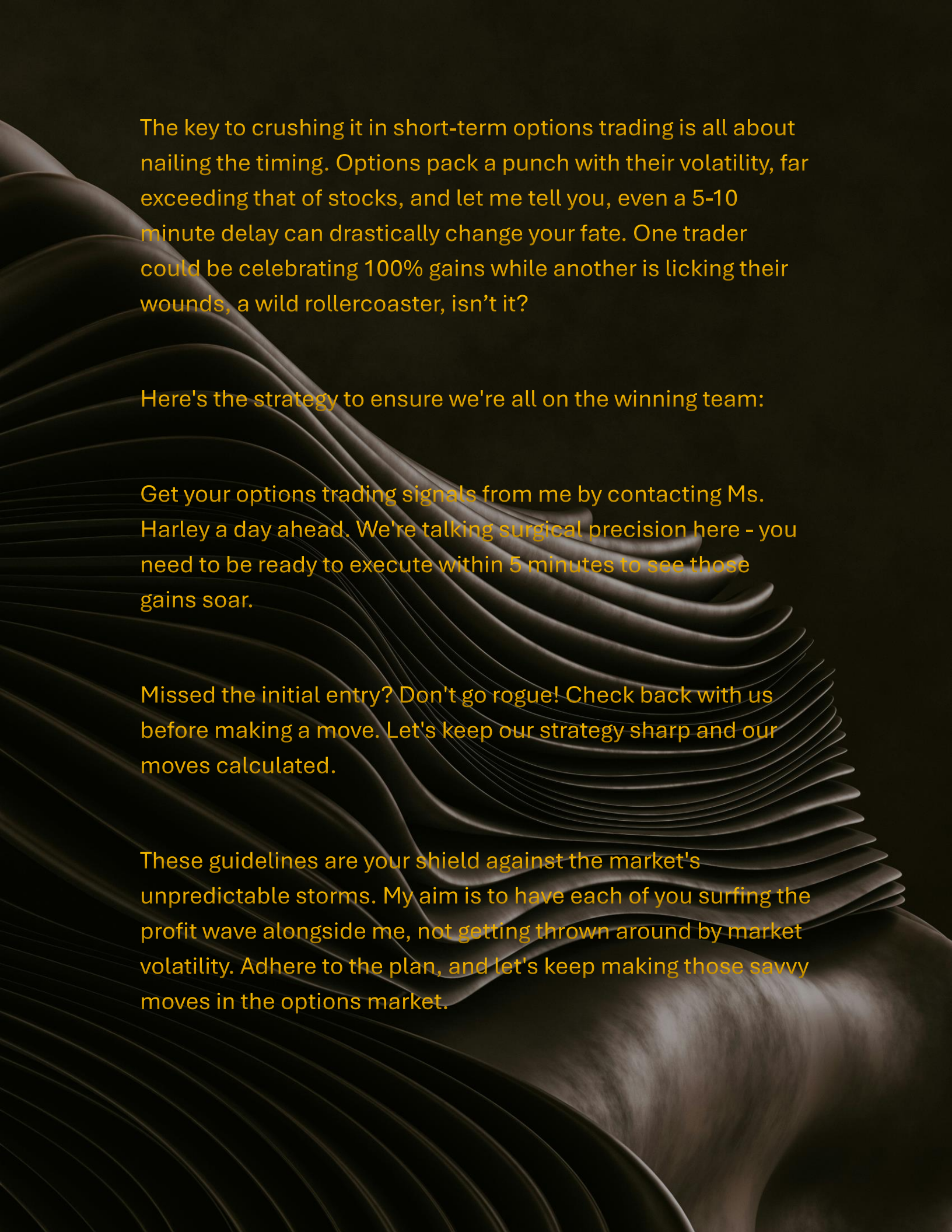


Let's get one thing straight: diving into trades at elevated prices without a solid strategy isn't the way to achieve long-term success. You've worked hard for your money, and my goal here is to ensure we're playing this game with intelligence, not just speed.

That's why I'm introducing some essential options trading guidelines for our future moves. These rules will help you pinpoint the best entry points, maximize your profits, and, most critically, manage your risks like a seasoned pro.

Remember, it's not just about boarding any train; it's about choosing the right one at the perfect moment. With these guidelines, we'll ensure you're always traveling in first class. Let's keep dominating the markets, but let's do it the smart way!





The key to crushing it in short-term options trading is all about nailing the timing. Options pack a punch with their volatility, far exceeding that of stocks, and let me tell you, even a 5-10 minute delay can drastically change your fate. One trader could be celebrating 100% gains while another is licking their wounds, a wild rollercoaster, isn't it?

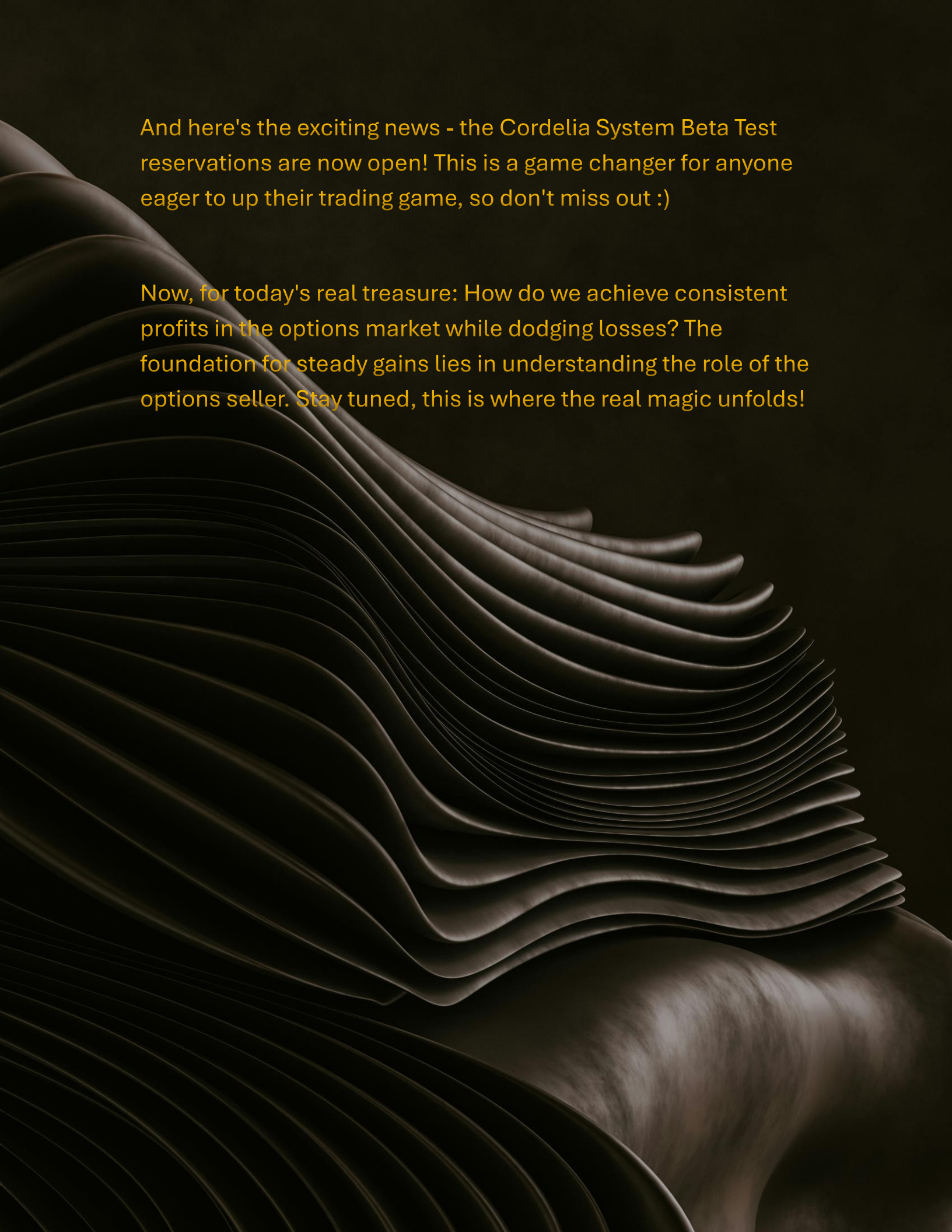
Here's the strategy to ensure we're all on the winning team:

Get your options trading signals from me by contacting Ms. Harley a day ahead. We're talking surgical precision here - you need to be ready to execute within 5 minutes to see those gains soar.

Missed the initial entry? Don't go rogue! Check back with us before making a move. Let's keep our strategy sharp and our moves calculated.

These guidelines are your shield against the market's unpredictable storms. My aim is to have each of you surfing the profit wave alongside me, not getting thrown around by market volatility. Adhere to the plan, and let's keep making those savvy moves in the options market.





And here's the exciting news - the Cordelia System Beta Test reservations are now open! This is a game changer for anyone eager to up their trading game, so don't miss out :)

Now, for today's real treasure: How do we achieve consistent profits in the options market while dodging losses? The foundation for steady gains lies in understanding the role of the options seller. Stay tuned, this is where the real magic unfolds!

Let's break this down with some style!

Understanding the role of the options seller? It's like being the house in Vegas or running an insurance company - you're in control. Here's how:

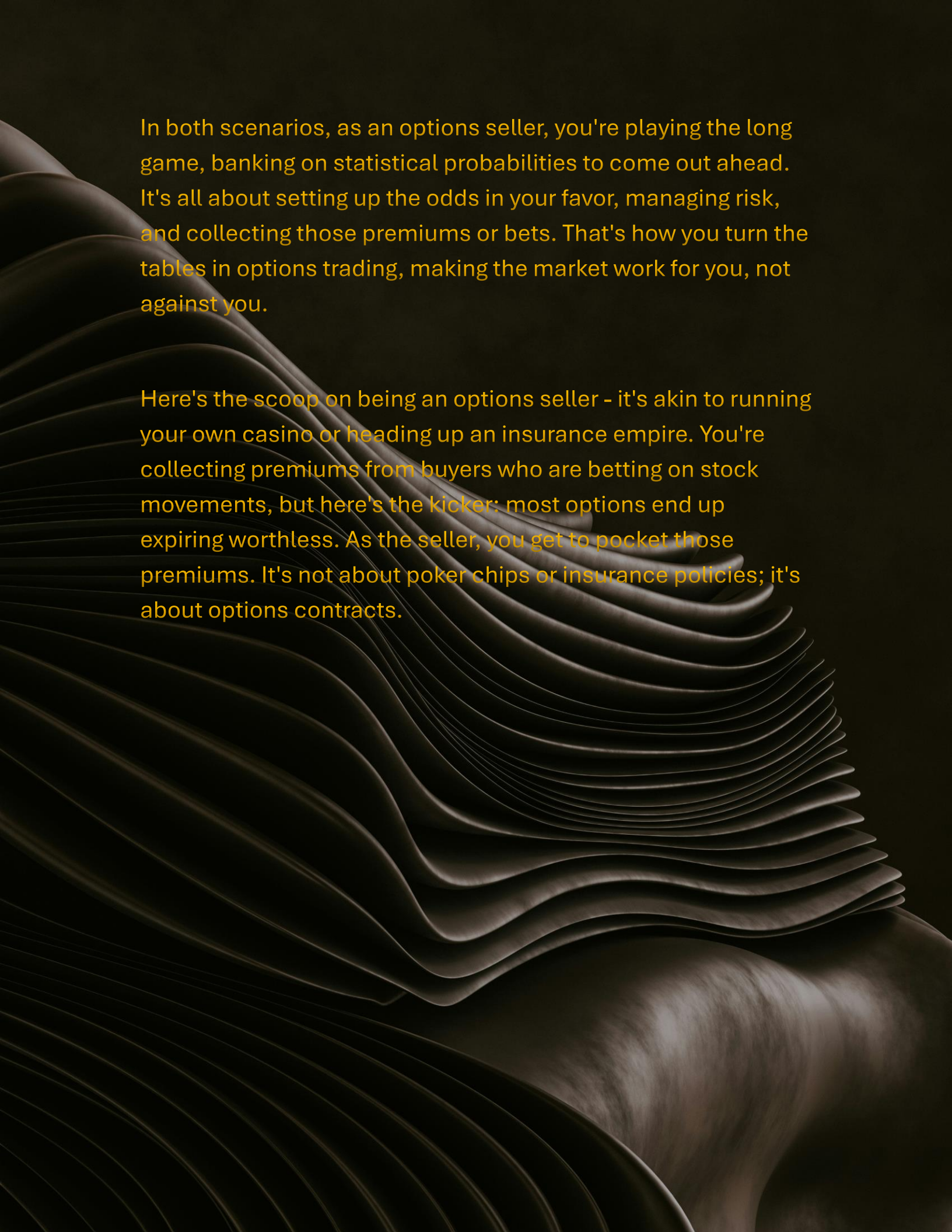
#### As a Casino Dealer:

Imagine you're the one dealing the cards. Your job is to keep the margin game strong, ensuring you've got the financial muscle to handle all the bets coming your way. You're laying out a spread of betting options, enticing players with the thrill of winning big. But remember, while they're dreaming of cashing out, your aim is to rake in those bets over time with the house edge firmly in your corner. The odds are your ally.

#### As an Insurance Company:

Think of it this way: you're in the business of managing risk. You're selling peace of mind, offering policies to protect against life's "what-ifs" - car accidents, home disasters, you name it. People pay their premiums for that safety net, and more often than not, they don't need to make a claim. When they don't, those premiums are pure profit for you. And when they do? You're only on the hook for what the policy covers, keeping your financial exposure in check.





In both scenarios, as an options seller, you're playing the long game, banking on statistical probabilities to come out ahead. It's all about setting up the odds in your favor, managing risk, and collecting those premiums or bets. That's how you turn the tables in options trading, making the market work for you, not against you.

Here's the scoop on being an options seller - it's akin to running your own casino or heading up an insurance empire. You're collecting premiums from buyers who are betting on stock movements, but here's the kicker: most options end up expiring worthless. As the seller, you get to pocket those premiums. It's not about poker chips or insurance policies; it's about options contracts.

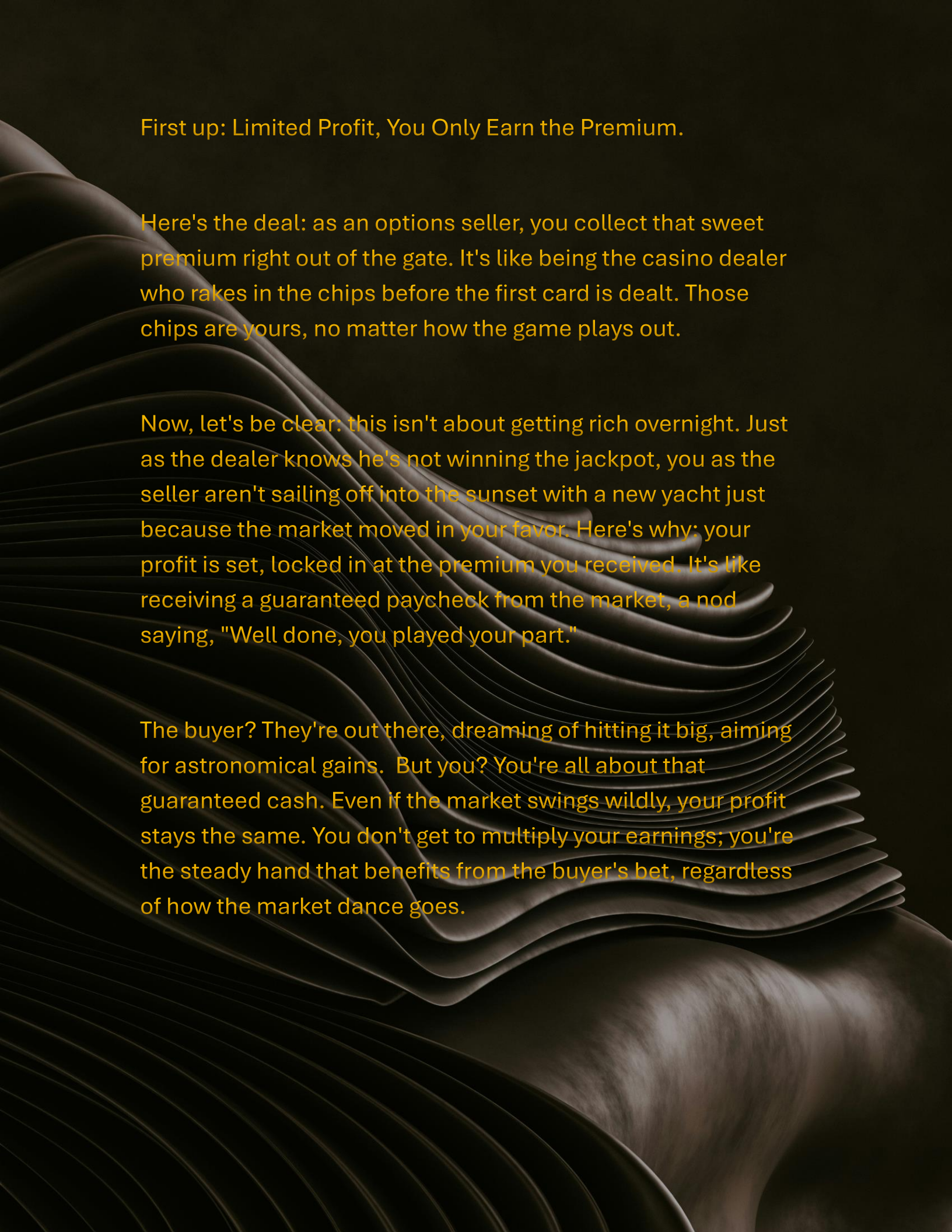


So, what's the big lesson for options sellers?

Think like a Vegas dealer or an insurance mogul; you're in it for the long haul. You're leveraging the odds, gathering premiums, and chalking up win after win. It's all about risk management, ensuring you've got the margin to back your plays (or potential payouts), and understanding that, over time, you're set to come out on top.

That's the strategy fam. With the right approach, you can position yourself as the house, amassing your profits while others take their chances.





First up: Limited Profit, You Only Earn the Premium.

Here's the deal: as an options seller, you collect that sweet premium right out of the gate. It's like being the casino dealer who rakes in the chips before the first card is dealt. Those chips are yours, no matter how the game plays out.

Now, let's be clear: this isn't about getting rich overnight. Just as the dealer knows he's not winning the jackpot, you as the seller aren't sailing off into the sunset with a new yacht just because the market moved in your favor. Here's why: your profit is set, locked in at the premium you received. It's like receiving a guaranteed paycheck from the market, a nod saying, "Well done, you played your part."

The buyer? They're out there, dreaming of hitting it big, aiming for astronomical gains. But you? You're all about that guaranteed cash. Even if the market swings wildly, your profit stays the same. You don't get to multiply your earnings; you're the steady hand that benefits from the buyer's bet, regardless of how the market dance goes.

So, what's the catch? Your profit is capped. No matter how much the market moves in your direction, you only pocket the premium - no more, no less. But here's the silver lining: you're the house, and there's something comforting about that steady income when the odds are in your favor!

That's the allure of being the house: you might not score home runs, but you don't need to. You win by simply showing up and collecting those premiums!






## Second: Infinite Risk—Maximum Risk, No Limits.

Alright, let's dive into the heart-pounding side of being an options seller: the risk. And by "risk," I mean it's off the charts—sky-high, limitless. As an options seller, you're in the thick of the stock market war zone, and when the market goes south, expect to be in the line of fire.

Here's the lowdown: while the buyer is out there chasing big wins with their loss capped at the premium they paid, your losses? They're like a bottomless pit. Every buck the buyer earns is a buck you lose. You've heard the saying, "The house always wins," right? Well, in options trading, sometimes the house can go up in flames.

Picture this: the stock you sold a call option on goes ballistic. The buyer's over the moon because they're pocketing profits, and each dollar they gain is a dollar out of your account. As a seller, there's no ceiling to your potential losses in a market that's running wild. If the stock price zooms, you might find yourself holding onto a colossal loss.

In a volatile market, the heat gets turned up quickly. You need to stay ice-cold and have nerves like steel. It's like playing poker with stakes that keep doubling, and you can't just fold.



The only buffer against financial disaster is solid risk management—without it, you're like a surfer trying to ride a tsunami with no board.

This is why selling options isn't for the timid. You must have a strategy, keep your wits about you, and leverage every tool in your arsenal to manage risk because when the buyer's on cloud nine, you're down here, holding the fort.




### Third: Limited Control—You're at the Mercy of the Buyer's Next Move

Here's where the plot thickens for options sellers: you're essentially on the edge of your seat, waiting for the buyer to make their move, and the twist is—you have zero control over it. It's like being in a game where the other player gets to decide your fate, and all you can do is hope they don't pull the trigger.

Let's break it down. Imagine you've sold an American put option on a stock with a strike price of \$80, valid for 9 months. The buyer hands you \$400 as the premium, and everything's smooth—until the stock plummets to \$50. Now, the buyer looks at their shiny option, thinking, "I'm going to exercise this." And guess what? You've got no say in it. You're committed, and now you're obligated to buy that stock at \$80 a share when it's only worth \$50. That's a hefty dose of financial pain.

See, the buyer holds all the cards—they can sit back, watch the market, and decide when (or if) they want to exercise that option. Meanwhile, you're just along for the ride. You're playing defense, managing your risk, while the buyer gets to call the shots.

The background of the image is a dark, monochromatic abstract composition. It features a series of smooth, flowing, and layered lines that create a sense of depth and movement, resembling a stylized wave or a series of overlapping sheets of paper. The lines are dark brown or black, with subtle highlights that emphasize their three-dimensional quality. The overall effect is one of organic, fluid motion against a solid dark background.

It's akin to a game of dodgeball where the other team has the ball the entire time, and you're just waiting for them to throw it. Your only move is to hope that when they do, you're prepared with a solid plan.

This unpredictability means selling options isn't just about making smart trades; it's about being agile, ready to adapt your strategy the moment the buyer decides to act. You need to be on your toes, anticipating and ready to roll with whatever punches come your way.

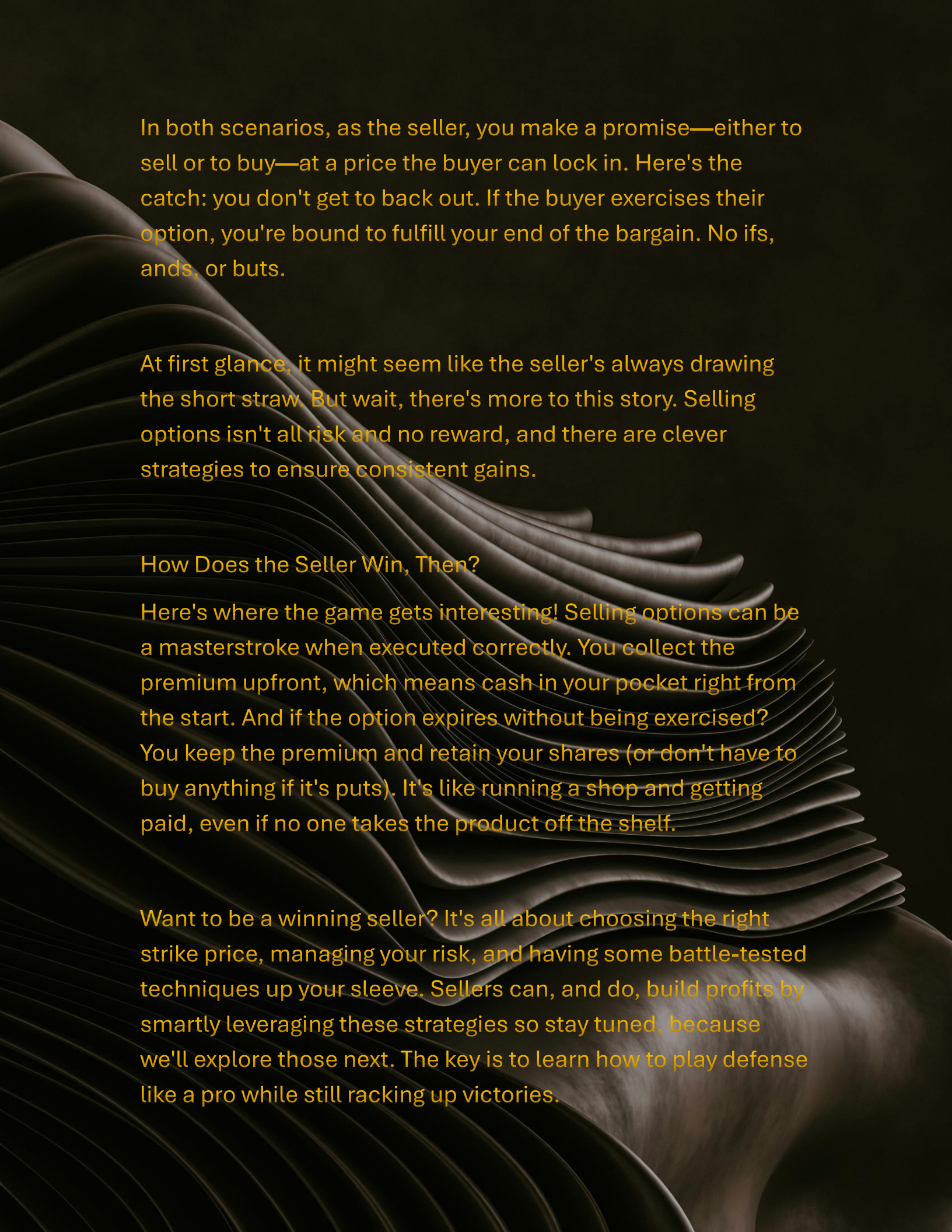


#### Fourth: The Obligation to Fulfill the Contract—You're the One Making Promises Here!

When you're in the business of selling options, you're not just testing the waters—you're making a commitment. And make no mistake, if the buyer decides to act, you must be prepared to follow through. Let's dive into the two sides of this coin: selling call options and selling put options.

**Selling Call Options:** Imagine the buyer holds a golden ticket, giving them the right to purchase your stock at a set price (the strike price) before the option expires. If the stock price skyrockets and they decide to exercise their option, you're on the line to sell your shares at the agreed-upon price, regardless of how high the stock has climbed. It's like promising to sell your shiny new Ferrari at last year's price. Not ideal, right?

**Selling Put Options:** Conversely, when you sell a put option, you're committed to buying the stock if the price plummets. If the stock crashes and the buyer exercises their right to sell, you're now obligated to purchase those shares at the higher strike price, even though the market is selling them for less. It's like agreeing to buy a house at its original price, even after the market has tanked.



In both scenarios, as the seller, you make a promise—either to sell or to buy—at a price the buyer can lock in. Here's the catch: you don't get to back out. If the buyer exercises their option, you're bound to fulfill your end of the bargain. No ifs, ands, or buts.

At first glance, it might seem like the seller's always drawing the short straw. But wait, there's more to this story. Selling options isn't all risk and no reward, and there are clever strategies to ensure consistent gains.

### How Does the Seller Win, Then?

Here's where the game gets interesting! Selling options can be a masterstroke when executed correctly. You collect the premium upfront, which means cash in your pocket right from the start. And if the option expires without being exercised? You keep the premium and retain your shares (or don't have to buy anything if it's puts). It's like running a shop and getting paid, even if no one takes the product off the shelf.

Want to be a winning seller? It's all about choosing the right strike price, managing your risk, and having some battle-tested techniques up your sleeve. Sellers can, and do, build profits by smartly leveraging these strategies so stay tuned, because we'll explore those next. The key is to learn how to play defense like a pro while still racking up victories.





Now let's take a look at PYPL which we did call option this morning earlier, PayPal's stock has caught our attention at a perfect inflection point. From a technical perspective, the share price bounced off an important support region that previously held in early October and again on November 1st. Each time, buyers stepped in to keep the stock from sliding further, which signaled that the latest pullback might be overdone. The RSI recently dipped into oversold territory, suggesting that excessive selling pressure had likely peaked. Right on cue, the price reversed and began climbing, confirming that our entry strategy was spot-on.

Adding to this bullish outlook, Monness Crespi has affirmed its view that buying the dip in PayPal remains a strong move. Their call highlights the notion that recent selling was a drastic reaction, and they see excellent prospects for a recovery. This aligns perfectly with our thesis that the market overcorrected, creating an attractive opportunity for a call option position. We seized that moment, and the stock is already rebounding, reinforcing our technical analysis.

As professional traders, it feels great to see a plan come together so effectively. By recognizing the oversold technical setup, targeting a historically proven support zone, and noting supportive analyst commentary, we positioned ourselves for a high-probability trade. PayPal's recovery potential is on full display, and we're excited to see how this call option continues to perform as the stock capitalizes on its upward momentum.





In the options course you're taking, you're on your way to becoming an options wizard! In our next session, we'll dive deep into how an options seller can achieve consistent profits despite the apparent challenges.

Alright, that's all for today, but here's your interactive Q&A to keep those gears turning:

1. How do you reserve a spot for the Cordelia Beta Test?
2. What are the Risks of Being an Options Seller?
3. In Mr. Wolfe's morning share, which stock did he predict would surge 100% in the next two months, making it a must-buy?

Keep your questions coming, and let's turn this knowledge into power.

See you in the next Masterclass session, where we'll unlock even more secrets of the options market!

