

Income Masters

Weekly Update – Sept. 20, 2021

This Week's Update

- Review Income Madness
- Core Stock Review and Bullpen Planning
- Emails
- Income Madness:
 - October 6-13
 - November 3-10 (date change!)
- Millionaire's Trading Club (Virtual Attendees)
 - October 18-19 (Coaching)
 - October 25-27 (Review sessions)

Income Madness September Closed Trades

Stock	Trade	Net Cash	Return on Capital
First Solar (FSLR)	Sep W2 (9/10) 95 Put	\$ 63.00	0.6%
Moderna (MRNA)	SEP M (9/17) 355/345 Put Spread	\$ 27.00	2.7%
Chargepoint (CHPT)	Sep W2 (9/10) 21 Put	\$ 4.00	0.01%
Kroger (KR)	Sep M (9/17) 42 Put	\$ 30.00	0.7%
FIGS (FIGS)	Sep M (9/17) 40 Put	\$ 37.00	0.9%
First Solar (FSLR)	Sep M (9/17) 101 Put	\$ 26.00	0.3%
YETI (YETI)	Sep M (9/17) 97.5 Put	\$ 55.00	0.6%
Citigroup (C)	Sep M (9/17) 70 Put	\$ 56.00	0.8%
D.R. Horton (DHI)	Sep M (9/17) 87.5 Put	\$ 64.00	0.7%
Roku (ROKU)	Sep M (9/17) 300/290 Put Spread	\$ 35.00	3.5%
		\$ 397.00	0.6%

Income Madness Week: Open Trades

Symbol	Trade Detail	Cash In
AMD	Sep Week Four (9/24) 107 Put	\$ 363
CHWY	Sep Week Four (9/24) 75 Put	\$ 210
GLW	Sep Week Four (9/24) 39 Put	\$ 73
KR	Sep Week Four (9/24) 42 Put	\$ 69
FSLR	Sep Week Four (9/24) 101 Put	\$ 124
MSFT	Sep Week Four (9/24) 290/280 Put Spread	\$ 51
CRM	Sep Week Four (9/24) 237.50/227.50 Put Spread	\$ 45
	Cash Outstanding	\$ 935

Income Madness Week: September 2021

Max Capital Deployed	\$46,950
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Current Capital Deployed	\$38,400
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Potential (outstanding) Profits	\$ 935
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Realized Profits	\$ 397
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Total Potential Profit	\$1,332
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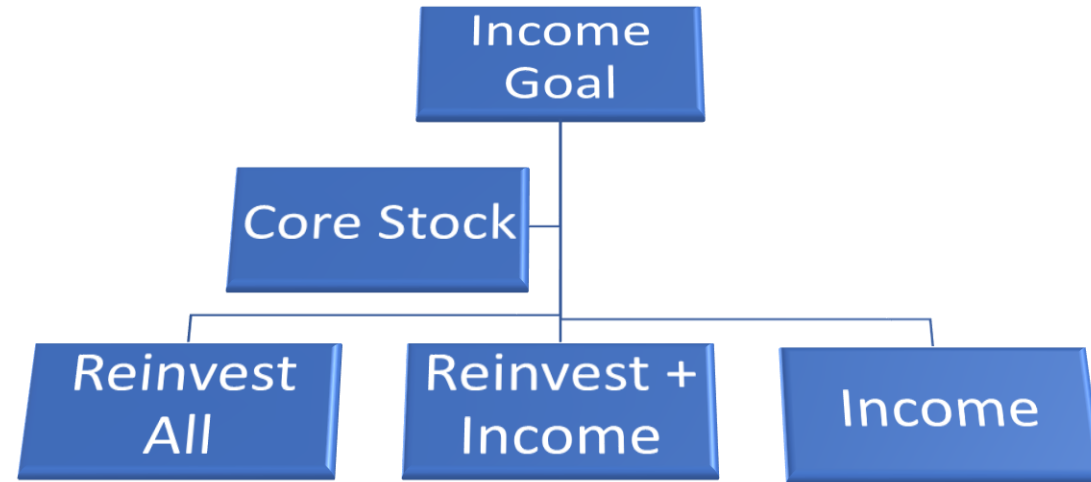
Income Madness: The Week Ahead

- All remaining trades have 9/24 expirations
- Will close at best profit or roll out to 10/1, if necessary

Income Goals (Annual)

Capital	20%	30%	40%
\$150,000	\$30,000	\$45,000	\$60,000
\$250,000	\$50,000	\$75,000	\$100,000
\$500,000	\$100,000	\$150,000	\$200,000

Core Stocks Approach



Keys to choosing core stocks:

What's your Income Goal (20%, 30%, or 40% Annual Return on Capital?)

Which stocks can provide consistent cashflow week to week?

What will you do with that cash and does your core stock accomplish this:

- Reinvest all cash
- Reinvest + Withdraw Income
- Withdraw all as Income

Set Higher Goals

This table shows you how to break your “big” goals down into little numbers.

At a minimum, you have a mathematical model to achieve a higher income goal.

Remember: it’s a GOAL, not a guarantee.

Portfolio	Income Goal	Weekly Income Goal	Positions	Net Income per Trade	Average # Contracts	Average Premium per Trade
\$150,000	\$ 60,000	\$1,154	10	\$115	2	\$.57

Core Stocks for Income Masters

Advanced Micro Devices (AMD)

- The trend: Digital Cocoon
- We are about a third of the way into a chip super-cycle
- More mobile devices, more remote activity, requires large servers
- AMD most competitive at the high end of the server market
- Undervalued based on historical metrics

Peloton Interactive (PTON)

- The trend: Personal and Home Cocoon
- Mislabeled by Wall Street as a "pandemic stock"
- A breakthrough into new demographic and economic start????
- A streaming company on top of a hardware company
- Undervalued based on growth

Core Stocks for Income Masters

First Solar (FSLR)

- The trend: Climate Change/ESG
- A leader in PVs and large installations
- PVs made from non-Chinese materials
- Production booked through 2022
- Undervalued based on growth out to 2023-2025

D.R. Horton (DHI)

- Trend: Home Cocoon; Endemic, Not Pandemic
- No inventory
- No reduction in housing demand
- Wall Street turning to a margin, not a revenue model
- Undervalued based on margin and profit potential

Core Stocks for Income Masters

Moderna (MRNA)

- Trend: Endemic, Not Pandemic
- Forward P/E of 15, sector P/E = 25
- Boosters, under 12, international markets on the horizon
- Current capacity is 800M-1B doses
- 2022 capacity 2B to 3B capacity
- And far more than a vaccine company

Target (TGT)

- Trend: Best in Class
- Spectacular growth during the pandemic
- Shift to digital, smaller footprint stores
- CVS in more than 1,500 stores
- ULTA, DIS, online Toys"R"Us on the horizon
- Wall Street trades quarter to quarter

Core Stocks: Q4 Bullpen

- Q4 Bullpen will include: FSLR, AMD, DHI, TGT, PTON, MRNA
- More core stocks review coming...
- Will look at charts, chains, goals and income potential for these stocks in the weeks ahead



Member's Email Questions

- How do you think we'll perform if the market continues to sell-off?
- Do you have different target rates of return for the different trade tactics you use?