

**Endaro Mahanubhavulu** Andariki Vandanamulu **Mr. Venkata Sreeram** Mr. Satish Segu Mr. Sridhar Sundararajan Mr. Suresh Chatakondu & NRIVA members of NY & NJ



#### Vasavi Society of NJ/NY

### INVESTING IN STOCKS & OPTIONS





## RAJENDRA PRASAD, M.D., F.R.C.P.C. INVESTMENT ADVISOR AUG 2<sup>ND</sup> 2019

**ALL MY SLIDES AND TWO E-BOOKS** (FOR FREE DOWNLOAD) **ARE AVAILABLE AT GRANDHE.ORG** 

## **RULE NUMBER** ONE DON'T LOSE MONEY

## **RULE NUMBER** TWO DON'T FORGET RULE

## **NUMBER ONE**



**JOPLIN TORNADO** May 22, 2011 **Duration 38 minutes** Damage \$2.8 B **161 Fatalities** 

You can quickly become a millionaire

if you started as a billionaire

Yes. You can make lot of money consistently if you follow a method. Listen, you are competing with professionals who are investing big money, using fast computers. They control the market. Investments from individuals constitute only about 15%.

**Never subscribe to financial** newsletters that give you probabilities. Never buy and hold any stock. Never listen to analysts. Never listen to Wall Street rumors. Mute your TV while watching **Business channels.** 

Sell your stocks if you lose 8% and use mental stop. Keep your winners and pyramid on them. Do not get scared when the market crashes. You should have been out of the market way before that. The best time to invest is after a crash when the market turns up.

FROM 12/24/2018 TO					
7/23/2019					
Symbol		PRICE CHANGE			
SOXL	ETF X3	174%			
TECL	ETF X3	165%			
TQQQ	ETF X3	127%			
PAGS		190%			
Shop		177%			
COUP		157%			
IIPR		138%			
ZS		136%			
ର୍ବ୍ଦର୍		35%			
SPY		28%			

"Remain completely uninvested for long periods" in the stock market. G. M. Loeb

"Short-turn trading, properly done, is certainly the safest form of speculation that exists". G. M. Loeb "Smart trader pyramids on new highs; the uninformed averages. G. M. Loeb "Look for three things in an investment: cheap, hated and in uptrend". **Steve Sjuggared** 

"The entrance strategy is more important than the exit strategy". Eddie Lampert

"I will tell you how to become rich. Close the doors. Be fearful when others are greedy. Be greedy when others are fearful". Warren Buffett

"The mantra always is "few bets, big bets, infrequent bets" --- all placed when the odds are overwhelmingly in your favor". Mohnish Pabrai

Do you know the most important factor that determines the value of your account?

## THE MARKET DIRECTION

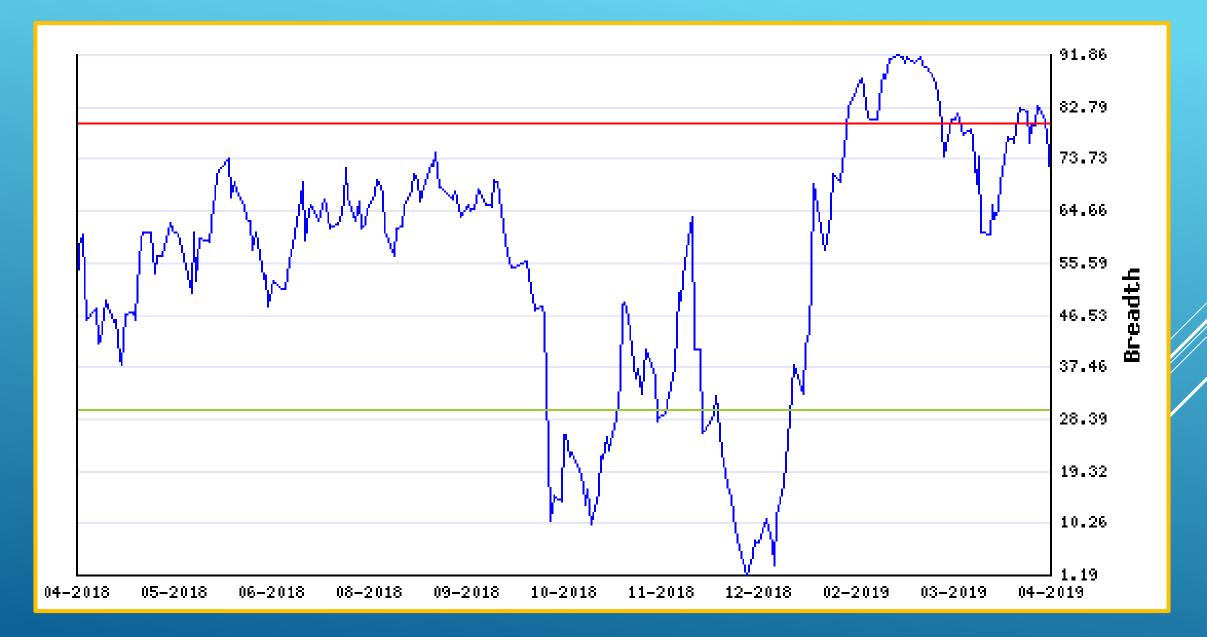


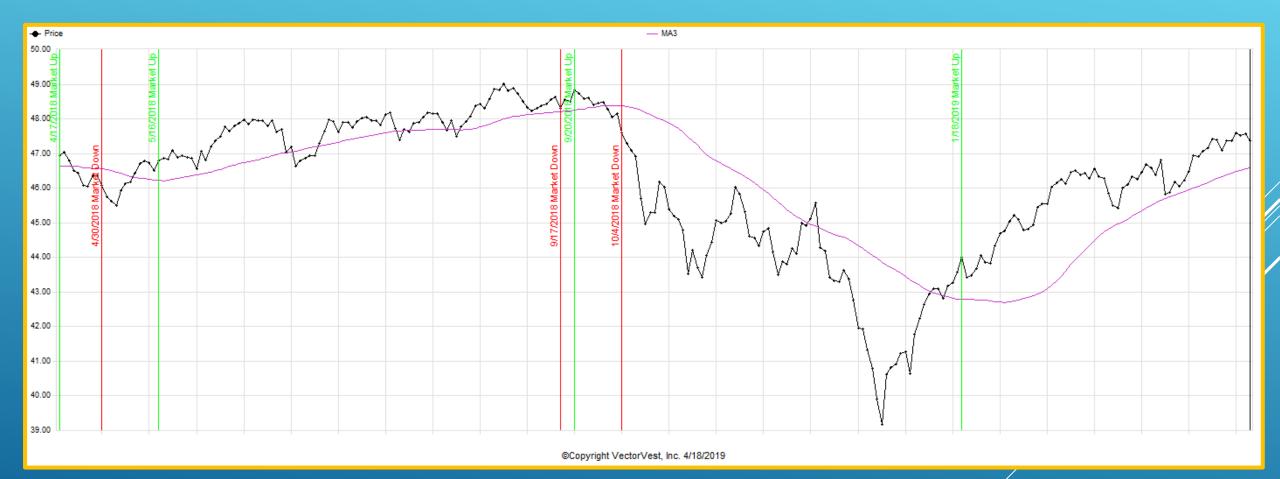
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1	RAJE	IDRA F	PRASAD		Bull	04/23/97	141.39		
			unds Lea	der	DII	00/12/07	141.05		
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3	BERN	ARD SO	CHAEFF		Neutral	08/08/97	139.10		
4	Schaet *COUF		Stocks		Bull	08/01/96	137.66		
4			t Strategic I	Edae	Bull	06/01/50	137.00		
5	*ROBE	ERT NU	JROCK	U	Bull	03/14/96	137.66		
6			Advisory		Bull	06/21/96	137.66		
0			Market L						
7	STEVE	E TODE	D.		Bull	04/17/97	136.89		
8	WILLIA	AM FE		er	Bear	07/11/97	135.51		
9	TOM N	<b>McCLE</b>		-	Bear	09/12/97	135.09		
10	P.Q. W	VALL	n Market		Bear	08/08/97	133.96		
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KEITH MOORED		eutral C	07/18/97	123.39	DON WOL	ANCHUK	Bull	08/13/97	114.02
Market Forecast GEORGE DAGNINO		eutral C	09/03/97	122.16	GLENN NE	chuk Report EELY	Bear	08/08/97	106.76
The Peter Dag Portfolio Str GERALD APPEL	rategy Bul	ull (	04/28/97	119.15	NEoWave DAVID VOI		Bull	09/02/97	105.92
Systems And Forecasts RAJENDRA PRASAD	Bu	dl (	04/23/97	117.98		vestment Servic	es Bear	08/12/97	105.73
The Mutual Funds Leader					National Tre	endlines			
BERNARD SCHAEFFER Schaeffer on Stocks			08/08/97	116.07	Schaeffer o		Neutral	08/08/97	105.67
DON WOLANCHUK The Wolanchuk Report	Bu	ill (	08/13/97	115.04	GEORGE D		Neutral	09/03/97	105.03
*CHARLIE HOOPER	Bu	all -	11/29/96	114.88	MASON SE	EXTON	Bear	08/08/97	104.99
Mutual Fund Strategist *COURTNEY SMITH	Bu	ull (	08/01/96	114.88	Harmonic F *GERALD		Bull	04/28/97	104.58
World Investment Strategic *AL FRANK			01/10/97	114.88	Systems Ar *BERT DO	nd Forecasts	Bull	05/02/97	104.58
The Prudent Speculator *JOSEPH GRANVILLE	Bu	ull (	06/21/96	114.88	Wellington *STEVE TO	Letter	Bull	04/17/97	104.58
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NOTE: A regular feature of report of the current opinion of an analysis of how accurate th over the most recent 52-weel Long Term Timers). In every to be as fair as possible in the reliability of the information gi teed. Because of mail delagy current opinion may have char While all the services rate	of TIMER DI f various forec heir forecasts ek period(104 instance, we comparison given cannot vs, it is possil anged before	IGEST is a casters and s have been 4 weeks for e have tried ns, although be guaran- ible that the press time.	signals, some ever, for purp ance Index tal signals as we casts are de moves while o measures the week period Term Timers	e do not rec poses of ill kes into acc ell as buy s esigned to others are lo e efficiency in the sam are meas	commend short s lustration only, count the gain ar signals. Some c identify short ong term in natur y of the service e manner for al sured over 104	selling. How- the Perform- nd loss on sell to of these fore- term market S8 rre. The Index ss over a 52- all. The Long or	The Performance ng each advisor and 100.00 at the begi nals assume eitheit P 500. This study rpose of compariso dication of future res virite: TIMER DIGI ch, CT. 06836 -168	Index is calcula the S&P 500 Ind inning of the per r long or short p r is hypothetical n only Past res sults. For more in EST, P.O. Box	ted by cons dex to be equ riod. Timi oositions in t and is for t sults are not nformation c 1688, Gree

Timer Digest



**THE NEXT CHART IS FROM** MARKET **TREND SIGNAL** 





Keep lot of cash Keep a list of the best stocks When you see blood on Wall Street, invest! You can divide your cash into 3 or 5 parts.. Add when your stocks go up; never average down.

FROM 12/24/2018 TO 7/23/2019			
SYMBOL		PRICE CHANGE	
SOXL	ETF X3	17	74%
TECL	ETF X3	16	65%
τααα	ETF X3	12	27%
PAGS		19	90%
SHOP		17	77%
COUP		15	57%
IIPR		13	38%
ZS		13	36%
ର୍ବ୍ଦର	ETF	3	35%
SPY	ETF	2	28%

# **MY STRATEGY BE A VICTOR NOT A VICTIM!**



I INVEST IN INVESCO QQQ TRUST **ALMOST EXCLUSIVELY** QQQ IS AN EXCHANGE TRADED FUND **IT INVESTS IN THE LARGEST CAPITALIZED 100 STOCKS IN NASDAQ** (e.g., MSFT, AMZN, AAPL, GOOGL, FB) **CALLED NASDAQ 100** 

### AS OF 3/29/2019 THE NET ASSETS OF QQQ ARE \$68 BIL **ANNUAL EXPENSE RATIO 0.2% HOLDINGS TURNOVER 0% IT HAS NO FINANCIALS OR OIL COs AVERAGE DAILY VOLUME IS AROUND 39 MILLION** AVERAGE DAILY OPTION VOLUME IS AROUND 200,000

WHY DO I LIKE QQQ? FROM 6/14/2007 TO 6/14/2019 **(12 YEARS) QQQ HAS GONE UP BY 286% DIA HAS GONE UP BY 93% SPY HAS GONE UP BY 89% IWM HAS GONE UP BY 82%** (Courtesy of Vectorvest)

I BUY OPTIONS BOTH CALLS AND PUTS ON QQQ LET US SAY I HAVE \$18,500 ON 4/5/2019 I COULD BUY 100 SHARES OF QQQ.

INSTEAD I BUY ONE CALL OPTION (WHICH CONTROLS 100 SHARES). ON 4/5/2019 WITH A STRIKE PRICE OF \$185 EXPIRING ON JULY 19, 2019, IT WILL COST ME \$ 672 INCLUDING COMMISSION

BY BUYING ONE CALL OPTION USING \$672, I AM CONTROLLING \$18,500 WORTH OF QQQ FOR THREE MONTHS. MY LEVERAGE IS 27.5X. I KEEP 90% OF MY MONEY IN CASH. I USE UP TØ 10% OF MONEY IN TRADING OPTIONS.

THE BEST TRADING PLATFORM **IN MY OPINION IS THINKORSWIM BY TDAMERITRADE** THE PLATFORM IS FREE OF CHARGE IT HAS MANY PROGRAMS CONTRIBUTED BY **GREAT TRADERS LIKE JOHN CARTER** 



(THEY WILL HELP YOU SET UP THE SAME) BOLLINGER BANDS (CLOSE, 0, 20, -2.0, 2.0, SIMPLE) TTM\_SCALPER ALERT (0.0) **KELTNER CHANLLELS (0,1.5, 20, CLOSE, SIMPLE, SIMPLE)** TTM SQUEEZE (CLOSE, 20, 1.5, 2.0, 1.0) **ON BALANCE VOLUME** RSI (14, 70, 30, CLOSE, WILDERS, no) MACD (12, 26, 9, EXPONENTIAL, no)



YOU CAN USE THIS SET UP FOR **ANY STOCK OR ETF OR OPTION USE THE DAILY CHART** FOR INFREQUENT TRADING **USE THE WEEKLY CHART** 

# If you do not have TDAmeritrade account,

use Stockcharts.com (free website). Use MACD for trading between equities and cash. Use chart school for learning.



**STRATEGY 1.** Start investing \$ 6,000 a year starting at Age 25 in IRA a/c in Berkshire Hathaway B shares From 6/14/2007 to 6/14/2019 (12 years) it grew at an annual rate of 15.26%

Current principal: \$ 6,000 Annual addition: \$6,000 Make additions at the start of each year. Invest in BRK/B Annual growth rate: 15.26% After 22 years (age 47): \$1,122,038 After 40 years (age 65): \$15,000,589 (Compound Interest Calculator – Moneychimp.com) From 6/14/2007 to 6/14/2019 **Annualized Rates of Return Of these ETFs** (Exchange Traded Funds) QQQ 23.79% **DIA 7.72% SPY 7.43% IWM 6.83%** (Courtesy of Vectorvest)

## **STRATEGY 2**.

Start investing \$ 6,000 a year starting at Age 25 in IRA Annual addition \$ 6,000 At the beginning of each year Invest in QQQ After 16 years (age 41): \$ 1,100,537 After 40 years (age 65): \$ 189,729,723 (Compound Interest Calculator – Moneychimp.com)

#### **STRATEGY 3a**

**INVESTING FOR CHILDREN'S EDUCATION** When a child is born, open a Coverdell ESA (Education Savings Account) in a brokerage firm **Contributions are not tax deductible** (Max \$ 2,000/year) But the growth is not taxed Withdraw for educational purposes (no tax)

Current principal: \$ 2,000 Annual addition: \$ 2,000 Make additions at the start of each year **Invest in QQQ** At age 18: \$ 567,693. (Compound Interest Calculator – Moneychimp.com)

#### STRATEGY 3b.

**INVESTING FOR CHILDREN'S EDUCATION 529 Plan (Qualified Tuition Program)** No beneficiary age limit No Federal income tax on withdrawal Many states do not charge income tax You can contribute \$ 15,000 per individual per year without paying gift tax (not tax deductible) You have to use for educational purposes only

#### **STRATEGY 4.**

Create a list of stocks with market cap over \$10B in assets, Earnings growth of >15% a year, Sales growth of > 15% a year, debt less than 50% of assets. e.g., AMZN, TCEHY, TAL, CRM, ADBE, GOOGL, FB. Buy one or two shares on and off Keep till age 65.

### **STRATEGY 5.**

Invest \$1000 in QQQ options. Use calls and puts based on market direction. When it becomes \$2000 take your principal out. Then keep using the casino money.

Wall Street is the largest casino in the world! The results will be phenomenal.

# Strategy 6.

If you have a 401K managed by your company investing in mutual funds... To protect your assets and make them grow...

Invest between QQQ equivalent (Large cap NASDAQ) 100% and money market 100%.

How do you find the best stocks? Subscribe to digital edition of Investors Business Daily Attend their free and paid seminars

Select stocks from IBD 50; From section D, stocks with EPS ranks of 95 to 99; IPO section (You will find future Amazons here)

# **DISCLAIMER:**

This speech is intended for educational purposes only. Investing in securities carry significant risk. If you need professional investment advice you should consult a registered investment advisor and a financial planner. I am giving you my opinions. I do not have any financial interest in any of the business entities or companies mentioned. You/ should consider virtual/paper trading before investing your hard earned money. You should understand that past performance does not guarantee future results.

If you want to invest in the Hit and Run Method please email me at RAJPRASAD31@HOTMAIL.COM Thanks.

#### BY MR. MARKET

# HAVE YOU MADE YOUR

**\$1,000,000** 

IN THE STOCK MARKET ?

FORMULAS LEARNT FROM THE WIZARDS OF WALL STREET Currently under print by Bookwhip.com I THANK YOU FOR THIS OPPORTUNITY AND FOR LISTENING TO ME. MAY GOD BLESS US ALL!