One Bar Ahead™

MAY 2021

BY KEITH FITZ-GERALD

I've been itching to recommend this company!

GET THE REAL STORY

Exclusive Interview with Stuart Varney

Insure any stock INSTANTLY

with Married Puts

The Unintended Consequences of Technology

Why and HOW to go beyond FAAMG

New research!

Protect your brain with the "right" form of B12

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Customer Service: support@onebarahead.com. Telephone: +1.425.276.1557

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Letter from Keith

Dear Reader,

Comedian Chris Rock is known for observational comedy but every now and then he points something out that really makes you think. Like the story he tells about driving a busted down car when he was starting out.

Rock says he'd often stand on the side of the road trying to wave down help and nobody'd stop. But then, when he started pushing his own car, *everybody* would stop and help.

Investing is a lot like that - things change the moment you "start pushing."

The world is on the cusp of a global reset as it re-emerges from Covid-19. Decisions we make today – you and I - will set the stage for unprecedented profitability over the next ten years, perhaps longer. Anybody who doesn't take this seriously isn't paying attention.

Everybody is "pushing."

Eighty-six percent of S&P 500 companies that have reported so far (as I type) have beaten expectations. If that holds like I think it will through the balance of earnings season, this will be the single highest percentage of S&P 500 companies beating expectations since 2008 when FactSet began recording this metric.

What more, the blended earnings growth rate is a jaw-dropping 45% year over year so far, which is second only to Q1 2010 when that figure hit 55.4% following the Global Financial Crisis. Many OBA 50 companies including Apple and Microsoft just to name two, are well above that. Even Pfizer, which many people think about in conservative terms, just reported year over year revenue growth of 45% and lifted guidance!

The big picture is exceptionally bullish, even if you're worried about stocks. That's due to a combination of vaccine rollouts, accommodative central banking around the world and hopeful people.

There's no doubt that many stocks are expensive by today's standards. However, my research suggests they're incredibly cheap when compared to any other period in post-crisis investing history and, critically, tomorrow's growth.

Covid-19 has dramatically accelerated innovation, technical prowess, and money itself. It makes tremendous sense to tie all three influences together.

Companies have raised more money over the past 12 months (during a global pandemic) than at any other point in human history according to the Economist. Crowdfunding, for example, topped $225 million in the US alone last year and may hit $30 billion by 2025 just a few short years from now. US venture capital funding totaled $155.2 billion which works out to $428 million every 24 hours every day last year. Asia and Europe chucked in another $120 billion. Even SPACs raised $80+ billion last year.

There has never been a better time to invest.

Digitalization, to a point I make frequently, is very, very real even though most people dismiss it without a second thought because they think they know what it is. Trillions of dollars will get spent in this area over the next few years regardless of who's in the White House, what the Fed does or doesn't do next and even if Wall Street tries to hijack things in its own interest(again).

Predictably, the vast majority of investors will miss the opportunity because they're still trapped in the past and thinking about investing using traditional trend analysis, industry segmentation and allocation models. Thank goodness we're not in that crowd!

Almost every OBA 50 company is growing by leaps and bounds because they are being built on top of constantly increasing computational power and information that's being linked in previously unimaginable ways.

Processing efficiency, for example, has increased by 100,000X since 1990 while processing power continues to double every 24 months, a phenomenon known as Moore's Law after Intel co-founder and CEO Gordon Moore who first made the observation in 1965.

Roughly 60% of the world was on the Internet as of last summer according to the World Bank yet only 30% of the work we do is in the cloud. Imagine what happens when that hits 70% or more and companies truly make the jump!

It's mind-boggling.

We may see the first commercial quantum computing within the next two years. Good thing, too … experts suggest that the amount of data we're going to create worldwide over the next 24 months alone may be 3X the total amount of data in existence today.

Holographic surgery and augmented reality could usher in entire new forms of travel. 3D printing will completely realign global supply chains. The possibilities are endless.

My point is this. Breakthroughs will continue to accelerate and the time to get ahead of that kind of profit potential is now. The risk-reward basis is dang near as good as it gets.

Speaking of which, I'm recommending a company this month that is a household name yet remains almost totally misunderstood. I've been "Jonesing" to add it to the portfolio for a while and the markets have finally given us a red-carpet invitation to do so. It's been beaten down lately and the media has turned on it (again) which is almost always a sign that we're on the right track.

In keeping with that theme (and because you've asked for it), I've also got a fund for your consideration that will help us tap into the broadest spectrum of innovators I can find yet also help you move beyond FAAMG stocks. It's a great speculative alternative if you fancy a little oomph. Plus, this fund is just getting started so there's true ground floor potential.

Speaking of which, many investors are really nervous at the moment and this week's tech selloff didn't help assuage their fears. So, I thought I'd share another of my favorite Power Trading Techniques – Married Puts. They're a great way to help boost returns, limit risk and stay in the game even if there's more selling ahead.

There's also an exclusive interview you will not want to miss. My guest this month created and hosts the highest rated financial program on television. What he has to say about putting a "story" together will immediately up your game. I come away with something new every time we speak!

And finally, I learned something about vitamins recently that could change your life like it's changed mine. I realize that's an overused phrase in today's world, but I don't make that statement lightly. New research suggests that the right form of B12 could protect your brain (and potentially your profits, too).

Thanks, as always, for being part of the One Bar Ahead™ Family!

Best regards for health and wealth,

Keith

P.S.

Please be sure to email me if you have ideas, suggestions, comments or any advice on what you'd like to see me cover in upcoming issues. I love getting feedback which is why my team and I read every message we get. Send pictures if you can!

The address is magazine@onebarahead.com.

Chapter 1

POSSIBLY THE ULTIMATE "BUY WHEN THERE'S BLOOD IN THE STREET" STOCK

The timing is nearly perfect (again)

Possibly the Ultimate “Buy When There’s Blood in the Street” Stock

The audience went quiet…

“Oh, boy … I’m in trouble,” I thought to myself.

Everything felt wrong.

Before I entered the conference hall, I’d been told that I was being set up … and I didn’t know why at the time. But apparently the audience of 2,000+ people had already made up their mind.

The debate began easily enough when the moderator made his opening remarks. Then it went downhill in a hurry. The audience nodding all the way and applauding at key points as my opponent and friend, Rob Arnott (who is Chairman and Founder of Research Affiliates, a PIMCO sub-advisor with $195 billion under management) made his case.

The company we were there to debate would fail. It was drowning in debt, out of control and lacking any sort of adult supervision. Besides, he said, the company will run out of cash before it can turn around. It’ll be bankrupt within the next 2-3 years or sooner.

No, I said quietly.

> ***“Tesla will succeed.”***

The audience visibly rocked back in their chairs. I saw lots of elbowing and heard more than a little guffawing around the room. The harsh stage lights didn’t help.

Louis Navellier, another friend and Chairman of Navellier & Associates and himself a really smart guy responsible for $2+ billion in assets, would go on a related 10-minute tirade an hour later. Those three words were all anybody talked about for the balance of the afternoon.

That was 2018 and Tesla was in undeniably dire straits.

Pretty much how the audience looked at me … but not for long!

The company couldn’t meet production targets for the Model 3. CEO Elon Musk was engaged in a nasty public dispute with regulators. Credit analysts downgraded the stock because debt had grown to nearly $1 billion.

Bloomberg reported that Tesla was burning “through more than $7,430 a minute” and that free cash flow – meaning the amount of money a company generates after accounting for capital expenses – was negative for six quarters in a row. And, to top it all off, Musk himself even made a bankruptcy joke on Twitter!

That’s how it goes when hope goes out the proverbial window.

Most people would walk away from a stock under the circumstances and many did. But I wasn’t one of ‘em.

One of the surest, most profitable investing adages there is rang loud and clear in the back of my head. “Buy when there’s blood in the streets.”

The fact that everybody “knew” Tesla would fail was enough for me, and practically a guarantee that it wouldn’t to my way of thinking.

“Buy When There’s Blood in the Street”

Musk reminds me of Steve Jobs

CEO Elon Musk reminded me of the late Steve Jobs. He still does.

Brilliant, uncompromising, and blunt, he would pull through by leading from the very front I reasoned to an incredulous audience. People forget that Apple almost went belly up several times and that, in each instance, Jobs himself led the charge back to grace.

Buying Tesla stock made sense. Back then it was about $68 a share if memory serves and adjusted for the one and only split it’s ever had on August 31, 2020. Today as I write, Tesla’s trading at $670.17 a share.

You can do the math just as easily as I can. That’s a 9.8X gain – nearly a “ten-bagger” as much as I dislike that expression. It’s also an 885.54% return for anybody who went along for the ride. Tesla has created so many millionaires there’s even a term for ‘em … TSLA-naires!

Now I think Musk is getting ready to do it again, probably many times over.

Tesla’s under pressure and the negative headlines are mounting again. Talk about *déjà vu*.

There’s been a widely publicized fatality recently, reports that Tesla is losing ground in Europe, and suggestions that the company is in serious trouble with the Chinese government. There’s also slew of lawsuits involving Tesla. And, yes, Musk is still Tweeting.

World’s Most Innovative CEO

I think Tesla is an amazing opportunity under the circumstances. What’s more, Tesla could be the ultimate “buy when there’s blood in the street” stock a few years from now.

Here’s my thinking.

What I look for when I’m investing

A choice like Tesla comes down to who’s at the very top. Conventional metrics don’t apply.

In this case, that’s Elon Musk. He’s Tesla the way comic book hero Tony Stark is Iron Man. They’re indistinguishable from one another.

In fact, I respectfully call Musk the “pied piper of profits” because Tesla’s biggest strength is HIS ability to monetize goodwill and an army of fans.

I see Tesla growing in three distinct stages, each one of which will create extraordinary profits in the years ahead. What’s more, they’re cumulative and almost nobody but us sees the big picture as I’m about to lay it out for you.

Stage One

Tesla doesn’t sell cars; most people think they do but that’s misplaced. In reality, Tesla sells “subscriptions” that are easy to get as signing up for Netflix but just happens to make cars.

Practically speaking, this “annuitizes” revenues, a term you’ve heard me use with Pfizer and Gilead Sciences.

At the same time, you must have a Tesla mechanic work on your Tesla products. There are a few shade tree wrenches out there but they’re few and far between.

This is right outta the Apple Store playbook. What’s more, it’s critically important because every single Tesla sold will need service sooner or later. That’s 499,000 vehicles in 2020 alone and probably north of a few million vehicles in total.

Stage Two

Every Tesla charger built in the early days was proprietary, so you had to go to a Tesla charger to juice up. Now the Feds want in on the action and will likely decide to standardize charging ports which means that the nationwide network Musk built out years ago will open up to other EV users. That’s been the case in Europe for a while now and, not coincidentally, Tesla is a licensed power trader there.

I’ve maintained for years that Tesla will monetize the charging network with the intention of becoming a distributed power generator and that appears to be on the cusp of happening. It certainly makes sense because the real game plan is rewiring the electric grid. Doing so is UII (Unstoppable, Inevitable and Imminent) in OBA terms.

Solar panels, battery banks … they all play into this vision and will generate an entirely new annuity-like revenue stream that’s not yet factored into the company’s stock price because most investors cannot see the much bigger picture let alone recognize the profit potential any more than they could understand Jobs’s vision. And, not for nothing, you know how that story is being played out.

Stage Three

Tesla will begin selling driving data and software. There’s nobody that knows more about autonomous driving at this point than Tesla. Teslas are not cars or SUVs but rather rolling data collection units.

This, incidentally, is the real reason China’s upset … Beijing doesn’t want outsiders or even its own people to know what’s really happening there and Tesla video cameras record (and share) constantly. Hence the rub.

People can talk all they want about autonomous cars but there isn’t another car maker on the planet that has already accumulated this much raw, real time data. Not Mercedes, not Ford, not Renault, Toyota or BYD … you get the idea.

Tesla’s in-car software is best in class

Tesla’s in-car software is absolutely best in class when it comes to ease of use, intuitiveness and the speed at which it performs. Other car makers will try to keep up, but they will constantly be compared Tesla and fall short.

Which brings me back to my favorite fruity computer company. I’ve long believed that Tesla and Apple will team up in some capacity when it comes to Apple’s widely rumored car a few years from now. I don’t know if that’s a licensing agreement or something else; Apple likes control over whatever it sells.

People tell me frequently that “they’ll never work together” as if that’s some sort of foregone conclusion. But it’s already happening.

Apple is planning to use 85 Tesla Mega packs to power the company’s new HQ via a massive 130-megawatt solar farm in Northern California. It doesn’t take much to imagine this relationship blossoming to other locations, especially with Apple’s recently announced $430 billion-dollar investment plan. Ironically enough, that’s not factored into the price either!

And finally, there’s the President’s green plans. There’s no question where President Biden’s administration wants to go and that’s terrific because all paths sooner or later lead to, from, or right through Tesla’s wheelhouse.

“Buy When There’s Blood in the Street”

Here’s what One Bar Ahead™, our proprietary analytics suite, says about Tesla.

The Universe

Tesla is “off the chart” good when it comes to investing potential – literally. I’ve seen this situation only a handful of times in the past 40 years. Each time, the markets have caught up.

Apple has demonstrated this behavior in the past as has Nvidia, to give you an idea.

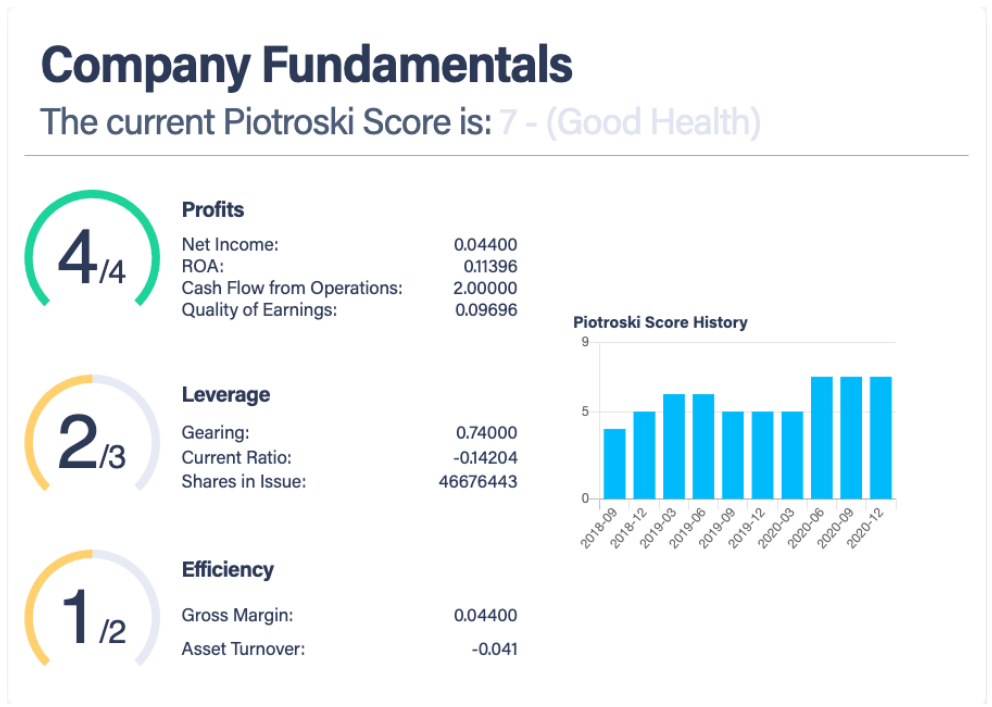
If that holds true this time around as expected, the entire cluster – meaning all the dots you see – will shift to the right as the re-opening re-engages and growth re-accelerates. That’s a lot of “re’s” but you get the idea.

My price target is $1,000 a share within the next 12 months and my guts tell me there’s also a good case to be made for another split.

The Fundamentals

Tesla’s Piotroski Score has risen steadily since 2018 and presently reflects 7 out of 9 possible points. I expect that to be an 8 by year end if things keep up.

That’s extraordinarily consistent with everything we know about the possibility of higher prices ahead based on my research and that of Joseph Piotroski himself, after whom the Piotroski Score is named.



The MMI

Tesla’s MMI reading is -10 and on a downward trajectory which implies a buying point that’s consistent with the one we saw last August.

That’s the horizonal yellow line in the following chart and where I think prices land.

Obviously, Tesla stock is expensive dollar-wise but that’s not the end of the world.

In fact, we can make that work to our advantage with the right tactics!

Trade instructions→

“Buy When There’s Blood in the Street”

Action to take

Buy Tesla for $650 or less per share to get started. Plan on adding to shares or building your position aggressively if the markets give you the opportunity at $600 or less. I’m not sure that’ll be the case, but chance favors the prepared mind and all that jazz. If prices don’t drop to that point, we’ll regroup down the road, pun intended.

Set a trailing stop to protect your money immediately. I suggest 25% below your purchase price as a starting point but feel free to make that a far more conservative number at your discretion and in accordance with your risk tolerance and investment objectives.

Consider Tesla a Zinger initially. This helps keep position sizing in line with perceived risk while also preventing you from getting ahead of yourself if you’re discipline challenged like I am every now and then. I anticipate moving Tesla into the Foundation Stones sometime next year but that’s premature given how volatile the company’s stock is at the moment.

Alternatively, consider buying a few shares at a time rather than jumping in all at once. A number of brokerage firms like Robinhood, for example, also offer fractional shares that can be ideal if you’ve got a smaller account.

Or, simply pick up a few shares of BSTZ, which owns Tesla. As an added bonus, you’ll gain exposure to a number of other super-exciting tech companies, too!

BlackRock®

Blackrock’s BSTZ can be a good “backdoor” into Tesla

Tactically speaking, there are a few alternatives worthy of your consideration and depending on your skill level, risk management tolerance and investing objectives.

Dollar Cost Averaging – Split your capital into chunks and invest fixed amounts over time. That can be weekly, monthly or even quarterly.

The key is consistency because Dollar Cost Averaging helps you harness the volatility that will work against those who simply dive into the deep end all at once.

Sell Cash-Secured Puts – I detailed this strategy in the February Issue as a Power Trading Technique and that could work well here.

As you know, this is my preferred “go-shopping” strategy which is why I’ve sold 2 May, 2021 $450 strike puts myself. I’m ready to buy 200 shares of Tesla at $450 (I’m an aggressive bargain hunter) but am perfectly content to keep the couple of hundred bucks I’ve collected by selling the put options ahead of time as a consolation prize if prices never go that low.

Remember three things if you go this route: 1) options are sold in lots of 100 shares so selling even one put option with a $450 strike means you’re on the hook for $45,000 if you’re “put” when these options expire on May 21, 2021; 2) you have the cash set aside already and 3) you really want to buy Tesla like I do!

Got a topic, strategy or tactic you want covered?

There’s nothing I like more than great questions, comments, and suggestions.

Please send me your thoughts via email using askkeith@onebarahead.com or hit me up on Twitter @fitz_keith

Chapter 2

POWER TRADING TECHNIQUE

Insure Any Stock Instantly With Married Puts

Insure Any Stock Instantly With Married Puts

Introducing another favorite...

Buying stocks when the markets are making new highs is exhilarating. But the fear that they'll reverse on you is very real. Today we're going to talk about what you need to know to get around that problem using one of my favorite Power Trading Techniques, Married Puts.

Married Puts can be a near perfect solution when you're still bullish on specific stocks or even indices but want to avoid getting shellacked if the markets have other ideas. I particularly like 'em because they're simple, maintain unlimited profit potential and can allow you to precisely define risk ahead of time.

Please keep in mind that there are risks, of course, and that options are not for every investor.

Why you need to protect yourself

If you're going to really make some money this year, you'll need strategies that can help you do that. Buying stocks, funds or ETFs will only get you so far. The Fed could begin raising rates at any moment, Covid-19 could mutate, the reopening could slow ... there are a dozen reasons why the markets could reverse.

"Married Puts" can be a perfect fit against this backdrop.

The strategy is easy to understand, simple to use and doggone effective. Your profit potential remains unlimited and potential losses are precisely defined. Plus, you can sleep at night knowing any stock you buy using this strategy is "insured" against the possibility of a catastrophic loss. To me, that's really the best part.

I learned about Married Puts like many investors do ... after getting burned by a stock that I swore up, down and sideways was bound for the moon only to have it tank on me after I bought a few shares.

I lost a few thousand bucks which doesn't sound like a huge amount of money today in an era of trillion-dollar budgets, but it was to me. As you may know, I began my career by investing money I'd saved up from cutting lawns during my early teenage years and that was a massive chunk out of my portfolio at the time. It hurt, both literally and figuratively.

Chances are good you've been there, too. We all have at one point or another. It's frustrating and, thankfully, a totally fixable problem.

Married Puts, like other Power Trading Techniques I advocate, can be perfect for busy people because you can put the trade on exactly when you want for exactly the price you want ahead of time. There's no need to spend hours by your computer or compulsively check your smartphone for the latest prices.

Married Puts can also be a great way to protect against unforeseen market calamity or stock specific risks like bad earnings, product recalls or comprised data just to name a few.

As always, I am going to assume you've got at least some passing familiarity with options and that you have brokerage approval. If not, you need to do three things right away: 1) Buy or borrow a basic options textbook containing details about what options are, how options markets work and basic terminology. 2) Contact your brokerage for options approval. And 3) set up a paper trading account to PRACTICE placing these trades before committing real money.

Onward!

Crashes are unexpected, but Married Puts can take the sting out of it

Insure Any Stock Instantly With Married Puts

What are Married Puts?

Married puts are a conservative option buying strategy that can help you maximize gains yet invest or trade with specifically controlled risk against catastrophic losses. They're also known as "protective puts" so if you hear that term, they're one and the same.

The strategy involves combining stock you already own or are interested in buying with a put option that offers you downside protection.

Put options, are a type of option that gives the owner the right but not the obligation to sell or sell-short a specific amount of an underlying security at a specific, predetermined price.

Options are traded in "lots", each one of which represents 100 shares of stock. One lot = 100 shares, 2 lots = 200 shares and so on. It's very important you keep this in mind because the last thing you want to do is trade more lots - options – than you can afford.

Ideally, you will want to "marry" every 100 shares of stocks you own with a single put option. Hence the name – Married Puts.

So, for example, if you own 100 shares of Waste Management (WM), you will "marry" that to a single put option contract that expires at some point in the future. Own 500 shares and you'll pair that with 5 put options. Own 1,000 shares, you'll need 10 put options to get the job done. And, so on.

As always, it's important to keep "size" small while you're learning to sell use Married Puts or any other investing or trading technique for that matter. You can always increase the size of your trades later … after you've learned how to profit consistently and control risk properly.

Do NOT worry about trying to understand everything at once. Using Married Puts is a lot like using the seatbelt in your car. It takes a little getting used to when you start driving but after a while it becomes second nature.

Why you'll want to buy Married Puts

Buying Married Puts is a bullish strategy designed to help you maintain unlimited profit potential yet protect against a catastrophic downturn or even a moderate reversal. Some people call it hedging but that's really not quite right.

Married puts are intended to help you play offense which, of course, keeps you "in to win" – something you know is critically important to long-term investing and trading success.

My preference is to use this strategy when I'm buying a stock that's already run up or where the MMI has peaked suggesting a subsequent downturn or potential softening in share prices.

What's more, I prefer to hold the wedding – meaning buy Married Puts - up front when I am trying to quantify risk whereas some folks prefer to marry puts to the stocks they own after they've got big gains to protect.

Either way, the key thought here is this: Married Puts are a bullish strategy you use when you're nervous. There's no margin required because you own everything that's at risk … meaning the stocks and the married puts alike.

Let's run through an example that'll put this in perspective.

As I write this, Waste Management is trading at $140.34 after a blistering 28% run up from February when it was trading at $109.11. I think WM could be $200 six months from now – in October - as the economy reopens, the infrastructure overhaul begins, and the world re-engages.

Accordingly and for purposes of this example, I'd like to buy 100 shares and I am comfortable risking a maximum of $5-$10 a share between now and then.

Insure Any Stock Instantly With Married Puts

A quick look at the charts tells me that's a logical area of previous support ... $135 a share so what I want and what the markets have on offer are roughly in line.

However, I'm concerned about the last big bar on the right ... that's a sharp spike and something I know from past experience suggests a short-term reversal.

Still, I want to own shares and I want to buy today, as I'm typing.

The order to my broker in this example would be: **Buy +1 covered WM 100 shares, 15 Oct 21 $135 put/WM @$145.14 LMT to Open.**

Your broker will process your order as it's entered online or conveyed verbally, and you'll be off to the races. If it's not filled immediately, the "LMT" component ensures that you pay no more than a combined total of $145.14 for the 100 shares of WM stock and the protective $135 put together.

THE ANATOMY OF A MARRIED PUT

Buy +1 COVERED WM 100 15 OCT21 135 PUT/WM @145.14 LMT

1 **2** **3** **4** **5** **6**

1. **What you're doing and how many lots (1 lot = 100 shares)**
2. **Ticker**
3. **Number of shares to buy**
4. **The option's expiration (day, month, year)**
5. **Strike price of the option ($135 in this case)**
6. **Combined debit (total of option + shares)**

ONE BAR AHEAD™

A married put is really two orders at once but combined in such a way that the orders are priced as a single transaction. Think value meal here ...you could order a burger, fries, and a drink separately but doing so as a single transaction is more efficient and, odds are, saves you money.

Behind the scenes, here's what's happening →

Insure Any Stock Instantly With Married Puts

Order Description	BUY +1 COVERED WM 100 15 OCT 21 135 PUT/WM @145.14 LMT [TO OPEN/TO OPE...
Break Even Stock Prices	145.14
Max Profit	Infinite
Max Loss	$1,014.00 (not including possible dividend risk)
Cost of Trade including commissions	$14,514.00 + $0.50 = $14,514.50
Buying Power Effect	($7,497.25)

You can see the order in green. You can also see that the break even if you execute this trade as planned is $145.14, so a bit higher than the $140.34 where WM is trading at the moment.

Some folks instinctively don't like this because it makes 'em feel like they're behind but that's really misplaced thinking. Remember, this strategy – Married Puts - is about staying in the game when you're nervous, not cowering in the corner with a sign on your rumpus that says kick me when it's over.

The other thing you can see is that your max profit on this trade is theoretically infinite. I particularly like this part because many options strategies don't work that way. In fact, the opposite is true, and profitability is often severely limited; that's not always made clear.

What's more, the maximum potential loss in this example is strictly limited to $1,014.00, not including dividend risk. Not bad when, again, you remember that the entire reason you'd use a strategy like this is to protect against uncertainty in the event there's a downturn.

And, finally, the total cost of the trade is **$14,514.50 ($14,514.00 + $0.50 commission = $14,514.50).**

The last line in the figure reflects what's called Buying Power Effect. There's no margin required for this trade, so this is merely a figure brokers like mine provide to keep you informed of the comparable costs associated with making a trade using money you've borrowed to do so. For purposes of this example, that'd be a $7,497.25 deduction in available buying power.

You may be thinking to yourself, that sounds like a bargain … using only $7,497.25 to pull off a trade that would otherwise cost $14,514.50. Don't fall for it.

Using margin to invest and trade can be one of the fastest, most dangerous ways to crater your account if you don't know what you're doing. Heck, and even if you do … just ask Bill Hwang of Archegos Capital who lost billions in 48 hours because he was placing highly leveraged trades on margin.

Potential outcomes

1 – WM closes at or above $145.14 on October 15, 2021 six months from now when the married put options expire. That's my breakeven point from the get-go in this example so this would be great outcome. Anything higher than that is gravy because the protective put guards against unlimited losses yet does not cap upside potential.

2 – WM closes below $145.14 on October 15, 2021 six months from now when the options expire. In this case, I'd lose the cost of the difference between where WM is trading at the moment ($140.34) and the strike price ($135) plus the premium I've paid up front ($5.14) and a small $0.50 commission.

3 – WM suffers a complete flame out. In this case, my loss in this example is strictly limited to $1,014, excluding dividend risk.

Keith's "Trade Secrets"

#1 This is a very conservative trade with clearly defined expectations, so I advocate using it when you really want to own something "now" as opposed to another Power Trading Technique like Selling Cash Secured Puts (which I profiled in the February Issue) that can help you buy stocks you want at far lower prices, even if it means you have to wait and even if you may never get your order filled.

Insure Any Stock Instantly With Married Puts

That's really a decision you have to make for yourself. Some people are okay chasing stocks because of the protection Married Puts offers while others (like me) prefer to "sell" premium the majority of the time. It is totally your call based on your individual risk tolerance and objectives.

I am frequently asked about how I pick strike prices and that's also a matter of personal preference. I start most of the time by looking at a chart to determine the closest possible support for the past 30-45 days to see where there might be downside support. I often use the "Rule of 16" to help put me in the neighbourhood which you'll learn about in this month's Ask Keith.

My preference is also uniquely dependent on the time frame I think the stock in question needs to meet my target.

Generally speaking, I want about a six-month window because what I'm trying to avoid is getting clipped if the stock takes a hit while I wait for it to gain traction. The cost of insurance – in this case buying puts – can really add up if you go much beyond that.

#2 Married Puts are best used when you're bullish but want to remove the risks associated with a stock that goes against expectations for whatever reason. To me this removes the pressure of being "right" and allows you to focus on being profitable, a nuance most people miss, unfortunately.

#3 Married Puts can also be used in lieu of trailing stops and added to positions after you've got big gains. I'm not a huge fan because marrying a put to an existing position strikes me as a lot like trying to create a prenuptial agreement after you've been married. More often than not, stocks hit their trailing stops for a reason and I'd rather exit so I can think clearly. You may feel differently, and I respect that.

#4 As is the case with most of the strategies I prefer, Married Puts work best with big liquid stocks. The spreads are tighter - meaning the difference between bid and ask is smaller – so you are more likely to get better, faster and more effective fills.

Practically speaking, this is the difference between going to a high-volume grocery store and a corner store … you'll get cheaper, higher-quality veggies at the former than the latter because the turnover is higher.

#5 The other thing to think about is that if the stock really does collapse, you can use the gains in the married puts to purchase additional shares at far lower prices and, in doing so, build your upside potential even further! Palantir and Affirm are great examples of the kind of price action I'm talking about. The market has positively squashed them both, but like Pfizer, the business case for owning them is exceptionally strong. So, buying more shares even as they drop makes tremendous sense as long as that's true.

Time to practice!

Insure Any Stock Instantly With Married Puts

Practice makes perfect

I cannot understate how important practice is when it comes to Married Puts or any other strategy you want to learn to use effectively. The last thing you want to do is start placing real money on the line if you're not fully prepared. I've heard plenty of horror stories over the years and there's simply no need to join that "club!"

Remember:

• Options are not suitable for every investor.

• NEVER trade money you can't afford to lose.

• Do NOT scale up until you can be consistently profitable with small wins.

Have fun!

Many people take investing and trading waaaaay too seriously. There will be wins and losses as you learn – that's just part of the process. The sooner you come to terms with that, the faster you can concentrate on success.

You got this – I promise!

Additional Resources

Note: I've obviously spent a lot of time on this strategy this month and that's very deliberate on my part. Learning how to use Married Puts can up your game immediately and give you ways to buy safely and with more confidence, especially if you're nervous.

• The Options Industry Council - https://www.optionseducation.org/

• The Chicago Board Options Exchange - http://markets.cboe.com/resource/industry_education/

• Characteristics and Risks of Standardized Options and Supplements – Every investor and trader must read this booklet prior to buying or selling options contracts. You can get a copy here:

https://www.cboe.com/trading-resources/characteristics-and-risks-of-standardized-options -

Or, chances are, you can obtain a copy from your broker as part of the options trading approval process.

Got a strategy you want covered?

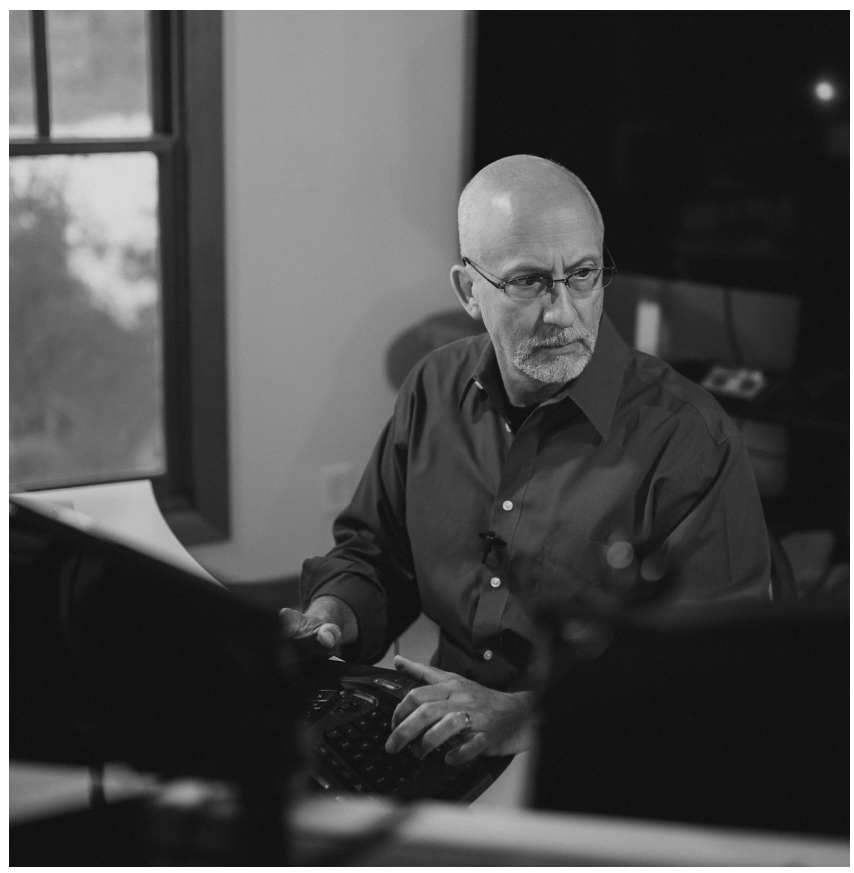
I've been fortunate to learn and implement many different strategies and tactics over the years.

If there's something specific you'd like covered, please don't hesitate to reach out.

The entire OBA family can benefit from strategy breakdowns, and I love teaching 'em. Especially when it comes to increasing your profit potential and avoiding mistakes that I've probably made already!

Please send 'em in!

Magazine@onebarahead.com



Chapter 3

GO BEYOND FAAMG

A new fund and a true
ground floor opportunity

Go Beyond FAAMG With This Fund

How to invest “right”

There are many ways to invest, but really only one way to do it right … to find great companies, doing great things that create even greater profit potential.

This doesn’t have to be a complicated process. In fact, you could fit some of the world’s top investment strategies on a single 3×5 index card and still have space left over, including One Bar Ahead™.

Let me show you.

1. Identify where the money is going (that’s the “5Ds”)

2. Figure out which companies align best and are UII (Unstoppable, Inevitable, and Imminent)

3. Get your money there as early on in the game as possible and manage risk at all times.

That’s the One Bar Ahead™ approach boiled down to its essentials.

But what if the stocks you want to buy are “too expensive” or your “retirement account doesn’t allow you to hold stocks?” I get that question a lot.

You’re out of luck by any stretch of the imagination.

Funds – and specifically the RIGHT funds - can be just the ticket.

This month I want to introduce you to the **BlackRock Innovation and Growth CEF (BIGZ).**

I chose BIGZ for a few reasons not the least of which is that many members of the OBA Family – possibly even you – have asked me to find more funds, especially choices that can help you get beyond FANG stocks.

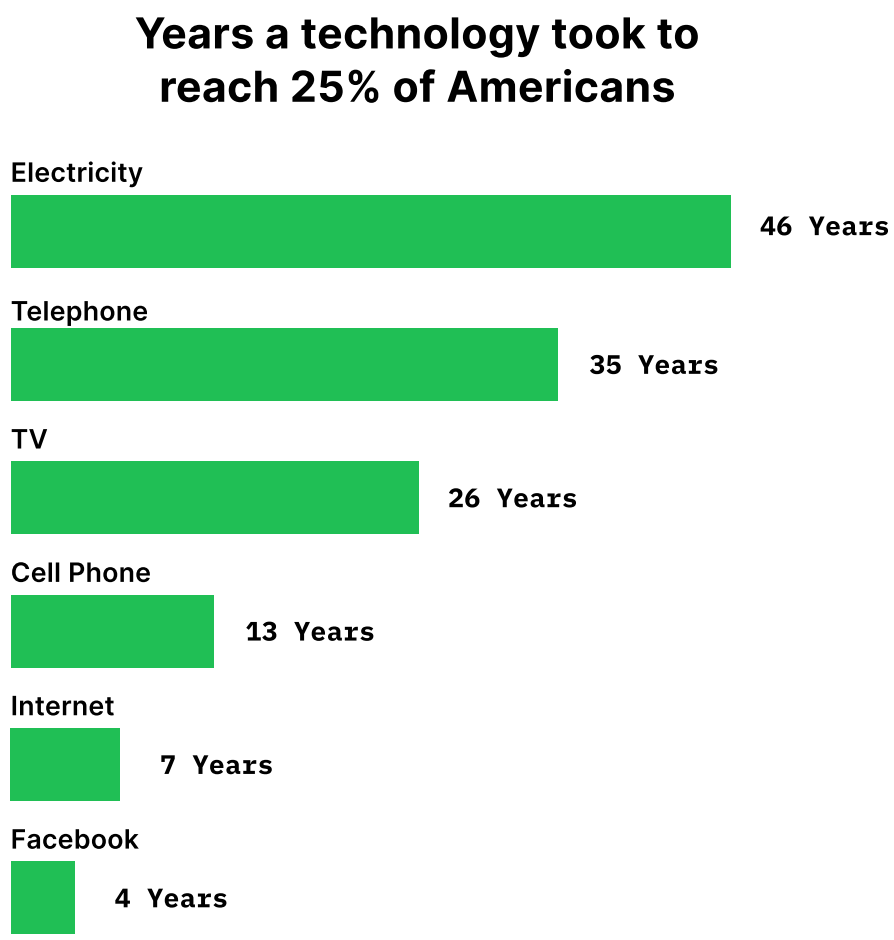
Here’s a quick primer

BIGZ’s objective dovetails almost perfectly with the One Bar Ahead™ approach in that sense. Plus, it’s a great complement to BSTZ and BST, two BlackRock funds already in the OBA Model Portfolio. I thought very carefully about going with a Cathie Wood/ARK fund but ultimately chose BlackRock because it’s a deeper organization with what I believe to be better deal flow.

Like its cousins, BIGZ’s objective is to identify innovative companies with superior investment potential. Only in this instance, BIGZ centers on small and medium cap companies out to change their industries instead of the big, highly liquid tech-oriented names we usually prefer.

This is an important distinction because the future is rushing towards us at breakneck speed.

Innovation happens faster now than at any other point in recorded history. Electricity, for example, came on the scene in 1873 but took another 46 years to reach just 25% of Americans. The Internet took 7 years to do the same thing. Facebook required just 4.



Go Beyond FAAMG With This Fund

Covid-19 has accelerated that still further.

One report I saw recently suggested that innovation is now happening 10X faster than it did a year ago. Vaccines, for example normally take a decade or more to develop, test and release. Pfizer did it in under 12 months with that company's Covid-19 shot. What's more, they'll likely have a 3rd booster and an oral treatment in the market by year end!

That's where BIGZ really comes into its own.

BlackRock, the fund's manager, is at the very tip top of the game when it comes to accessing private markets – meaning early-stage investments with the kind of profit potential you couldn't otherwise touch unless you're part of the high-pinky club or have a few hundred million dollars laying around.

My research suggests this is an $8-$10 trillion market already. That figure, by the way, is probably an order of magnitude low because many of the world's next generation innovators are still largely off the radar screen somewhere in somebody's garage.

BIGZ expects to invest as much as 25% of total assets in this area, likely in restricted access securities as defined by Rule 144A or otherwise privately placed offerings.

The other 75% of total assets will go to small and mid-cap companies that BIGZ's management team identifies as having the potential to disrupt their respective industries because they bring new products, business models, or converging technologies to the table.

Offering documents define that as companies comparable in size to the Russell 2500™ Growth Index which suggests a target list having capitalization of $11.8 billion to $20.92 billion.

That's cool because my experience has been that this is where "gee-whiz" opportunities often get discovered. It's very much a bottom-up process.

Farmers could start aggregating sales channels

Imagine a smaller local farmer who figures out how to join up with other farmers in the area and aggregate sales channels resulting in higher sales and faster crop turnover. That's actually happening the Skagit Valley nearby to where we live.

Or, consider a small regional motorcycle dealer that figures out how to sell effectively over the Internet because of Covid-19 and suddenly finds itself selling bikes around the world. Sales and profits jump. That's the case for one of my favorite dealers nearby.

Most investors could double their allocation in this area and still not have enough skin in the game!

And finally, like BSTZ and BST, BIGZ will sell covered calls as a means of generating income and boosting returns. The prospectus suggests management will also be writing options on indices and sectors.

I profiled this strategy in last month's edition as one of my favorite Power Trading Techniques so you can imagine that I'm very excited to see it here. Check out the One Bar Ahead™ archives to learn more or review if you'd like.

Go Beyond FAAMG With This Fund

The fund's prospectus suggests that BIGZ has a 12-year shelf life. That lines up with the 10–15-year time frame my research suggests will be absolutely critical to our success. Shorter-term profits are, of course, key and I expect plenty of those along the way as the fund matures.

BIGZ is a team-managed product and I like that a lot as well. BlackRock has some of the sharpest minds in the business on board and that gives me a lot of confidence. The lead portfolio manager, Phil Ruvinsky, has led the BlackRock Mid-Cap Growth Equity Strategy fund (CMGOX) since 2013 so he knows the proverbial neighborhood.

BIGZ is trading at $20.72 as I type and there is no visibility into the fund's holdings at the moment because there is no operating history.

That said, my expectations are consistent with what we know about private markets and small to mid-cap stocks ... the investments BIGZ makes could grow quickly as the recovery takes hold. It's worth noting that BSTZ was in the same situation when it started under similar conditions and has put 107% on the table since inception.

To be clear, past performance does not guarantee future performance; I am simply mentioning BSTZ's performance for context and your information. My point being it was a new fund once, too.

The management fee is 1.25% of Managed Assets. That may strike you as high, especially if you're used to open-ended mutual funds or ETFs. I am okay with it, however, because this means management is aligned with our objectives, chief among which is to make a lot of money over time.

Click here to read the fund's registration statement or follow this link:

https://sec.report/Document/0001193125-21-046816/

Action to take:

Buy shares under $23 and tuck 'em away as a Growth and Income. Or simply consider this fund a bonus recommendation at your discretion to preserve "space" for individual stock recommendations.

I don't recommend a trailing stop at the moment because volatility will pick up significantly as BIGZ's investment holdings become known. Instead, I suggest that you control risk before you buy using position sizing, meaning that you limit any money used to buy BIGZ to money you can live without as a precaution.

There are no options available.

Got a topic you'd like covered?

This fund recommendation came because several folks requested it. And, it matched up to the OBA critera.

If there's a sector or type of investment you'd like for me to cover, please send a message to:

magazine@onebarahead.com.

Chapter 4

PORTFOLIO REVIEW

Plus, this month’s OBA 50

Portfolio Review (May 2021)

The melt up we've been talking about for several months is here, along with a slew of knockout earnings that are even better than expected in many cases. Roughly 86% of companies that have reported so far have beaten expectations and YoY (year over year) growth stands at 45%+ as we go to press. If these figures hold – and I think they will – these will be some of the highest metrics on record.

Our portfolio is exceptionally well positioned for where the world is going at a time when so many folks still fear where it's been!

Foundation stones

This category contains companies intended to be the base around which all other choices are built and will account for roughly 50% of overall investable capital. The intent is to create stability that gives you the freedom to pursue more aggressive choices in the other two tiers over time. There will be some turnover here but, odds are, not much over time; the emphasis is on fundamental underpinnings.

Global growth and income

This category houses companies offering a unique twist on one or more of the "5 Ds" or which are technically of interest and will represent roughly 40% of your overall investable capital. The goal with this segment is appreciation potential AND an income boost so expect to see dividend payers and players here. Turnover here may be based on a combination of technical and fundamental data and slightly higher. Market action could also trigger entries and exits.

Zingers

This category is home to the most speculative choices and will account for roughly 10% of your overall investable capital.

Zingers are fundamentally compelling but are going to be selected based on a higher relative technical analysis weighting using the OBA engine and the MMI specifically. Expect turnover to be highest in this tier based on technical market action.

Foundation stones (50%)

Apple Inc (AAPL) – Apple tacked on an impressive 8% last month, fueled largely by stellar earnings expectations and a dawning awareness that the stock could go far higher.

Speaking of which, I expected a very aggressive $80+ billion top line and $1.05 per share but the company actually reported revenue of $89.6 billion and $1.40 EPS. That's 54% YoY, roughly 67% of which came from outside the United States. That catches a lot of folks by surprise but shouldn't; we tend to get wrapped up in our own headlines when, in reality, the reopening is also taking place thousands of miles from our own shores.

Apple also announced a whole slew of products in April including a new Apple-powered iMac, new iPads, and AirTags. While most of Wall Street lasered in on iPhone sales and the usual breadcrumbs, the real attention getter for me is the AirTag and specifically the Find My Network.

If you're not familiar with it, the Find My Network is an encrypted network between Apple devices that allows 'em to communicate in a decentralized fashion. My takeaway via AirTags is that this network is far more widespread and powerful than previously known.

I'm also intrigued by what appears to be a "killer app" development with regard to the Apple Watch. The next jump is reportedly going to include glucose monitoring, blood pressure and blood alcohol levels among other things.

continued. →

I think that unlocks incredible profit potential as well as an entirely new subscription-based licensing model. As an aside, I've maintained for years that insurance plans begin requiring Apple Watch and iPhone prescriptions and we're one step closer with this development.

My target remains $200 a share within the next 12-24 months. Buy/add below $130.

JP Morgan (JPM) – JPM also smashed earnings that were 30% higher than expectations. That, of course, calls into question what analysts covering JPM do all day if they can be so far off the mark, but that's a story for another time.

The critical takeaway from an OBA perspective is that JPM released another large chunk of cash reserves originally set aside to cover potential loan losses resulting from Covid-19. This tells me that CEO Jamie Dimon and his team are as confident about the recovery as they are about the economy.

Both developments bode well for our entire portfolio, not just JPMorgan itself.

My target is $200 a share within the next 12-24 months. Buy/add below $135

Microsoft Corp (MSFT) – Microsoft knocked the leather off the ball with stellar earnings (I'm running out of expressions here because earnings have been so terrific) and is quietly poised to become a $2 trillion company.

The big news here is the acquisition of Nuance, a high-tech dictation and AI company that caters to medical professionals. I believe Microsoft's next push is going to be medicine and moves like this one seem to confirm that. A quick factoid that many don't know is that Apple's first-generation Siri used Nuance's speech recognition engines – which gives you some insight into where Microsoft is likely to go next.

My target is $300 per share within the next 12-24 months. Buy/add below $240.

Global Growth and Income (40%)

BlackRock Science and Technology Trust (BST) and BlackRock Science and Technology Trust II (BSTZ) – Both funds have been relatively quiet for the month of April, but the exciting news is that BSTZ has reached its capacity for privately held companies (25% of portfolio value) ahead of schedule.

I am particularly excited about PsiQuantum, a startup that aims to build the world's first "useful quantum computer". Other notable investors include billionaire Peter Thiel's Founders Fund, Baillie Gifford, and the Microsoft Venture Fund.

My target is $55 but that's very subjective because a holding like PsiQuantum could really move the needle. Income, meanwhile, is 5.34%. The fund trades at a 3.88% discount to NAV as I write which means that the market price is less than the actual value. In other words, it's "on sale".

BST: Buy/add below $51

BSTZ: Buy/add below $35

NEW - BlackRock Innovation and Growth Trust (BIGZ) - BIGZ is our latest addition and a "bonus" closed end fund. Like BSTZ, BIGZ is a fund that invests in Digitalization, but centers on using digital technology to improve old line traditional operations. See this month's write up for more.

Gilead Sciences (GILD) – GILD reported earnings on April 29th. Q1 earnings increased 16% while EPS jumped 12% YoY. Notably, Gilead also returned $1.2 billion of cash to shareholders through dividends and buybacks.

Veklury, the company's flagship Covid-19 treatment product is now used in 1 of every 2 hospital admissions and that's played a key role in producing higher revenues even as broader sales figures were down almost across the board.

continued. →

Portfolio Review (May 2021)

My target is $88 a share within 12 months. Yield remains a compelling 4.33% meanwhile. Buy/add below $60

Pfizer Inc. (PFE) – I identified Pfizer early on as my number one Virus+ choice for two reasons: a) Covid-19 would result in annuitized revenues of at least $20 billion, a figure that's since been upgraded to at least $25 billion and b) my belief that the company would take what it's learning about mRNA treatments and apply that knowledge to the company's already amazing portfolio. Both are happening as I type.

Pfizer already has deals in place to supply the EU with 600 million doses and 300 million here in the United States. Now the EU is apparently going to step up with 1.8 billion doses delivered through at least 2023. At current exchange rates and roughly €19.5 a dose, that's a hefty €35 billion top line or $42 billion US dollars … roughly double what I thought possible.

Contrary to what many people think about the virus being "over" any time soon, it's highly likely annual vaccinations will be *de rigueur* a few years from now and a 3rd dose is highly likely in the very near future. So's an oral treatment.

My price target is $50 inside of 12 months. Meanwhile, a 3.90% yield isn't too shabby! Buy/add below $35.

Palantir Technologies Inc. (PLTR) – We've known from the very beginning that PLTR would be a bumpy ride after an incredible start.

That's certainly the case right now. It's frustrating but by no means unusual.

Social memers have now squared off against much larger and far better capitalized players who are doing their very best to scare individual investors into selling even as they accumulate shares.

That's created downward pressure and we will just have to wait it out for now … like we did with Pfizer come to think of it! Cathie Wood is still reportedly buying, incidentally.

Price target: $50 a share within 24 months and $100 five years from now. HOLD for now. Don't put more money to work until the memers move on. Gritting your teeth like I am is optional.

Waste Management Inc. (WM) – WM is the closest thing to a "steady eddy" I can find and I'm very happy with the stock. The chart's shape makes me think a pullback could be in order by the time you read this, though.

Like other OBA 50 companies, WM reported fabulous earnings with 14% growth and a projection of 12.5%-13% growth over the next year. That said, I suspect CEO James Fish, Jr. may be playing things conservatively to avoid disappointing legions of the same aforementioned Wall Street analysts.

The company is on the verge of becoming a "dividend aristocrat" and has increased dividends for 18 years consecutively.

My price target is $160 within a year. Yield, in the meantime, is a solid 1.63%. Buy/add below $130.

VISA Inc. (V) – Many people think about Visa as a credit card company but it's really an under the radar infrastructure play that will propel digital currencies, the President's recovery plans and post Covid-19 activity. And, as such, it's a "picks and shovels" play.

Visa grew payments volume by 11% and processed transactions by 8% last year which doesn't sound like much until you remember that's during a global pandemic. It's worth noting that Visa is perfectly positioned for the ongoing migration to debit, as opposed to credit, transactions.

Shares have heated up considerably in recent weeks, but I still think Visa is a bargain in the long run at these levels.

My target is $260 24 months from now. Yield is 0.55% meanwhile. Buy/add below $212

Portfolio Review (May 2021)

Zingers (10%)

Affirm Holdings, Inc. (AFRM) – Like Palantir, Affirm is getting beaten to smithereens which causes me no end of consternation. That said, the business case for owning it is stronger than ever.

I'm particularly pleased to see the company's $300 million acquisition of Returnly, a software company which deals with online returns and post-purchase payments for $300 million in cash and equity. This means that AFRM now has access to both the "front end" and the "back end" of e-commerce – the latter of which is a $428 billion market all by itself!

Returnly, incidentally, has processed more than $1 billion in returns and has already been used by 8+ million shoppers. I see 'em as the perfect "buffer" between shoppers and retailers because they enable instant returns and credits for both parties.

My target remains $140 inside 12-24 months. HOLD.

BridgeBio Pharma Inc (BBIO) – BBIO had a relatively quiet month and that's understandable given the nature of their business. The only announcement of note is that the company will be collaborating with UCSD on genetic diseases. BBIO reports earnings on 5/12 and I will be watching closely!

My target is $85 a share within 12-24 months, perhaps more. Hold/add below $50

Schrodinger (SDGR) – Similar to BBIO, Schrodinger also had a quiet month and largely traded sideways. Keep in mind that there's still a lot of institutional interest from the likes of both the Bill and Melinda Gates Foundation and Cathie Wood's Ark funds.

My target is $100 a share. Hold/add below $68.

NEW - Tesla Inc. (TSLA) – Tesla is our newest addition to the portfolio. CEO Elon Musk is the "pied piper of profits" and the sharpest CEO on the planet. He may even be this generation's Steve Jobs.

No question shares will be volatile, so tread lightly and gradually assemble a position using a tactic like Dollar Cost Averaging to work your way in. Fractional shares are a great alternative as is Selling Cash Secured Puts, a Power Trading Technique I profiled in the February Issue.

I was a lone voice in the proverbial wilderness when I first mentioned $1,000 a share as a target but that's no longer true. We have company from the likes of Wedbush, Oppenheimer and Argus Research, all of whom have upped their estimates and are now in the same neighborhood.

Hedges

Hedges are "just in case" investments against market calamity. There is no way to completely eliminate market risk, but you can take steps to tame it. Studies suggest that 1%-3% of total investment assets in non-correlated choices like these can give you the freedom to maintain a more offensive posture than you would otherwise. We can/will add to these if the markets rollover for any reason.

ProShares Short S&P 500 (SH) – this is a specialized inverse ETF (exchange traded fund) seeking a return that is -1X the S&P 500. Expense ratio is 0.90%.

Rydex Inverse S&P 500 Strategy Fund (RYURX) is a specialized inverse fund seeking a return that is -1X the S&P 500. The fund is non-diversified and will invest at least 80% of net assets in financial instruments intended to perform opposite the S&P 500 upon which it is based. The Gross Expense Ratio is 1.57% and the Net Expense Ratio is 1.53%. Distribution Yield is 0.42%.

Portfolio Review (May 2021)

ProShares Ultra VIX Short Term Futures ETF (UVXY) is a leveraged ETF intended to perform 1.5X VIX Futures Index, not the VIX itself like many people think. It's a way to buy "volatility" without engaging in futures trading directly. There is some degradation because of the leverage involved and because the fund continually rolls futures contracts at a loss. Over time it will lose value.

That's why I suggest you use the UVXY more opportunistically than as a semi-permanent or ongoing hedge like either the RYURX or SH. Examples including buying UVXY before a holiday weekend if you fear a selloff for any reason or when the risk of terrorism is high. Bad medical news suggesting Covid-19 mutations are outrunning medical technology would be another potential reason to buy it. Hold for days at a time, not longer.

Cash Alternatives

Buy BTC and ETH - Split your investment 50/50 between the two. Dollar cost average in a bit each week or every month on a regular schedule until your total crypto currency allocation is between 0.5% -1% of total investable assets.

Bitcoin is still has plenty of gas in the tank and is trading at $54,044.80 as of press time. Ether has been on fire as of late and is trading at $3,274.76.

Position Sizing Guideline	
Foundation Stones	50%
Global Growth and Income	40%
Zingers	10%
Hedges/Inverse	1-3%

continued. →

SPECIAL ANNOUNCEMENT

Keep up with Keith...

He'll be delivering a keynote address at the Virtual MoneyShow which is happening May 11 to 13. And, he'll be keynoting again *in person* at the Las Vegas MoneyShow this September 12-14; so please hold the dates or make plans right now.

Both are FREE but space is limited.

You can sign up for May here:

Sign Up

And get ready for Las Vegas here:

Sign Up

You can also catch Keith at the upcoming virtual AAII New York Chapter meeting on Wednesday, July 7th. Sign up through the AAII website.

Keith will also be appearing at upcoming trading conferences and, of course, getting ready to roll out the One Bar Ahead™ school this fall. Details are still being worked out!

Portfolio Review (May 2021)

OBA Model Portfolio

	Stock	Recommended	Price at Entry	Current Price	Yield/Dist Rate	Profit/Loss	Stop Loss/TS	12-24mo Target	Last Instruction
Foundation Stones	AAPL	1/8/21	$ 132.05	$ 133.95	0.69%	1.4%	25% TS	$ 200.00	Add below $130
	JPM	1/14/21	$ 141.17	$ 154.47	2.32%	9.4%	$105	$ 200.00	Hold/add below $135
	MSFT	3/5/21	$ 226.73	$ 254.24	0.90%	12.1%	25% TS	$ 300.00	Hold/add below $240
Global Growth and Income	GILD	1/11/21	$ 62.51	$ 64.60	4.33%	3.3%	25% TS	$ 88.00	Hold/add below $60
	PFE	2/5/21	$ 34.92	$ 39.38	3.90%	12.8%	25% TS	$ 50.00	Hold/add below $35
	BIGZ	5/7/21	NEW	$ 21.16	0.00%	0.0%	25% TS	None	Add below $21
	BST	2/5/21	$ 58.16	$ 59.20	4.77%	1.8%	25% TS	$ 70.00	Add below $51
	BSTZ	2/5/21	$ 39.31	$ 38.38	5.54%	-2.4%	25% TS	$ 55.00	Add below $35
	V	4/7/21	$ 219.27	$ 235.37	0.55%	7.3%	25% TS	$ 260.00	Buy/ Add below $212
	WM	4/7/21	$ 132.41	$ 138.82	1.63%	4.8%	25% TS	$ 160.00	Buy/ Add below $130
	PLTR	1/8/21	$ 25.20	$ 22.72	0%	-9.8%	None	$ 50.00	HOLD
Zingers	AFRM	1/14/21	$ 114.85	$ 70.03	0%	-39.0%	None	$ 140.00	HOLD
	TSLA	5/7/21	NEW	$ 653.60	0%	0.0%	25% TS	$ 1,000.00	New/Nibble in
	SDGR	4/2/21	$ 78.53	$ 75.99	0%	-3.2%	None	$ 100.00	New/add below $68
	BBIO	3/5/21	$ 62.52	$ 55.46	0%	-11.3%	None	$ 85.00	New/add below $50
Hedges/Inverse	SH	2/1/21		$ 15.81	0.00%		None		Hold
	RYURX	2/1/21		$ 32.67	0.47%		None		Hold
	UVXY	2/1/21		$ 4.45	0%		None		Opportunistic

TS = Trailing Stop

Cash Alternatives	
Bitcoin	0.5%
Ether	0.5%

Past performance does not equal future results. Individual investment results may vary. All investing involves the risk of loss.

All data as of 5/3/2021

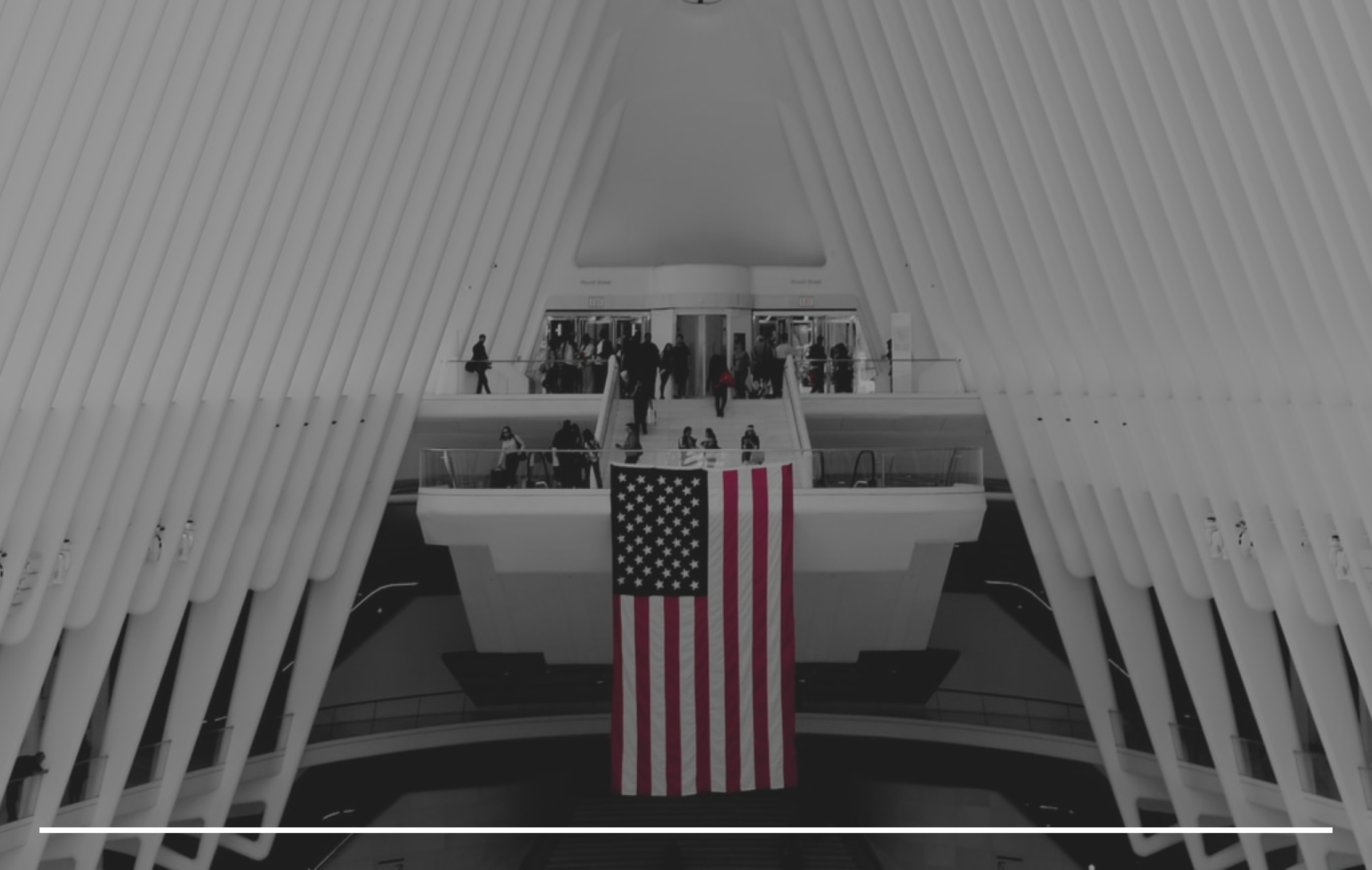
OBA 50

Ticker	Name	Ticker	Name	Ticker	Name
AAPL	Apple Inc	GOOGL	Alphabet Inc	ROKU	Roku Inc
ADBE	Adobe Inc	JNJ	Johnson & Johnson	RTX	Raytheon Technologies Inc
AFRM	Affirm Holdings Inc	JPM	JPMorgan Chase & Co	SDGR	Schrodinger Inc
AMAT	Applied Materials Inc	LOW	Lowes Companies Inc	SQ	Square Inc
AMD	Advanced Micro Devices In	LRCX	Lam Research Corp	TGT	Target Corp
AMZN	Amazon Com Inc	MA	Mastercard Inc	TMO	Thermo Fisher Scientific Inc
AVGO	Broadcom Inc	MRNA	Moderna Inc	TMUS	T-Mobile US Inc
BBIO	BridgeBio Pharma Inc	MSFT	Microsoft Corp	TSLA	Tesla Inc
CRWD	CrowdStrike Holdings Inc	MU	Micron Technology Inc	TTD	Trade Desk Inc
DE	Deere & Co	NET	Cloudflare Inc	TWLO	Twilio Inc
DHR	Danaher Corp	NOW	ServiceNow Inc	V	Visa Inc
DIS	Walt Disney Co	NVDA	Nvidia Corp	W	Wayfair Inc
DOCU	Docusign Inc	PENN	Penn National Gaming Inc	WM	Waste Management Inc
ETSY	Etsy Inc	PFE	Pfizer Inc	WMT	Walmart Inc
FB	Facebook Inc	PLTR	Palantir Technologies Inc	ZM	Zoom Video Comms Inc
FDX	Fedex Corp	PYPL	PayPal Holdings Inc	ZS	Zscaler Inc
GILD	Gilead Sciences Inc	QCOM	Qualcomm Inc		

Chapter 5

HOW AND WHY THE REAL STORY MATTERS

An exclusive interview with
Stuart Varney



Get the Real Story With Stuart Varney

FLORIDA – Buying great stocks isn't just about finding great companies.

Real, consistent success comes from having an edge and from being able to put together a "story" that makes sense for you and your money. Especially if you can get to the heart of the matter before everybody else figures out what's happening.

Nobody does that better than my guest this month, Mr. Stuart Varney.

His show, *Varney & Co.* is the highest rated market program on television with good reason.

Mr. Varney has had a front row seat to the world's financial markets for the better part of the past 50 years, which means he has unparalleled insight into how, why and who makes 'em tick.

Given his prescience, I thought it well worth a sit-down!

KF: Welcome Stuart and thank you for sharing your knowledge!

SV: Flattery is the mother's milk of television, Keith, as you well know. And that was a very good introduction. I'm taking it. Thank you very much and it's good to be here.

KF: You have had a front row seat to the world's financial markets literally for decades, an enviable position by any stretch of the imagination. What many people may not know about you, though, is that you started at the London School of Economics.

SV: I did. That was 1967 through 1970. I graduated from the LSE, as we used to call it, in 1970. I want you to bear something in mind, Keith. LSE has the reputation of being among the most left-wing places in Britain. And when I was there, it was *the* most left-wing place in Britain.

Varney & Co is the highest-rated market show on television

I was a socialist in those days and I stayed a socialist all the way through, at least for the next few years, until I went to Hong Kong and had my eyes opened. Hong Kong was unlike anything I'd ever seen before and a free-market, intensely capitalistic society.

I abandoned all my socialist nonsense and immediately understood that capitalism and freedom are the same thing. I went onward from there.

KF (Q): If you were to meet yourself as a young graduate today, what would you counsel your younger self?

SV: That's a very tough question, Keith.

How does one see the light? Because that's the real question here, isn't it? When do you stop living in the world of high-flown principle and enter the real world, which is the university of hard knocks?

I think that's kind of the transition point everybody should go through in their early twenties. I think it was Winston Churchill who said, "If you are not a socialist by the age of 25, you've got no heart, but if you're still a socialist after 25, you've got no head."

I absolutely believe that 100%. How's that for an answer?

KF: Spot on. It's hard to describe just how aggressively capitalist Hong Kong was because modern China is obviously and very clearly Communist.

SV: Yes. China's state-run, authoritarian capitalism. You do what the Chinese Communist Party tells you to do. The Chinese Communist Party wants prosperity. It wants to raise as many people as possible into the middle class. That's the deal. You let us do politics and you do prosperity. And it kind of works up to a point.

Won't work forever by any means, but it's working right now. That's how Beijing keeps control of the whole country. As I said, it's not going to last. Sooner or later people see the light. Sooner or later people want their freedom, and it comes to an end.

Authoritarian communism is a real challenge to the performance of capitalist America.

KF (Q): Leadership matters, especially against this backdrop. It's a big part of the One Bar Ahead™ investment selection process when I'm evaluating companies, in fact. Are there company founders you've interviewed over the years who can meet the challenge and why?

SV: I'll give you two. First, the late Steve Jobs. I interviewed him several times during the late 1990s and early part of the 21st century. It was fascinating. He was extremely difficult to interview because he was absolutely contemptuous of me. He was so far above me and I know he was so that's the reality. But, he showed it.

What I gained from the interview was that Jobs had a one-track mind. It was all about him and his ideas and he would not entertain for one moment anybody else's input. Jobs ruled supreme. He was a genius, and he knew it.

That was intriguing because here's a man with real power, real clout, real brains who pursued his goals ... look what we got. So, I think pursuing your goal and leaving everything else outside, that was Steve Jobs. That's what made him great.

My second choice is Jeff Bezos who was somewhat similar although he was a much nicer guy. Jeff Bezos is always smiling and if not smiling, he's laughing.

I interviewed Bezos back in the late nineties when he was just starting out with Amazon as a book seller. He was trying to get me to grasp that his vision was "much broader than just books." I didn't understand where he was coming from, but by the end of the interview, I understood the intensity of his vision and his ability to put it into practice.

That's what I drew out of those two interviews – the intensity of vision and ability to stay with that vision to the exclusion of all else.

KF (Q): I think those are fascinating observations, which brings me full circle to actually how you do your job every day. Like Jobs and Bezos, you have a remarkable ability to process ginormous amounts of information accurately, quickly, and get to the heart of the matter.

What's the secret, the Stuart Varney method?

SV: I must understand the headline that's coming at me. I do not want to see jargon. Jargon means nothing to my audience.

So, I've got to read the same headlines everyone else sees but dig in and boil it down. That's what makes information meaningful, understandable.

Get the Real Story With Stuart Varney

I get up every morning about 2:45. I know that's very early, but that's the way I've been for many, many years. The first thing I do is I scan all news sources, New York Times, Wall Street Journal, Financial Times, Washington Post. Then, I'll take a look at Fox News. Then, I'll take a look at Fox Business. I also look at what ABC, NBC and CBS have to offer. That's usually political news, which I'm not as interested in, but I'll look at it nonetheless.

Then, I figure out what of all those stories that they're running is of interest to viewers.

Remember, I'm in the business of attracting eyeballs. You've got to grab them because they've got a hundred channels that they can choose from.

Boil it down, understand it ... then put the headlines out in conversational English. I'm really a conversationalist and it's up to me to communicate.

KF (Q): You air a segment at the top of every hour you call "Stu's Take." I consider it "must watch" and, in fact, go out of my way every day to do so because you make me think often about information and perspective I wouldn't otherwise consider.

How do you stay on point so consistently?

SV: That's a tough one. All my life, I've been fascinated by current events, current affairs, so to speak. I'm not wishy washy. I'm not six of this and half a dozen of the other, no. I will take a position, I will stick to it, and I'll offer it up for discussion.

Stu's Take has got to be sharp edged. We're just coming out of the Trump era and we're going into what looks like a socialist era. I've got very strong opinions on that and I think those strong opinions accumulate and absorb an audience.

KF (Q): What happens when you run into information that's unexpected and how do you fold that into the argument? I ask because there are direct parallels to investing in today's complicated financial markets.

SV: I'm just going to come right at you. I'm going to express a strong opinion. If there are facts that contradict my emote, my argument, you've got to include them.

KF (Q): I agree. It's a process and critically important, especially when it comes to identifying important information and stories that others don't yet recognize or see coming.

SV: Let me interrupt you for a second because you've been on my show for 11 years ... since the get-go and you've been right. You've followed the big tech trend with me for all those years ... we have been right.

How else do you explain the extraordinary valuations that are now on Apple and Facebook and all the rest of them? That's an obvious truth of the early part of the 21st century, the absolute dominance of American technology companies. You saw it, I saw it. No contradiction involved - the market saw it and away we go.

That has been, I think, one of the most important themes on this show between you and I over the last 11 years ... the power, cash and marketplace performance of America's big tech. I find it absolutely astonishing. I don't know whether it's over yet, but I own some Microsoft and I'm not selling yet, okay?

KF (Q): I do, too and I'm not selling either! Is there a story that's not being told properly right now or one that you'd like to explore further?

SV: To me it's the democratization of investing.

Go back to the beginning of my career in television and finance, early 1970s. Back then investing in the stock market was for the elite. Let's be honest. I don't know the proportion of people that had some investment in stock market back in 1970 but I was part of Wall Street and I knew pretty for sure that this was the elites, the wealthy people. They're the people who invested in it.

Fast forward to today, it's a totally different picture. One hundred million Americans have a piece of 401k or IRA action and that's usually an investment in the stock market. You've seen the retail investor come on real strong lately with GameStop and Bitcoin and all the rest of it.

That is the democratization of investing. It's come from the elites all the way down, almost to the man on the street. It's not an accident that you've got millions of people receiving emergency paychecks from the government and that they're putting it straight into the stock market.

We've never seen anything like that before. I don't know where it's going, Keith. What happens if there's a nasty crash in Bitcoin or in these NFTs or any of the bubble areas currently attracting retail investors? What happens if they all crash, and those folks lose their shirts? Will they go back to investing in 20 years' time? I sure hope so, but they're going to learn a lesson and that's the way it is.

KF (Q): Is there a particular technology that you find so extremely compelling you'd like to live for another hundred years to see what happens?

SV: I'm laughing because Keith, you know me quite well and you know that I don't do technology very well at all.

KF: Yes, I know.

SV: I know you know.

KF: I want to put you on the hot seat a little bit.

SV: Well, you did ... because I can't put my finger on a technology which I understand, which I know will revolutionize my life and your life. I'm thinking of artificial intelligence but I'm not really sure how that is going to apply to my life. I know it's coming and that to some degree it's here already, but what it actually means, I don't know.

The internet, well, I understand that. And obviously that is the revolution of the times. There's no question about that, but I'm not sure where that's going.

Where does the internet go? Will there still be an internet 10-20 years as we know it now? I simply don't know.

To be honest, I can't answer your question.

KF: Actually, I think you just did. What's more, you're smiling. You, despite having graduated from London School of Economics and started your career as a socialist, are an optimist.

SV: I am. Absolutely.

KF: I share that perspective. In fact, I believe we're on the cusp of a golden era of investment. We are clearly going to live in a world that we can't even contemplate today even if we don’t know exactly the path ahead. I'm very excited to be a part of it.

SV: Yeah. 100%, I agree.

This brings us back to big tech. Big tech has acquired so much power, so much money and is investing in all kinds of other industries, revolutionizing other industries. That is the way forward. That's why I'm very positive.

Look, we (our country) may argue about big tech and censorship. They’ve got too much power, they got too much money. But they – big tech - are absolutely brilliant and they're taking us forward in a way which is exciting and intriguing, and which will affect every single one of us.

Like you, I'm big on this. I'm positive on this. And yes, I think that can introduce an extraordinary era where investing makes a great deal of sense and sets us on the right course for the future.

That's the way I see it.

KF: Well said, as always.

Thank you for spending a few moments of your valuable time with me today and for sharing your thinking with the One Bar Ahead™ Family.

As usual, I’ve learned a lot!

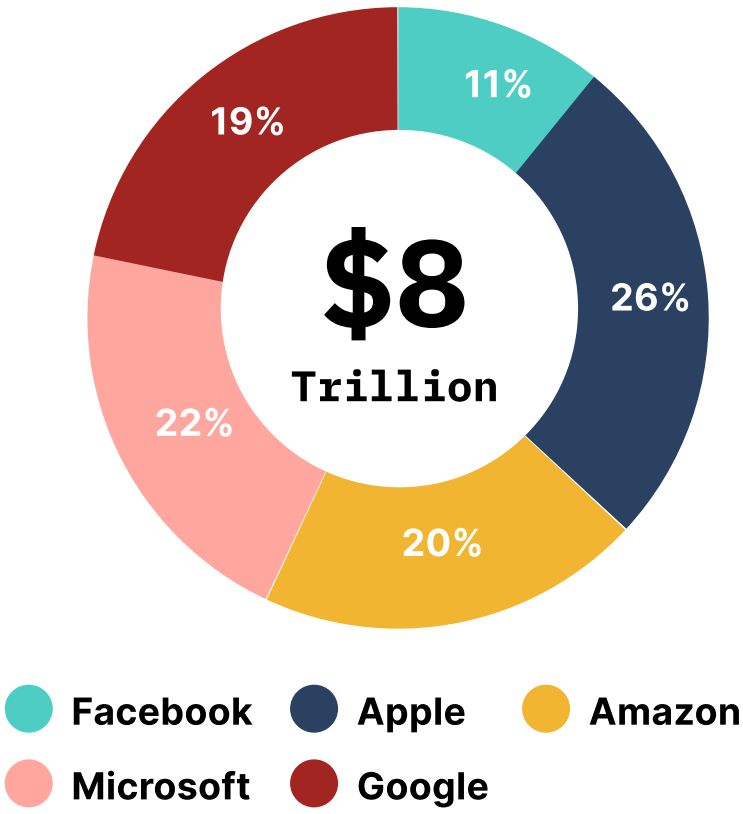
Watch Varney & Co every weekday from **9am-12pm** Eastern Standard Time on the Fox Business Network

THE “FASCINATORS”

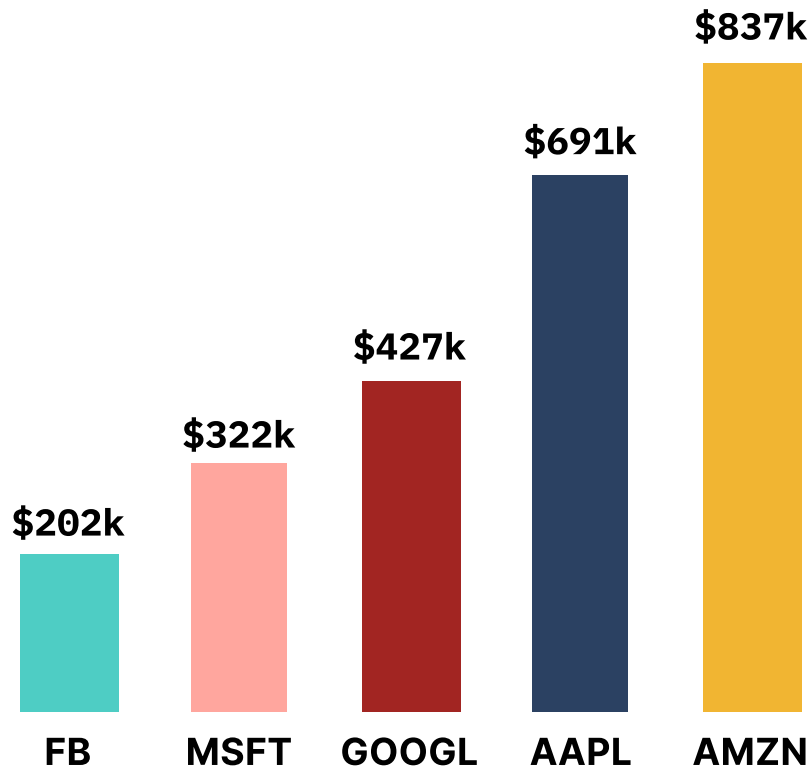
Big Tech is REALLY, REALLY BIG

THE “FASCINATORS”

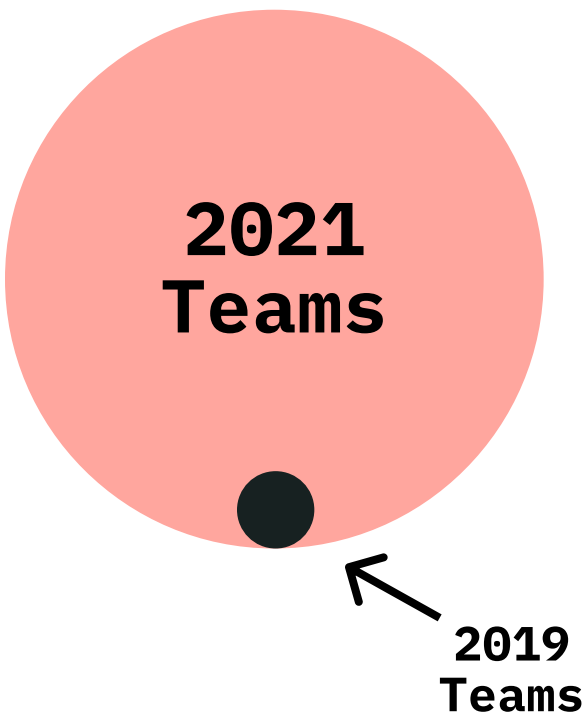
Big Tech



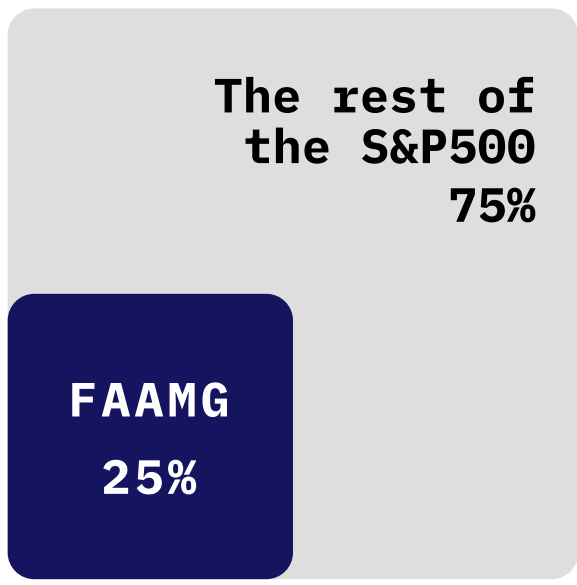
FAAMG is collectively worth a staggering $8 trillion



How much money each company makes in 60 seconds



Microsoft Teams has 145m daily users, more than 7x the figure from 1.5 years ago



FAAMG now makes up ~25% of the total value of the S&P500. That’s double 5 years ago.

THINKING “ONE BAR AHEAD”

The Unintended Consequences of Technology

Thinking “One Bar Ahead”

The future is rushing towards us at breakneck speed which means finding the biggest, best and potentially most profitable investments isn’t just a matter of seeing what happens next like many folks think.

We’ve got to anticipate deep-rooted changes others don’t yet see or understand ahead of time, especially when it comes to unintended consequences that will inevitably surface. Then, to paraphrase the legendary late Steve Jobs, “connect the dots” as early on as we can!

Here’s my take on unintended consequences of technology.

The Internet is making us dumber

There’s a growing case to be made that the Internet is making us dumber. A UCLA study conducted in 2008 showed that people conducting Google searches had higher prefrontal cortex activity.

You’d think this is a good thing, and many did.

Neuroscientists now know that reading on the Internet may interrupt the linkage between organized thinking and cognitive load.

Author Nicholas Carr (*The Shallows: What the Internet is Doing to Our Brains*) posits that “we’ve become mindless consumers of data” and I agree.

Apps like Grammarly haven’t developed by chance. We are increasingly connecting short-term neural pathways at the expense of critical long-term thinking capacity.

Potential investment implications: Implantable technology that can help organize information we assimilate into logical, human-like pathways. Apps cease to exist as we know them to be replaced by truly intuitive usage. Google “de-searches.” Advertising models get turned inside out and become driven by what we actually want rather than behavior-based suggestions as is the case today (and a major pet peeve of mine).

Apps like Grammarly have exploded for a reason!

Thought harvesting

People are beginning to recognize that the amount of data we’ve voluntarily contributed to social media, via search engines, and other networking programs comes at a huge cost. Privacy is long gone. Now there’s a new threat from implantable technology like Elon Musk’s Neuralink and it’s far more insidious. Thought harvesting will become big business and, in doing so, create an entirely new industry. Imagine having to pay a subscription fee to retain your memories or those of your family!

Potential investment implications: Augmented reality, experience travel, HR screening using memories as part of the application process, addiction therapies, false memories.

Thinking “One Bar Ahead”

Over-reliance will create imbalances

People are thinking in terms of technology making distribution better, faster or simpler at the moment. The real opportunity is not in creating machines that think to make those things possible though, but in managing the resulting imbalances when they do. Especially when it comes to critical food, water, and medical supplies.

Potential investment implications: JIT (Just in Time) management gets replaces by JIC (Just in Case). New logistics chains and channels formed via cyberspace but implemented locally via 3D printing and immediate source management. Holographic medicine. mRNA based treatments accelerate. Computing power supersedes old fashioned laboratory analysis which, in turn, becomes an adjunct.

Diffusion

Digital citizenship will become *de regueur* within the next 5 years, certainly a decade from now. Governments and regulatory structures will break under their own weight because they cannot understand desperately needed policy changes or adaptation.

Citizens around the world are already questioning who is accountable to whom and it will not take much to accelerate that thinking.

Potential investment implications: Digital privacy centered on personal information will enjoy an intense re-birth. Global banking outside currently existing systems could replicate the quasi-private banking created by the Knights Templar 902 years ago and, ironically, paralleled by Sharia Banking today.

E-Waste

Not 1 person in 1,000 gives a second thought to the mountain of obsolete electrical debris we accumulate. I was shocked to learn that we generated 53.6 million tonnes of phones, radios, toys, old smart phones, batteries etc. worldwide in 2019. That’s 7.3 kilograms per person per year which doesn’t sound like a lot at first glance until you realize that’s equivalent to 350 cruise ships in terms of weight.

By 2030 this figure is expected to double according to various sources and may reach 74.8 million tonnes. However, I think the actual tally will be closer to 100 million tonnes or 656 cruise ships based on how fast the speed of technology adoption is accelerating and shorter product life cycles.

Planned obsolescence is now part of the design/sales process whereas durability used to be the primary driver. I recently had to bin a $300 chainsaw, for example, because a $0.25 part was irreplaceable. I could see the worm gear that had failed but couldn’t get to even with above average mechanical skills I learned in my grandfather’s metal shop!

Potential investment implications: Recovery and reprocessing that will differ greatly from today’s emphasis on recycling. Changes in form factor will result in increasingly biodegradable materials.

ASK KEITH

Get your questions answered!

Ask Keith

Q: The last issue said add to Microsoft below $225. Are those instructions still valid with MSFT now trading in the $250-$260 range?

- Rory H.

A: Sharp question, Rory.

Yes, only now that's more of a "back up the truck" and buy level. The new threshold for adding shares aggressively is $240-$245ish as reflected in this month's portfolio.

Tactically speaking, Microsoft is an ideal candidate for two of my favorite tactics: **LowBall Orders** or **Selling Cash Secured Puts** as I outlined in the February issue. **Dollar Cost Averaging**, of course, always works too and that's something even the most skittish amongst us can begin doing immediately irrespective of price action in the months ahead.

Q: I am trying to follow along with Bitcoin and Ethereum, but Gemini's services are very limited in South America where I live. Is there an ETF to get this exposure or an ETF alternative?

- Raul G.

A: Thanks for asking, Raul.

The SEC has recently delayed its decision on bitcoin ETFs until June, but I think this could finally be the year one or more are approved. Alternatives here in the United States are presently limited to companies active in blockchain technology or bitcoin-based technology. That's by design because the regulators have every reason to be leery; roughly 75% of bitcoin trading happens on unregulated exchanges operating outside the United States where manipulation/theft is far more likely and, unfortunately, common.

WisdomTree has recently listed an Ethereum (ETH) exchange traded product (ETP) on the Swiss Stock Exchange in Zurich (SIX) and Germany's Xetra Market in Frankfurt. The ticker is ETHW. Additionally, 21Shares and ETC Group have both listed Ethereum-backed ETPs in Germany as well.

Q: What's the "Rule of 16" and can it help me plan my entry/exit points? I'm a simple stock investor, not an options trader.

- Rob P.

A: Yes – and I'd love to know where you heard about that because the "Rule of 16" is an old traders' trick that very few people know about today!

The "Rule of 16" is an easy-to-understand way to make sense of the VIX, an often-cited volatility measure based on the SPX. In fact, I use it every day because it helps me see the bigger picture, especially when emotions are running high and decisions can be a bit more challenging than normal.

Without getting into too much detail, the Rule of 16 is called that because 16 is the approximate square root of the number of trading days in a year. Therefore, when you divide a VIX reading by 16, you get an average expected daily range.

Here's where the rubber meets the road.

Statistically speaking, the markets move within 1 standard deviation 68.2% of the time. The other 31.8% of the time, they move outside that range. Understanding this means you can plan for and profit from the market's natural behavior by easily identifying points where it is demonstrating abnormal price action.

So, for example, if the VIX is at 16, that tells you the S&P 500 (SPX) is likely to trade up or down by just 1% roughly 2/3rds of the time. [16/16 = 1] Contrast that with the 50+ reading during March 2020 when dividing by 16 would have translated into a 4% move which is roughly what happened.

Let's apply that to an example that may help.

Microsoft is trading at $251.32 and the VIX is at 17.67 as I type. So, 17.67/16 = 1.10. And, $251.32 – 1.10% = $248.80. That's not quite as low as the more precise math driving One Bar Ahead™ over a slightly different time frame, but it's right in the neighborhood as noted above with regard to Rory's question. And, importantly, quick enough for a back of the envelope decision.

If you are an options trader or an investor who uses options (and many in the OBA Family are), you can apply the same thinking with weekly options, monthlies or even LEAPs. In fact, I will often use the Rule of 16 to find strikes that may be a starting point for Selling Cashing Secured Puts, buying calls, etc.

Many software or trading platforms can also calculate the specific implied volatility for individual stocks so you can get even more detailed if you'd like. But, that's probably overkill.

Sometimes going "Old School" still rules!

Here's a quick cheat sheet:

VIX Reading	Expected Daily Range
16	1%
32	2%
64	4%

Q: You've recommended Nvidia in the past and I've noticed that it's made the OBA 50 four months in a row. Will NVDA ever make it back into the OBA Model Portfolio?

- Rich W., Charlize A.

A: Yes – and, thank you for making the jump to One Bar Ahead™ while I'm at it!

MMI (Master Market Indicator) simply hasn't identified an optimal entry point for NVDA which means I can't put it into the portfolio just yet even though I'd like to. There's nothing wrong, incidentally, with buying or owning NVDA if you do already to my way of thinking because it's a great company with a lot going for it.

Q: Any qualms about owning Palantir given recent trading action?

- Ron S.

A: None whatsoever.

The business case for owning shares is getting stronger by the day. As long as that's true, everything else is just noise.

Admittedly, I find recent trading frustrating but it's not atypical under similar market conditions.

KF

Send your questions in!

There's nothing I like more than great questions, comments, and suggestions.

Please send me yours via email using askkeith@onebarahead.com or hit me up on Twitter @fitz_keith

Chapter 9

FAMILY HIGHLIGHTS

YOU’RE AMAZING!

We'd be crazy not to celebrate YOUR success!

Did you know that roughly 64% of all new jobs created each year here in the United States are created by small businesses but that small and medium businesses may account for upwards of *90%* of global growth?

I didn't.

In fact, that data point – from Oberlo – caught me completely off-guard when I was researching this month's recommendations. And as is usually the case when that happens, that got me thinking.

Starting and running a small business is hard. I speak from experience having started or helped start a number of companies over the years.

Anybody who's run their own show will tell you it's not uncommon to max out your credit cards, run short of cash, not take a paycheck for several years or even longer before you gain traction. You worry about how you're going to put food on the table and keep a roof over your head. It's dramatic but by no means unusual under normal circumstances.

Covid-19 has hammered the world down. Yet, as I look around, I see people beginning to stand up again particularly when it comes to small business owners. There's definitely strength in numbers and in the optimism that brings us all together.

My hope is that we'll all grow – err – go down the road together as the world reopens. I've provided webpages and contact information where possible and am already, in fact, hearing from OBA Family Members who are getting together, sharing their businesses and their lives.

We'd be crazy not pay attention and support each other.

You're amazing!

KF

Eileen's Pralines

Eileen and Jack own a fantastic praline bar business in Dallas, Texas, and ship nationwide. 30+ years of yumminess and counting.

Their website is positively drool-worthy!

Website: EileensPralines.com

We’d be crazy not to celebrate YOUR success!

Cynthia K.’s Geneology

Cynthia and her husband enjoy dual pursuits as geneologists and photographers, respectively.

I’m not an expert at either, but they obviously are.

Please message the OBA team if you’re interested in connecting at magazine@onebarahead.com.

Sven’s Management and SSJE Investments

Sven runs a family investment company called SSJE Investments and also owns a creative management firm with a hub/showroom in Stockholm.

Like the rockers he represents, Sven is an avid guitarist!

Find Sven: IG @svenisaksson

Photo creds: IG @samuelschultzberg

Chris and Tara’s Fly Fishing Experience

Chris and Tara offer world-class fly fishing experiences in the stunning Montana wilderness.

Each of their adventures has “trip of a lifetime” written all over and I can’t wait to visit myself!

Website: MontanaFlyFishingExperience.com

Danny Varona - Realogics

Danny is a Sotheby’s/Realogics broker and realtor with a well-deserved reputation for innovative marketing techniques and new-school advertising tech.

If you’re in the market for luxury real estate here in the PNW, I dare say he’s your guy.

Website: DannyVarona.com

We'd be crazy not to celebrate YOUR success!

Joe J's Waterfront Restaurant

Joe and his family have been running Carrol's Creek Cafe, an amazing fine dining restaurant in Annapolis, MD since 1983.

Whether you want seafood, "land" food or both, their menu is fantastic!

.**Website: carrolscreek.com**

Jeff K's HR Software

A self-described serial entrepreneur, Jeff's out to revolutionize HR with innovative softare that changes the game completely.

Plus, his website will make you SMILE ear to ear!

Website: hrsoftware.me

Michael D's Campground

Old Orchard Beach Campground offers authentic camping experiences in Maine's most vibrant beach town less than one mile from the shore. Food, activities, and beaches - they've got it all!

Michael's operated the Old Orchard Beach Campground for 40 years, and it's on my "to be visited via motorcycle" list later this year!

Make sure you stay a while if you're in the area.

Website: www.gocamping.com

Ron M's Inflatable Boats

Ron M runs a fantastic inflatable boat business in Portland, Oregon. Captain Ron, as he's called, used to race boats, and it's no wonder they're Zodiac's Senior Dealership in the US.

If you have an urge to go fast or just simply fancy a top-notch, lightweight boat, talk to Ron!

Website: inflatableboats.com

HIGH PERFORMANCE OVER 50™

Protect your brain (and possibly your profits, too) by knowing your B12

High Performance Over 50™

All the money in the world...

All the money in the world isn't worth a dang if you don't have your health. That's why it's incredibly important you and I do everything we can when it comes to brain function.

I recently read some fascinating new research on B12, one of several key water-soluble vitamins we need for the production of red blood cells, DNA and a properly functioning nervous system.

Historically, this a well understood relationship; or at least we thought it was.

People with short-term B12 deficiency can suffer from fatigue, weakness, and anemia. Longer-term deficiencies are associated with neurological problems, stomach cancer, osteoporosis, lethargy, dementia and even simple confusion.

Our medical system has a hard time with the idea because quantifying what's normal for one person may be entirely inappropriate for another. The way the medical system quantifies risk and the FDA approves treatments is a lot like conventional Wall Street allocation models in that they're both terribly flawed.

"Proper B12 allocation and measurement is essential in supporting your health. Be proactive as opposed to reactive when working in conjunction with a practitioner who understands the importance of operating from the wellness side of the health equation as opposed to chasing and reacting to a disease-based paradigm" says Dr. Jack A., a retired Neurologist and Wellness Physician with over 30 years of practice under his belt (who is also a card-carrying member of the OBA Family).

The right "form" of B12 is key.

There's *methylcobalamin* which is most typically included in many multi-vitamins and active within the liquid inside our cells (cytosol in precise medical terminology).

There's also *adenosylcobalamin* which is active within the mitochondria which produce most of the chemical energy we need to power our bodies.

I was surprised to learn that adenosylcobalamin may actually account for 70% of the B12 in our bodies yet is inexplicably *missing* from most multivitamins and B12 supplements.

This is disturbingly problematic on several levels.

We eat less as we age which means we are naturally decreasing our daily intake of B12 at a time when our bodies need it most. You'd think that the Almighty would have sorted this out but evidently not because we also produce less stomach acid, too. Ironically, this means we can't release the B12 we need even if, potentially, we consume it.

Medications, particularly proton pump inhibitors, decrease our ability to absorb B12. They're commonly sold under name brands like Prilosec, Nexium and Prevacid just to name a few for example.

Birth control pills can also reduce B12 stores. Same with popular diabetes drugs like Metformin specifically, for example.

People suffering from alcoholism, celiac disease, Crohn's and thyroid conditions are also particularly at risk as are people consuming plant-based diets because the food sources do not provide enough B12 for our bodies.

New research, though, suggests a simple and potentially very exciting solution.

High Performance Over 50™

Adenosylcobalamin experiments in (live) worms are very promising

Scientists working with worms, in-vitro models and mice found that adenosylcobalamin may greatly slow down or perhaps even block neurodegeneration, prevent decreases in dopamine levels and neurotoxicity.

Chances are you were doing just fine until you read the “worms” part like I did. I’ve since learned this is actually very common because their molecular biology is similar to our own. Not to get off track, but this is the kind of breakthrough thinking that led me to both BBIO and SDGR, both of which I recommended earlier this year and are a part of the OBA Model Portfolio.

Anyway, back to what you need to know.

The key takeaway for me is that taking adenosylcobalamin in combination with methylcobalamin (the B12 found in many multi-vitamins) could be one of the single easiest and most important “upgrades” we make.

KF

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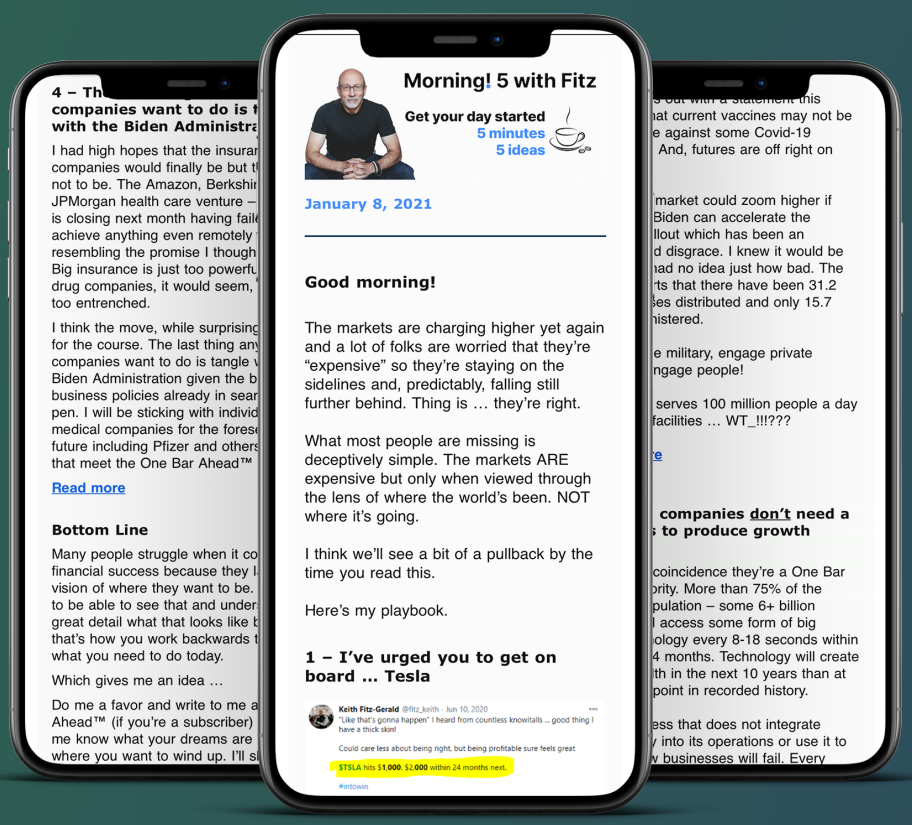

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