

A Trick to Trading Like a Billionaire

We wanted to give you a sneak peek into something exciting we're working on.

It's a strategy guide that explains why every trader should rely on fear and greed, technical, news and billionaire strategy in an effort to create quick fortunes.

For example, look at Amazon.com (AMZN).

This stock alone has offered us opportunity at least three times over the last year, courtesy of President Donald Trump and those that overreacted to his tweets.

For example, Trump once tweeted:



As a result of that tweet, shares of Amazon fell from a high of \$1,083 to \$950.

That's because the herd overreacted to nothing more than a tweet. For some reason, any time there's hinted negativity, the herd loses its mind, and heads for the exit door.

And that's where opportunity can be found.

Once the herd has settled down, shares of AMZN typically bottom out, and run higher. In fact, any one that did buy watched the AMZN stock recover from \$950 to \$1,009 not long after.



When shares of Shopify Inc. (SHOP) plummeted from \$120 to \$90 on a bearish report from a short seller, it was an overreaction. In fact, traders are picking up the stock en masse just under \$100 a share. They're also buying the SHOP November 17, 2017 100 calls, as well as the January 2018 100 calls. The stock is now up to \$97.



Health care stocks took a hit after President Trump signed an executive order to remove subsidies. As a result, stocks like Aetna (AET) fell from \$155 to \$150 in a day. But it was another overreaction. As the air cleared over the news, the stock exploded from \$150 to \$157. Even now, it offers good opportunity at current prices. Better yet, options traders are flocking to the name, too, picking up the AET November 17, 2017 160 calls, and the January 2017 170 calls.



Shares of Hostess Brands (TWNK) just fell from \$14 to less than \$12 because the CEO announced he was retiring. It was another overreaction. It doesn't matter that analysts are bullish on the stock. Once the fear took hold, the herd overreacted and sent it lower. We can take advantage of that by buying the stock, and by buying the TWNK November 2017 12.50 calls.



These are all examples of situations where the herd overreacted.

What's interesting is that there are thousands more just like it to profit from every day.

All we have to do is watch, as the herd gets too fearful or greedy, buy, and wait just like the billionaires have. Buffett tells us to be greedy when others are fearful, and fearful when others are greedy. Baron Rothschild tells us to buy when there's blood in the streets. Sir John Templeton tells us to buy on excessive pessimism when others run scared.

In short, they're taking advantage of a herd that's too fearful or greedy.

That's because that's how the "easier" money is made.

In 2005, 450 sheep jumped to their deaths, according to USA Today.

One sheep dove. Another followed. All of a sudden, a flock of sheep began jumping off a cliff for no real reason. Shocked shepherds would watch as another 1,500 jumped.

Many unfortunately died. Those that lived were lucky, landing on well... pillows.

They were all caught up in a wave of herd mentality. There was no logic to it. They just did it because every other sheep was doing it. Sadly, this very same thing happens each and every day among traders and investors.

We buy because everyone else is. We sell out of fear.

But we never question what we're really buying, which can be quite costly.

Here's the perfect example. In 2009, Kiplinger's ran an article by Robert Frick, titled, "Don't Trust the Crowd." It noted:

What's scary about the herd mentality is how insidiously it gets you to see things differently. In fact, a recent experiment showed that we may actually be hard-wired to believe what the crowd tells us. In the experiment, conducted at Emory University, participants were asked to look at an object (an assemblage of cubes) and then judge how it would look if it were rotated slightly. But there was a twist: Other participants--who in reality were actors hired for the experiment--were instructed to give wrong answers in an attempt to sway the opinions of their fellow participants.

Sure enough, the real subjects, influenced by the actors, gave incorrect responses, despite what their own eyes told them. Brain scans found that participants didn't just decide to go along with the crowd. Instead, the crowd's opinion actually changed their perception of the problem. Participants "saw" the objects differently. The herd, it seems, alters our perception of reality. What allows a Wall Street participant to think outside of the herd is the awareness of just how easily we are influenced, as also highlighted by that article. "Then you can concentrate on the smartest investing strategy: spreading your risk across many types of investments and periodically redistributing your money among them."

This is one of the key reasons we attempt to exploit herd mentality.

Stay tuned for more from our strategy guide that's nearly finished.