

# OptionsWest

## Trading Service Pointers

### The Blue Sky Account Approach

The **BlueSky Account** is a simple active stock trading account that utilizes stop orders to protect the downside. Stock accounts are successful when only winning positions are allowed to continue. Trades that are heading in the wrong direction are exited quickly through the use of stops.

In a normal trading environment stops are set immediately upon buying into a position and are typically set about 2% below the cost basis, with slight adjustments made for the chart technical picture. Our goal in the BlueSky is a 3% per month and per trade profit. This goal would give us a 40% to 50% annual return calculating compounding in our total. Higher profits in a trade of course welcome and are protected by manually moving the stop “up” to lock in and protect gains.

Clear Eyes, Full Heart, Blue Sky

Mark