

OptionsWest

Trading Service Pointers

The “EquiFund Account Approach

The EquiFund is an investment account that we trade as example to our clients showing the OptionsWest style covered call trading strategy. Each year this account starts with \$100,000 and works to achieve its objective of a 40% to 50% ROI. The EquiFund has consistently reached this objective each year since its inception in 2009. The trading approach in this account exclusively trades our unique covered call strategy that is taught in our courses and seminars. The member’s area of our website maintains a daily record of the detailed trades of this account and also provides a Daily Covered Call Listing report for finding good trade candidates.

The OptionsWest “EquiFund” is a good example of the results this approach can achieve when correctly applied. This account has averaged better than a 46% annual return since its launch in 2009 and can be followed in detail through our OptionsWest Trading Service. The service provides email alerts of every trade and management move made in the account.

The EquiFund account works to place five 30 day OptionsWest style covered call trades per month and plans for each trade to be called out to cash at options expiration. The goal and risk level of each trade is pegged right about 3%. This small percentage return achieved each month and compounded works to meet our annual objective of a 50% ROI for the account. We use the OptionsWest covered call calculator in conjunction with the Daily Covered Call Listing report (found in the members area of the website) to design risk adverse trades with the goal of getting “called out” to cash each month. We also place “credit spread” automated orders on each trade in the hope that the volatility of the market and options prices might get us out of the trade early, with our pre determined profit. This would allow us to re-invest those funds earlier than the end of the option period and increase our percentage return. A good down day in the market (SPX) is a good hunting day for risk adverse covered calls.