

OptionProfessor.com Quick Alert

April 28th, 2022

HOW TO HEDGE UPSIDE SURPRISES?



BY THE OPTION PROFESSOR

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AD: Bonus Partner Education:

- Report: ["Rare" Metals Discovery Set to Deliver Gains](#)
- eBook: [The 2022 Ultimate Gold Portfolio](#)

Read on for the latest ALERT from The Option Professor...

OptionProfessor Alert:
How To HEDGE Upside SURPRISES?
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The last 2 days; the stock market has had another face ripper rally as better news out of earnings had sellers on the run.

We have been encouraging investors to LEARN about HEDGING for the last 2 Years!. The simple reasons in'21 were that Valuations & Distances from Longer Term Moving Averages on MOST stocks was screaming OVERSOLD & REVERSION to the Mean. If we throw in a Fed Decision in November to pivot to REDUCING LIQUIDITY; a market decline was most probable. In our opinion; this was outstanding insight and could have been used to offset a chunk of the account values that have flown out the window. After Decades of Experience with all kinds of cycles and markets....the odds were very tilted.

BUT...What can you do when your STOCKS (FB NVDA SBUX ect ect ect) go into the TANK...get very oversold...but you can't stand the heat (losses) so you run out of the kitchen in a panic? Is there a way to HEDGE against an UPSIDE SURPRISE?

In our opinion; this is where REPLACEMENT TRADES are potentially an outstanding ALTERNATIVE either staying up all night worrying where is the light at the end of the tunnel OR regretting donating your stocks at the potential market lows.

Think about it....if your stocks have collapsed....selling volume has been huge...still a solid company....What's a lot cheaper?

You guessed it LIMITED RISK LONG CALLS & LONG CALL SPREADS. The idea could be to price out LONG TERM CALL Options to REPLACE the stock position so that your risk in dollar terms is limited and depending upon the strategy...potential is big. Another consideration when the VIX spikes and stocks tank is to look at the out of the money puts (they should be fat) and selling CASH SECURED PUTS (set aside the cash to buy the stock) and use that premium for LONG TERM CALLS or not.

These strategies are NOT for everyone but the OPTION PROFESSOR has Created a PDF REPORT to help explain the tactics.

You are INVITED to Get The 3- Pack of HEDGING Against Decline & Upside Surprises/How to Protect Cost Basis/Tech Signals
Many of you have thanked us for these PDF REPORTS so we encourage you to join them and receive yours Today!

Go to optionprofessor.com and submit your contact info (Valid phone) and the PDF REPORTS are Sent to Your INBOX!

Thanks Again!

The Option Professor

- The Option Professor, 04/28/2022

- *Questions or comments? Email optionprofessor@gmail.com*
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Be sure to read the other recent Option Professor Alert ETFs [HERE](#):

- 04/27/22 – Stocks-How To GET INCOME & REDUCE RISK?
- 04/20/22 – Do You Need Risk Management? Ask NFLX!
- 04/14/22 – STOCKS UP! Now What To Do?
- 04/08/22 – Don't Fight Fed-Where to Position Now??
- 04/05/22 – Earnings are Coming–Are You Ready??
- 04/01/22 – Bond Prices Tank! What to Do?
- 03/31/22 – Stocks-Time to PROTECT Recovery Gains?
- 03/29/22 – IF Oil Stocks PEAKED-How to PROTECT Gains?
- 03/15/22 – Stocks PREPARE for BIG MOVE by MARCH 28?
- 03/10/22 – Lock in Gains in Oil/Metals & Replace Long Stocks?
- 03/08/22 – Stocks Tank-What To Do Now?
- 03/06/22 – Commodities Peak 2022
- 03/04/22 – LEARN! What's Better Now? VALUE or GROWTH
- 03/03/22 - Protect Against Downside Risk & Upside Risk
- 02/24/22 – Hedge Upside & Downside Risks?

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