

*Subscriber's Manual
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TripleScreenMethod.com



I developed the TripleScreenMethod approach to trading because I wanted to limit my trading to fundamentally sound stocks with value remaining in their price, specifically ones that are experiencing both upward earnings revisions and a pullback into a major area of support. Those are the three criteria that define the ideal TSM trade.

Each weekend, I run a series of up to 200 screens, each one requiring stocks meet a specific set of fundamental and sometimes technical criteria as defined by a major service provider, e.g., IBD, Value Line, Forbes, Barrons, Zacks, Morningstar, Motley Fool, Vector Vest and others. Most stocks in the TSM list hold membership in multiple screens, but to be a member of that week's TSM list, each one has to hold membership in at least one.

The TSM list is further culled by a series of constraints: price > \$10, average daily volume > 100k share, Price/Sales <=3, analyst average rating change >= 0, earnings estimate change > -0.3%, an A or B Zacks Style ranking, and a Zacks ranking of 1 or 2 if market cap is less than \$10 billion and 1, 2 or 3 if greater. Simply put, these are fundamentally the best stocks to trade or invest in that week.

Dear Fellow Investor/Trader,

Welcome to *TripleScreenMethod.com*, and thank you for subscribing!

I have three goals in serving you:

1. Each week, to bring you a list of stocks (usually ~150) that are fundamentally sound with value remaining in their price – from my view, simply the best of the best (*the weekly TSM list in Excel*).
2. In each daily report, to highlight 1 to 4 stocks from that list that I would consider buying the next day and provide a list of my trades as I make them during the day.
3. In each daily report, to highlight several groups of stocks from that list that meet certain modeling criteria:
 - Those that will be reporting earnings in the current week;
 - Those that have increased their earnings estimates during the past week;
 - Those that have become new Zacks 1s ranked this week but were ranked 3 to 5 two weeks ago;
 - Those that have become new Zacks 1 ranked over the past week;
 - Those that are 1 or 2 Zacks ranked with a A or B Zacks style ranking, that are in a top 50 industry group in terms of performance (of 265 industries) and that have had either no change or an increased earnings revision and an improved analyst ranking; I call this group the ‘Best of the Best’;
 - Those that are going ex-dividend or reporting earnings during the coming week.
4. In each daily report, to provide a listing of all front month Puts from the TSM list that meet three criteria:
 - They are far enough out-of-the-money to provide a risk cushion to a moderate drop in price (ideally 10% or greater);

- They generate enough premium to provide a 15% or greater annualized rate of return;
- They are out-of-the-money far enough to generate a 0 to -0.15 option delta (15% or less chance of finishing in the money);
- Their expiration date is between 10 and 30 days away.

The first three are short-term stock trading strategies, while the last one is an income producing strategy designed to produce a steady return on a pile of cash.

For Over 15 Years now, the TSM has Excelled in Short-Term Trading

- \$35,000 to \$4,047,576 between 2003 and 2017
- 3,159 Winners to 1,086 Losers (74.4% Win Rate)
- 11,465% Overall Return Relative to S&P's 136%
- 6.95 Days, on Average, in Each Trade

TSM Returns for 57 Quarters																
	2003 9/15/03 - 12/31/03	2004 1/01/04 - 12/31/04	2005 1/01/05 - 12/31/05	2006 1/01/06 - 12/31/06	2007 1/01/07 - 12/31/07	2008 1/01/08 - 12/31/08	2009 1/01/09 - 12/31/09	2010 1/01/10 - 12/31/10	2011 1/01/11 - 12/31/11	2012 1/01/12 - 12/31/12	2013 1/01/13 - 12/31/13	2014 1/01/14 - 12/31/14	2015 1/01/15 - 12/31/15	2016 1/01/16 - 12/31/16	2017 1/01/17 - 05/31/17	Overall 57 Quarters
S&P Return	9.16%	9.33%	3.84%	13.62%	3.53%	-38.49%	23.45%	12.78%	0.00%	13.41%	29.60%	11.39%	-0.73%	9.60%	8.20%	136.02%
TSM Funds at Beginning of Year	\$35,000	\$40,157	\$49,600	\$70,050	\$105,477	\$181,554	\$382,564	\$600,306	\$893,461	\$1,142,281	\$1,824,407	\$2,331,073	\$2,909,493	\$3,438,704	\$3,793,180	\$35,000
Invested per Trade	\$5,000	\$5,000	1/13 Funds (1/2 Trade)	1/13 Funds (1/2 Trade)	1/13 Funds (1/2 Trade)	1/13 Funds (1/2 Trade)	1/13 Funds (1/2 Trade)	1/13 Funds (1/2 Trade)	1/13 Funds (1/2 Trade)	1/13 Funds (1/2 Trade)	1/13 Funds (1/2 Trade)	1/13 Funds (1/2 Trade)	Qrts 3 & 4 2.5% per 1/2 Position	2.5% of Account in 1/2 Position	2.5% of Account in 1/2 Position	
TSM Funds at Year's End	\$40,157	\$49,600	\$70,050	\$105,477	\$181,554	\$382,564	\$600,306	\$893,461	\$1,142,281	\$1,824,407	\$2,331,073	\$2,909,493	\$3,438,704	\$3,793,180	\$4,047,576	\$4,047,576
Profit Earned	\$5,157	\$9,443	\$20,450	\$35,427	\$76,077	\$201,010	\$217,742	\$293,155	\$248,820	\$682,136	\$506,660	\$578,420	\$529,211	\$354,476	\$254,396	\$4,012,580
% Returned	14.73%	23.52%	41.23%	50.57%	72.13%	110.72%	56.92%	23.66%	27.85%	59.72%	27.77%	24.80%	18.19%	10.31%	6.71%	11465%
# Losers (1/2 Positions)	48	146	169	113	110	121	81	55	47	41	36	45	40	23	11	1,086
# Winners (1/2 Positions)	74	198	291	267	308	329	265	229	201	221	189	169	182	137	99	3,159
% Winners	60.7%	57.6%	63.3%	70.3%	73.7%	73.1%	76.6%	77.5%	81.1%	84.4%	84.0%	79.0%	82.0%	85.6%	90.0%	74.4%
Avg. # Days in Trade	5.38	10.42	7.28	6.44	6.08	3.25	3.88	7.28	5.56	9.57	9.81	7.44	10.05	8.12	7.79	6.95

There is no question that the TSM method has worked through both good and bad times!

On a Quarter-by-Quarter Basis Over This Period

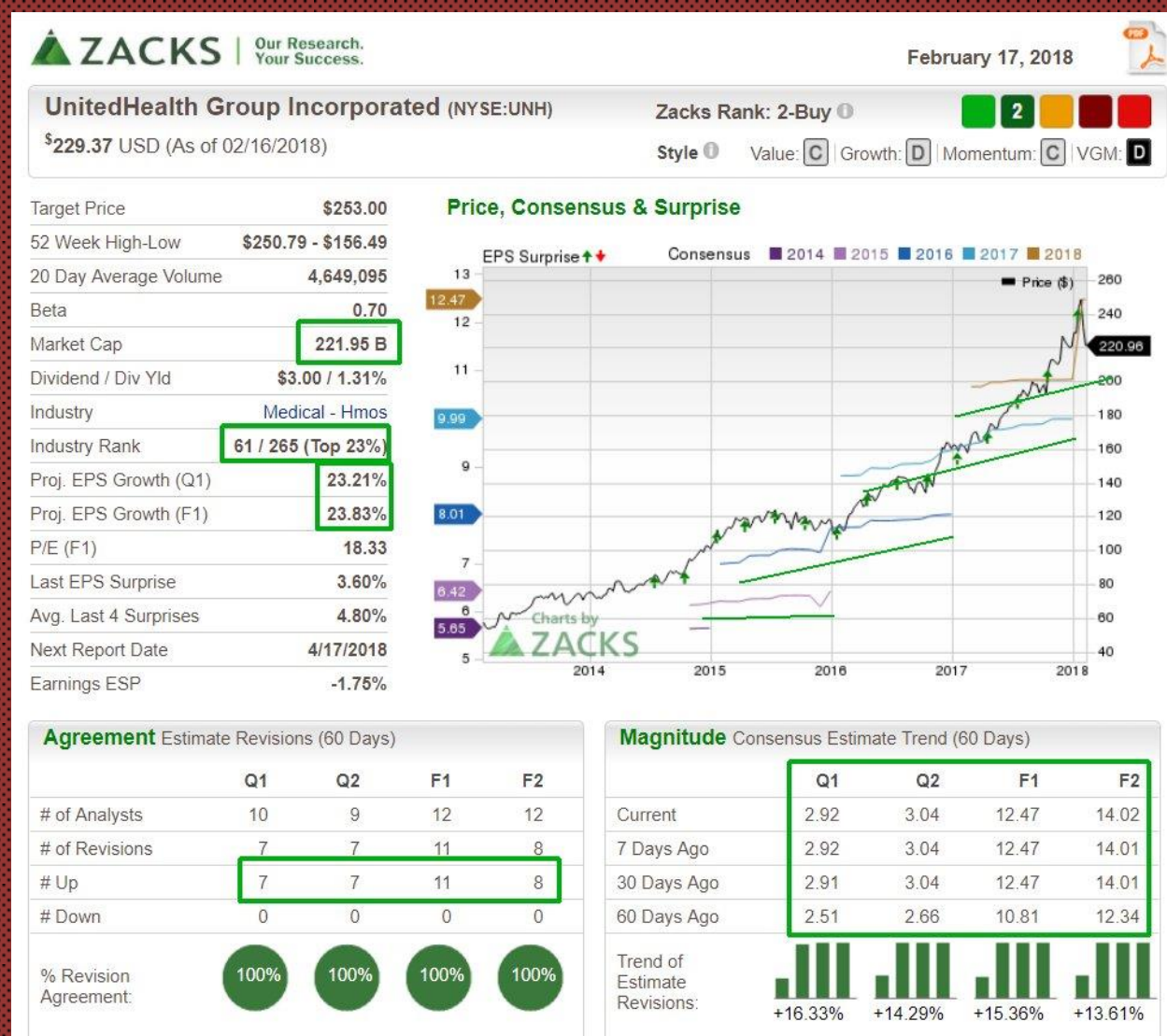
- 43 of 58 Quarters have Beaten the S&P
- Only 2 Quarterly Losses While the S&P has had 16
- In 2008 the S&P Returned -38.5% and TSM +110.7%

TSM Forecast Trades									Quarter
	% Winners	# Losing Trades	# Win Trades	Total # Trades	Profit for Quarter	% Return TSM Trades	S&P % Return	TSM Difference	
4th Q '03	60.66%	48	74	122	\$5,157	14.73%	9.16%	5.57%	1
1st Q '04	64.44%	32	58	90	\$5,434	13.53%	1.29%	12.24%	2
2nd Q '04	52.94%	32	36	68	\$2,372	5.20%	1.30%	3.90%	3
3rd Q '04	43.40%	60	46	106	-\$2,982	-6.22%	-2.30%	-3.92%	4
4th Q '04	72.50%	22	58	80	\$4,618	10.27%	8.73%	1.54%	5
1st Q '05	60.00%	44	66	110	\$224	0.45%	-2.59%	3.04%	6
2nd Q '05	72.00%	28	72	100	\$7,429	14.91%	0.91%	14.00%	7
3rd Q '05	62.32%	52	86	138	\$7,143	12.48%	3.15%	9.33%	8
4th Q '05	59.82%	45	67	112	\$5,654	8.78%	1.59%	7.19%	9
1st Q '06	63.83%	34	60	94	\$6,044	8.63%	3.73%	4.90%	10
2nd Q '06	70.18%	34	80	114	\$5,862	7.70%	-1.90%	9.60%	11
3rd Q '06	68.29%	26	56	82	\$8,150	9.94%	5.17%	4.77%	12
4th Q '06	78.89%	19	71	90	\$15,372	17.06%	6.17%	10.89%	13
1st Q '07	64.15%	38	68	106	\$6,424	6.09%	0.18%	5.91%	14
2nd Q '07	80.49%	16	66	82	\$17,364	15.52%	7.36%	8.16%	15
3rd Q '07	77.97%	26	92	118	\$25,282	19.56%	-0.25%	19.81%	16
4th Q '07	73.21%	30	82	112	\$27,007	17.47%	-3.82%	21.29%	17
1st Q '08	72.55%	28	74	102	\$38,959	21.46%	-2.60%	24.06%	18
2nd Q '08	72.03%	33	85	118	\$39,371	21.69%	-7.20%	28.89%	19
3rd Q '08	74.14%	30	86	116	\$48,893	18.81%	-8.88%	27.69%	20
4th Q '08	73.21%	30	82	112	\$73,786	23.90%	-22.56%	46.46%	21
1st Q '09	61.70%	36	58	94	\$28,655	7.49%	-11.67%	19.16%	22
2nd Q '09	76.00%	24	76	100	\$60,064	14.61%	15.22%	-0.61%	23
3rd Q '09	82.56%	15	71	86	\$56,661	12.02%	14.98%	-2.96%	24
4th Q '09	91.18%	6	62	68	\$72,362	13.97%	5.49%	8.48%	25

TSM Forecast Trades									Quarter
	% Winners	# Losing Trades	# Win Trades	Total # Trades	Profit for Quarter	% Return TSM Trades	S&P % Return	TSM Difference	
1st Q '10	73.53%	18	50	68	\$36,914	6.15%	4.87%	1.28%	26
2nd Q '10	81.43%	13	57	70	\$82,365	12.93%	-11.86%	24.79%	27
3rd Q '10	69.57%	14	32	46	\$22,724	3.16%	10.72%	-7.56%	28
4th Q '10	90.00%	10	90	100	\$151,152	20.36%	10.30%	10.06%	29
1st Q '11	90.79%	7	69	76	\$139,913	15.66%	5.42%	10.24%	30
2nd Q '11	82.00%	9	41	50	\$43,339	4.19%	-0.39%	4.58%	31
3rd Q '11	75.00%	12	36	48	\$61,032	5.67%	-14.33%	20.00%	32
4th Q '11	74.32%	19	55	74	\$4,537	0.40%	11.15%	-10.75%	33
1st Q '12	87.80%	10	72	82	\$281,223	24.62%	12.00%	12.62%	34
2nd Q '12	76.56%	15	49	64	\$93,693	6.58%	-3.29%	9.87%	35
3rd Q '12	93.33%	4	56	60	\$197,223	13.00%	5.76%	7.24%	36
4th Q '12	78.57%	12	44	56	\$109,986	6.42%	11.15%	-4.73%	37
1st Q '13	95.00%	3	57	60	\$194,648	10.67%	10.03%	0.64%	38
2nd Q '13	66.67%	16	32	48	\$5,882	0.29%	2.82%	-2.53%	39
3rd Q '13	90.57%	5	48	53	\$144,951	7.16%	4.69%	2.47%	40
4th Q '13	81.25%	12	52	64	\$161,185	7.43%	9.92%	-2.49%	41
1st Q '14	78.18%	12	43	55	\$142,179	6.10%	1.30%	4.80%	42
2nd Q '14	73.53%	9	25	34	\$28,358	1.15%	4.69%	-3.54%	43
3rd Q '14	71.21%	19	47	66	\$8,547	0.34%	2.53%	-2.19%	44
4th Q '14	91.53%	5	54	59	\$399,336	15.73%	4.39%	11.34%	45
1st Q '15	90.28%	7	65	72	\$345,569	11.88%	5.25%	6.63%	46
2nd Q '15	83.87%	10	52	62	\$168,840	5.19%	-0.23%	5.42%	47
3rd Q '15	72.00%	14	36	50	-\$8,473	-0.25%	-6.94%	6.69%	48
4th Q '15	76.32%	9	29	38	\$23,215	0.67%	9.92%	-9.25%	49

TSM Forecast Trades									Quarter
	% Winners	# Losing Trades	# Win Trades	Total # Trades	Profit for Quarter	% Return TSM Trades	S&P % Return	TSM Difference	
1st Q '16	78.95%	8	30	38	\$48,771	1.42%	0.81%	0.61%	50
2nd Q '16	100.00%	0	26	26	\$64,859	1.86%	1.93%	-0.07%	51
3rd Q '16	76.32%	9	29	38	\$72,392	2.04%	3.26%	-1.22%	52
4th Q '16	89.66%	6	52	58	\$168,454	4.65%	3.34%	1.31%	53
1st Q '17	98.33%	1	59	60	\$176,943	4.66%	5.50%	-0.84%	54
2nd Q '17	80.00%	10	40	50	\$64,731	1.63%	8.20%	-6.57%	55
3rd Q '17	90.54%	7	67	74	\$155,658	3.86%	3.26%	0.60%	56
4th Q '17	89.66%	6	52	58	\$111,254	2.65%	1.06%	1.59%	57

Each TSM trade in the Daily TSM Report will be accompanied by the Zacks report on its fundamentals; this report will be updated during the day as trades are made.



A typical TSM Daily Report will contain 1 to 4 buy recommendations in the following format. Note, when the postage size picture is pressed it blows up into the larger picture above.

Fundamentally Sound Stocks with Value Left in their Price and in the Process of Pulling Back to Support!

Special Strategies that Work for Fundamentally Sound Stocks

- TSM Earnings Report Snap Back

TSM has a negative reaction to its earnings report either before market opens or after it closes.

Because the TSM stocks are fundamentally sound, they have a great chance to snap back quickly.

Essentially, the market makers or the specialist anticipate the negative reaction and open the TSM stock low – often lower than is justified -- because they will be buyers at the open.

The stock then snaps back during the day.

We want to trade like the specialist or market maker, essentially buying the open too.

RCL is a recent example. It opened low, then bounced back

over the next hour for a \$4 gain.







Fundamentally sound stocks will always be supported by institutional buying. That provides a safety net for the TSM trades.

- TSM Earnings Estimate Increase in Past Week

If earnings drive a stock's price over the long term, earnings estimate increases drive it over the short term, especially for fundamentally sound stocks with value – TSM stocks. Each evening I run a screen that generates all the TSM stocks in which analysts have increased this year's earnings estimate by more than 2% over the past week. If I do that each evening, I identify those that have changed over the last day. Of course, as soon as this happens, institutions start building positions.

The following shows that portion of the TSM Daily Report generated for 2/12/15 for a number of special screens, the 2% earnings estimate being one. The postage size tables can be blown up to reveal the fundamentals of each.

Other Stocks of Interest	
Current TSM Stocks with < 5 RSI(2) values for last two days: None for 02/12/15	
TSM Earnings Report this Week: HMN, CDW, CVS, SAVE, LXFT, COR, AMAT, BG, CBS, CRAY, FRSH, HOLI, IBN, PNK, SCSS, SKYW, VOYA, AAP  for week of 02/09/15	
Stocks, not necessarily TSM, that meet Zacks Screen (Zacks 1-2, P/S < 0.75, EPS Change > 3% last week): IMKTA, TBI, CBZ, ABG  for 02/12/15	
TSM Stocks ideally > 2.0% change in EPS over past week: LXFT, SC, MNK, GPRO, ONNN, CATM, HW, ABG, KORS, SNA, ODFL  for 02/12/15	
Stock Pair from Fundamentals/Technicals Special Screen : MTOR, HA  One Week Hold (02/09/14)	

On Wednesday (2/11/15), I demonstrated (with \$ on the table) the power of combining TSM stocks with earnings estimate increases.

In the afternoon, I bought 500 shares each (400 for TNP as I don't like to buy stocks under \$10) of 8 TSM stocks, each of which had increased its earnings estimate by greater than 2% over the past week. I then sold all 8 the next day. All were profitable making me \$1,702 profit after commissions. If I had optimized the buy and sell points, I could have made nearly twice that. Clearly, earnings drive price over the longer term and earnings estimate increases drive price immediately. The questions are: Is the stock fundamentally sound? (yes, it's a TSM stock) Does the stock have value remaining at its current price? (yes, as again it's a TSM stock) Will I be able to hop on board early for the inevitable ride upward? (yes, if you monitor the TSM report each night).

TSM Stocks + EPS Estimate Increase				
TSM Stk	# Shares	Paid 2/11/15	Sold 2/12/15	Profit (aft Comm.)
VMC	500	78.62	78.86	\$110.00
TNP	400	6.97	7.12	\$52.00
SC	500	21.25	21.54	\$135.00
MNK	500	109.64	110.18	\$260.00
LXFT	500	43.11	44	\$435.00
HW	500	15.69	15.93	\$110.00
CATM	500	37.18	37.62	\$210.00
ABG	500	79.03	79.83	\$390.00
Total Sum:				\$1,702.00

Two days later, I repeated the performance.

TSM Earnings Estimate Play on 02/13/15				
	Shares	Buy	Sell	Profit after Comm.
SNA	500	\$144.41	\$145.44	\$505.00
HOLI	500	\$22.97	\$23.44	\$225.00
IMKTA	500	\$42.01	\$42.44	\$205.00
LXFT	500	\$47.01	\$48.86	\$915.00
				\$1,850.00

Again, over the long term, a stock's price is driven by a company's earnings. The following chart clearly shows that relationship for 562 stocks Zacks ranked a 1 or 2 on 8/21/20. These stocks were placed into groups of 25 based on their average price change over the past three months (a technique used to minimize noise caused by extraneous effects). Clearly, price rose as earnings rose over the three-month period.



If you want to hold stocks over the long term, make sure their company earnings are rising. On the other hand, if you're a short-term trader, trade those stocks that have had upward estimate revisions over the past 30 days.

Special Screens with an Emphasis on Limiting Drawdowns

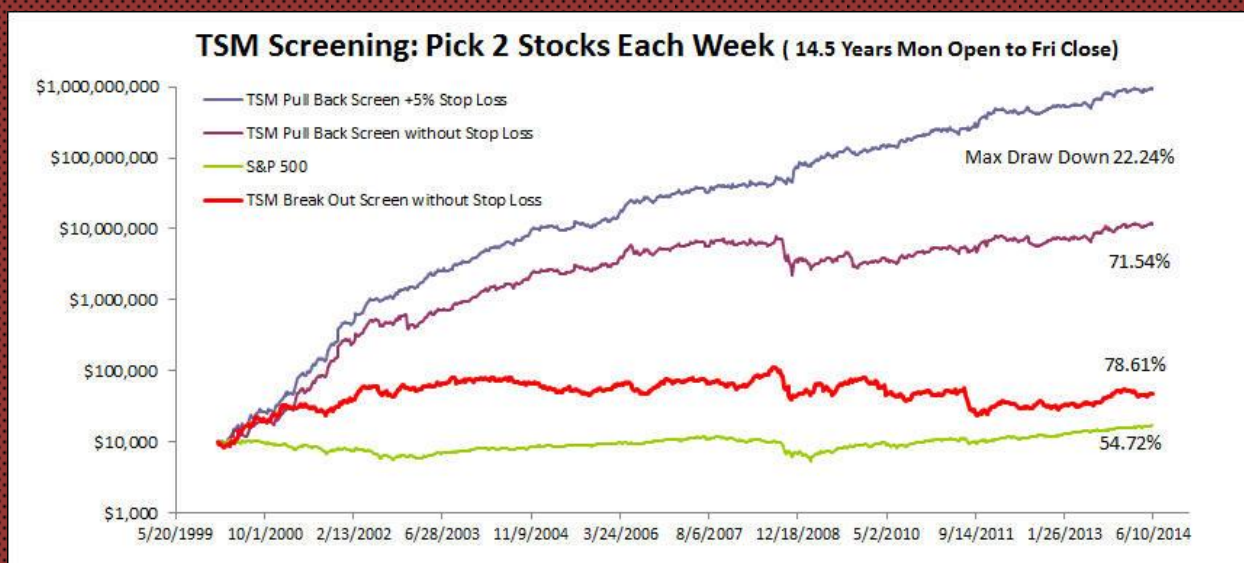
As a professional statistician, I've spent time modeling and screening stocks using a combination of their fundamentals and technicals. While it's relatively easy to find sound screens that generate powerful returns, it's more difficult to find screens that didn't suffer big drawdowns when the market turned down, e.g., 2001 and 2008.

- An Example – The Fundamentals Based Pullback Screen

Using a combination of fundamentals (change in EPS estimates, Zacks ranking, Price-to-Sales ratio, 2 year PEG ratios) and technicals (price, volume, pullback) criteria, this screen identifies 2 stocks each Monday morning to hold into Friday's close, unless this 2-stock position fell 5% during the week.

As shown in the chart below, over the past 14.44 years (751 weeks) a pullback technical (worst price performance in preceding week) outperformed a breaking higher technical (best price performance in the preceding week): the first strategy grew the account from \$10,000 to \$911 million, while the second would have grown that same \$10,000 to \$47,000 (obviously, pullback strategies are far superior to breakout strategies). Note, over that same period, the S&P 500 would have grown the \$10,000 to \$17,000. Clearly, it pays to incorporate pullback strategies in your screening.

More important to me than the pullback's super returns is the max draw down encountered and my ability to withstand it: 22.24% for the pullback strategy and 54.72% for the S&P. Note though, in the chart, if no stop loss had been used, there would have been over a 71% draw down using this strategy.



The Short Put Strategy – You Become a Stock Price Insurer

- In addition to trading TSM stocks, writing Puts on these same fundamentally sound stocks provides a source low-risk income (in a world where few such opportunities exist for the saver).

(Triplescreenmethod.com/Special_Report/140920_SpecialReport_WritingPuts.asp)

Each TSM Daily Report is accompanied by a list of Puts that are candidates for the next day's Short Put trades. Each is graded for % Downside Protection (14.5% for KORS' \$62.5 Feb Put expiring in 22 days) and its Annualized Yield (13.3% for KORS and 35.9% for SYNA).

Ticker	Price	Put Strike (days left)	Bid/Ask Spread \$	Option Bid \$	Option Delta	% Prob Finish Above Strike	Implied Volatility	% Imp Vol Range	Current Option Volume	Open Interest	% Naked Yield	% Naked Yield Annualized	Earnings Date	% Downside Protect	IV / HV	Theata
KORS	72.53 (+2.54)	2015 20-FEB 62.5 (22)	0.1	0.5	-0.09	89.7	0.5301	94	239	7203	0.8	13.3	2/5/2015 (7)	14.5	1.75	-0.0321
SYNA	68.31 (+1.28)	2015 20-FEB 60.0 (22)	0.2	1.3	-0.18	80	0.6941	84	15	199	2.2	35.9	1/29/2015 (0)	14.1	1.67	-0.0623
CRT0	39.98 (+0.20)	2015 20-FEB 35.0 (22)	0.15	0.5	-0.15	83.3	0.6086	69	25	77	1.4	23.7	2/10/2015 (12)	13.7	1.79	-0.0292
UAL	73.53 (+2.76)	2015 20-FEB 64.0 (22)	0.1	0.46	-0.08	91	0.4907	39	120	132	0.7	11.9	4/23/2015 (84)	13.6	1.32	-0.0261
UAL	73.53 (+2.76)	2015 20-FEB 65.0 (22)	0.03	0.58	-0.11	88.3	0.4749	35	63	1209	0.9	14.8	4/23/2015 (84)	12.4	1.27	-0.0318
UIS	25.28 (-0.31)	2015 20-FEB 23.0 (22)	0.1	0.7	-0.26	71.6	0.6972	96	157	64	3	50.5	1/29/2015 (0)	11.8	2.03	-0.0306
KORS	72.53 (+2.54)	2015 20-FEB 65.0 (22)	0.2	0.85	-0.16	82.4	0.5206	98	19	8290	1.3	21.7	2/5/2015 (7)	11.6	1.71	-0.0472
UAL	73.53 (+2.76)	2015 20-FEB 66.0 (22)	0.07	0.73	-0.14	85.1	0.4714	30	20	101	1.1	18.4	4/23/2015	11.2	1.26	-0.0378

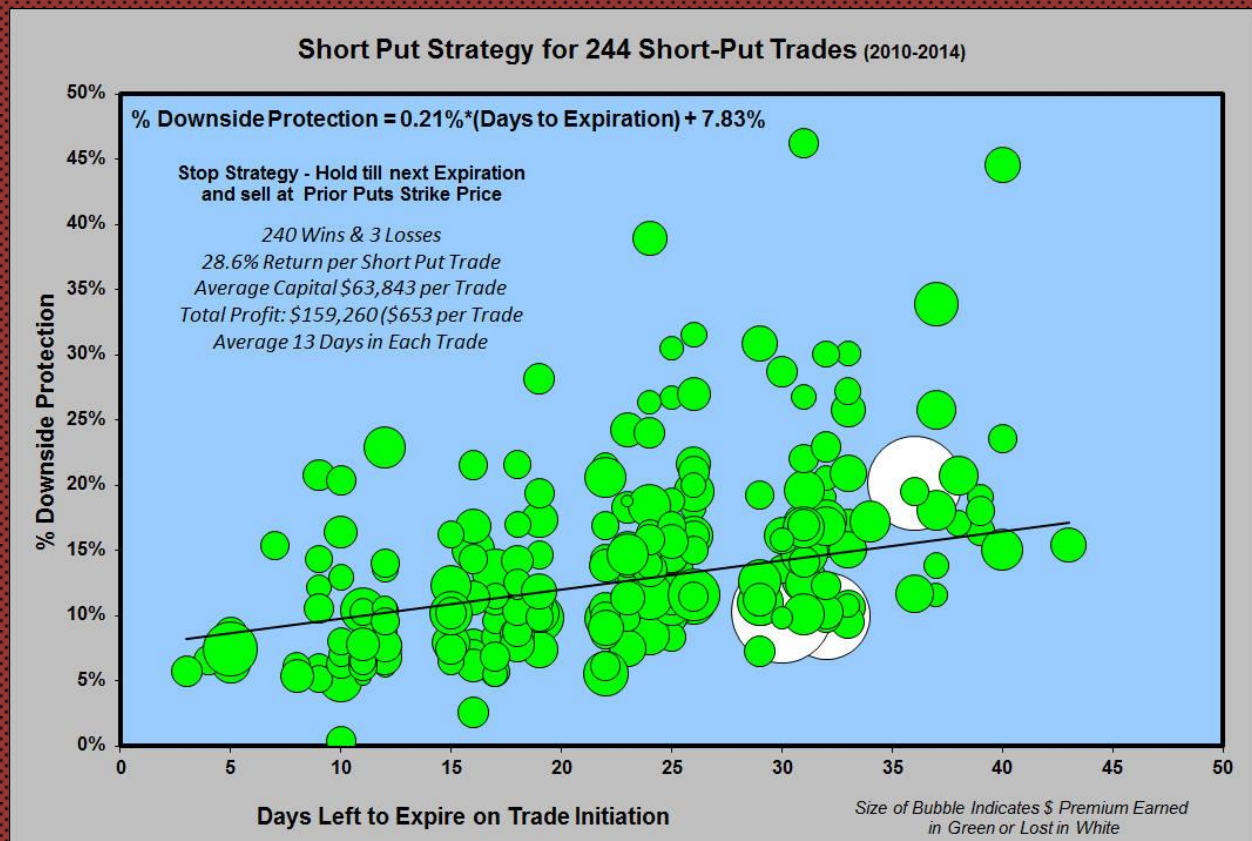
Of course, a complete list of fundamentals accompanies the above list.

Ticker	Current Price	Price Relative to 52 Wk High	3 Month Price Target	Market Cap (Millions)	Zacks Rank (Current)	Zacks Rank (2 Wks Ago)	Zacks Rank (4 Wks Ago)	This Year's PEG Ratio	Next Year's PEG Ratio	% EPS Change (Over Last Week)	% EPS Change (Over Last 4 Weeks)	Earning Surprise (Last Quarter)	Earnings Surprise (Prior Quarter)	Broker Ratings Change (1 Week)	Broker Rating Change (4 Weeks)	Sales Growth % This Year	Sales Growth % Next Year	# Analysts Following Stock	# Analysts (4 Wks Ago)	Price / Sales	Dividend Yield %	Dividend Date	Next Earnings Date	Sector (0-17)	Industry	Industry Rank by Zacks Rank (% of 280 industries - lower better)
UAL	\$73.53	100	\$79.88	\$27.138	1	1	2	0.06	0.67	11.5	23.11	5.26	1.85	0	5.55	0.8	3.69	12	12	0.7	0	N/A	20150424	15	TRANSPORTATION-AIRLINE	2
RCL	\$77.29	91	\$83.78	\$17.210	2	1	2	0.42	0.5	0.9	2.82	-21.95	0.46	0	0	6.97	9.43	13	13	2.13	1.55	20141210	20150128	2	LEISURE & RECREATION SVCS	2.88
SYNA	\$68.31	74	\$85.11	\$2.521	2	3	3	0.88	0.32	0.63	0.63	69.7	-18.37	4.76	4.76	76.67	18.52	9	10	1.99	0	N/A	20150128	10	COMPUTER-PERIPHERAL EQ	2.5
CAR	\$57.90	83	\$59.67	\$6.152	3	3	3	0.65	0.58	0	0	6.7	7.94	0	0	5.66	4.51	6	6	0.73	0	N/A	20150218	16	BUSINESS SERVICES	3.091
NXPI	\$79.87	99	\$86.54	\$18.430	2	3	3	0.78	0.51	0	0.52	3.39	0	0	0	10.5	8.52	13	13	3.41	0	N/A	20150204	10	SEMI-ANALOG & MIXED INTERGR	2.667
CRT0	\$39.98	68	\$50.67	\$2.367	2	2	1	0.79	0.66	0	0	257.14	700	0	0	35.9	22.94	5	5	2.75	0	N/A	20150210	10	SOFTWARE/SV	2.8
UIS	\$25.28	71	\$31.00	\$1.262	2	2	N/A	0.45	0.13	0	0	-12.09	85.71	0	0	1.37	7.36	2	2	0.38	0	N/A	20150128	10	IT SERVICES	2.958
WHR	\$203.95	100	\$204.86	\$15.882	3	3	3	0.47	0.82	0	0	-3.49	-9.03	0	0	19.09	6.19	8	8	0.84	1.47	20141020	20150204	2	APPLIANCES-TEXTILE-APPAREL MFG	3.667
KORS	\$72.53	73	\$89.20	\$14.935	3	2	2	0.51	1.01	-0.02	0	13.64	12.35	1.56	1.56	39.04	19.71	18	19	3.82	0	N/A	20150204	2	TRANSPORTATION-AIRLINE	3.043
DAL	\$50.21	99	\$62.91	\$42.023	1	1	1	0.22	0.53	-0.25	7.38	4	1.69	0	0	2.76	4.18	11	11	1.04	0.72	20141024	20150422	15	TRANSPORTATION-AIRLINE	2

This is my personal favorite trading strategy.

The Short Put Strategy Continues to be a Low Risk Income Producer

Unlike owning stock shares where you win when their price grows, the Short Put Strategy is a winner when the underlying stock price goes up a lot or a little, when the stock price remains constant or when the stock price drops a little (the downside protection percentage). It only loses when the stock price drops a lot, but even then not as much as owning the stock shares outright (the premium cushion).

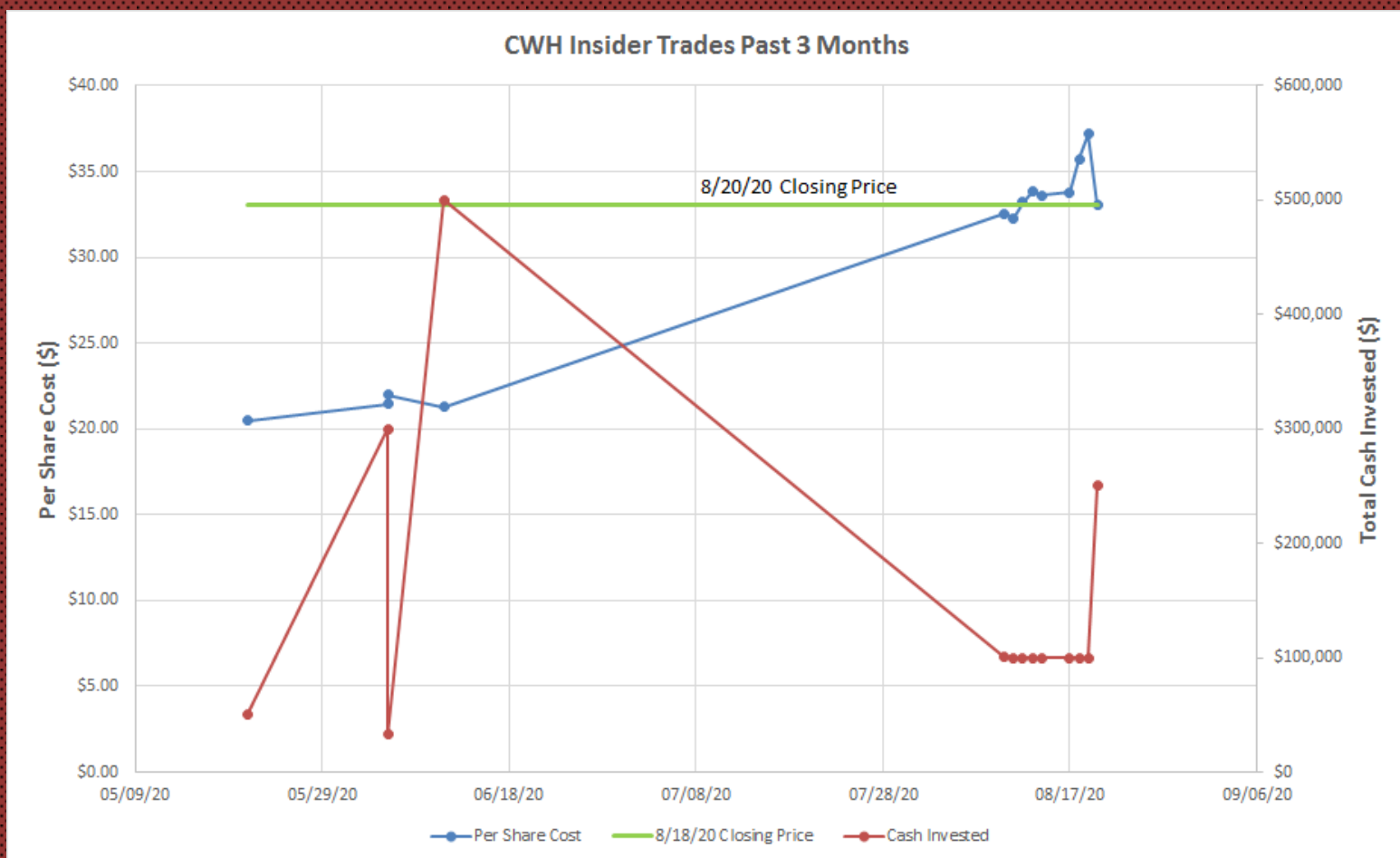


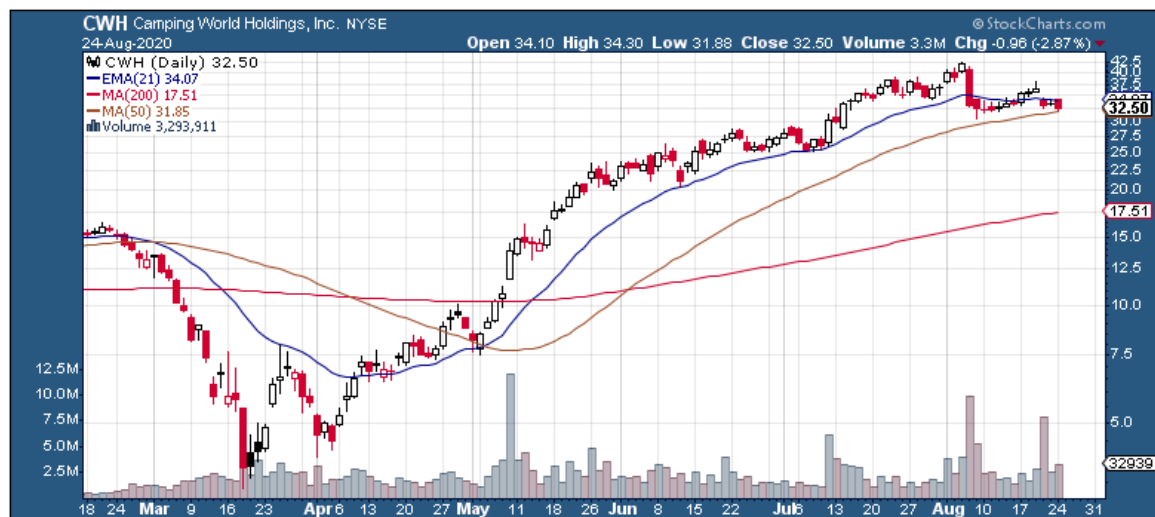
The Insider Trading Strategy – Trade with Those Having the Most Information about Company Fundamentals.

Company Insiders have the most knowledge about their respective companies. While they sell shares for a number of reasons, their buys reflect their belief that share price is moving higher. TSM watch list # 8 is a listing of Insider Buys for current list of TSM stocks that have occurred over the past three months. Included are the number of buys, the type of insider, the number of shares, and what their share price was.

The insider list presented in the 8/21/20 TSM report showed that the CEO for CWH had made 13 trades, spending over \$1.5 million – the latest yesterday. The following chart tracks his trades and shows yesterday's

closing price. Clearly, he felt CWH shares were going higher. Note, price fell over his last trade due to an announcement that 6 million shares would be sold by the company at a price between \$35 and \$35.5. He invested another \$250k at the resulting pullback.





CWH Buy Date	Price Paid	Cash Invested
5/21/2020	\$20.48	\$50,053
6/5/2020	\$21.48	\$300,130
6/5/2020	\$22.01	\$33,015
6/11/2020	\$21.27	\$499,958
8/10/2020	\$32.56	\$100,281
8/11/2020	\$32.29	\$100,063
8/12/2020	\$33.22	\$100,044
8/13/2020	\$33.82	\$99,904
8/14/2020	\$33.63	\$100,053
8/17/2020	\$33.80	\$99,968
8/18/2020	\$35.71	\$100,167
8/19/2020	\$37.17	\$99,983
8/20/2020	\$33.05	\$250,059

Technical Indicators for TSM Stocks

Each Daily TSM Report has a section (shown below) that lists those TSM stocks meeting 9 technical criteria, e.g., gaped higher, abnormally high volume, and others at the close of the prior day. Additionally, all stocks (TSM and others) with an A or B style ranking that became a Zacks 1 in the prior week are listed.

End of Day Bullish Signals for TSM Stocks on 08/21/20 (updated daily)

These are TSM stocks that meet the seven Technical Screens I run each morning. I'm looking for bullish trading criteria in the prior day's market using an Excel macro that matches the current list of all TSM stocks with those stocks giving each of these several technical signals.

- **Hammer Candle or Dogi (Look for Pullback Reversal):**
- **Price within +/- 0.5% of 50 or 200 Day Moving Average:**
- **Price within +/- 0.5% of 21 Day Exp Moving Average:**

<u>DECK</u>	<u>ERIC</u>	<u>JELD</u>	<u>LOCO</u>	<u>SCHN</u>	<u>SLGN</u>	<u>VV</u>
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- **52 Week High:**

<u>BBY</u>	<u>CCS</u>	<u>COST</u>	<u>FDX</u>	<u>JBHT</u>	<u>LL</u>	<u>PHM</u>
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- **Close in Top Half of Candle on 50% Greater Volume than Its 20-Day Moving Average:**

<u>AVTR</u>	<u>BBY</u>	<u>MRTN</u>	<u>WU</u>
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- **Bullish Engulfing Candle:**
- **Point & Figure Breakout Buy Signal Over Past 5 Days:**

<u>FLO</u>	<u>JACK</u>
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- **Gap Higher:**
- **4-Day RSI < 20:**
- **Zacks 1(A or B) Over 8/17 - 8/23 (not necessarily TSM):**

<u>AAP</u>	<u>BXC</u>	<u>EXP</u>	<u>KAMN</u>	<u>MKSI</u>	<u>RGCO</u>	<u>UHS</u>
<u>ALL</u>	<u>CCBG</u>	<u>FLO</u>	<u>KFRC</u>	<u>MYFW</u>	<u>ROCK</u>	<u>WERN</u>
<u>AMN</u>	<u>CCOEY</u>	<u>GRBK</u>	<u>KOP</u>	<u>ORLY</u>	<u>RRBI</u>	<u>WNC</u>
<u>APH</u>	<u>CMBM</u>	<u>GRMN</u>	<u>LFC</u>	<u>OSB</u>	<u>SMTX</u>	<u>WSO</u>
<u>ARCB</u>	<u>CRMT</u>	<u>HI</u>	<u>LOW</u>	<u>PDCO</u>	<u>TECH</u>	<u>WTS</u>
<u>ATEN</u>	<u>CVGI</u>	<u>HROW</u>	<u>LQDT</u>	<u>PFG</u>	<u>TGT</u>	<u>ZM</u>
<u>AZPN</u>	<u>DE</u>	<u>INMD</u>	<u>LSTR</u>	<u>PIPR</u>	<u>TOWN</u>	
<u>BIG</u>	<u>DTEGY</u>	<u>JACK</u>	<u>MCBS</u>	<u>PLT</u>	<u>TPR</u>	
<u>BJ</u>	<u>DVA</u>	<u>JD</u>	<u>MEDP</u>	<u>POOL</u>	<u>TROW</u>	
<u>BRKS</u>	<u>EXFO</u>	<u>JMP</u>	<u>MGDDY</u>	<u>RCII</u>	<u>TTMI</u>	

Interested in the TSM Method?

Go to TripleScreenMethod.com and Sign Up for a \$25 Monthly Membership.