ADSK	ETN	FB	HD	ITW	JCI	RH	WBA
189.28 ▲	145.05 ▲	200.47 ▼	300.40 ▲	197.11 ▼	59.87 ▲	336.12 ▲	42.40 ▲

MAY 2022

One Bar Ahead™

BY KEITH FITZ-GERALD

The most important breakthrough in human history

It's not too late to hedge

Here's how

2X your money

...without stocks

High Performance Over 50

Your brain on Wordle

And the surprising reason you should care!

Plus, an in-depth portfolio review, the latest MMI charts, and much more →

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Keith Fitz-Gerald's ONE BAR AHEAD™

One Bar Ahead™, May 2022

Letter from Keith

Dear Reader,

Let me ask you something …

… are you "in to win" when it comes to today's markets?

I mean, REALLY "in to win."

Many folks say they are but their actions don't add up, especially lately.

Thankfully, I know you don't have that problem.

How?

Two reasons.

First, you're here … and they're not!

Second, I didn't receive one panicked email last Friday. What I did get, though, was email from OBAers talking about which companies they're nibbling into and how they're going to take advantage of the situation if there's more selling ahead.

That's key … One Bar Ahead™ is about more than money.

It's a mindset based on investing in optimism and focused on unstoppable long-term trends that will allow us to harness structural shifts in our world that are otherwise unseen or even unrecognized by most investors today.

Billionaire Peter Thiel refers to this as "going from zero to one" at a time when everybody else is making incremental changes that go from "1 to n."

Put another way, iInvestors who are merely trying to copy the past cannot possibly see the future, let alone profit from it.

Think back to 1986.

That was the year the Human Genome Project launched, that Spain and Portugal became part of the European Community (later the EU), and the year that the Iran Contra Affair broke.

A Tandy 600 Portable Computer would have set you back a princely sum of $1,599 (about $4,197 in today's money) and Motorola StarTAC flip phones were all the rage.

Investors couldn't bet fast enough on video cameras, portable tape players like the Sony Walkman, DVD readers and more.

Yet, that was also the year an unassuming and decidedly nerdy Bill Gates quietly raised $61 million taking Microsoft public.

Every one of those things I've just mentioned went transistors up but every $1,000 invested in Microsoft back then is worth a positively gob-fobbing $3,246,708 today. That's a 324,571% return.

People say those days are gone but I beg to differ.

According to FactSet, 80% of the 55% of the S&P 500 that had reported as of last Friday reported EPS above estimates. What's more, the average earnings are 3.4% higher than estimates. That's lower than the 8.9% 5-year average but still positive.

People worry about inflation, geopolitics, the Fed, the supply chain and more but the takeaway is that *the best companies are putting up solid numbers anyway.*

Obviously, there are going to be ups and downs. That's a foregone conclusion in today's computer-driven, Fed-addled, geopolitically challenged markets.

Last Friday's selloff was downright brutal, for example. But, it does not change the fact that the longer-term picture remains attractive.

That's especially true for companies like those we prefer with brand leadership, rock solid balance sheets, and visionary CEOs capable of influencing consumer behavior. At the same time, built in margin protection and dividends are a bonus because those companies tend to fall less, stabilize faster, and recover more quickly over time.

The point I want to get across is that one of the biggest single mistakes any investor can make today is to buy the "fads" - meaning the Pelotons, Telodocs and Zooms of the world - when it's companies like Microsoft, Apple and others in the OBA 50 that will define our future.

There's a role for speculation, of course. Just make sure you don't confuse taking a flyer with serious investing.

Being able to recognize the difference is critical.

Many investors stumble from one "defensive" move to the next in an attempt to protect their money, usually on hot tips, breaking headlines or some other bull-puckery.

The smarter, better, and more profitable move is to put your money in a position where it can grow continuously over time. Like, for example, Microsoft which is every bit as good an investment now as it was 36 years ago. Perhaps better!

Research from Barron's a while back shows that 80-85%+ of all buy/sell decisions are wrong – meaning investors are buying when they should be selling and selling when they should be buying.

That's backed up by DALBAR data which consistently highlights that trying to second-guess the markets can halve results or worse. The average equity investor, for example, lost double the S&P 500 in 2018 alone and continues to fall behind today.

That wouldn't be so bad if the results were limited to being out of the market when conditions sucked. What most people fail to grasp is that the problem is "compounded by being out of the market during recovery months."

That's why, at the risk of sounding like a broken record, you hear me say frequently that you have to be "in to win" if you really want to bank the big bucks.

So how do you do that, especially lately when the entire world seems like it's trying to tear itself apart?

It's not as tough as you might think.

You find today's "Microsofts" and you buy as many shares as you can afford. Then, if they fall, you buy more. You accumulate shares like we are.

Being "in to win" is your edge, not just a mantra I came up with because it sounds trite or makes for great marketing.

As long as the original reasons you purchased shares in the first place remain – i.e. the company you own is tapped into one or more of the 5Ds, it makes "must-have" products and services, and the stock's share price has not breached the risk management levels you set the moment you bought in the first place – you and your money are best served by leaning "in."

This month we're going to start our time with a company that's doing just that - leaning in - to one of the biggest, most significant developments in human history.

And, as usual, the fact that most investors cannot see it coming works to our advantage because prices don't yet reflect the potential I'll share with you in a few moments.

I'm also introducing a special investment class that could double or triple your money *without* stocks. I've hunted for an entry for years but until recently couldn't find the right partner.

As you might imagine, I'm getting asked about hedging a lot lately so I thought we'd spend a few minutes talking about how you can do that simply, effectively and easily.

Of course, I've also got the latest MMI charts to help you gauge your next move. Some of the biggest opportunities are going totally unseen right now.

Valuations are starting to feel like 2009 and we know how that story played out when the markets gained their footing!

And finally, you're not alone if you find yourself frustrated with games that are supposed to make you smart but feel "dumber" for having played along. That's in this month's High Performance Over 50.

Thanks, as always, for being part of the One Bar Ahead™ Family and for spending a few minutes of your valuable time with me again this month!

Best regards for health and wealth,

Keith

KF

Note:

We read every email, note, and message we receive so please don't hesitate to reach out with anything on your mind. Send pictures, suggestions, questions, comments, and ideas – we'd love to hear from you!

The address is **magazine@onebarahead.com**

Other ways to keep in touch

youtube.com/channel/UCeNYMU7yzjLqGHkApJEUvKA

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www.onebarahead.com

Upcoming Conferences:

MoneyShow

May 09-11, 2022

Bally's/Paris Las Vegas

moneyshow.com

You're invited!

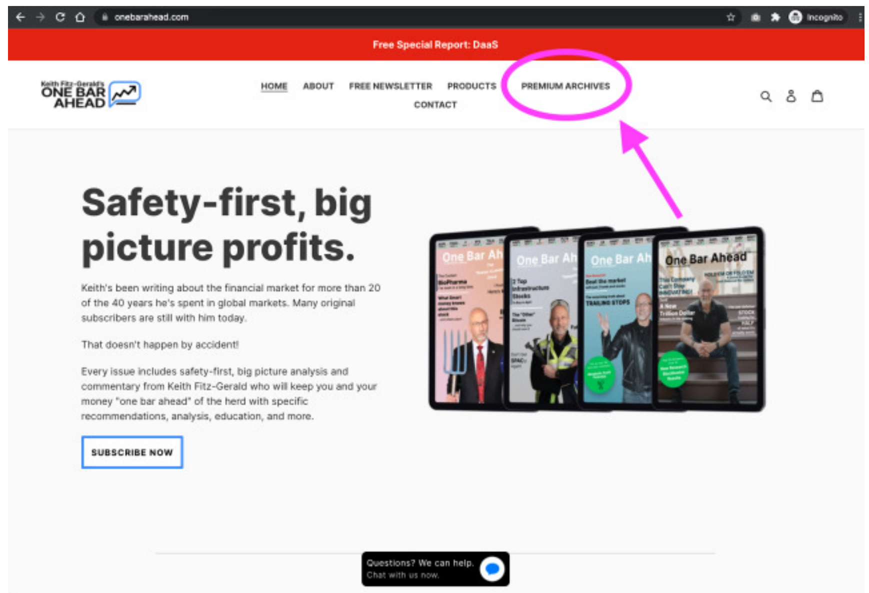
The MoneyShow folks have been kind enough to arrange a special room at the conference exclusively for members of One Bar Ahead™. It'll be a fantastic opportunity to see each other and I, for one, am really looking forward to it!

It'll be on May 9th, 5-6 pm PDT in the Palace 3 room.

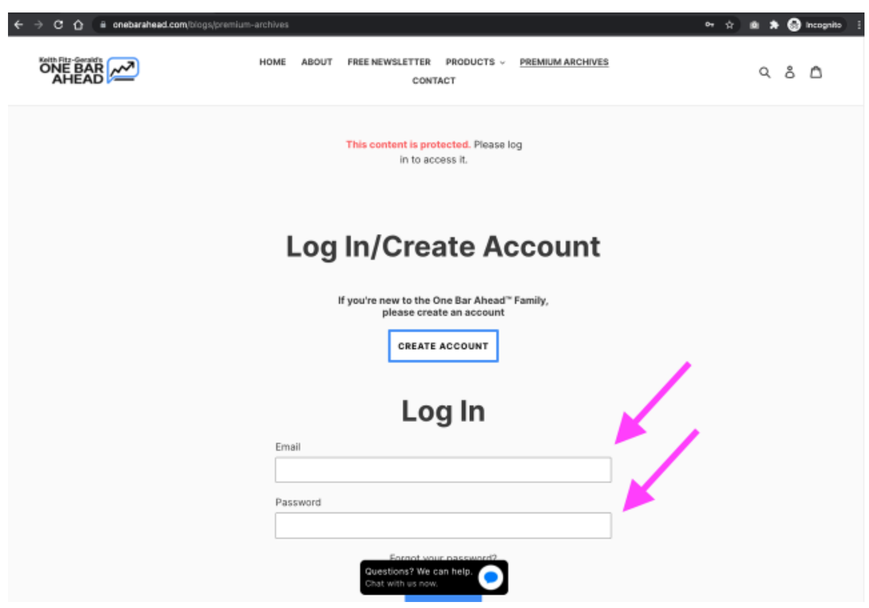
In the meantime, please let us know if you're planning to attend by emailing us at **magazine@onebarahead.com**, so we can get a rough headcount!

How to access the OBA archives

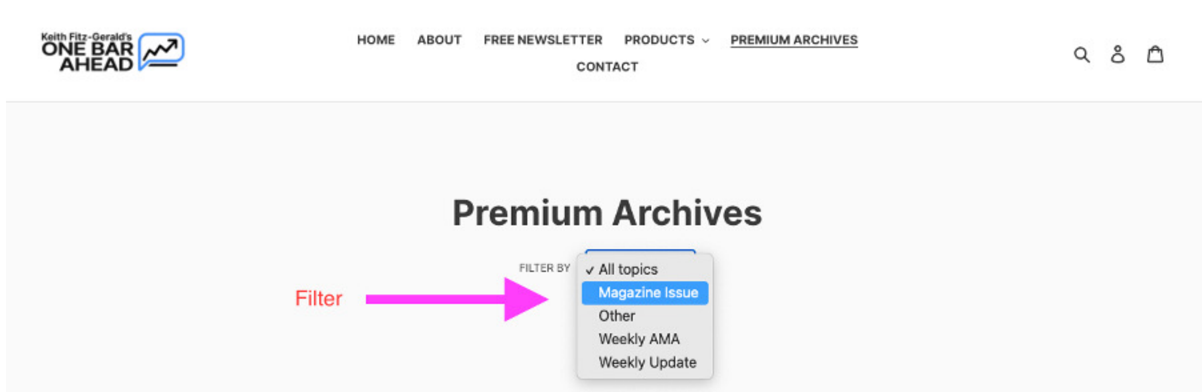
1. Go to Onebarahead.com and click “premium archives”



2. You will be asked to log in.
(If your password doesn’t work, try resetting it.)



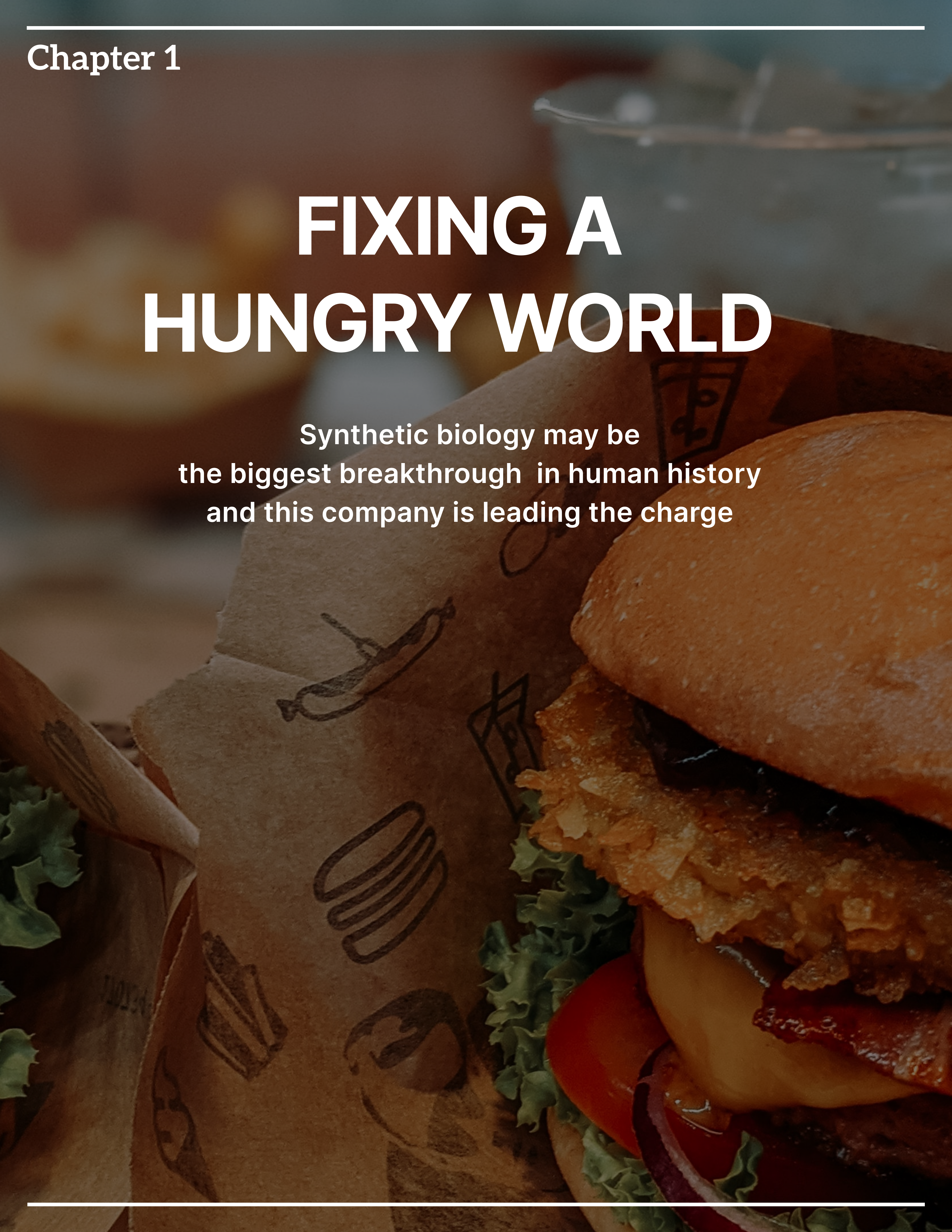
3. Filter by what you’re looking for, and voila!



If you try the above steps and it doesn’t work, please contact us at **info@onebarahead.com**

Chapter 1

FIXING A HUNGRY WORLD



Synthetic biology may be the biggest breakthrough in human history and this company is leading the charge

INVEST IN THE SYNTHETIC FOOD REVOLUTION

Most investors have never heard the term, "synthetic biology."

They will.

Synthetic biology may be one of the single most important developments in human history.

If you're not familiar with the term, synthetic biology is a newly emerging scientific field focused on the design and re-design of biological components and systems that do not already exist in the natural world. It's different from genetic engineering, which involves the transfer of specific genes from one cell or microbe to another.

There are applications for synthetic biology in everything from enzymes to chemicals, polymers, medicine, petro-fuels and bioremediation. In fact, the very first ever synthetic biology patent was issued in 1980 for cleaning up spilt oil.

Current examples include creating standardized biological parts, specific proteins, and natural product synthesis … a $5 way of saying engineering natural organisms to perform complex multistep production of natural products.

That's the part that I'm particularly focused on … "complex multistep production" of natural products including food.

Food is the Holy Grail of natural product synthesis research

The time to invest is *now*

The time to invest is now, before it gets on everyone else's radar.

Synthetic biology is both necessary and inevitable.

There will be another 2 billion people on the planet by 2050.

We will have to double the world's food supply to feed everyone. And, thing is, that still won't be enough.

More than 50% of the world's total food weight and 25% of the world's total food calories are lost or wasted before being consumed.

Worse, growing the amount of food needed will require using 20% more water than is currently used worldwide. No way that's gonna happen … water aquafers are already drying out, rivers around the world no longer reach the ocean, and glaciers are already in full retreat.

Vast areas of presently lush vegetation around the world that are already under pressure could become dustbowls that make the so-called "Dirty 30s" of Depression Era America look like a picnic.

There's so much pressure on the existing system, in fact, that conventional agriculture as we know it could vanish. Some scientists believe that dairy farming may disappear entirely by 2030. Beef revenues could drop 90% or more by 2035 according to ReThinkX.

Unfortunately, we can't just turn to the ocean like many people think either.

Industrial fishing is already creating an irreversible mass extermination in our oceans.

More than 1/3rd of all global fishing stocks are overfished – meaning humans are harvesting fish and other ocean wildlife at a rate too high to replenish.

INVEST IN THE SYNTHETIC FOOD REVOLUTION

We are already overstraining natural resources like fish, water, and arable land

Estimates vary but as much as 90% of all large predatory fish including sharks, tuna, grouper, cod and halibut are already gone.

It's one thing to talk about over-farming and over-fishing like it's some sort of minor problem we can contend with by changing our habits.

And entirely another when you realize that learning how to make food from pre-existing biological material is a matter of survival.

Synthetic biology will make food cheaper and healthier

People argue with me all the time that "fake" food doesn't taste the same. Personally, I happen to like most of what I've tried just fine but that's just me.

The point I want to convey is that you and I will not have a choice in the matter just a few years from now.

Natural foods will continue to get more expensive as a function of increasing demand and relative scarcity.

Synthetic biologically-engineered foods, on the other hand, will get less expensive as the technology improves and efficiencies gain.

In fact, that's already happening. The first lab-grown burger was served at a London news conference in 2013 and cost a staggering $330,000 to create.

Today, that same burger would cost about $9 to produce. A few years from now, it could be less than $2 and you'll be able to buy chicken, pork, duck, horse, kangaroo and probably any other "meat" you can imagine.

Bio-synthesized foods will be healthier than the foods we eat currently. Many will have higher nutritional value while eliminating the problems with artificial sweeteners and other dietary sugars that have contributed markedly to obesity, cancer, and diabetes.

Introducing Tyson Foods (TSN)

Buying Tyson now is a lot like investing in Chevron last September.

Investors were so focused on short-term oil prices that they couldn't see the bigger picture associated with renewed demand, stymied supplies and the move to EVs. They sure as heck couldn't understand the breakthrough energy component we discussed.

Tyson is similar.

The vast majority of investors cannot comprehend how a key player in traditional food supplies could win and, as such, it's being thrown out with the bathwater by many investors because they fear inflation, supply-chain problems and a host of other challenges.

Talk about a mistake!

Food, like energy, is a continuum which means that you'll want to view it through the lens of what will be accomplished in the future. Not where it's been in the past.

INVEST IN THE SYNTHETIC FOOD REVOLUTION

Consider:

- Global protein consumption will increase by 95 billion pounds from 2020 to 2030. Roughly 92% of that growth will come from outside North America with Asia and Latin American consumption expected to account for 64% - 70% of the world's protein consumption growth.

- Tyson owns the #1 and #2 brand slots in key retail segments including frozen prepared chicken, breakfast, breakfast sausage, hot dogs, bacon, adult snacking combos and more. Names you'll recognize include Tyson, Hillshire Farm, State Fair, Aidells, Jimmy Dean and Ball Park. Both Tyson and Jimmy Dean, incidentally, are top ten growth brands out of the more than 41,000 brands tracked by Neilson.

- Tyson has invested nearly $2 billion in aggregate capacity expansion over the next 36 months.

- The company is making key investments in digital solutions and automation that are expected to result in more than $1 billion in productivity gains by the end of FY2024.

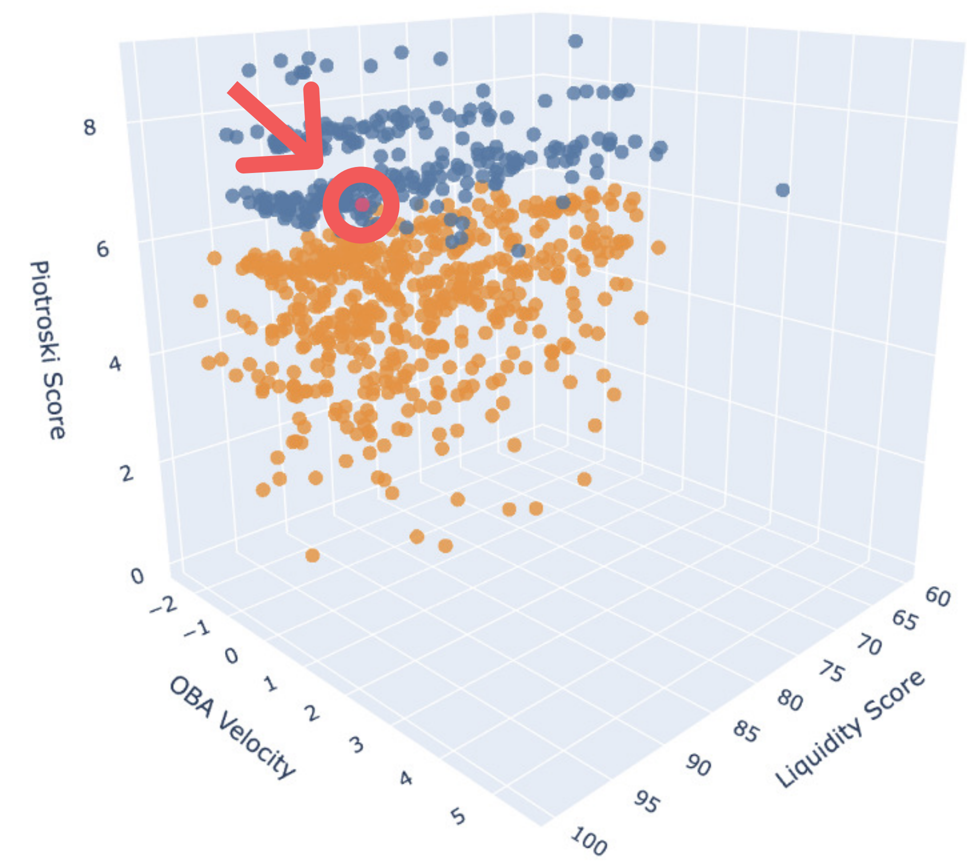
- The company invested $150 million in one of the most aggressive food venture capital funds I've seen with the threefold goal of pioneering the commercialization of alternative proteins, tackling/reducing food waste, and using the Internet of Food to promote sustainability.

Here's what the proprietary One Bar Ahead™ analytics says about Tyson.

The Universe

Tyson is in the upper middle section of what we call the One Bar Ahead™ Value Spectrum, a 3D look at liquidity, value and quality.

I expect the company to track right and to the front if things prove out as expected.



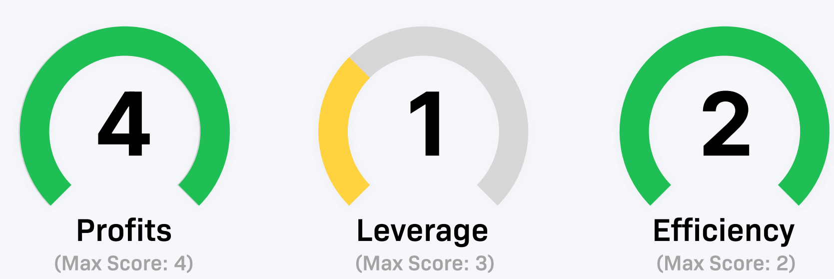
The Fundamentals

Tyson is in great shape, as you'd expect given the information that I've just shared with you.

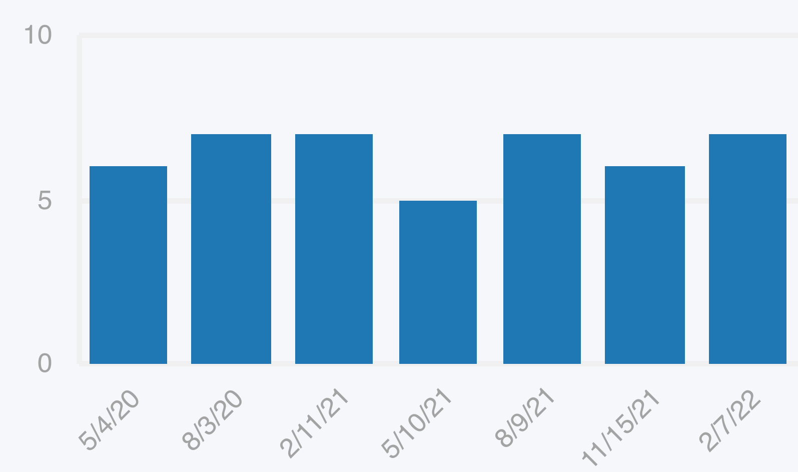
The company's Piotroski Score is a solid 7 of 9 possible points which means it's very healthy at a time when many companies are not. As you can see the historical score has varied but remained largely consistent which is a great sign under exceptionally trying market conditions.

Company Fundamentals

Current Piotroski score is: 7 - **Healthy**



Score History



INVEST IN THE SYNTHETIC FOOD REVOLUTION

Tyson has an OBA Beta of 1.003 which means that the company is about as volatile as the broader S&P 500 we benchmark against.

Our research suggests that this is likely to improve in the next few months as prices stabilize.

Master Market Indicator™ (MMI)

The MMI is a mid-range reading and climbing which is consistent with current market conditions. We know from our research that this is a reading typical of a company that's being underestimated but which is showing surprisingly strong price action when other choices do not.

The company is up 6.22% year to date versus the S&P 500 which has fallen -12.40% as I type.

Action to take

Buy Tyson (TSN) for $95 or less. Consider adding or loading up at the $75-$80 range if the markets give us a pullback this summer. If not, consider averaging in or simply buying a bit more on pullbacks.

If you're willing to take a riskier bet and be more aggressive, **consider buying the $19Jan24 $90 call (.TSN240119C90)** which last traded at $16.05 as I type. Set and track a trailing stop as if you'd purchased the stock.

Remember, options can be more volatile than the underlying stocks they track so it's helpful to track the stock as a proxy.

Consider selling cash-secured puts around $90 a share if you'd like to get paid to shop and fancy buying shares at a discount. The **17Jun22 $90 puts** last traded at $2.85, which if assigned would result in a cost basis of $87.15 a share.

Tyson is already a winner, which is why it makes sense to invest in it

Chapter 2

THE SURPRISING REASON IT'S NOT TOO LATE TO HEDGE

And how to do it "OBA-Style"

IT'S NOT TOO LATE TO HEDGE

… Is it too late to hedge?

Not if you do it "right."

Let me explain.

As you might imagine, I'm getting asked that a lot lately. Friday's selloff didn't help.

Big-name analysts at firms like Goldman Sachs, Morgan Stanley, and Citi are warning that the Fed could hike rates faster and farther, that valuations are overdone, and that slowing economic growth is going to bring about an inglorious end to all things financial.

Investors are understandably nervous.

I get it.

The markets seem to be standing on the edge of a big, deep, nasty precipice. Many people want to protect everything they've worked so hard to save up and invest.

Hedging is a logical thing to be thinking about.

But, where to start?

The vast majority of brokers and financial advisors will blather on about diversification or the merits of staying invested in volatile times. Others will talk about using fixed income – bonds by any other name – to protect against downside risk.

Both worked for years but …

The markets have changed.

Much of what's taken for granted about the way markets work is no longer true. Especially as it relates to hedging.

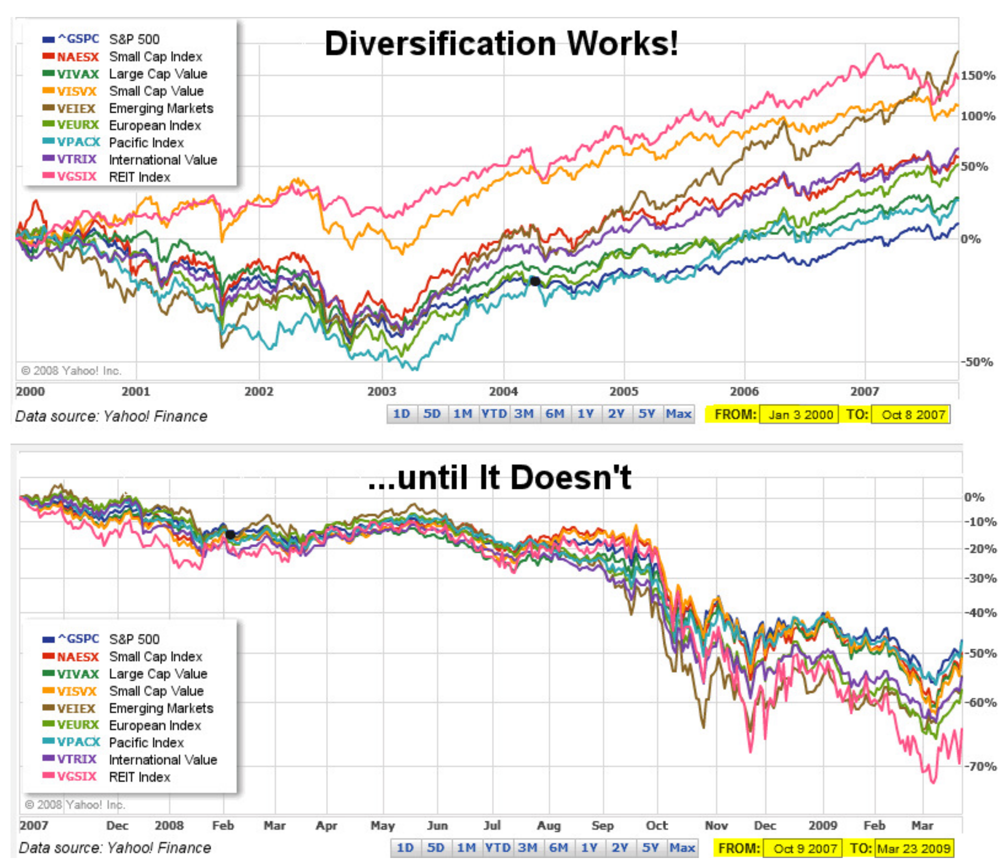
The premise behind diversification, for example, is that spreading your money around helps "because not everything goes down at once."

Diversification has been implicitly viewed as a "hedge" since the 1950s when economist Harry Markowitz figured out that the sum of a portfolio's parts could be less volatile than individual investments.

The problem is that today's financial markets actually do tend to move "all at once." And, a lot more often than people think.

This comes as a huge and often terribly rude awakening for legions of investors who have spent decades diversifying their investments like they've been told.

Today's markets are very different than they were back in the day. They're highly computerized, dynamic, and driven by leverage (so-called integrated funding channels) that have nothing to do with underlying fundamentals.



Source: Barry Ritholtz, 'The Big Picture'

Then there was the so-called "60/40" portfolio that came into vogue in the 1980s/1990s when "balanced funds" were the rage. For a long time that was viewed as an implicit hedge as well.

The problem with this line of thinking is that investment-grade bonds now yield substantially less than the rate of inflation which means anybody buying them is subjecting their money to a losing rate of return.

Bond yields have less room to drop during periods of market stress. Worse, bond prices can fall dramatically during periods of high inflation and sell off harder than the stocks they're supposed to balance.

IT'S NOT TOO LATE TO HEDGE

Fortunately, there is a simple and elegant solution.

The first thing to understand is that the most successful hedges are put in place long before the herd realizes that anything is wrong.

Hedges, in that sense, are a lot like the seatbelt in your car. Ideally, you want to buckle in before you turn the key (what we do here at One Bar Ahead™) Not after you've had an accident (which is what most other investors do if they hedge at all).

That's why, for example, we started talking about hedging using SH/RYURX late last year when nearly everybody else thought the bull market could run forever. Both have enjoyed a nice run higher as the S&P 500 has dropped off.

The second thing to understand about hedging is that most people don't think about hedging until it's too late.

There are a variety of reasons why this is the case but essentially it comes down to behavioural psychology. Social scientists call this avoidance behaviour – meaning people learn to fear situations that have caused them pain or stress in the past.

More often than not, that's an *opening*.

The fabulous Jim Rogers drummed it into my head over the years that it's the perfect time to look at the opposite of a trade – any trade – when "everybody knows something to be true."

Excessively bullish headlines, for instance, are a sign that we want to be thinking about the market's next downside move. Conversely, abjectly bearish headlines are a sign that we want to be thinking about prices taking off higher.

Mr. Rogers, in case you're not familiar with him, partnered with George Soros to run the Quantum fund which generated a jaw-dropping 4,200% return from 1973 to 1980.

Hedging is not as tough as you'd think.

Here's how.

Hedging "apples to apples" is important

Match your hedge to your holdings

People don't talk about this a lot when the subject of hedging comes up, but they should. Ideally, you want to hedge apples with apples.

If you're primarily concerned about tech stocks getting hammered for whatever reason, a choice like the ProShares PSQ ETF (PSQ) or the inverse ARK fund (SARK) could be appropriate.

The One Bar Ahead™ portfolio contains a lot of tech-related holdings but my research shows that the underlying performance is far more likely to mirror the S&P 500 over time. That's why I suggest the ProShares Short S&P 500 ETF (SH) or the Rydex Inverse S&P 500 Strategy Fund (RYURX) when it comes to hedging.

Leveraged hedges like the ProShares Ultra VIX Short-Term Futures ETF (UVXY) or Direxion Daily S&P 500 Bull 3X Shares (SPXL) are best reserved for short-term speculative hedging ahead dramatic short-term moves and held for 24-48 hours at most.

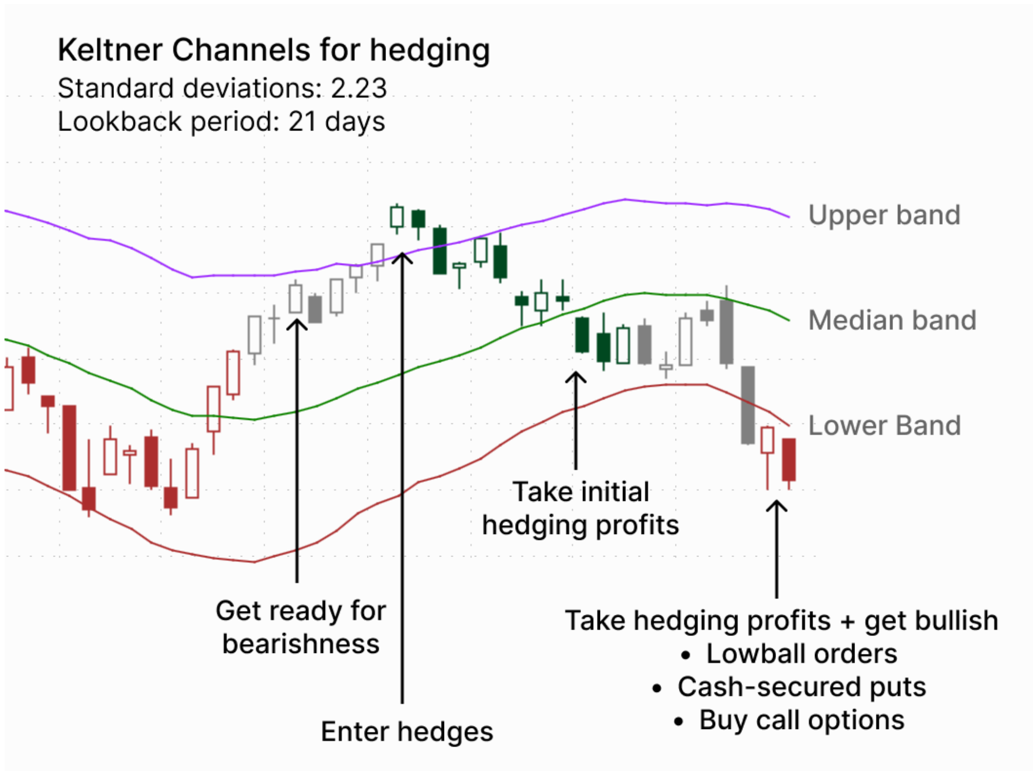
The first 7-10% always belongs to the market

This is where trailing stops come into play and why you want to understand "normal" market behaviour.

IT'S NOT TOO LATE TO HEDGE

As long as prices are within this range, there's no need to hedge beyond the 2-3% I recommend in SH or RYURX (unless you want to) because the risks of getting bounced out prematurely are greater than the opportunities associated with staying in.

I use the MMI™ or Master Market Indicator to help me gauge price action but you can just as easily use Keltner Bands set to 2.23 standard deviations and a lookback of 21 days. Most brokerages' charting platforms or online alternatives have Keltner Bands built in and available for free.



When prices are tracking along the upper band, you'll want to consider adding to inverse ETFs like SH or an inverse fund like RYURX the moment they pull back or lower. If prices drop through the median to the lower band, that's when you can consider adding more to SH or RYURX more aggressively.

Exit or lighten up your hedge when prices cross above the lower band again.

If you're options savvy, consider buying puts 10-12% below current prices.

Remember, the most effective hedges are put in place when the overwhelming majority of people aren't thinking anything is wrong.

Doing this when prices are tracking the upper Keltner Band can be particularly cost-effective. That's because put options - that are a bet on lower prices – will be dirt cheap at that point.

Keltner Bands, in contrast to the more familiar Bollinger Bands, represent volatility around trend which means they will expand as volatility increases and narrow as it decreases.

As I type, for example, the difference is about 10-12% from the median value between the bands. Late last year it was just 6%, for example.

Don't wait for hell to freeze over before taking profits

Many people put their hedges on thinking that they'll hold 'em forever but that's asking for trouble. The real key to hedging effectively is taking profits as quickly as you can.

I suggest you consider taking profits when prices have moved about ½ the distance between the median bands. Or when the trend (as displayed by the Keltner Bands) has reversed direction.

Besides, there's nothing wrong with using the profits to buy more hedges if you're really freaking out.

Get bullish

Many people think about hedges solely in terms of downside risk. What they fail to realize (or simply lose track of) is that when prices drop far enough that there are profits on your downside hedge, that's a good time to get bullish.

Start with stocks having the lowest MMI™ as reflected in the most recent One Bar Ahead™ issue or simply with those stocks that you'd like to own more of.

Using LowBall Orders or Selling Cash Secured Puts can also be an ideal way to do this. I've outlined the latter in the February 2021 issue which is available in the OBA Archives.

IT'S NOT TOO LATE TO HEDGE

Buying call options with strikes at or near the Keltner Band's Median Line (the middle one) could also be a quick source of profits using the same rules I've just outlined, just in reverse.

In closing, let me leave you with a final thought.

Volatility works in both directions which means hedging does too.

People forget that.

Try putting Keltner Bands on the screen and see if you can "tune in" to what they're telling you. The markets really will talk to you if you listen.

As always, try paper trading your hedges first.

Doing so helps keep risk to razor-thin levels while also allowing you to accumulate the intellectual reflexes needed to harness the chaos everybody else fears.

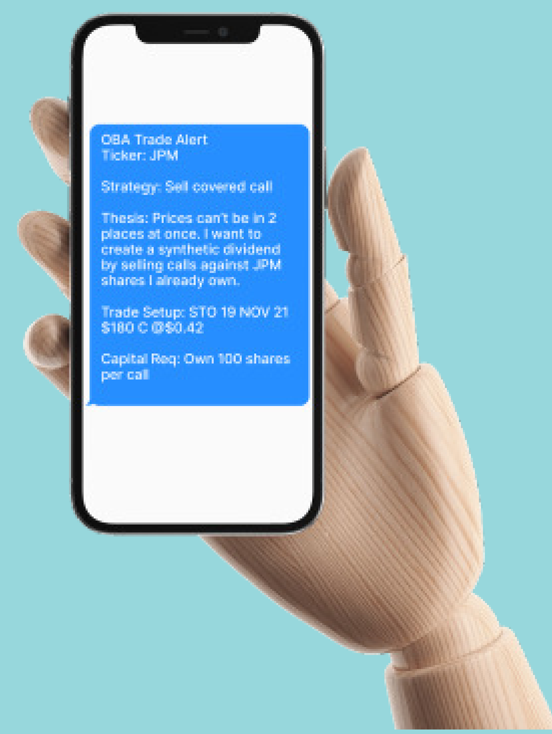
Who knows ... you might even have some fun!

KF

Got questions about the tactics mentioned in this chapter? That's what the Friday AMA's are for.

Make sure you send your questions to **askkeith@onebarahead.com.**

I read every email I get, and would love to hear from you.



Do you want to Trade with Keith?

What is it?

High-probability cash-secured puts and covered calls via text for educational purposes. Backed by real-world experience in real time.

Many of the trades I send out are centered around the Keltner bands mentioned in this chapter, and are designed to maximize profit potential.

What's included:

Roughly 2-4 trades a week, with each text including a quick look at what the trade is, a brief thesis as to why I think it's a great idea and a sample order.

Sign up today:

👉 **OneBarAhead.com/TWK**

(Don't forget, you can get 25% off forever by using the code OBAMEMBER)

Chapter 3

DOUBLE OR TRIPLE YOUR MONEY WITHOUT STOCKS

A TRULY ALTERNATIVE INVESTMENT

It's not just you ...

Millions of investors have had it with the stock market because the volatility is driving 'em crazy.

Millions more have had it with real estate which is bid up to nose-bleed levels.

Still others are frustrated with metals, cryptocurrencies, and Wall Street darlings that were supposed to make 'em a mint but which really dug a massive hole in their portfolios.

"There's got to be something else!"

Well, in my best late-night TV announcer voice, there *IS!*

Fine Wine

To be clear, I'm not talking about the stuff you buy at your grocer.

The wine I have in mind makes up just 1% of the $400 billion global wine market.

Examples include very rare bottles from the likes of Armand Rousseau Gevrey Chambertin Clos St Jacques 2010, the price of which jumped 115.2% from January 2018 to January 2020. Or a 1995 30L Melchizedek of Boërl & Kroff champagne which recently sold for £173,000 / $226,000. It's one of just four bottles worldwide.

Fine wine is part of what's commonly referred to as an "alternative investment." Only there's nothing alternative about it.

Let me explain.

Most folks immediately default to gold, art or other collectables like coins, cars, or – my personal fav - motorcycles when they hear the term "alternative investment." Sometimes, structured notes, derivatives and alternative equity work their way into the conversation. Lately, the list also includes cryptocurrencies, NFTs, peer to peer lending and crowdfunding.

Wall Street wants you to believe that you can't play along unless you're a member of the "high-pinky" club or have a million dollars to burn.

Regulators, of course, don't help matters much and have made a huge stink about "accredited" investing as a way of controlling access. Neat for them because they can wash their hands but terribly limiting for normal investors who are being deprived of otherwise fabulous opportunities.

There are risks, of course.

In contrast to traditional investments like stocks, bonds, funds and ETFs, alternative assets are unregulated for the most part which means that it's very easy to get burned by unscrupulous players.

At the same time, most alternative assets are almost completely illiquid. It's not unusual for many to have minimum holding periods that are often years at a time.

Practically speaking, alternative investments can be a lot like the Hotel California in the 1976 Eagles song of the same name ... "you can check in any time you like but you can never leave."

And finally, alternative investments respond to entirely different economic variables than more traditional choices. The 928S that Tom Cruise drove in Risky Business recently sold for $1.9 million at auction but you can't give away Victorian glass right now, for example.

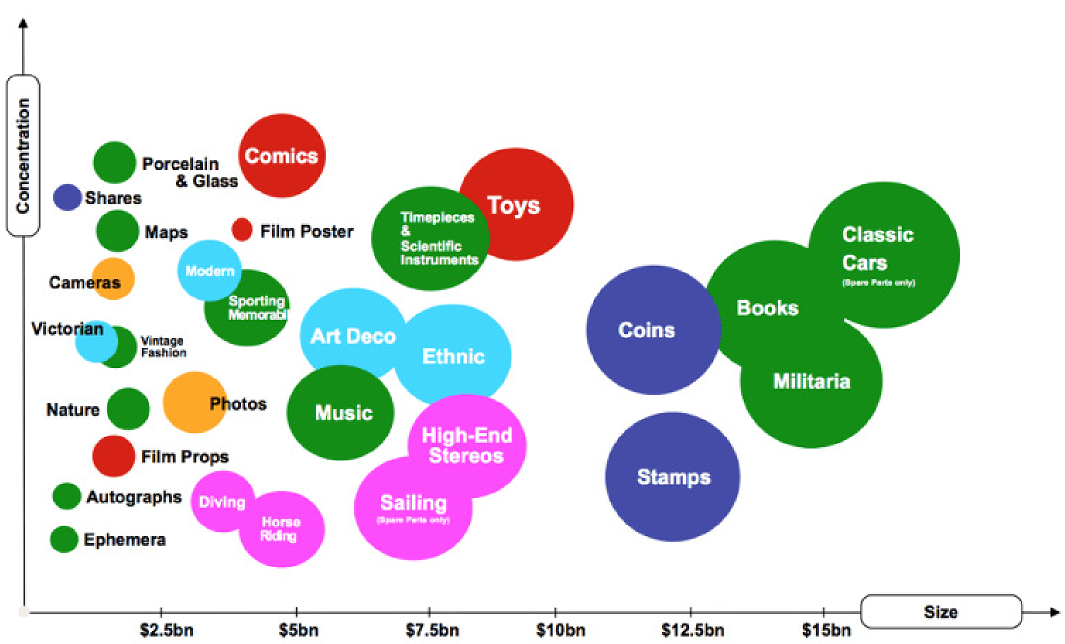


Image by Christian Braun via HobbyDB

A TRULY ALTERNATIVE INVESTMENT

Putting the "fine" in wine

Many investors are well-aware of the challenges posed by supply chain problems, inflation, rising rates and slowing growth. We've certainly talked about them for a while now.

What they fail to realize is that every single one of those things is a tailwind for fine wine.

Fine wine production is at the lowest levels in 75 years.

This is especially true with so-called "old world" wines produced that are considered by experts to reflect the timelessness of the area and strict production regulations. Like, for example, the Bordeaux 1855 classification which is widely regarded as one of the single most important and strictly controlled classifications ever created.

At the same time, global demand is accelerating.

Counter-intuitively, the biggest growth is in areas of the world where wine isn't commonly thought of as a "thing."

That's the case in Asia, for example, where the number of people spending $250 a bottle or more has jumped by 75% according to Liv-ex. Or India where wine consumption has skyrocketed over the past few years.

Scarcity is a very real issue and, potentially, very profitable. Every time someone drinks a bottle, the remaining supply goes down (pun intended) and prices potentially go up!

There are only 5 bottles of Henry Jayer Cros Parantoux 1996 left worldwide, for instance. It's no wonder that prices have jumped from $800 a bottle in 1998 to $25,000 today!

More than 33% of all high net-worth individuals have a portion of their wealth in wine according to a 2019 survey from Barclay's Wealth and Investment Management.

Fine wine is like an NFT that's actually real and consumable

Around 2% is typical

Around 2% of total investable assets is typical.

That's great to my way of thinking for two reasons.

First, my research shows very clearly that having 2% of investable assets in a truly non-correlated holding can dramatically dampen overall portfolio volatility, meaning you and your money have a smoother ride.

We use specialized inverse funds, cryptocurrency and, to some extent, NIO and XPEV – our most recent "Vegas Money" choices - the same way for the very same reason. So, there's an alignment here.

And second, most people think of a 2% allocation as spreading money around so as not to lose but we know better.

Having 2% in a truly non-correlated asset like fine wine keeps you "in to win" because it helps ensure concentration in the rest of your portfolio.

Many people are surprised to learn what an outstanding investment fine wine can be.

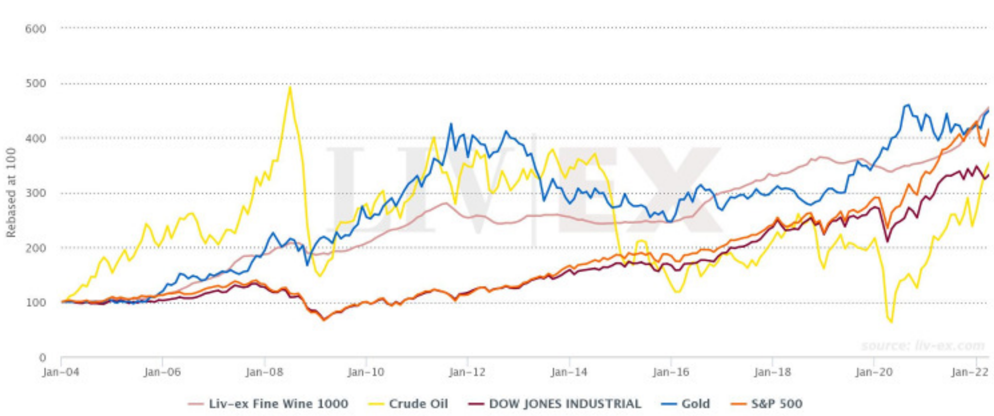
Truly tech-like returns are not only possible, but far more "normal" than you'd think at first glance.

A TRULY ALTERNATIVE INVESTMENT

According to Forbes, every $100 invested in fine wine in 1952 would be worth a jaw-dropping $420,000 today versus "just" $100,000 had you invested in stocks over the same time period. That's a Tesla-smashing, Apple crunching return of 419,900%!

In fact, fine wine has outperformed almost every other asset class over time and with remarkable stability. Over the past 50 years, for example, the Liv-ex 1000 shows average annual growth of 8-12% a year.

Notably and importantly, the very same index shows a 24.7% return last year at a time when other asset classes came under considerable pressure.



Why now?

That's the interesting part.

I've looked at fine wine over the years but have always stopped short of investing in it because I haven't been able to find a trustworthy partner.

Until now.

OENO

Introducing OenoFuture

London-based Oeno takes a very different and highly personalized approach to investment grade fine wine.

The company has grown rapidly since its inception in 2015 and is completely reshaping the fine wine business the way One Bar Ahead™ is reshaping investment research.

Investor Magazine deemed Oeno the World's No.1 Wine Investment Firm in 2021. Oeno has also been repeatedly endorsed as Fine Wine Investment Company of the Year in the European Global Business & Finance Awards.

Oeno is the only fine wine investment company worldwide to enjoy membership in the super prestigious Wine & Spirit Trade Association.

Every client/investor – from absolute newbies like myself to seasoned collectors – is assigned a personal representative who takes the time to understand what you're after. Then, uses that information to assemble a tailored portfolio reflecting your goals, interests, and objectives.

Oeno clients are regularly invited to educational tastings, exclusive winery tours and special events. There's also Oeno House, the company's wine boutique which is located in the heart of London at The Royal Exchange. (And if London's a stretch, CEO Michael Doerr tells me that Oeno is planning to open a Miami location next year!)

Ever the skeptic, I asked Doerr about this when we last met. He replied simply saying, "educated clients have a far better experience."

Music to my ears!

Here's something else I like a lot ... Oeno is staffed worldwide by real experts. Every member of the team has serious chops when it comes to both wine and investments which gives them a serious advantage over conventional wine merchants, even high-end sellers.

Sid McNamara-Rajeswaran, Head of Business Development, for example, studied at Exeter and Harvard where he specialized in US Foreign Policy. This allows him to tailor exceptional wine portfolios worldwide the same way we tailor One Bar Ahead™ recommendations with an eye on the macro events and data needed to make 'em perform.

A TRULY ALTERNATIVE INVESTMENT

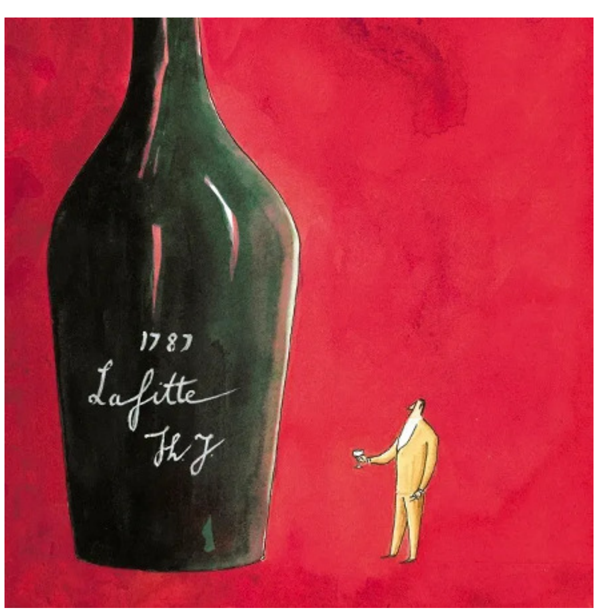
Justin Knock serves as Director of Wine and is one of the very few Masters of Wine to pass the super-rigorous exam the first time in 2010. He's got expertise in every aspect of the business from production right through to distribution and marketing which means he can spot opportunities faster and more accurately than the competition.

There's also Almudena Alberca who is the first female Spanish Master of Wine and Gabriele Gorelli the first Italian Master of Wine as well as cultural/wine ambassadors in key producing regions like France, Italy, Greece and South Africa.

Global Investment Director Ashley Ling is a seasoned investment professional specializing in low-risk opportunities that place a premium on capital stability and preservation which means his thinking is lined up with the One Bar Ahead™ investment approach as well.

Perhaps most importantly, Oeno has the first of its kind internal anti-fraud team. That's especially reassuring because global wine fraud is a $4 billion problem!

The last thing I want to do – or see you do - is plunk money down on a fraudulent bottle the way both Christopher Forbes and Bill Koch did in the 1980s when they purchased fake 18th century Lafite now known infamously as the "Jefferson bottles" because of their supposed connection with Thomas Jefferson.



The in-house anti-fraud team makes sure you don't get a "Jefferson Bottle"

Illustration by Benoît van Innis

Oeno doesn't collect fees until the clients exit. That's something to toast to!

Storage isn't an issue and there's no need to take custody of your investment-grade wine. Unless you want to, of course.

Oeno stores client portfolios in secure, bonded warehouses until they're sold or shipped. And, importantly, requires that every bottle is insured through specialist providers allowing full coverage at market value. That way you don't have to worry about a loss in value if something gets stolen or broken.

And finally, Oeno, on the other hand, does not collect its fees until clients exit. This means the company has every interest in maximizing your profits over time.

Most fine wine brokers and merchants charge exorbitant fees on entry/exit and for ongoing management or some combination of all three which means there's little incentive to act in your interest.

Now what?

That's entirely up to you.

As you know, I do not accept compensation of any sort from the companies I write about.

I am bringing Oeno to your attention for two reasons:

A TRULY ALTERNATIVE INVESTMENT

Oeno is unique; what they offer could be a welcome addition to your investment portfolio at a critical point in market history; and, I've spent a bit of time with the Oeno Team and believe they're the real deal which is why I'll be opening an account myself in the near future.

Oeno, by the way, will be exhibiting at the upcoming Las Vegas MoneyShow from May 9-11. Please join me in attending one or both of the two educational sessions Michael and Sid will be conducting.

Check the MoneyShow agenda for precise times! Or, simply visit Oeno's booth at your convenience while you're there.

If you can't get to Las Vegas, please click here to download Oeno's investment guide. Michael and his team have very kindly created a special landing page just for members of the One Bar Ahead™ Family!

https://invest.oenogroup.com/obh/

Please tell 'em I sent you.

If we're really lucky and enough members of the One Bar Ahead™ Family express interest, perhaps we can arrange for Team Oeno to hold an educational tasting for the One Bar Ahead™ Family at some point in the future!

Meanwhile ...

Cheers to being One Bar Ahead™ and now, to being One Bottle Ahead too!

À votre santé!

KF

PORTFOLIO REVIEW

Plus the Fund Folio™ & May OBA 50™

PORTFOLIO REVIEW (MAY 2022)

Buy the best, ignore the rest!

Foundation Stones (50%)

This category contains companies intended to be the base around which all other choices are built and will account for roughly 50% of overall investable capital. The intent is to create stability that gives you the freedom to pursue more aggressive choices in the other two tiers over time.

There will be some turnover here but, odds are, not much over time because the emphasis is on fundamental underpinnings.

Global Growth & Income (40%)

This category houses companies offering a unique twist on one or more of the “5 Ds” or which are technically of interest and will represent roughly 40% of overall investable capital. The goal with this segment is appreciation potential AND an income boost so expect to see dividend payers and players here.

Turnover here may be based on a combination of technical and fundamental data and may be slightly higher. Market action could also trigger entries and exits.

Zingers (10%)

This category is home to the most speculative choices and will account for roughly 10% of overall investable capital.

Zingers are fundamentally compelling but are going to be selected based on a higher relative technical analysis weighting using the OBA engine and the MMI specifically.

Expect turnover to be highest in this tier based on technical market action. The probability of losses is highest in this segment.

“Vegas Money”

Vegas Money is exactly like it sounds - it’s where we put the stocks that can be heroes or zeros.

Not every stock will be a winner; in fact, quite a few probably won’t to be blunt. We’ll control risk by position sizing before we buy once we’ve identified an opportunity that interests us.

This means keeping positions small enough that you don’t care if they flame out completely but big enough that you’ll feel good if and when they do take off.

0.5% - 1.0% each or less at your discretion. Skip entirely this much risk makes you uneasy.

Hedges

Studies show having between 1-3% in non-correlated investments can help take the sting out of otherwise painful down days by dampening overall portfolio volatility. The tradeoff, of course, is that you give up some upside but that’s acceptable to me given current market conditions.

SH and **RYURX** are both 1:1 inverse funds which make them perfect for the task. **UVXY**, though, is a 1.5X hedge designed only for short-term holds at best which is why I advocate using it very opportunistically when the risks of a downdraft are highest.

Position Sizing Guidelines	
Foundation Stones	50%
Global Growth and Income	40%
Zingers	10%
Hedges/Inverse	1-3%
Vegas Money	Investor's discretion

**All data as of 4/27/2022*

PORTFOLIO REVIEW (MAY 2022)

Foundation Stones (50%)

AAPL

APPLE, INC

Beta
1.07

Yield
0.54%

Δ vs SPX
-1.12%

α vs SPX
8.90%

Notes

Team Cook positively blew the doors off earnings and revenue, a "double." And in the process, made a mockery of legions of analysts screaming about inflation, deteriorating demand and a tightening macro environment ... exactly as we expected. Services, sales and nearly every new device out there only make the company stronger! I love the idea of a massive buyback, too.

JPM

JPMORGAN CHASE & CO.

Beta
1.19

Yield
3.25%

Δ vs SPX
-4.65%

α vs SPX
-9.96%

Notes

The company recently reported adjusted earnings of $2.76 a share versus $2.69 expected – a beat. And revenue of $31.59 billion versus an expected $30.86 billion – also a beat. Analysts made a stink that profits were only $2.63 when you exclude the $0.13 adjustment for Russia's impact on the numbers, but they're missing the point. CEO Jamie Dimon took a $902m charge to build reserves against the threat of a recession, meaning he's already prepping for the next crisis. JPM's credit operations continue to be robust, and the 3.17% yield could be great for investors who know the value involved.

MSFT

Microsoft Corporation

Beta
0.91

Yield
0.88%

Δ vs SPX
-0.78%

α vs SPX
0.71%

Notes

Microsoft also posted a "double" meaning the company beat earnings and expectations. Critically, revenue guidance is also higher than analysts predicted. Critics charge that sales and marketing expenses are 10% higher than they were a year ago but, no kidding given the inflation print.

RCS

Pimco Strategic Income Fund

Beta
0.82

Yield
10.95%

Δ vs SPX
2.86%

α vs SPX
N/A

Notes

The fund continues to hold its own in the face of rising rates. That doesn't concern me too much as long as the pace is comparatively measured. Leveraged duration continues to be shorter than competitive offerings which is why I'm content to stick with it

Global Growth & Income (40%)

COST

Costco Wholesale Corporation

Beta
0.60

Yield
0.65%

Δ vs SPX
4.90%

α vs SPX
31.99%

Notes

COST has been my favourite retailer for a while now, simply because there aren't any other picks that come close in terms of inflation protection and stability. As the big i-word rages, COST is one place that can control shoplifting well, encourage repeat purchases, and continuously offer lower prices. And with a special dividend reportedly around the corner, it would be foolish to let this stock go.

CVX

Chevron Corporation

Beta
1.10

Yield
3.61%

Δ vs SPX
5.38%

α vs SPX
68.99%

Notes

Chevron reported that profits quadrupled in Q1 as higher oil and gas prices boost operations.

People are just waking up to the idea that green energy is going to take a while to adopt, and Putin's ongoing war in Ukraine is likely to keep oil prices elevated.

And, with one of the most aggressive alternative energy portfolios on the planet and a great yield that is a built in inflation hedge, Chevron checks all of the boxes.

PORTFOLIO REVIEW (MAY 2022)

GILD

Gilead Sciences, Inc

Beta
0.26

Yield
4.66%

Δ vs SPX
8.14%

α vs SPX
4.06%

Notes

Gilead and Pfizer have both been granted preferred status by the CDC for treating COVID cases with the potential for serious complications, which is great for obvious reasons.

Meanwhile, I think the stock is finally going back to "growth" mode as the acquisitions management's made in the past year allow it to further branch out from HIV treatments. I suggest using the most recent sell off to add shares on this super low-beta high-dividend stock.

GIS

General Mills, Inc

Beta
0.21

Yield
2.87%

Δ vs SPX
14.43%

α vs SPX
N/A

Notes

GIS has heated up after knocking the proverbial leather off the ball with earnings last month. I'm including it in this portfolio review because many in the OBA continue to hold at least some shares.

While the MMI suggests it's pretty "hot" right now, averaging in over time probably wouldn't be a bad bet for this low-beta king.

INTC

Intel Corp

Beta
0.92

Yield
3.10%

Δ vs SPX
-6.42%

α vs SPX
3.62%

Notes

Intel beat but shares fell on data centre problems and what some are called gloomy guidance. Good!

We are counting on people to confuse the longer-term potential with short term pricing and that works in our favour by giving us an opportunity to pick up shares at a discount for at least a while longer.

LMT

Lockheed Martin Corporation

Beta
0.82

Yield
2.51%

Δ vs SPX
8.83%

α vs SPX
41.20%

Notes

Lockheed 'missed' on earnings and the stock stumbled a bit, but this is more of a function of delayed deliverables not being reflected on the books yet.

The company continues to be a primary defense contractor leading in ground-based command and control, stealth fighters, and even spacebound R&D. Put simply, it's a great stock to own in a dangerous world with its low beta and 2.52% yield.

MDT

Medtronic PLC

Beta
1.05

Yield
2.36%

Δ vs SPX
3.66%

α vs SPX
3.67%

Notes

Medtronic continues to be the under-the-radar reopening stock with elective surgeries coming back online, and I'm expecting them to deliver good results at their next earnings announcement on May 26th. Expect to sell at least a bit if the stock hits the $130 range and sell completely in the $140s if conditions merit. I'll let you know.

PFE

Pfizer Inc

Beta
0.60

Yield
2.93%

Δ vs SPX
3.14%

α vs SPX
6.49%

Notes

Pfizer's had a relatively quiet month, but I suggest taking advantage of the lull to add a few shares at a time.

The company's COVID portfolio which includes the vaccine and the treatment pill is slated to bring in nearly $50b in revenue, and I'm really looking forward to seeing how they deploy that cash into further mRNA treatments.

It's truly biotech at its finest and I'm going to enjoy the 3.27% yield in the meantime.

PORTFOLIO REVIEW (MAY 2022)

PLTR

Palantir Technologies Inc

Beta
1.94

Yield
0.00%

Δ vs SPX
-14.87%

α vs SPX
-67.36%

Notes

Palantir is expected to report earnings on May 9th, and I'm looking for continued growth in the commercial sector and increased free cash flow. Remember - these are the guys (and gals) building the operating system for big data. The stock's performance has been less than stellar, but every source I'm talking to (both in the classified and unclassified world) tells me their stuff is game-changing.

Zingers (10%)

CRWD

Crowdstrike Holdings Inc

Beta
1.35

Yield
0.00%

Δ vs SPX
1.20%

α vs SPX
18.61%

Notes

CrowdStrike has been behaving like a defense stock for the past month for one simple reason: it IS a defense stock. Regardless of what the political boffins do, economic boom or bust, companies that keep the world running need to protect their stuff. CRWD is simply the best cyber defense available, and you know how we operate - best, not rest.

NVDA

Nvidia Corp

Beta
1.42

Yield
0.00%

Δ vs SPX
-23.74%

α vs SPX
-13.53%

Notes

Investors who missed NVDA the first time around are getting a second chance, so don't miss it! Chip demand is higher than ever, and the GPU market is growing at nearly 32% a year. NVDA is also a silent leader in non-video game metaverse research, currently building out an operating system for replicating real-life systems. There are literally dozens of industrial applications for this tech, and I suggest using every dip to add more. And even if you hate the thought like I do!

RKLB

Rocket Lab USA, Inc

Beta
0.77

Yield
0.00%

Δ vs SPX
0.92%

α vs SPX
-34.33%

Notes

RocketLab continues to grow quietly in the smallsat industry by becoming both a component and launch provider. They're also edging closer to first stage recovery on the Electron rocket, and I'm excited to see where they go.

Cash Alternatives (1-2%)

BTC/ETH

Bitcoin/Ethereum

Beta
N/A

Yield
N/A

Notes

Crypto is quietly advancing with notable developments in multiple areas.

- Goldman Sachs is now offering bitcoin-backed cash loans, meaning borrowers can use bitcoin as collateral for a cash loan.

- Milo, a Miami-based mortgage firm is also allowing homebuyers to use crypto as collateral for home loans. This allows the crypto-wealthy to get loans without traditional credit checks and allows them to avoid taxes from selling their crypto.

  It's still a pretty novel idea, but I think it's going to catch on quickly across the world. Credit score systems are downright archaic and these kinds of upgrades are long overdue.

- Ethereum is reportedly getting close to migrating to its new proof-of-stake model, which should vastly improve transaction speeds and its effect on the climate. I think it may overtake Bitcoin in the next few years simply by virtue of the fact that you can build a lot more on top of it.

PORTFOLIO REVIEW (MAY 2022)

One Bar Ahead™ Model Portfolio

PORTFOLIO DETAILS											
As of 04/27/2022	STOCK	REC DATE	ENTRY $	CURRENT	BETA	YIELD	Profit/Loss	STOP	12-24mo Target	Last Instruction
FOUNDATION Stones	AAPL	1/8/21	$ 132.05	$ 156.64	1.07	0.54%	18.6%	$ 136.51	$ 200.00	Buy/Accumulate
	JPM	3/7/22	$ 135.98	$ 122.08	1.19	3.25%	-10.2%	$ 106.97	$ 200.00	Buy/Accumulate
	MSFT	3/7/22	$ 284.20	$ 285.47	0.91	0.88%	0.4%	$ 236.56	$ 400.00	Buy/Accumulate
	RCS	10/1/21	$ 6.99	$ 5.53	0.82	10.95%	-20.9%	none	$ 8.25	Hold
Global Growth	COST	8/6/21	$ 439.63	$ 556.26	0.60	0.65%	26.5%	$ 456.04	$ 634.38	Buy/Accumulate
	CVX	9/3/21	$ 97.06	$ 156.58	1.10	3.61%	61.3%	$ 130.42	$ 219.00	Buy/Accumulate
	GILD	3/7/22	$ 59.45	$ 61.71	0.26	4.66%	3.8%	$ 49.55	$ 70.00	Buy/Accumulate
	INTC	4/4/22	$ 47.54	$ 45.26	0.92	3.10%	-4.8%	$ 36.90	$ 75.00	Buy/Accumulate
	LMT	11/5/21	$ 341.78	$ 445.98	0.82	2.51%	30.5%	$ 351.89	$ 502.02	Buy/Accumulate
	MDT	3/4/22	$ 106.64	$ 107.14	1.05	2.36%	0.5%	$ 91.12	$ 142.00	Buy/Accumulate
	PFE	3/4/22	$ 47.98	$ 49.56	0.60	2.93%	3.3%	$ 41.38	$ 70.00	Buy/Accumulate
	PLTR	1/8/21	$ 25.20	$ 10.68	1.94	0%	-57.6%	none	$ 50.00	Buy/Accumulate
Zingers	CRWD	1/6/22	$ 187.49	$ 202.50	1.35	0%	8.0%	$ 179.90	$ 295.00	Buy/Accumulate
	NVDA	3/7/22	$ 214.27	$ 184.72	1.42	0%	-13.8%	$ 173.36	$ 300.00	Buy/Accumulate
	RKLB	12/3/21	$ 12.61	$ 7.31	0.77	0%	-42.1%	none	$ 18.00	Buy/Accumulate

OBA 50

As of April 27th, 2022

Ticker	Name	Ticker	Name	Ticker	Name
AAPL	Apple Inc	GD	General Dynamics Co	NVDA	Nvidia Corp
ADBE	Adobe Inc	GILD	Gilead Sciences Inc	PFE	Pfizer Inc
ALGN	Align Technologies	GOOGL	Alphabet Inc	PLTR	Palantir Technologies Inc
AMAT	Applied Materials Inc	HCA	HCA Healthcare Inc	PYPL	PayPal Holdings Inc
AMD	Advanced Micro Devices In	INTC	Intel Corp	QCOM	Qualcomm Inc
AMZN	Amazon Com Inc	JNJ	Johnson & Johnson	REGN	Regeneron Pharma Inc
CAT	Caterpillar Inc	JPM	JPMorgan Chase & Co	RTX	Raytheon Technologies Inc
COST	Costco Wholesale Corp	LMT	Lockheed Martin Corp	TGT	Target Corp
CRWD	CrowdStrike Holdings Inc	LNG	Cheniere Energy Inc	TMUS	T-Mobile US Inc
CVS	CVS Health Corp	LOW	Lowes Companies Inc	TSN	Tyson Foods Inc
CVX	Chevron Corporation	LRCX	Lam Research Corp	TSLA	Tesla Inc
DE	Deere & Co	MDT	Medtronic PLC	TWLO	Twilio Inc
DIS	Walt Disney Co	MCD	McDonald's Corp	V	Visa Inc
DVN	Devon Energy Corp	MRNA	Moderna Inc	WM	Waste Management Inc
F	Ford Motor Company	MSFT	Microsoft Corp	WMT	Walmart Inc
FANG	Diamondback Energy Inc	NET	Cloudflare Inc	ZTS	Zoetis Inc
FTNT	Fortinet Inc	NOW	ServiceNow Inc		

PORTFOLIO REVIEW (MAY 2022)

OBA Fund Folio™

No changes to the Fund Folio this month

Foundation Stones

Holding	PORTFOLIO WEIGHT
Vanguard U.S. Quality Factor ETF (VFQY)	32%
Pimco Strategic Income Fund (RCS)	18%

Global Growth and Income

Holding	Weight
BlackRock Science and Technology Fund (BST)	32%
Pfizer Inc. (PFE)	4%
Altria Group Inc. (MO)	4%

Zingers

Holding	Weight
BlackRock Science and Technology Fund (BSTZ)	10%

"Vegas Money" Portfolio

If you haven't already, consider nibbling back into NIO and XPEV. Both have state backing and global sales aspirations that make them very different from other Chinese stocks

(for now, anyway)

NIO

NIO Inc

XPEV

Xpeng Inc

The re-entry price table

Between Fed jawboning, inflation, and broader index declines, we may yet have another chance at buying lower. Use this table as a guide for bottom fishing, and stack the odds in YOUR favour.

Re-entry price table

(from the March 2022 issue of OBA)

	GILD	PFE	WM	MSFT	JPM	NVDA	RTX	TSLA
OBA Beta	0.27	0.60	0.69	0.89	1.19	1.34	1.51	1.92
Yield	4.85%	3.41%	1.80%	0.83%	2.82%	0.07%	1.99%	0.00%
RE1	$ 59.45	$ 44.27	$ 140.45	$ 284.20	$ 135.98	$ 214.27	$ 92.12	$ 749.81
RE2	$ 56.77	$ 41.24	$ 134.84	$ 260.69	$ 127.62	$ 180.33	$ 84.30	$ 638.75
RE3	$ 53.65	$ 38.76	$ 120.80	$ 247.77	$ 118.95	$ 158.16	$ 79.45	$ 595.36
Average entry	$ 56.62	$ 41.42	$ 132.03	$ 264.22	$ 127.52	$ 184.25	$ 85.29	$ 661.31
Discount from current	-6.85%	-12.73%	-12.30%	-11.44%	-8.23%	-23.70%	-15.36%	-22.61%

Chapter 5

MASTER MARKET INDICATOR™

Improve results, reduce risk, find opportunity
Gain confidence!

SIMPLE, UNDERSTANDABLE, ACTIONABLE

I've spent 40 years in global markets and if there's one thing I've learned in all that time it's that simplicity counts when it comes to making money. Knowing how to find great stocks, manage risk and which strategies matter is important but knowing *when* conditions favour buying or selling is critical if you want to be in the winner's circle more often.

I created the Master Market Indicator™ (MMI) to help me do just that and I include it in each issue so that you can have a visual reference for each recommendation in the One Bar Ahead™ Model Portfolio. I've also included SPX and QQQ so you can better gauge broader market activity as part of the investment process.

Reading the MMI is easy and straight forward.

Lower readings suggest stocks that are positioned for maximum upside when the risk/reward ratio is highest. This is the time to add to positions, sell cash-secured puts or even rebalance into core positions you don't yet own. If you're a new subscriber, it helps answer the question of which stocks to buy first. If you're adding new money, the MMI can help you make that choice too.

Higher readings are typically associated with stocks that are at risk of flattening out, slowing or otherwise breaking down. This is the time to consider taking profits, raising trailing stops, selling covered calls to lock in an exit or even rebalancing into positions with lower MMI readings.

KF

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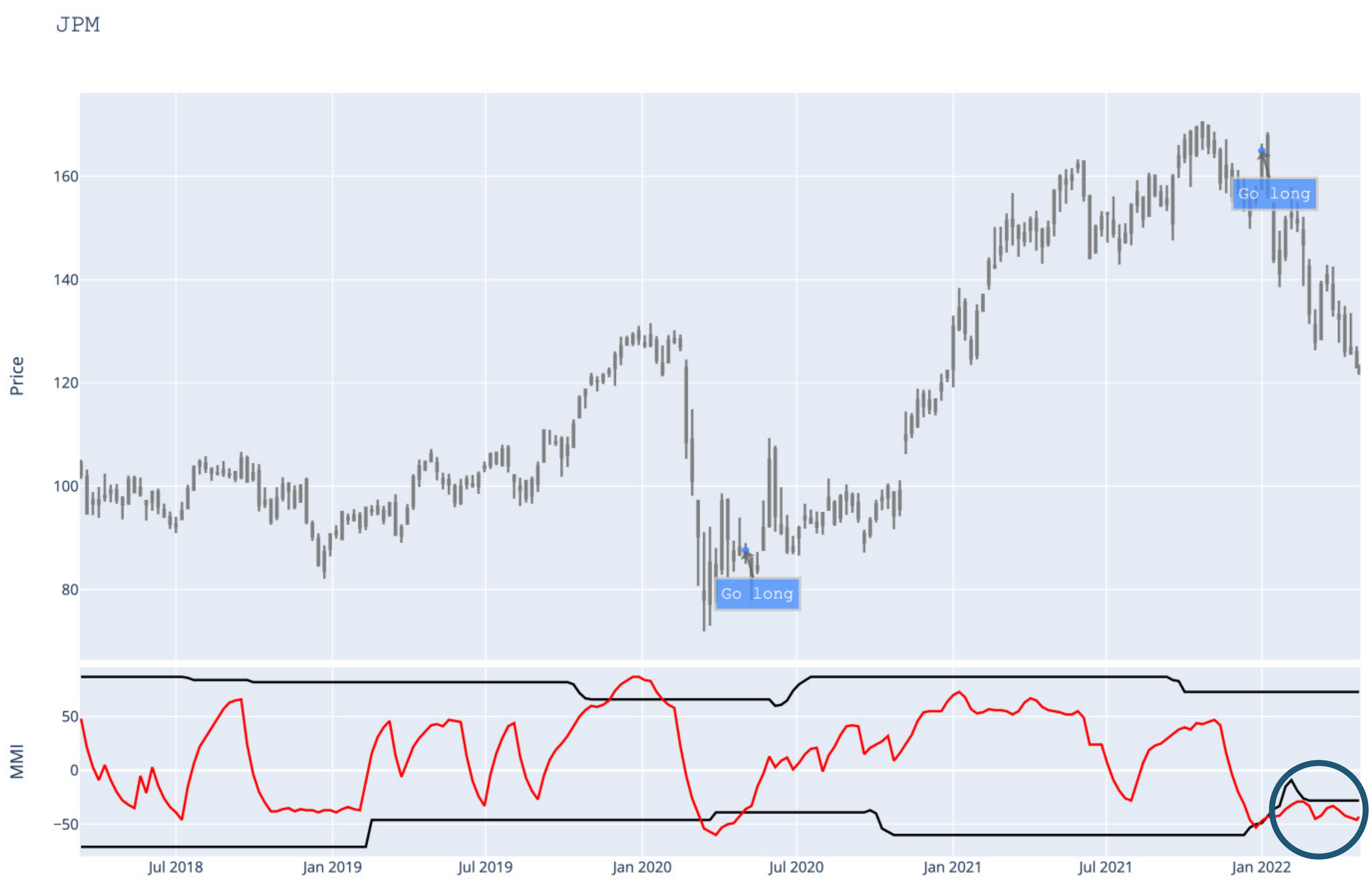

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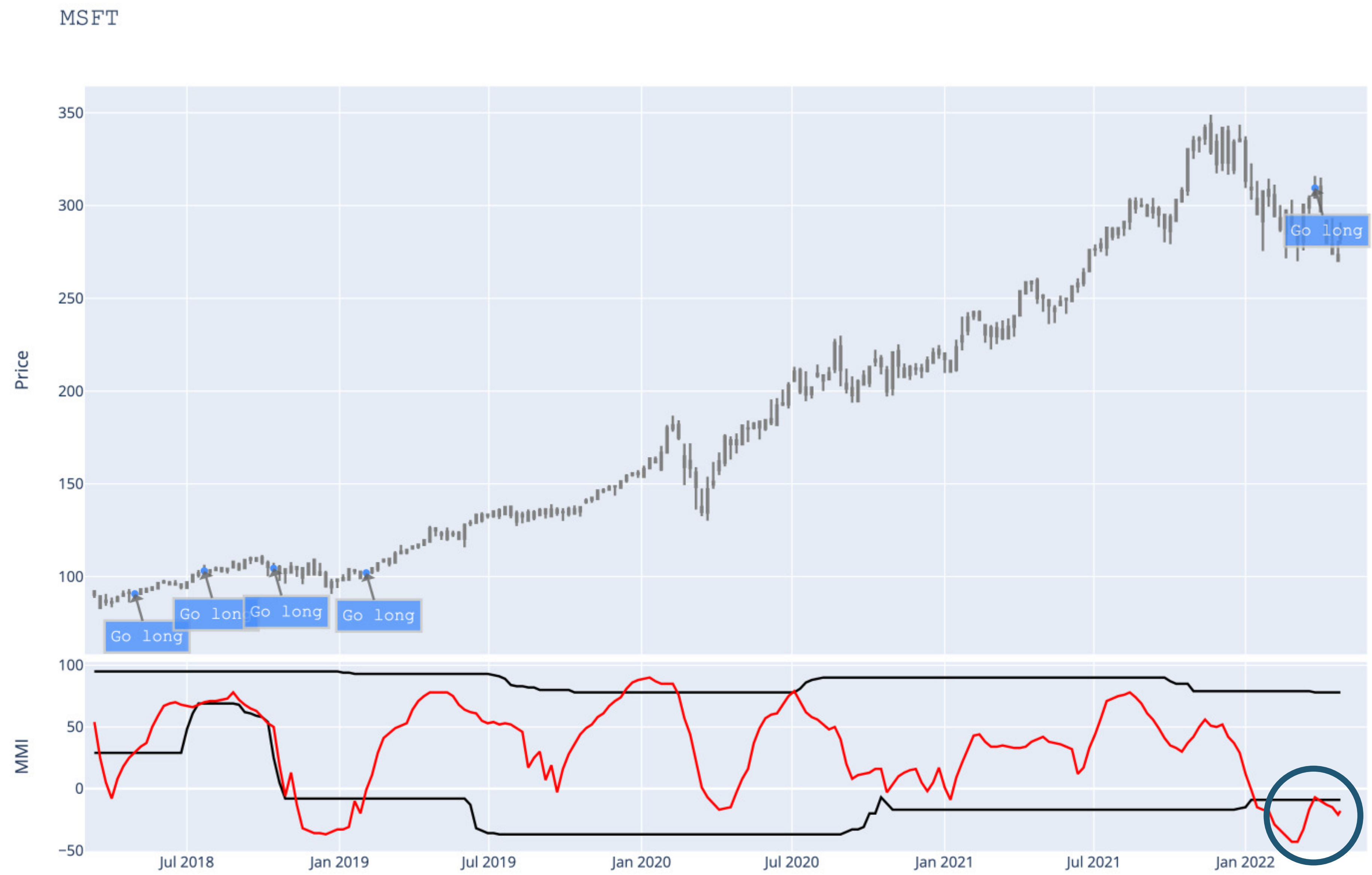

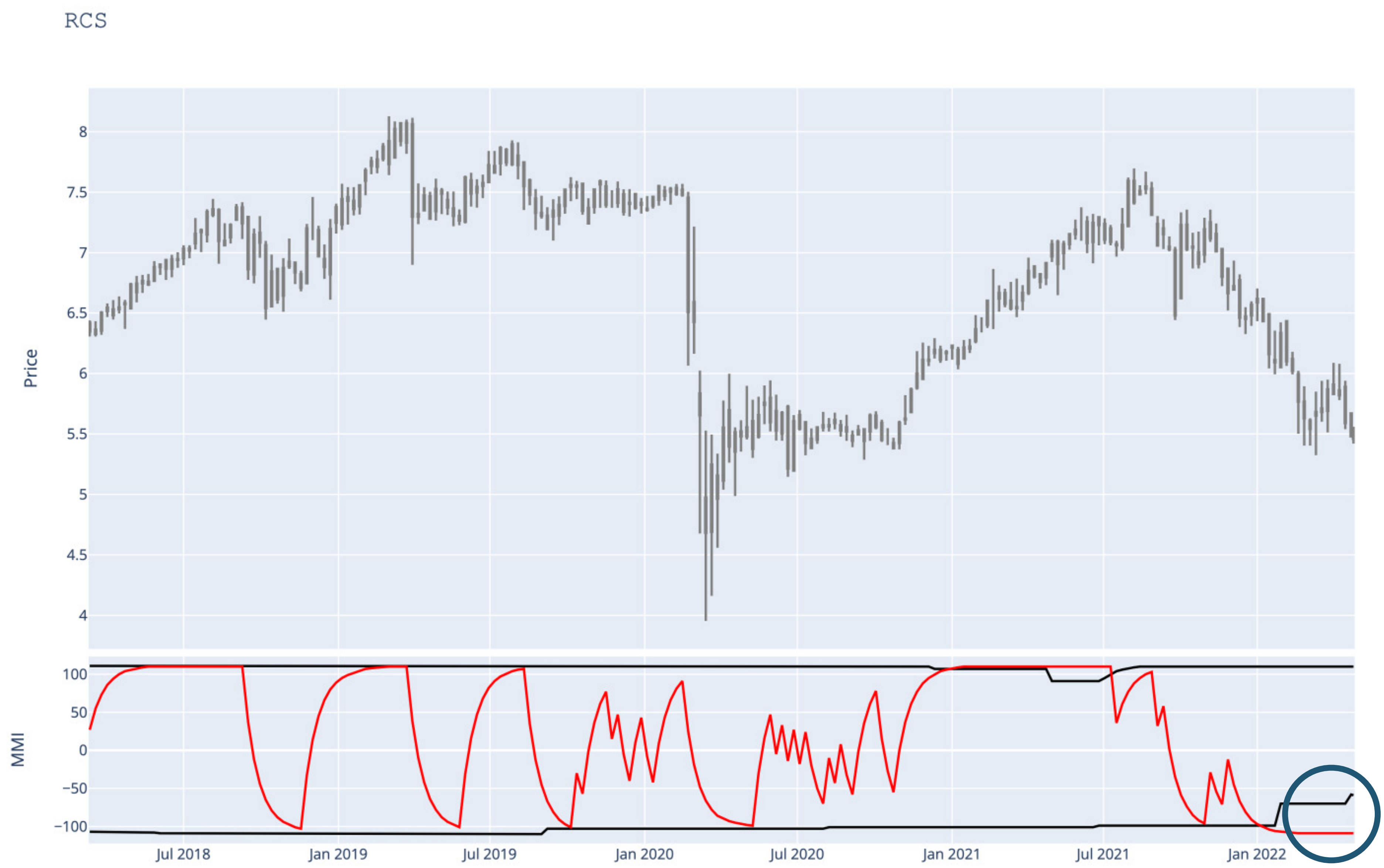

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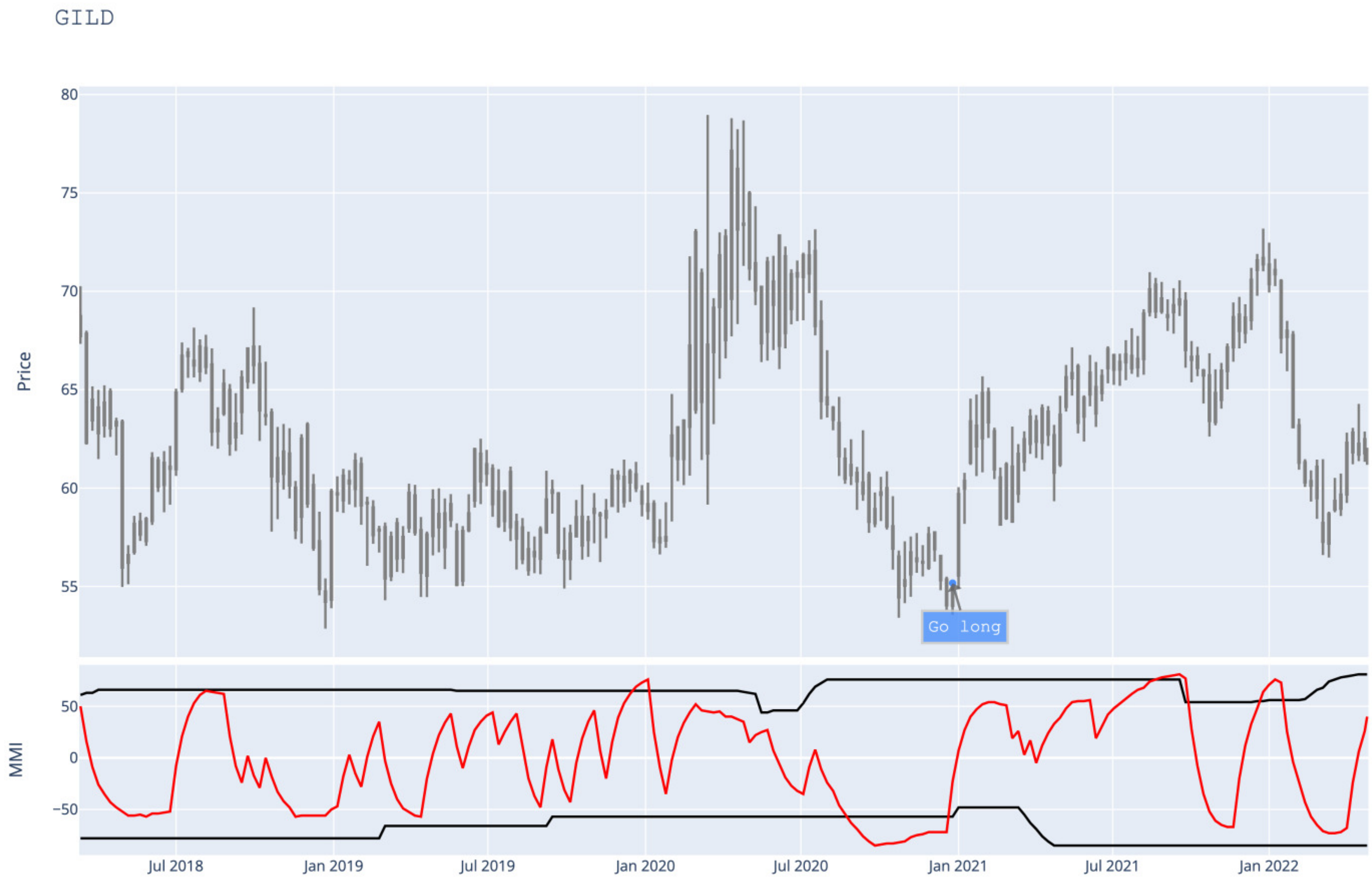

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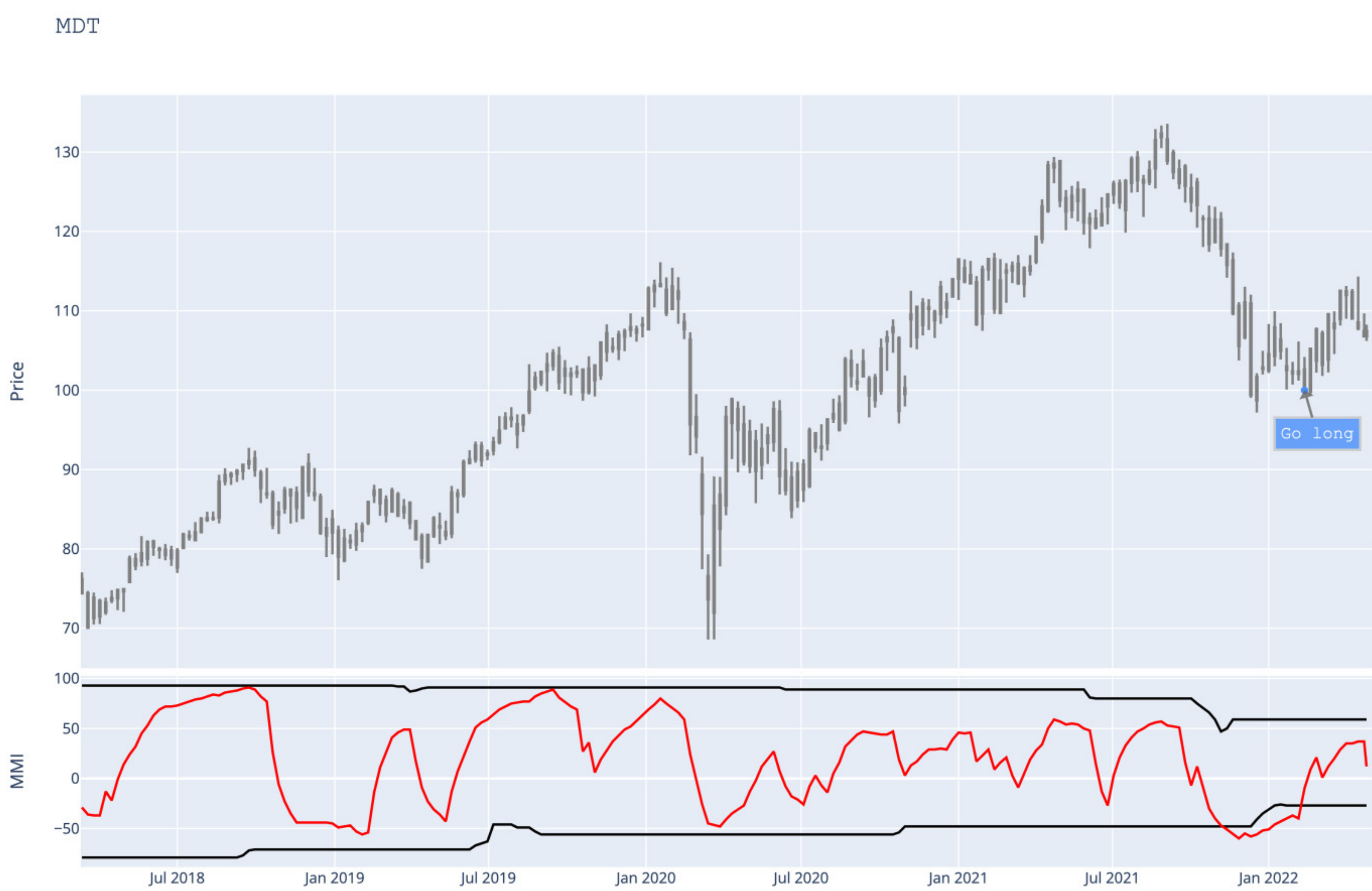

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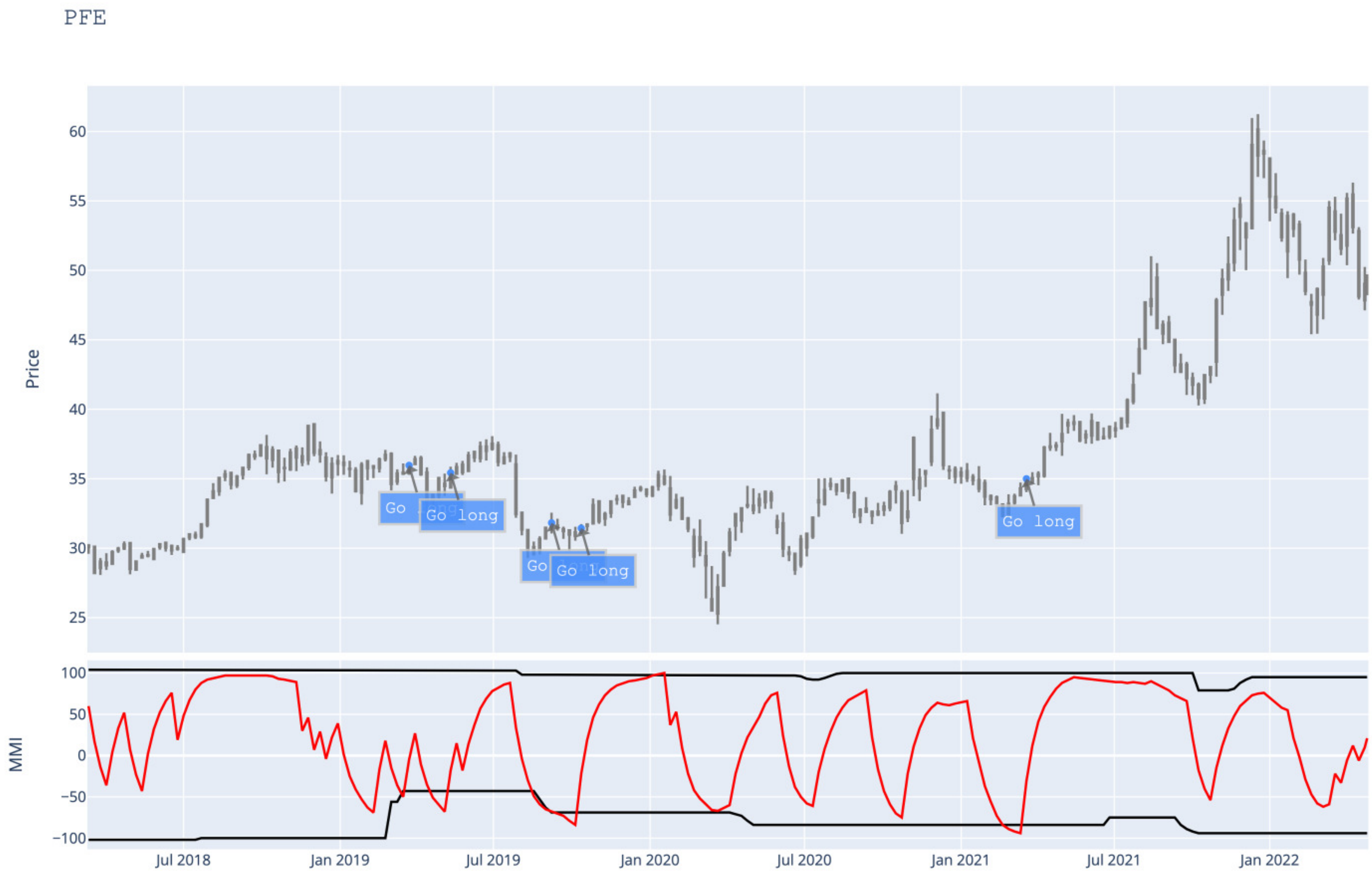

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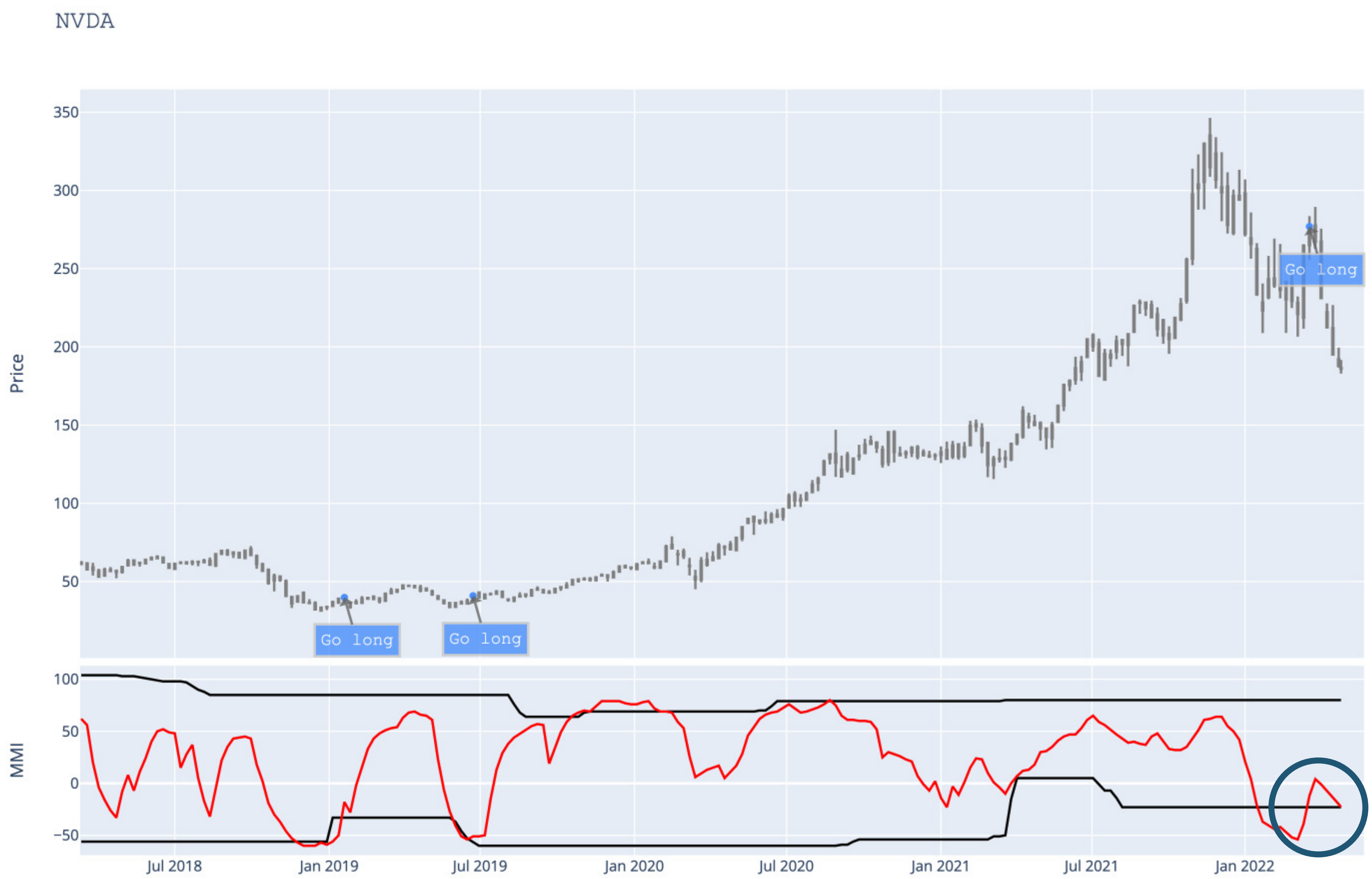

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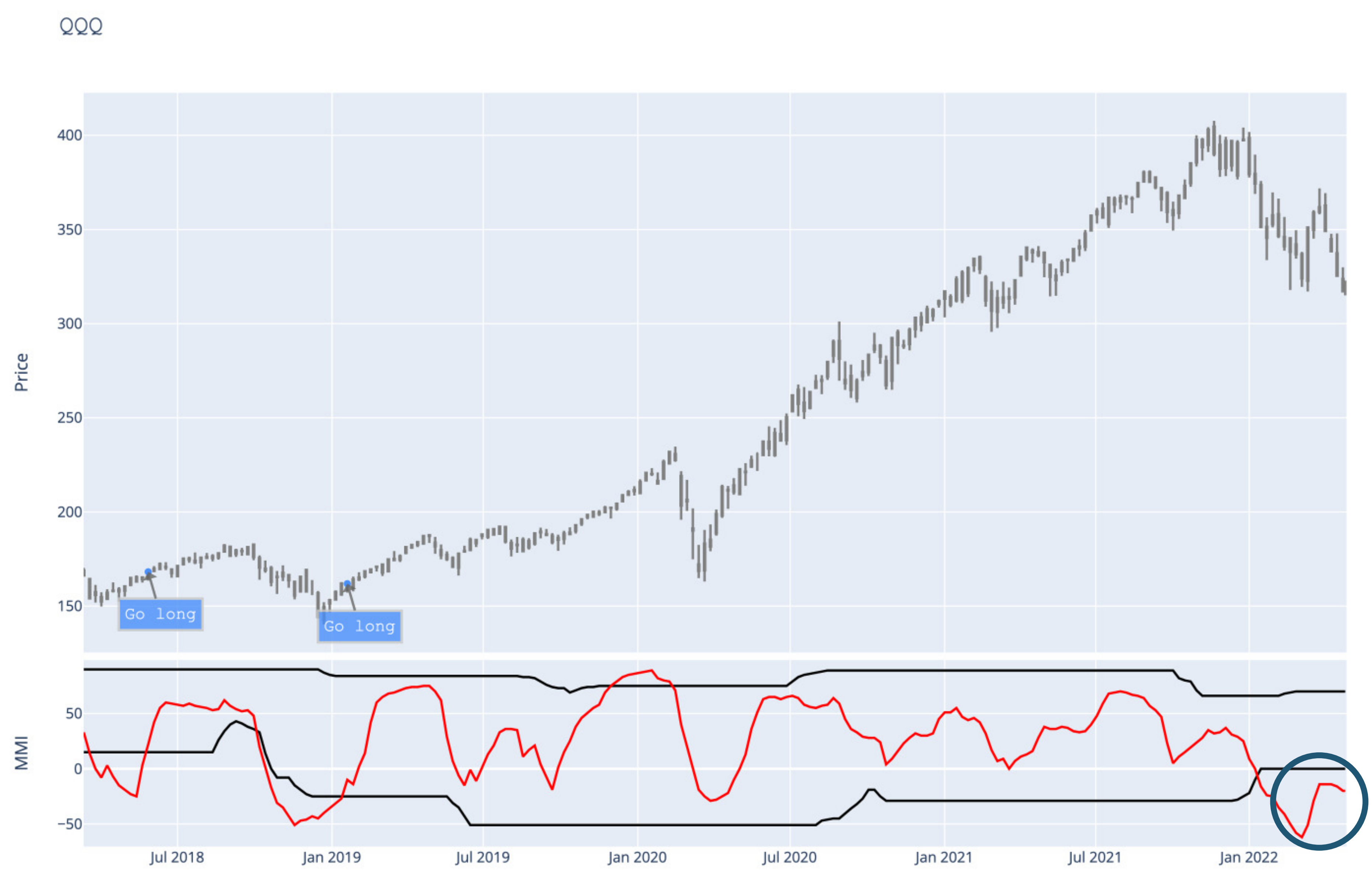
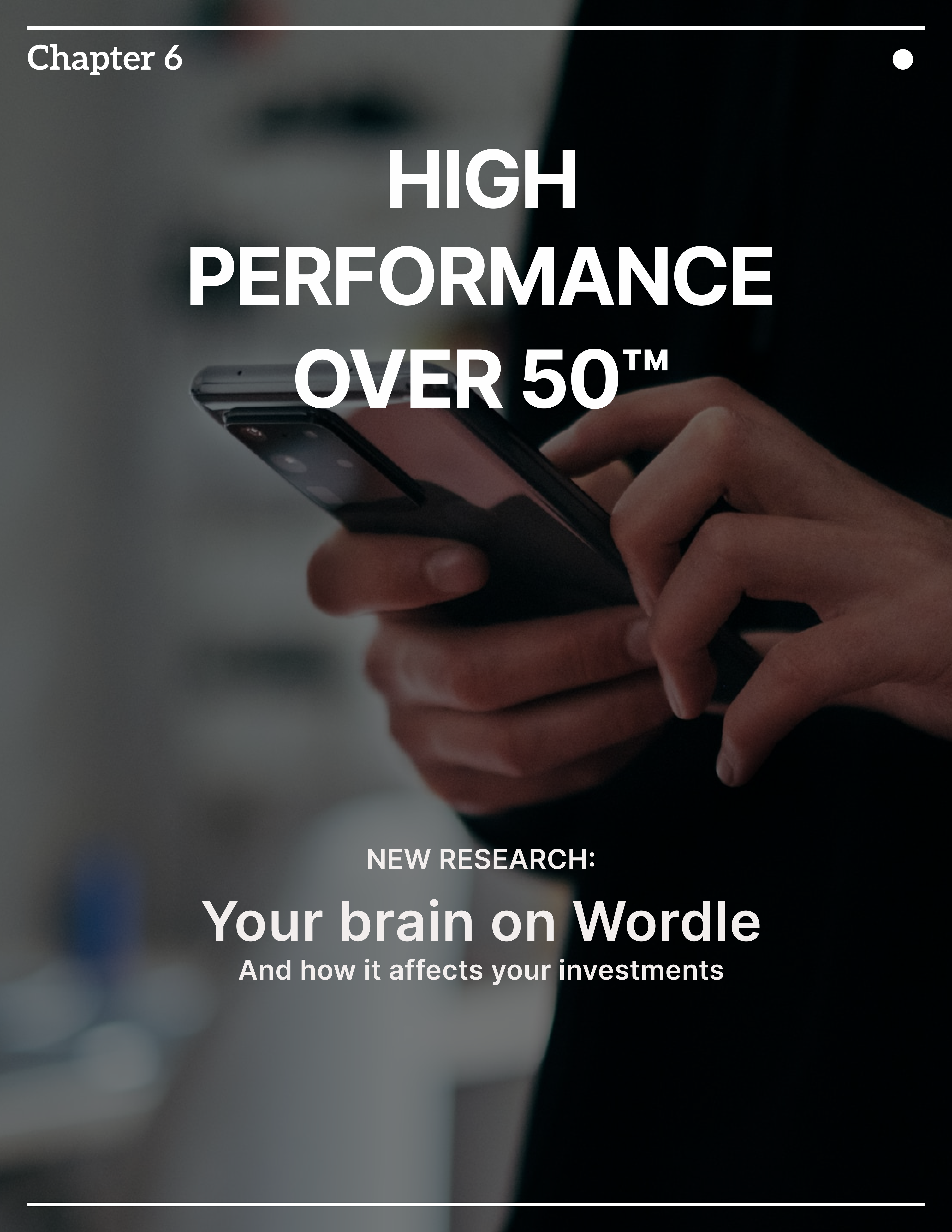




HIGH PERFORMANCE OVER 50™

NEW RESEARCH:

Your brain on Wordle

And how it affects your investments

First, there was Scrabble.

Then Sudoku.

Now, there's Wordle.

Invented by a New York software engineer named Josh Wardle for fun, Wordle is owned by the New York Times and played by several million people a day.

The idea is simple.

You have five guesses to get a five-letter word.

If your guess is correct and in the right position, you get a green square. If your guess is correct but in the wrong position, you get a yellow square.

So why is Wordle so popular and why am I bringing it up today?

Short answer... because there are significant *investment* implications.

Let me explain.

Wordle taps a part of your brain that creates dopamine, a neurotransmitter that sends messages between nerve cells. And that makes it addictive ... just like cocaine or alcohol.

Second, Wordle uses both logic and language which means that you can't win without using both.

Just like the stock market.

And third, Wordle makes you come back for more even when you lose by rewarding right and wrong answers. Just like social media where "sharing" your life is an implied path to social acceptance and investment-related advertising has gotten increasingly smarmy.

The problem with all this is one most people don't see coming.

Games like Wordle make us less thorough thinkers and even less willing to engage in finding creative solutions with others.

If it were just a paper version, things would be different. Wordle, like Scrabble and Sudoku requires brainpower and anything that helps us use more of it is good.

It's the social media tie-in that's problematic.

Wordle and other online games like it make us crave notifications, content, and fresh puzzles by preying on our desire for validation. Usually at the expense of long-term concentration, focus and deep thinking.

Functionally speaking, we get *dumber* every time we play.

Cal Newport, author of *A World Without Email and Deep Work*, says this is because the process reduces our cognitive capacity to absorb information that actually matters.

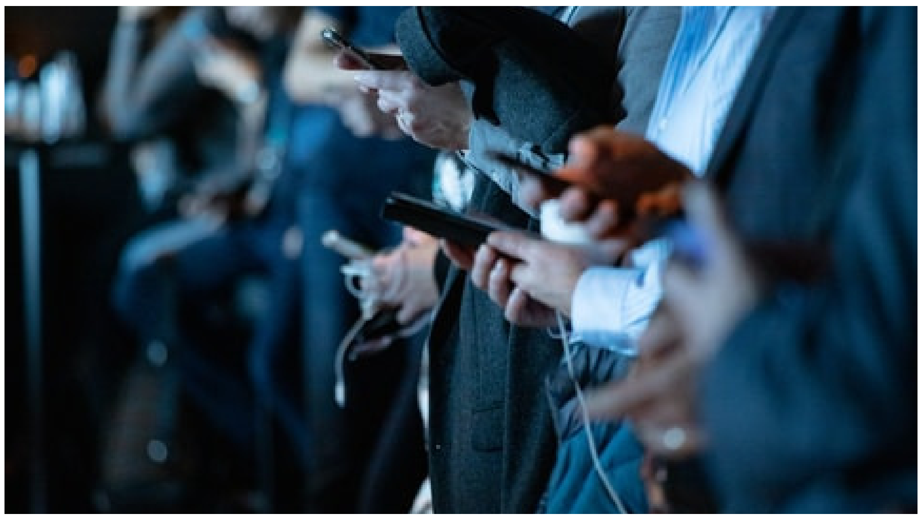
I think he's on to something.

Many Wordle players I've spoken with, for example, are still thinking about games they played hours or even days earlier. Then, in the next breath, telling me about how they've missed key phone calls, meetings, or important family stuff.

Um ... reality check, please!

There are nasty fights on Twitter and other social media platforms about how to play, which words to choose, hacks ... the whole enchilada.

Sadly, forcing one's opinion on another seems to be the norm rather than making your case using deductive reasoning or critical thinking.



Constantly seeking validation online can be a massive distraction

The power dynamics "motivate confrontation" according to Roxanne Stone, editor in chief at Barna Group.

That's corroborated by researchers from UC Berkeley and the University of Chicago who found that the "medium of our communication can influence the perception of our understanding of a situation."

Not that I'm surprised.

According to Zenith, the average adult spends around 3.5 hours a day on the Internet using smartphones.

If you're thinking so what, let me connect the dots … that's 53 days of your life a year … wasted.

Imagine what you could do with that kind of time! Learn to play an instrument, spend time with your loved ones, learn a language, and even make better investing decisions.

No matter how it's positioned, framed, or referenced, games like Wordle that are played out within the context of social media – are designed for one purpose and one purpose only … to steal your time.

I understand that gaming can be a welcome distraction or a momentary bit of fun on another wise dull day. But that's all it should be.

Life, like wealth, isn't just about achieving great results immediately at moments *in* time.

Real success comes from being able to focus on events that play out *over* time and stay in the game long enough to achieve victory.

Try going cold-turkey for a few days.

What happens next is absolutely amazing.

You'll become more motivated and more likely to kick your tuckus down the road to success.

Not to mention happier, less competitive, and far less stressed.

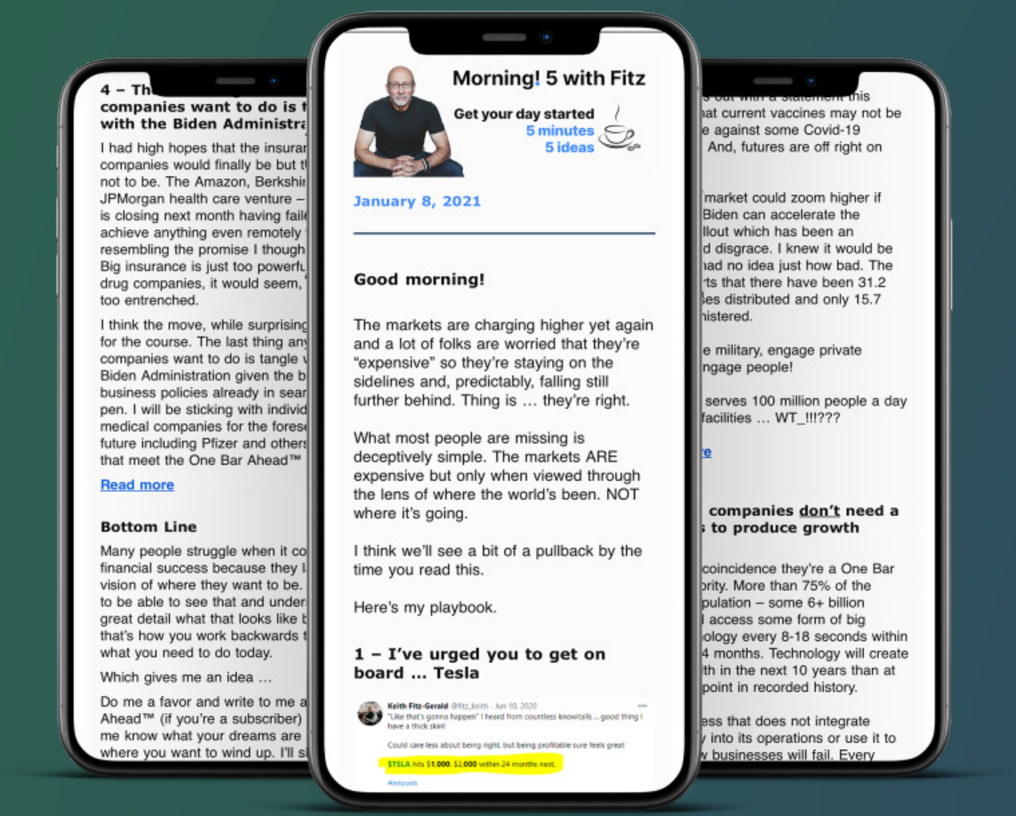
Perhaps even more profitable, too!

F-O-C-U-S 😊

KF

Thank You for Reading One Bar Ahead™!

The quest for consistent safety-first, big picture profits never stops. You simply need access to the right stocks, the right strategies and the right education. No gotchas, no gimmicks. In plain English.



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