

# Investing the tastytrade® Way



**A Real Financial Network for the Individual Investor**

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# What is tastytrade?

- “A Real Financial Network”
- Founded by Tom Sosnoff, 2011
- Geared towards individual investors
- 8.5 hours of daily live programming
- All episodes archived for playback
- Absolutely free, almost no commercials
- Broadcast from tastytrade studios in Chicago
- Around 50,000 regular daily listeners (multiple hours per day)
- The largest digital financial network in the world
- Creators of a new trading platform Dough, released in 2014



# What makes tastytrade different?

- Focuses on **actionable** ideas, with a takeaway
- Very little emphasis on financial news and financial press
- Short, focused segments (usually 15 minutes max)
- Promotes **active** rather than **passive** investing
- Combines education with entertainment
- Offers a wide variety of investing styles on various segments
- Deep in-house research team performs backtesting studies
- Focus is on strategy, not fundamental or technical analysis
- Education on a variety of financial products using derivatives

# So what are Derivatives?

## DEFINITION OF DERIVATIVE (from Investopedia)

A security whose price is dependent upon or derived from one or more underlying assets. The derivative itself is merely a contract between two or more parties. Its value is determined by fluctuations in the underlying asset. The most common underlying assets include stocks, bonds, commodities, currencies, interest rates and market indexes. Most derivatives are characterized by high leverage. Derivatives are generally used as an instrument to hedge risk, but can also be used for speculative purposes.

# How is tastytrade different from other financial shows?

- Trades are placed live and in real time to demonstrate strategy.
- Viewers are able to see how trades are managed in real time
- Nothing is hidden; you see the good, the bad, and the ugly.
- The focus is placed on teaching the investor strategy rather than showing what specific trades to make.
- There is nothing that tastytrade is trying to sell. Access is free. They recently started a new brokerage tastyworks as a source of continuing revenue.

# Cast of Daily Characters

- Tom Sosnoff and Tony (the Bat) Battista Co-Hosts -----
- Vonetta Logan News reporting & comedy -----
- Liz and Jenny Liz and Jenny Show -----
- Ryan and Beef the Ryan and Beef Show -----
- Dr James Schultz ( Dr. Jim) From Theory to Practice -----
- Pete Mulmat from CME Group Splash Into Futures ---
- Katie Where Do I Start with Katie -----
- Tim Knight (Palo Alto) Trading the Close -----



# Daily Show List (in chronological order)

- Confirm and Send Tom, Tony
- Forward Slash/Daily Dose Tom, Tony, and Vonetta
- Opening Bell Tom, Tony
- Market Measures Tom, Tony, and Research team
- Good Trade Bad Trade Tom and Tony
- Talkin' with Tom & Tony Tom, Tony, Call-ins
- Bootstrapping in America New guest every day
- Liz & Jenny Show Liz and Jenny
- Ryan and Beef Show Ryan and Beef
- Splash Into Futures Pete Mulmat (CME Group) and Katie
- From Theory to Practice Dr. James Schultz
- Everyday Trader Mike Butler
- Where Do I Start – with Brittany Dr. Jim and Brittany
- Where Do I Start – Bat vs. Bat Tony and Nick
- Trading the Close Tim Knight
- Last Call Tom and Tony

# Additional show list (weekly and special shows)

- Nailed It Vonetta
- Ready to Trade Live with Robyn Robyn
- Calling all Millionaires Liz and Jenny
- The Skinny on Options Data Science Dr. Data (Mike Rechenthin, Ph. D)
- Truth or Skepticism Dylan Ratigan
- Tasty Bites Tom, Tony, and research team
- Rising Star Tom, Tony, and featured traders
- Options Jive Tom and Tony



# What are the basic tenets of tastytrade?

- Trade small, trade often, with mostly non-correlated positions.
- Manage your winners early (don't touch the losing side with defined risk trades).
- Stay small because you will need to accept some losses.
- Scale into strength, acting on market extremes.
- Sell premium (especially when volatility is high), do not buy it.
- Enhance your market awareness, looking at correlated assets and products.
- Continually focus on learning and ability to articulate strategy.
- Allow time work in your favor; “duration over direction”.
- Be agnostic as to specific financial product used to execute strategy.

# A few questions for you to think about

- Is trading derivatives more risky than buying and holding stocks?
- If you always trade on the long side, how can you profit in a down market?
- Would you be willing to limit your potential profits for a higher probability of success?
- Is the market rigged in favor of big hedge funds, or is it perfectly priced?
- Do self-directed investors have any advantages over the “big boys” (i.e. hedge funds)?
- Is it better to trade with the market trend or to be a contrarian?
- If you take smaller sized trades using less capital, are you then able to accept more risk on each trade?
- If you have a losing trade that is approaching expiration, why not manage it early and take your loss?