

Revived Demand in U.S. for Improved 21st Century Options Trading Tools Drives This Successful Entrepreneur from Down Under!

An Exclusive Personal Interview With **Andrew Evans**, founder of Optioneer

By Jacob Charles, Chicago, IL.

FROM ITS GENESIS OVER 25 YEARS AGO IN MELBOURNE, AUSTRALIA, Optioneer has taken the country by storm and is now doing the same for U.S. investors who are interested in managing risk while accessing profit opportunities. It all started with a personal search for a better mousetrap by options trader Andrew Evans. A cautious person by nature, Evans is not your typical thrill-seeking trader who races motorcycles, skydives and climbs mountains in his spare time. While Evans was financially able to assume and remain comfortable with the risks inherent in futures and options trading he was frustrated with how traditional approaches to trading options delivered such unpredictable results. “I could do a lot of trades in one month and never make any money, then suddenly have a bonanza month, followed by a losing month. It was all too uncertain and I wished there was a way to achieve more consistent results. “So I started to change my strategy. I used to buy a lot of options, and even if I correctly predicted the direction of the market, I could end up never making



Photograph by George Sterling

While Australia has given the world the Boomerang, the Bionic Ear and Speedos, investors are most interested in its latest contribution to technology: The Optioneer Trading System.

any money. That’s because the person who sells the options has the bigger financial advantage. Unlike other systems, Optioneer is based on selling, not buying, stock index options — and that’s the main reason the strategy can be so successful*.” To develop the Optioneer methodology, Andrew

spent five years analyzing, testing and refining the underlying principles. “I found that existing software programs, and even published market indexes, all left something to be desired,” he reports. “I actually rewrote the formulas for many well-known market indicators to make them more accurate, and developed my own calculations for the methodology.” Optioneer is web-based so it’s updated daily with the latest proprietary data. It’s disciplined, with set rules and guidelines. And it’s easy to follow, automatically providing guidance for which trades on any given day are most likely to wind up in the user’s favor.* In fact, Andy believes Optioneer does all the hard work for you, just five minutes a day is all it takes to become successful.* The real key to Optioneer is how it can manage the risk of using leverage. “If you don’t use leverage you have zero chance of success,” says Andrew. Yet leverage is traditionally viewed by many investors as dangerous, because if the market moves against you, your losses can far exceed the money you actually invested. That’s why Evans designed Optioneer to “manage the risk of using leverage to what I think is the absolute minimum — so even risk-averse investors can participate in the potential rewards of options trading.” Airline pilots, as just one example, are people who are trained to avoid undue risks. They know that flight in itself has its inherent dangers, but that by strictly following the rules and flying by the book they’ll stay out of trouble. So would it surprise you to learn that hundreds of Optioneer clients are captains with major worldwide airlines? Many of them, once performing their own “pre-flight” due diligence, chose Optioneer for its predictability, flexibility and minimum time com-

mitment. As Andrew says, “if you obey the rules to a ‘T’ and do what the strategy tells you to do, I believe you will stay out of trouble and put yourself in a position to take advantage of market opportunities.”* While it does take training to learn the Optioneer methodology (read on to learn how the company will provide it at no initial cost,) you can see from the main Web screen just how simple the interface is. When you log on to the secure Optioneer web site each day, you will find a daily model trade that indicates an entry point, an exit point, the probability of the trade working in

your favor, and the potential value of entering the market. By clicking on the “Set Trade” button, your order data is instantly transmitted to our own trading desk — where it can be bundled with thousands of other orders into large institutional-sized blocks for superior execution. Watching your set trades daily, you’ll see what the current probability factors are and know when to exit your trades. The methodology does not recommend taking unnecessary risks, nor will your assigned options broker. By following the rules and being patient — there will be times that Optioneer will recommend you wait rather than trade. While it’s recommended that you put the

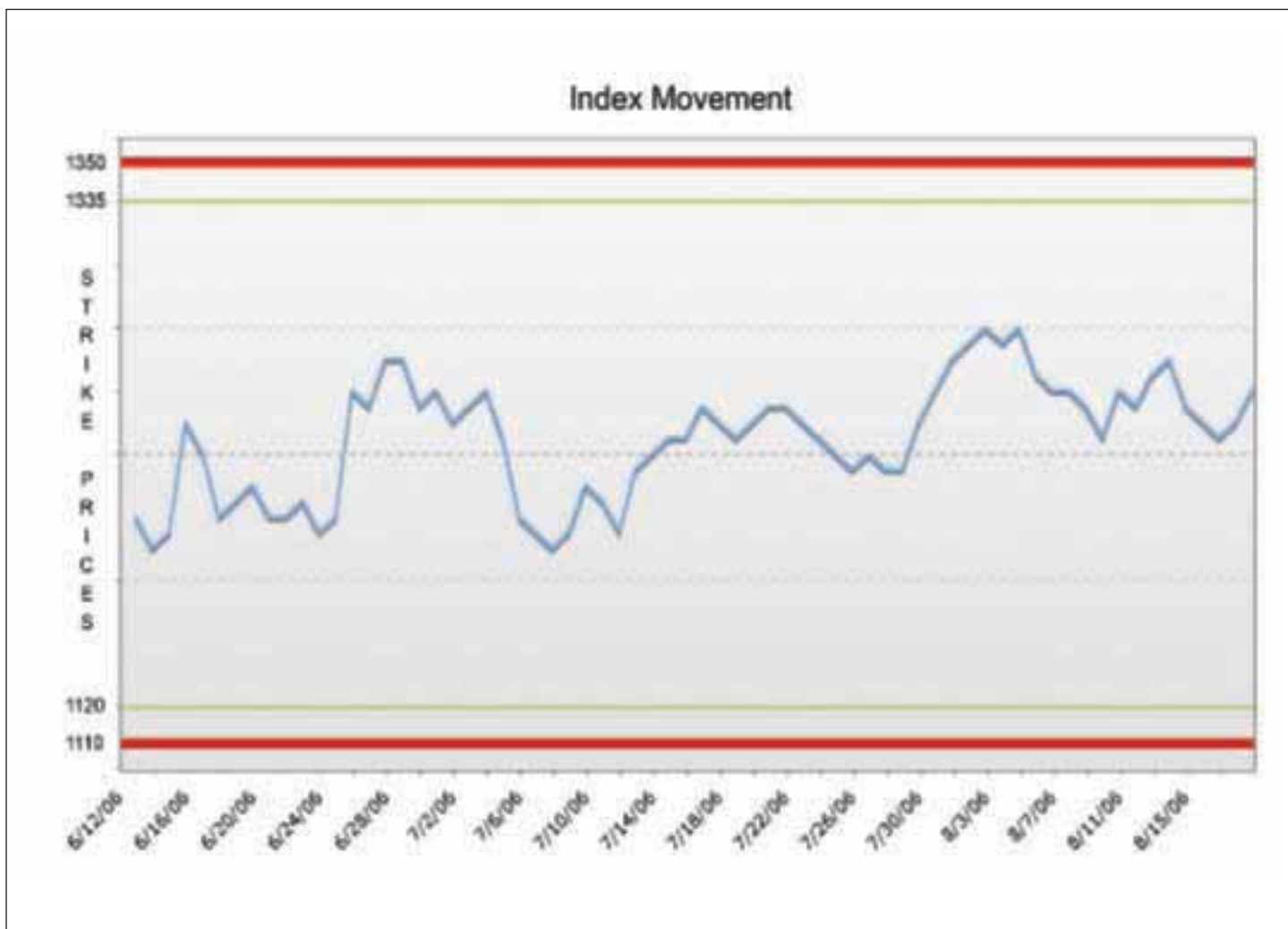
time and effort into Optioneer to achieve maximum benefits, you’ll find that no research is required into corporate balance sheets and other company fundamentals. Optioneer trades only stock indexes that are generally more stable and less risky than options on individual stock issues. Are you looking for returns of 200%, 300% a year or more? If you are, frankly, Optioneer may not be right for you. It’s surprising how many lesser options trading



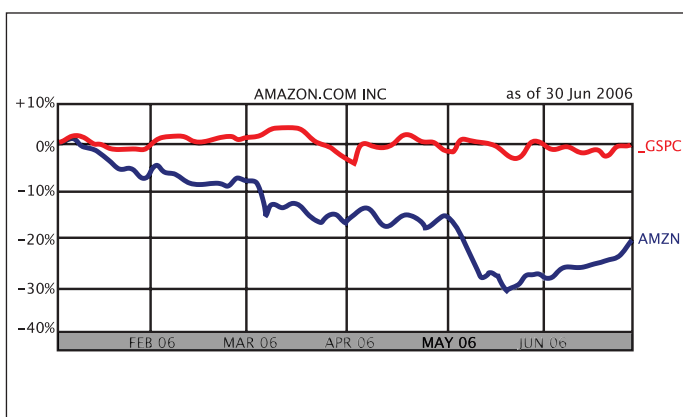
“Isn’t the proof in the pudding for most prudent investors? -

I’m happy to allow people to watch me trade side-by-side before they join our team”

- Andrew Evans
Founder, Optioneer Trading



Optioneer Trading Software Screen Shot. Here is an entire trade being tracked by Optioneer software. As an Optioneer trader, all you have to do is stay between the solid red boundaries on the top and bottom of the chart and you win. These red lines are your “sold calls” and “puts”.



- S&P 500 shows 5% Index trading range
- Amazon shows a 32% trading range

Andrew Evans points out in the chart above why Optioneer sells options on indexes. “Look at the stability (red S&P line) of this investment compared with an Amazon (blue line) trade range over the same 6 months.”

systems boast about unrealistically high returns realized on one or two trades, and of course fail to mention the many investors who wind up losing money and faith in the particular product. Optioneer clients tend to be methodical, deliberate and realistic investors who are tired of chasing the latest get-rich-quick schemes and empty promises of fool’s gold. Not that the return potential of Optioneer is anything to sneeze at — according to the praise from down under. In just eight short years, Aussies have embraced Optioneer as a trading methodology that lets investors with no prior options experience consistently and confidently trade.* The Optioneer methodology is a popular choice for self-managed “superannuation funds” (the Australian version of IRAs.)



Andrew Evans top left, his son Sean Evans top right, wife Kay Evans bottom left, and their daughter Bree bottom right.

Many Aussies and Americans have embraced the strategy. Certainly, many American investment services have made their way into Australia over the years. Now Optioneer has become arguably the first invented-in-Australia trading methodology that has made the reverse journey. In 2002, Optioneer USA was formed and is now available to U.S. customers on primarily a referral basis. The U.S. demand has been so strong that Evans and his family now spend equal time on each side of the ocean: about six months in America and the rest in Australia. In this short time, Optioneer has gained not only a substantial following, but also a remarkably high retention rate.

*There is a substantial risk of loss associated with trading futures and options on futures. No representation is being made that person using the methodology will be successful traders. Only risk capital should be used to trade. Trading futures and options on futures is not appropriate for everyone.