

# Q&A

## HOW PROFESSIONALS AVOIDED THE 2020 CORRECTION

The following are the questions and answers we were unable to answer live during the Webinar on August 27th. If you have any additional questions please feel free to email me at [courses@lloydwilliams.co](mailto:courses@lloydwilliams.co)

**Q1** Do you need to be option licensed to benefit from the strategies?

**A1** *No, options and futures used to be the predominant portfolio insurance tool of professionals. That is no longer the case. Today, ETFs have replaced options in large part, because they allow the endowments and hedge funds to better mirror the portfolio they are trying to hedge.*

**Q2** Will you offer this course at different times?

**A2** *All the live content will be recorded and posted to the Teachable platform to allow participants to watch at whatever time is most convenient for you. Each participant will have six months access to the material online through Teachable.*

**Q3** Is this course suitable for day trading?

**A3** *The principle, concepts, tools, and techniques of TLAP are time frame agnostic. You can use them for any time frame you desire. Though most will use a weekly or daily time frame, we have alumni who sit at their trading station throughout the day and trade intra-day.*

**Q4** What is next in terms of training to become a successful trader?

**A4** *Every Professional trader knows that 65% of all trading success comes from Trading Psychology. That is why we have an entire Module the first week that focuses on the Psychology of Trading.*

**Q5** Do you think there will be a second decline in the market near term?

**A5** *Professionals do not predict, because “Anything can happen.” In TLAP you will learn how to anticipate multiple hypothetical scenarios and prepare objectively for each. That way whatever occurs you are prepared for. Professional traders do not care whether the market goes up or down. They know they will profit either way. And so can you.*

**Q6** What day did your system identify the COVID related condition?

What did you do? When did you buy/sell?

**A6** *The Mastermind Group avoided over 90% of the correction. The tactical trigger occurred on February 21st and members closed tactical equity positions and bought non-correlated assets like gold and treasuries. The first core trigger occurred on February 26th and members either exited core equity positions or began to scale out according to their individual investment policies and processes. Each member trades based on their own investment rules and process. The trigger allows them to focus on other matters until an action is signalled.*

**Q7** Does the course include hedging strategies with stocks, futures or forex?

**A7** *Yes, Module 12 focuses on moving beyond the basic investment model to maximize your investment process. These six lessons will target all the ways that professions manage risk to protect and hedge their portfolios.*

**Q8** Do you keep us up to date with recommended stocks?

**A9** *No, you will learn how to use Fundamental Analysis to identify what to buy. Your unique investment philosophy will determine whether you concentrate on asset, sector, or security. As Charles Dow illustrated in 1890, eighty percent of all investment returns come from being in the right asset class and sector. I will recommend sources for you to use for security selection.*

**Q9** What asset classes does the course target (Futures, Options, Forex...)?

**A9** *All asset classes, all sectors, and all securities. We will discuss every investment instrument available. TLAP does not limit you in any way. You, like a professional, can trade anything you like.*

**Q10** Can you join the course as a team (i.e. 3 team members)?

**A10** *CE credits are only issued to the registered participant. If an advisor would like their team to participate they may use the same login, but only one individual will receive the CE credits. If partners both want to receive CE credits they must each register separately.*

Q11

Can you discuss fiscal policy and the impact on government deficits and thus interest rates on the volume of money flowing from fixed income into equities? Interest rates will inevitably go up, and fixed income money will be able to get its rules-based yield in debt securities again. How should advisors be thinking of this moving forward in the coming years?

A11

*This is a great question and I would be happy to share my opinion individually with the advisor, but do not feel it is relevant to the group. Fed Chair Powell's recent announcement will have a significant impact.*

Q12

How practical is it to move portfolios of 300+ clients quickly?

A12

*Today for most firms, if the advisor has discretion and is block trading, the changes in the portfolio are immediate. For those of you who are not discretionary we will discuss during the course the other options you have available.*

**Q13** By using this process, can we use ETFs to hedge the risks without selling out our client's main portfolio?

**A13** *That is one option, during the course we will discuss several ways to hedge your portfolio and when it adds value and when it does not.*

**Q14** Will there be recommended software tools that will be addressed during the course?

**A14** *Yes, though most of you already have access to most all the software you will need. We will discuss a variety of software tools available at every stage of the investment process and various price points from free to expensive.*

**Q15** Is CSI only applying to IIROC for CE credits or will CSI be applying to the MFDA as well?

**A15** *The MFDA currently does not impose CE requirements on their registrants. They are planning on implementing a CE requirement likely early next year at which time we will apply for CE accreditation for TLAP.*

**Q16** As a student who is not working in the industry yet, would it be useful to me?

**A16** *If you intend to manage yours or other people money in the future yes, otherwise no.*

**Q17** What do you think about having OTM Put Options during these rapid declines, since the volatility will skyrocket and multiply their gains much more than the portfolio would lose?

**A17** *As I mentioned in the webinar video, options are used less today as a hedge because the inverse ETFs or shorting sector ETFs gives a 1:1 pure play. Buying Put Options was a standard pay in the past and we will discuss during the course when this is viable and when it is not. Analyzing the best option is easier today because software exists that can analyze all the possibilities in real time.*

**Q18** Are you making full asset class switches going 100% out of equities and into 100% bonds or gold? How does this work for an IPS wanting a 60/40 portfolio weighting?

**A18** *This decision as you indicate is determined by many factors: the portfolio investment policy, the risk parameters of the client and the portfolio, your investment process, your investment philosophy, and your trading plan. All of these we will discuss in detail during the course.*

**Q19** Do we need to go through all 4 or 5 modules to benefit?

**A19** *You will learn something new in each lesson that you can apply to your practice. TLAP includes 16 Modules and each Module includes 1-9 lessons in addition to the 10 hours of live instructional webinars over the five weeks and the five weekly Q&A sessions. You must complete all Modules and all lessons and the Quiz by CSI to receive the CE credits. You have six months of access to the course materials.*