

Intro

you see when trading the wheel options strategy you only want to trade options on stocks that you want to own because otherwise you could be stuck in a very bad position but how exactly do you research stocks for options trading which websites do you use to check for news on the underlying stock that you want to choose for trading the wheel should you choose yahoo finance or seeking alpha or market watch benzinga well how can you know whether you should trade the stock or not and that's exactly what we're going to talk about in this video

all right so i want to also give you four very specific examples from stocks that popped up on the wheel scanner today so that you know exactly of what's happening but first of all let me show you especially when you're trading the wheel strategy i mean i'm pretty sure that you have heard about this that's a trading strategy that i use to trade my own accounts and we will talk about my positions here in just a moment so i'm Using The Wheel Scanner To Find Stocks trading the wheel strategy and the important thing is that you only want to trade this on stocks that you do want to own in fact

one of my team members did this meme rule number one of the wheel club

don't sell puts on stocks you don't want to own courtesy of photoshop there i am

on brad pitt's body

anyhow so let's talk about this let's actually take a look at a few stocks that came up on the scanner today the first one that i want to show you is hood

so

here we go here we see the wheel scanner

and

we see that hood robinhood came up today with various strike prices at which you could sell puts so for example a strike price of 37 and you see that actually doesn't look too bad if you look at the chart right so the key question is do you want to own robin hood and here is what i like to do so where do you check if there are any news that could be affecting robin hood so let me show you what i like to do and we're jumping back here on to safari the absolute easiest way is the good old trusted google so here's what i like to do all i type in is

hood stock and after i type in hootstock this is where we're going to news you see all of the news different outlets so you see investors business daily you'll see the modli fool you see yahoo finance the motley fool cnbc you get an idea of what is happening here right now and you see for example there's an article from cnbc that says robinhood tanks after the sec chair tells barons that it is payment for order flow uh banning payment for order flow so that is a possibility this is where it is super important when you're trading a stock like this and robin hood the brokerage as you know is heavily heavily heavily relying on payment for order flow so what do you think will happen when it is banned and there's no more source of revenue for this i mean that's obviously not good for the stock so this is why it is important instead of just looking at the chart that you also check the news you see there's a few other news that say exactly the same thing so motley fool all says could robin hood lose its main source of revenue and therefore you pretty much already know stay away from this stock see if it is still

popping up on the wheel scanner it sure is right now it sure is and you see just looking at this and at the chart is not enough you need to check some underlying news so let me give you a few more examples of stocks that popped up today so nvx for example so nvx popped up on the scanner and as you can see oh my gosh there is a lot of premium here available so why is this what is it about nvx that gives us a lot of premium i mean look at these strike prices here this is a daily chart and if you're looking at the strike price we're looking at strike prices of around 200.

so as you can see the drop in percent right now this could drop 14 and you would still collect a lot of premium so you have to wonder what is happening here why is there so much premium left do you really want to own the stock even at a strike price of 200 and again we're going back to our good old trusted google and all we need to do here is type in

nvx stock see if you have been following me for a while then you probably have heard me talking about nvx here for quite a while because nmex is also developing a covid vaccine but i mean they haven't been approved yet and there's other vaccines that have been approved the other vaccines did not only get emergency approval and authorization they got full approval and nvx here apparently late to the game so let's take a look at this and you will basically see okay norma bax will enter investor place things that will enter the coveted vaccine race with the bank i'm not so sure i mean if you're late to the party here right i

mean this is why uh it is slipping again today and uh you get the idea here so if see no x is a steel if you believe it will come through but will it come through you see for me personally this is too much as a undergamble and you see that other options traders are thinking the exact same thing and this is why there is so much premium now let me just give you

two more examples that popped up here today as well so the next example is support.com let me just see if it is still on the scanner here it sure is it sure is so

here is a warning sign whenever you see that this is lighting up like a christmas tree here and you see all of this is orange what does orange mean orange is a

warning when it pops up on the scanner and uh hey by the way if you're absolutely new to this channel and you have no clue what the wheel trading strategy is or what this the scanner is that i'm using here i'll link to it in the description and also at the end of the video i'll see if i even can link a card somewhere here at the top i believe right so that you can click on this and get more information about this but uh here you get the idea it is a warning sign and you see also the drop in percent i mean this thing could drop another

53

i mean here we're looking at strike prices of nine or eight and you see this where often i see that traders are getting blinded by these high premiums and they say oh my gosh i can make so much money with this stock then they're getting blinded by the premium and they're getting stuck with the stock so let's see why is actually support.com providing so much premium

so
and again this is where
our good old trusted google will help us
out and all we need to do is sprt stock
all you need to do there
go to news that's super important go to
news this is how you find out what is
happening here and then you see that
okay there's apparently a murder
happening
so what does this mean there's a green
rich holdings okay
they announce an update on murder
closing
you see it's really interesting this
green rich generation holdings is a
crypto company so you might be wondering
why why why do they want to merge and
what's happening there and this is where
big warning signs you see some mergers
they're obvious some mergers make a lot
of sense
this here to me does not make sense and
you see you don't really have to do a
lot of research so why should you
actually go to very specific sites if
google pretty much tells you the whole
story already so let's do one more
example so let's actually take a look at
k-web let's see if this is still on the
scanner this popped up earlier here as
well so k-web is crane share trust's
china internet let's see a few orange
here so orange is already telling us
warning sign and this is a china
internet etf
now
i don't know about you
if you're watching my stock market
update then you know of what is going on
in china well actually let's take a look
at this let's go to our good old trusted
google and type in investing in
china stocks and see what comes up there
okay so um okay
not good should i buy chinese stocks

they're being regulated they're being regulated right and you might have heard it it's actually crazy of what has been going on there let me show you a few charts and then you get a better idea of why you should stay away from them let's start with an education company and i want to get rid of my volume here that seems to be a little bit distracting so a chinese education company is edu new oriental

what education group
a while back the chinese government said you know what all education companies should actually become non-profit companies right here and this stock plummeted from seven dollars to right now trading at two dollars with basic basically no hope of recovery at all

so stay away from chinese stocks uh a few other ones uh that we can take a quick look at alibaba right so let's go there baba
so today down now two percent and this is after china basically said you know what we're breaking up alipay or we're thinking about it alibaba has 30 share or a third stake in baba here so you you get the idea right you don't want to do this another one uh 10 cent so tme also tanked after

the chinese government basically said that they will limit online games so anyhow

where do we go with this

the idea here is

when you research stocks which are the best websites and for me the best website is google news because google news aggregates all of the news websites and here's the good thing about google news google ranks authority sites the highest so this way you can be sure that you're not falling for any of the scam sides that are trying to hype up stocks

so usually as you can see
you see something like barons there the
new york times you see cnbc so usually
very very reputable resources anyhow so
that's what i wanted to cover today of
how exactly um there we go how exactly
do you research stocks for the wheel
hope that this helps