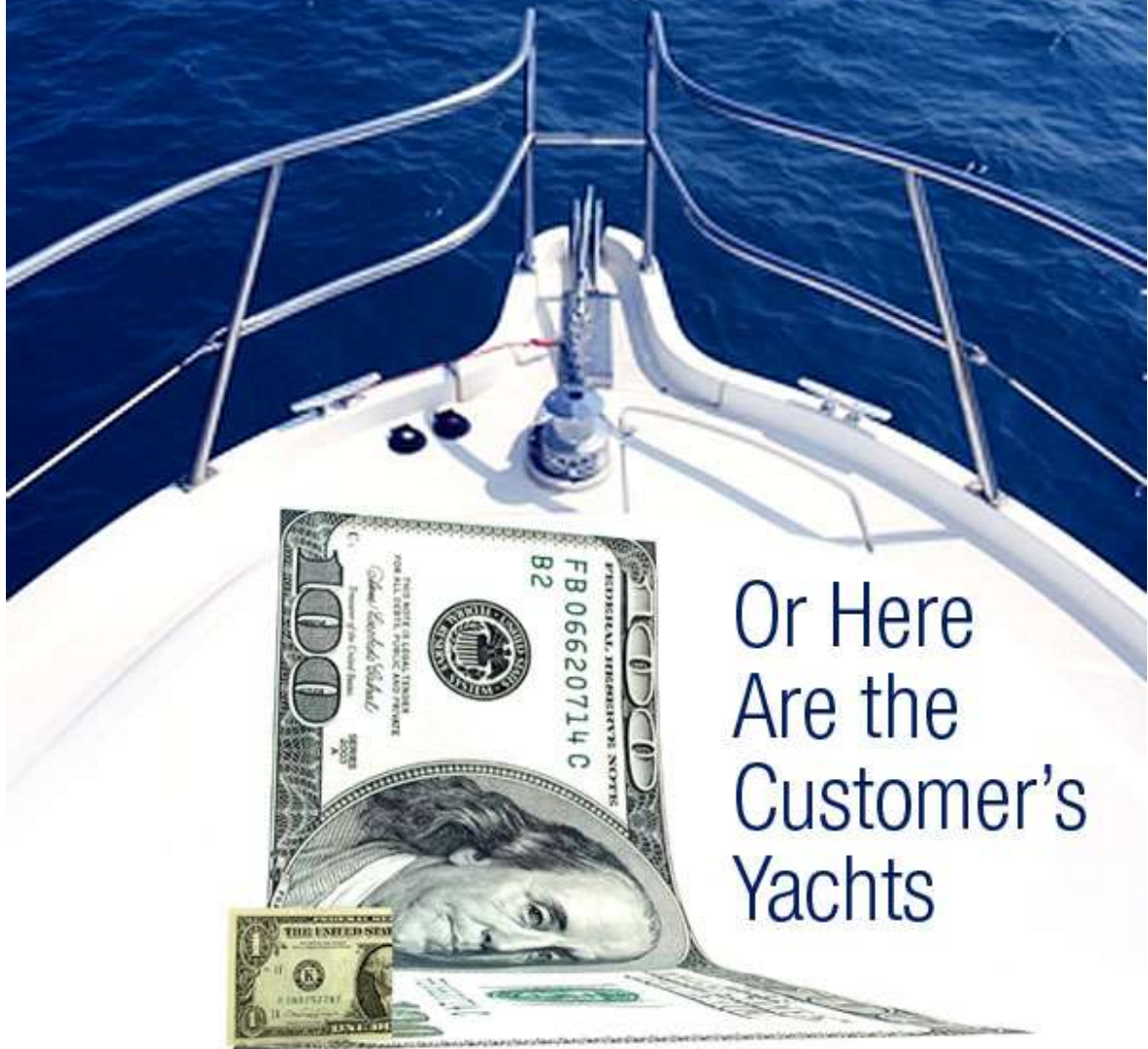


I GUARANTEE YOU WILL

BUY LOW SELL HIGH & MAKE MONEY



Or Here
Are the
Customer's
Yachts

J E F F R E Y W E B E R



**I Guarantee You Will
Buy Low
Sell High and Make Money**

Or

Here Are the Customer's Yachts

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By Jeffrey Weber

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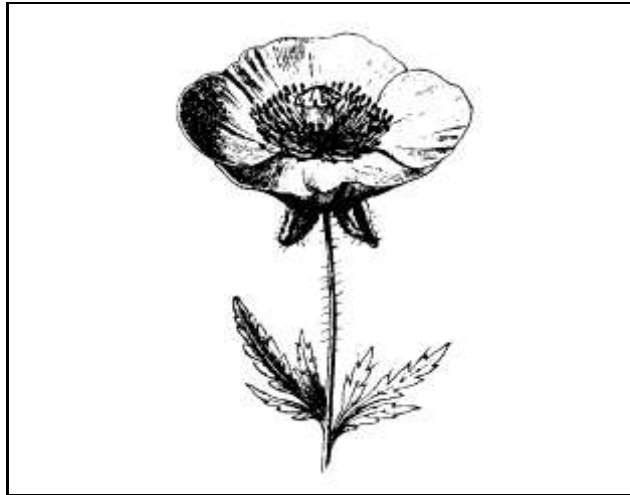
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DEDICATION

To my wonderful Honey-Bunny (alias lovely wife Judy) and my wonderful Pooski (alias daughter Jinty) and my granddaughter who gave me the reasons to succeed.



Disclaimer

My book is so with the understanding that I am not engaging in giving you legal or accounting services, just ideas. Specific investment question should be addressed to a stockbroker, legal questions to a lawyer, and accounting questions to a qualified accountant.

I specifically disclaim any liability, loss, or risk, personal or otherwise, which is incurred as a consequence of any of the contents of this book. Likewise you get to keep all profit you make from the use of this book; I don't get any of them.



Forward

I would like to thank and complement Mr. Robert Lichello, author of *How to Make \$1,000,000 in the Stock Market Automatically* who devised the investment system used in my book. I feel it is mandatory to read his book. I'm sure any good bookstore will have a copy or you could order a copy by looking on Amazon or one of the other websites. Mr. L's book planted a seed of inspiration to me like no other investment book I had ever read. I knew it was the way to invest. It so inspired me that I started this book and started investing under the system.

At the time I read the book, the stock market was going great guns in the middle of a big bull market. I had some spare time and started charting stocks I liked under the system to see how well the system worked on real stocks. From those humble beginnings, this book began. It was written under strange conditions about as far away as you can get from the major stock markets – in Seoul, Korea; Maffle, Belgium; and Weilerbach, Germany. The beauty of the system is that it doesn't even require you to be near the market to play. It's so simple and yet so profitable. My hats off to Mr. Lichello and I hope this book helps spread his fine system to an even wider audience.

I wish to make clear that while the system is Mr. Lichello's, the ideas about using it in this book are my own. If you can think of some way to improve on my ideas, I'd be glad to give you credit in a future edition. And now I've come full circle I've gone from having a printed book for the last 20 years that I've been revising constantly to an e-book version. Here is your future edition, I've added information on how to adapt AIM for bear markets, added the latest list of online brokers and many other subtle changes. But the heart of the book remains the same because it is it is a strong heart, capable of handling the job AIM gives it in bull and now bear times.

My original book was printed at Kinko's, now called Kinko's/FedEx using a spiral binding on 8.5 x 11" paper or the traditional letter-size paper. This was done because I have many spreadsheets and other information that needed to be printed in large size so you would be able to read it. Obviously I can't include the spreadsheets in this e-book version because it will appear so small as to be unreadable. So I am not including the spreadsheets in the actual e-book edition.

However anybody who buys my e-book can e-mail me and will receive for free the full size 8.5 x 11 Adobe Acrobat version of my book that will have all of the spreadsheets so that you can go to the particular Chapter and see the spreadsheets that I'm talking about in the e-book. Once you buy this e-book, just e-mail me at jeffee13@hotmail.com and tell me you have bought my e-book; please send me the free Adobe Acrobat version with the spreadsheets and

I will be very happy to send it to you at no charge.

Introduction

I wrote this book to help all investors – big and small – make money. The simple, easy to learn system will show you an investment method you can use for life. It only takes 15 – 30 minutes a month and should average 20% – 30% a year over the long haul. It's all explained in Chapter 2.

In addition to showing you the AIM system, I will show you how to choose a stockbroker for buying and selling under the AIM system. To help you pick the best stocks, I offer a monthly HTML newsletter. See my flyer in this book for further details. Anybody who buys a copy of my e-book will receive for free a one-year subscription to my monthly investing newsletter that shows the best stocks, ETF's, closed-end funds, and LEAPs for the AIM system. Again when you buy a copy of this e-book, just e-mail me at jeffee13@hotmail.com and I will add your name to my monthly subscriber list for my newsletter.

You will find different strategies ranging from very conservative to highly risky that you can use with the system. You'll find a strategy you'll feel comfortable with. Please read the entire book and I think you'll agree that I offer a simple, easy to learn, quick method to make the most from your hard-earned investment dollars. And it doesn't take very much money to get started as you'll see. If you have any questions, I'll be glad to try and answer them. Please e-mail me. Good luck with your investing.

Authors Acknowledgments

First of all I'd like to thank Mr. Robert Lichello for the excellent investing system he invented. He has helped lots of people and I hope I am worthy to carry on in his footsteps.

Of course I can't ignore my wonderful wife Judy; again she rates more than just being listed in the dedication. My wonderful wife Judy has been there every step of the way for me and helped me through many dark and difficult times I truly appreciate all the fine things she's done for me, the love she has for me, the love she has for our daughter and granddaughter, and the hard work she does, I want to give her the best possible life.

Other Books I've Written

- *My Only Crime Was Being Born – Volume 1*
- *My Only Crime Was being Born – Volume 2*
- *My Only Crime Was being Born – Volume 3*

You can find all three volumes of my autobiography on Smashword.com

<http://www.smashword.com/books/view/99557>

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Chapter 1

How to Buy and Sell – Picking a Stockbroker

(Note: I originally wrote this book many years ago when Merrill Lynch Blueprint was the only way the small investor could get a break on commissions. I decided to keep the information on Blueprint even though as you'll see later on, there are a lot of online brokers out there with very low commissions. I guess I'm nostalgic.)

There is an easy way for the small investor to play this investing system. The easy way is with the Merrill Lynch Blueprint Program. The Blueprint Program, formerly called the Sharebuilder program, is ideally suited for us, the small investor. Briefly the Blueprint program allows the investor to buy stocks and other investments at low commissions through our branch of Merrill Lynch, their "discount broker."

Merrill Lynch has over 1 million Blueprint customers. The great advantage of Blueprint is that it allows you to buy and sell as little as \$100 worth of stock (I now recommend selling at higher amounts than \$100 worth and would be happy to recommend the proper amount you should use with AIM to buy and sell based on how much you are investing in each individual investment as my system recommends, at very low commissions.)

Here's how Merrill Lynch describes Blueprint:

It's a convenient and inexpensive way to build your investment portfolio of stocks, mutual funds, and precious metals. More than 1 million people are building shares in their future and preserving the purchasing power of their dollars by participating in the Blueprint Program. Besides helping increase assets, Blueprint offers these benefits:

Small incremental investments in the securities you select allows you to build your portfolio over time as you invest in stocks, mutual funds, and precious metals. You have an opportunity to buy full and fractional shares because you invest by the dollar, not the share amount. And that is exactly what you are going to do when you learn AIM you're going to buy and sell based on the dollar amount of the buy in the sell and not on a specific number of shares. The Blueprint program will buy you shares

out to four decimal places. For example your account could show 78.9856 shares. This is a tremendous benefit to the small investor. Investment alternatives allow you to diversify your portfolio among thousands of stocks and closed-end funds (later on you'll see I love closed-end funds for AIM investors who want to play AIM and yet get high monthly or quarterly dividends) listed on the New York, American and over-the-counter markets or NASDAQ.

Reduced brokerage fees on securities provide substantial savings off the regular Merrill Lynch commission charges for stocks. When you purchase stocks through the Blueprint program, you can take advantage of transaction fees up to 55% less than regular Merrill Lynch rates. Below are the Blueprint rates as of April 1988: (compare the "discount commission rates" in 1988 when we didn't have computers and online trading, to what the commissions are today; there is no comparison, commissions have gotten substantially cheaper to the point where AIM is even better system than when Mr. Lichello invented it because back then any commissions were much higher. Now you can safely trade even small amounts at extremely low commission rates.

Transaction amount – Blueprint Commissions:

See how much cheaper current commissions are!! And no limits on dollar amounts of your trades.

\$0 to \$125 - \$12.50

\$125 to \$200 – 10%

\$200.01 to \$500 – 5% plus \$10

\$500.01 to \$1,000 – 1.5% plus \$27.50

\$1,001.01 to \$5,000 – 1.2% plus \$30.50

\$5,000.01 to \$7,500 – 1.15% plus \$39.50

\$7,500.01 and up – Regular rates

(All these rates are very high compared to today's commission rates of less than \$10 a trade)

Blueprint also charges \$3.85 as a transaction fee for all trades and now charges \$30 a year for account maintenance. There are no charges for Ready Asset, (money market) transactions.

The basic reason that Blueprint is better for us small investors is that all brokers including discount brokers have a minimum commission. The regular Merrill Lynch minimum commission (not Blueprint) in August 1984 when I bought 100 shares of our \$4.50 stock was \$40. A comparison of several discount brokers from 1984 showed that the minimum commission was around \$30 or higher. Also some discount brokers only dealt in round lots (100 shares.)

For a small investor, Blueprint is perfect. If you look at the various charts throughout this book, you'll see that our buys and sells our small most of the time. Blueprint is an easy and inexpensive way to make them.

You always have immediate access to your investments under Blueprint. You may change from one investment to another any time. If you wish to buy or sell, Blueprint is only a toll-free (sorry only in the United States), and Blueprint has another advantage... (Merrill Lynch continues on but I stopped.)

Other discount brokers

Blueprint is a fine inexpensive way to play the system but it's not the only game in town (actually Blueprint doesn't exist anymore!) There are other discount brokers out there. For investors to start with larger sums (for example \$10,000 per stock) the savings can be substantial. All the charts in this book use Blueprint commissions; if we had paid less than commissions by using another discount broker, our commissions would have been less and our profits more.

Below are the current low commissions for several brokers – one broker – Options Xpress – specializes in options trading.

Brokers on the Web

Note: the rates you see below were written at some point in the past and I'm not sure if they're still the current rates. I'm sure the rates are pretty similar or even lower than what I put down here. You can always go to their website and check out for yourself what the current rates are. I don't want to

be the one to tell you should only go to this broker but I have dealt with TD Ameritrade for years and found them to be an excellent stockbroker that offers many features including free Standard and Poor Reports and other reports that let you do research on various stocks that you're considering buying. They might not be the cheapest one out there but their commission rates are still very low, below \$10 a trade.

The computer age comes to investing. Now you can do your buying and selling by computer over the Internet. And now you're not even limited to a computer anymore; you can do your buying and selling from your smart phone, iPad or who knows; soon maybe you're just be able to talk to your wrist and make a buy or sell sometime in the future. Technology is amazing and it is helped us investors be able to find a wealth of information very quickly and very easily that I will talk about throughout this book about just how easy it is to find investing information that when I originally wrote this book didn't even exist.

Many stockbrokers and subsidiaries of major brokers offer trading via computer. Most brokers are on the web which means everybody can access them.

I don't have any rating for these brokers. *Barron's*, a fine financial weekly newspaper, regularly rates stockbrokers and keeps you up-to-date on commission rates. I don't get any commissions from *Barron's* but I highly recommend that you get a print subscription which also includes a free online subscription. They will talk about many fine stocks and other investments that you could use with AIM or in other investing strategies. You should remember we are looking for low – cost brokers. If you see a low – priced broker, you can bet they offer even more services than full commission brokers used to offer many years ago. You get all the bells and whistles with low-cost brokers that you used to get with full commission brokers. Competition is fierce and companies know that prices are determined in and whether an investor will open an account with a particular broker so they all fight to keep their commissions as low as possible and that benefits you the investor.

Below are online brokers you can check out. I tried to put the necessary information you need to check them out.

Online brokers

Ameritrade - \$9.95 a trade – <http://www.ameritrade.com>

Cyber Trader - \$9.95 a trade – <http://www.cybertrader.com>

E-Trade - \$6.99 a trade – <http://etrade.com>

Fidelity – Gold \$8.00, \$19.95 Bronze – <http://www.fidelity.com>

InterActive Brokers – up to 100 shares \$1.00, up to 1,000 shares \$5.00

<http://www.interactivebrokers.com/index.html>

Charles Schwab - \$9.95 – \$12.95 a trade – <http://www.schwab.com>

SieberNet – \$14.95 a trade – <http://www.siebertnet.com>

TD Waterhouse - \$9.99 a trade – <http://www.ameritrade.com>

Terra Nova - \$5.00 a trade – <http://www.terranova.com>

Wall St. Electronics - \$9.99 a trade – <http://wallstreete.com>

Scott Trade - \$7.00 a trade – <http://www.scotttrade.com>

Options Xpress - \$15.00 for 10 option contracts; \$14.95 stock trades
<http://www.optionsxpress.com>

Chapter 2

The Mechanics of Buying and Selling

Now for how to buy, sell or do nothing under the (Automatic Investment Management) AIM system. This is an important, probably the most important chapter of the book. You must thoroughly understand and follow this to get the benefits from the AIM system. I'm going to go through it slowly and I want you not only to read and understand practice it with some stocks of your own until it becomes second nature. And it will! At first it might seem complicated, but it's really incredibly simple. And once you learn it you will be doing exactly the same thing every month but the results will be different. Some months the system will tell you to buy and it will tell you how much to buy or how many dollars' worth of the investment to buy or how many dollars' worth of the investment to sell or AIM may want you to do nothing because the price of the investment hasn't gone down or up enough for AIM to decide to make a buy or sell. Here's how to do it.

You will see below that I wrote this chapter a while ago. There still may be some old-fashioned investors don't like computers so this will appeal to them. For the rest of you I have created a Word version of the spreadsheet and you can easily do all of these calculations on an Excel or Word spreadsheet. And you can make it easier by putting in a few very simple formulas in some of the columns and will make your work even easier. Again when you buy my e-book, you will receive all of this information in the Adobe Acrobat version of my book for free and I will provide you with a free version of the spreadsheet for both stocks and LEAPs because the LEAP spreadsheet is a little bit different and you will get up many other fine free bonuses so it's a heck of a deal.

First you'll need to buy or get some 13 – column paper (this is the type of accounting spreadsheets on paper I first used when I went to work as an auditor with the U.S. Army in 1983 which was BC or before computers. Paper is very common accountant/auditor paper designed to write numbers on. Any business supply store will have or at least would have it many years ago; it's probably harder now to find. Again like I said you can easily do all of this on an Excel spreadsheet and I'm

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