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Trade like many large institutions and diversify your investment portfolio by taking advantage of Optioneer's unique alternative asset characteristics.

EXECUTIVES CONFERENCE CALL

Mr. James Burgess, Chief Executive of Optioneer and Mr. Erik Gebhard, Chief Executive of StrikePoint invite you to participate in an Executive's Conference Call and Web Meeting scheduled for the following times:

Mon, Jun 22, 5:00 PM–7:00 PM PDT
<https://www1.gotomeeting.com/register/691276241>

Tue, Jun 23, 2:00 PM–4:00 PM PDT
<https://www1.gotomeeting.com/register/755580640>

Thu, Jun 25, 5:00 PM–7:00 PM PDT
<https://www1.gotomeeting.com/register/950393064>



FEATURE STORY

Diversifying with Optioneer as a Non-Correlated Alternative Asset

by Mike Armbruster and Erik Gebhard

"...alternatives, used in the right way, are enabling investors to better tailor investment strategies to address their myriad of financial and investment concerns, be it controlling volatility, boosting returns, or hedging inflation."

—John Hunt

CEO of Institutional Americas
JPMorgan Asset Management

Market Recap

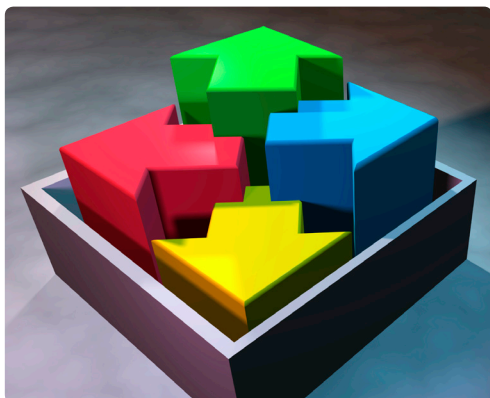
Over the past few months, market volatility has fallen significantly from its record highs in the 4th quarter of 2008. The CBOE's Volatility Index (VIX), which measures volatility based on S&P 500 option prices, is currently in the high 20s, down from its all-time high near 80. Likewise, Optioneer's R-Factor has receded from a high of 1.20 in the 4th quarter of 2008 to .27 as of this writing. As a result, we now find ourselves in an environment where market volatility has contracted from historic highs to a level that is only slightly above average and well within historical ranges. The decline in volatility readings suggest that market participants expect future market conditions to continue their regression toward mean volatility levels (our studies of historic volatility suggests that the long-term average volatility for the VIX is approximately 22). Current market conditions translate into Optioneer model trades offering high target profits and reasonably wide spreads.

There is a risk of loss in trading futures and options.
Past performance is not indicative of future results.

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Is History Repeating Itself?

Like the current U.S. stock market, the Japanese market collapsed in the late 1980s due to plunging real estate values, which resulted in bad loans and an insolvent banking industry, sound familiar? Just like Japan, U.S. monetary officials have responded by printing money (near zero short-term interest rates, massive government deficits/spending stimulus). Nobody knows whether the U.S. equity markets will behave like Japan's in the aftermath of its collapse, but the similarities between causal effects and the policy response are striking. The Nikkei currently trades about 75% below its all-time high – 20 years later. Bill Gross, managing director for PIMCO, the world's largest bond fund manager, predicts that the U.S. is headed for sub-par growth in the years ahead as the U.S. government's fiscal and monetary policies will likely result in higher long-term interest rates.



Given the current uncertain investment landscape, Optioneer offers individuals an effective way to diversify nearly any-sized investment portfolio.

Looking Ahead

If Bill Gross is right about the sub-par growth in the years ahead, individuals need to take a close look at their overall investment portfolio to make sure that they are properly diversified. Gone are the days when investors could confidently invest in an indexed mutual fund and expect a return that outpaces inflation. Returns from the Optioneer strategy are generally not correlated with any other asset class. Given the current uncertain investment landscape, Optioneer offers individuals an effective way to diversify nearly any-sized investment portfolio.

While 2007 was a mixed year in terms of results (some members made money, some lost, and some broke even), clearly 2008 was a difficult year for almost all investors. However, volatility has since subsided and retraced back toward historical norms. Based on our prior experience, we believe we are entering a market environment offering tremendous opportunity for Optioneer members.

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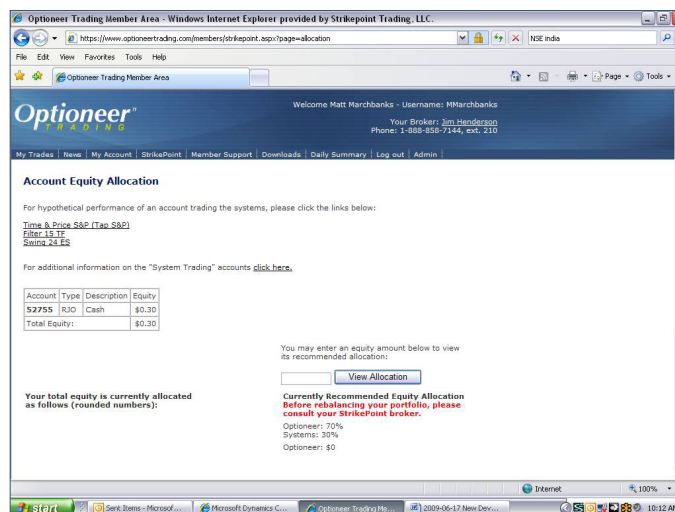
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New Developments and Opportunities for Optioneer Members

There are several reasons why we believe Optioneer members should be excited about future opportunities:

- First, StrikePoint now offers long volatility trading systems that are intended to profit during periods of expanding and elevated volatility. We believe that StrikePoint's long volatility programs are a valuable compliment to the Optioneer short volatility strategy, which tends to perform particularly well during periods of stable to decreasing volatility. Hypothetical system performance over the last 7 years is available within the Optioneer website. We suggest Optioneer members have exposure to these long volatility systems in conjunction with the Optioneer strategy. Optioneer's website offers guidance on how much exposure each member should allocate, based on customer equity, to the long and short volatility strategies. Recommended allocations percentages are based on current market volatility, Optioneer's R-Factor readings as well as other proprietary metrics, i.e. the current recommended allocation is 70% Optioneer, 30% long volatility systems. For more detail on StrikePoint's Portfolio Allocation Model, please login to the Optioneer website under the News section.
- Second, you can now manage risk more effectively by automating your trade exits according to Optioneer's P-Factor rules. For example, you can set your auto-exit at the following P-Factor levels, 30%, 40% and 50%. Trades that hit these P-Factor levels will be automatically exited on your behalf, eliminating the pitfalls associated with subjective or emotional decision making. You can also automate your orders to exit trades prior to expiration at 70% of your target profit.
- Third, Optioneer's founder, Andrew Evans, has developed proprietary momentum and overbought/oversold technical indicators. Jamie Burgess, the voice of Optioneer's Daily Audio Summary, uses those indicators in an effort to determine severely overbought and oversold conditions and therefore avoid entering trades that could hit a 40% P-Factor on a subsequent market reversal. For example, on March 5 and 9 of 2009, Optioneer recommended on the

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Optioneer's website offers guidance on how much exposure each member should allocate, based on customer equity, to the long and short volatility strategies.

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Daily Audio Summary that only the put side of a trade be placed as the indicators were clearly suggesting extremely oversold market conditions. The market did happen to bottom on March 6th, and by avoiding setting calls on model trades during that period, many losing trades were avoided.

- Fourth, Optioneer has adjusted the monthly fee structure so that it's now based on your account balance, and in all cases the cost will be less than it was just a couple of years ago.
- Fifth, Optioneer members may choose to have their account professionally managed. This is a passive approach to trading the Optioneer strategy and the managers will initiate and exit Optioneer stock index model trades according to Optioneer rules and guidelines. There is no additional cost to have your account professionally managed by StrikePoint Asset Management, LLC.
- And last, and perhaps most importantly, we firmly believe that non-correlated alternative assets should be an important component of any diversified investment portfolio. An investment in the Optioneer strategy, coupled with the long volatility systems on offer from StrikePoint will diversify your investments and mitigate the concentration of risks associated with most stock portfolios.

According to a 2008 PRNewswire story; "The JPMorgan Asset Management Next Generation Alternative Investing Survey examined the investment practices of 191 of the largest U.S. institutional investors across corporate plans, public funds and endowments and foundations representing \$1.26 trillion in assets. Alternatives have become an essential part of portfolio strategies for institutional investors employing them. Commenting on the findings, John Hunt, CEO of Institutional Americas at JPMorgan Asset Management, said: "What our survey indicates is that alternatives, used in the right way, are enabling investors to better tailor investment strategies to address their myriad of financial and investment concerns, be it controlling volatility, boosting returns, or hedging inflation."

Additionally, David Kelly, Chief Market Strategist for JPMorgan Funds admits; "Forecasting can be a miserable venture. Yes, we are in a severe recession, but diversification remains the best defense in the long term. Market-timing isn't worthwhile—as many individual investors learned when they pulled out of equities during the recent market meltdown."

Trade like many large institutions and diversify your investment portfolio by taking advantage of Optioneer's unique alternative asset characteristics. Join us for one of the upcoming **Executives Conference Call and Web Meetings** listed on page 1 and take your portfolio to new heights. **O**

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