



Sources of Idea Generation

Quite often we see newcomers after joining Jaguar, irrespective of ultimately deciding to become Lite or Pro client, get confused about how to navigate through so many trade ideas that are presented on a daily, weekly, monthly, and quarterly basis. Clients that have been with us for many years, based on their risk appetite and frequency of actively trading, like to remain well informed and much appreciate all the research they receive and act accordingly. However, new clients often find it difficult to parse through tremendous amount of research to pick and choose.

This note will address differences between various sources of idea generation in hopes to make it easier for you to decide for yourself:

#1 Jaguar Official Trade Ideas –

Frequency: 3 to 4 per week

Risk: Moderate

Holding Period: Up to 3 months

Available To: Lite and Pro clients

These are researched and presented by Fahad. All official entries, adjustments, exits are sent out by email and published on website throughout the week. Full performance record for 2016, 2017, 2018, 2019, and 2020 are available on website. Prior records during OptionMonster years (Aug 2010 to May 2016) are also available upon request. Each official trade idea goes through a vetting process in which fundamentals, technical, and unusual option activity all come together in nice package, thus improving the odds of coming out on winning side. The research is always geared to look for areas of disconnect in which forward looking comments (such as channel checks) are performing above or below consensus view thus creating a fundamental edge. Entries and exits are based on technicals on the chart. Unusual option activities are used to mainly confirm investors' directional bias and positioning, especially if there is a catalyst involved.

#2 JaguarWebinar Trade Ideas –

Frequency: 2 to 4 per week

Risk: Moderate to High

Holding Period: Up to 3 months

Available To: Pro clients

These are researched and presented by Fahad in visual (webinar) format. Specific entries are presented in real time, emailed out and published on website. However, exits are not monitored but often discussed in JaguarLive chat room. These webinar ideas go through exactly the same vetting process using 3 critical ingredients as #1 Official Trade Ideas. In fact, there is not much difference, except the format and how they are presented. The big difference is, given live format tailored for active traders,

depending on the market, sometimes webinar ideas are driven by views about specific hard catalyst (such as FDA announcement, earnings, macro data, etc.). Hence the risk could be slightly higher and holding period could be slightly smaller than official trade ideas. While no official performance record is maintained, our diligence shows overall performance is equally as good as official alerts.

#3 JaguarLive Chatroom Ideas –

Frequency: 1 to 3 per day

Risk: Any

Holding Period: Any

Available To: Pro clients

These are primarily researched and written by Fahad, with Jay providing backup support in a live fast paced environment. It goes without saying, the chatroom is designed for active traders, however it would be wrong to assume by default that discussion about trade ideas is always high risk. Quite the contrary. If we are discussing 10 to 15 unusual option activities per day, we would take 1 to 3 that catch the attention and elaborate on those stocks using the same vetting process of 3 critical ingredients, often with specific trade entry. Combine Jaguar research with facilitated discussions from clients about stocks/markets provides an interactive trading and educational experience that many clients have come to really enjoy over the years. Depending on stock and catalyst in play, the risk can be high (earnings play) or low (such as play on steady uptrend). Ideas discussed in JaguarLive chatroom are not tracked for performance, but entire Jaguar team is always available for guidance.

***Realistically, there is very little difference between #1, #2 and #3. The main differences are #1 goes out to Lite as well, and #2 and #3 could be higher risk at times if specific recommendation is made to trade a hard catalyst such as earnings.*

#4 JaguarIncome Trade Ideas –

Frequency: 1 to 3 per week

Risk: Low

Holding Period: Up to 45 days

Available To: Lite and Pro clients

These are researched and presented by Fahad. JaguarIncome follows a very specific set of rules to extract ideas which are not always easy to find in the market. They are high probability, low risk and low return trade ideas. Therefore, high precaution is taken to keep us on the right side of trade, which is the main reason why when it was introduced back in 2017, the win-to-loss ratio was over 9-to-1. Once again, the vetting process is exactly the same using Jaguar 3-pronged approach (fundamentals, technicals and unusual option activity).

#5 Jaguar Weekend Research –

Frequency: 2 to 3 per week

Risk: Moderate

Holding Period: Up to 6 months

Available To: Lite and Pro clients

These are researched and presented by Jay. Over the years this has become the source of some of the best research produced in Jaguar. The research presented here becomes the building block for

constructing a portfolio of stocks that over many quarters have produced fabulous gains. Jay's unique ability is identifying trends in early phases of growth in small/mid cap stocks where consensus is out of line vs. underlying business strengths. The undiscovered names with high chance of performance. This requires extensive understanding of business which starts with management notes in earnings call about the outlook as well as analyst reports. Trade ideas are suggested on Monday morning's in JaguarLive, but are not officially tracked for performance. Occasionally, the research is catalyst focused that reduces holding period. Most times views expressed take up to 2 quarters to see business trends play out in stock outperformance.

#6 Jaguar Earnings Plays –

Frequency: 1 to 3 per week during peak earnings season

Risk: High

Holding Period: Up to 5 days

Available To: Lite and Pro clients

These are researched and presented by Fahad. These ideas are naturally high-risk plays and therefore not everyone's cup of tea. An earnings preview is provided when there are concrete sets of channel checks and industry read through available about a stock to give us color on how the quarter is shaping up and what management may say about the outlook. These checks are then compared to street expectations to analyze whether there is strong case to be made for positive or negative surprise outside the bounds of consensus view, thus creating a directional bias into earnings. Any history of option activity also helps gauge the sentiment and institutional positioning. While the format is isolated as its own section on Jaguar, quite often similar previews are provided in JaguarLive chatroom and JaguarWebinar as well. Earnings Plays are not officially tracked for performance.

#7 Jaguar Home Page Articles –

Frequency: 2 to 4 per month

Risk: Moderate

Holding Period: Up to 6 months

Available To: Everyone (Free)

These are primarily researched by Jay with occasional support from Fahad. Home page articles are meant to drive traffic to website, as well as to showcase Jaguar research and our ways of thinking. Once again, the vetting the process is exactly the same based on 3-pronged approach (fundamentals, technicals, and unusual option activity). Just because these are presented for free doesn't mean we cut corners. Some of our finest work has been presented on home page over the years, resulting in nearly 8 to-1 win/loss ratio with gains on winners far outpacing losses on losers. Home page ideas can take many forms including Earnings Previews, Behind The Numbers, Catalyst Watch, Insider Action, Industry Checks, etc.

#8 Jaguar Quarterly Outlook with Top Picks –

Frequency: Top Picks each quarter + Macro Outlook/Trends to focus during the quarter

Risk: Low to Moderate

Holding Period: 3+ months

Available To: Pro Clients (Everyone else can purchase for a \$250 fee)

This is our finest work that tops everything else we do in Jaguar. These are researched and presented collectively by Fahad, Jay and Chronicle. The goal is simple – to beat the S&P! Since inception in January 2017, the Jaguar Quarterly Outlooks have produced a total return of +155%, which compares to the S&P 500 up 68%, DJIA up 55%, and NASDAQ up 129%. In reality, the gains are significantly higher because while we strictly use 3-month cut-off date to tally performance scorecard, many picks continue to shine well after the quarter has ended. The due diligence before a stock makes a cut is quite extensive and requires full research team support. Many things are taken into account including but not limited to: 1) where we are in economic cycle, 2) key business trends that are attracting positive fund and news flows, 3) widest disconnects between management and street expectations, 4) sector relative over/under performance, 5) standouts from prior earnings season showing material change in sentiment, and 6) inflection points in new product cycle. The vetting process is far more forensic in nature than anything else to make sure all positive and negative views have been analyzed thoroughly before concluding with directional bias. That's how we build conviction in a stock pick with ultimate goal of beating the benchmark S&P returns every quarter.

#9 Jaguar Media –

Frequency: 4-5 Days per week

Risk: Low to Moderate

Holding Period: Any

Available To: Pro Clients

JaguarMedia currently consists of 5 separate channels: Conversations, which occurs every morning, is run by Fahad where he provides market commentary along with specific stock ideas. Jay and Chronicle also provide their own ideas. Chinese Tech Demystified, Jaguar Investing Series, and Electronic Gaming Software are channels where Chronicle gives detailed presentations on specific stocks relating to the category. JaguarConsumer is a channel where Jay provides commentary/stock ideas on the consumer sector.

Other Sources of Idea Generation with Lighter Touch –

- First Read (created by Chronicle and goes out by 8:00AM ET each weekday to Lite and Pro clients)
- Telegram Messenger (market updates provided by Fahad before and after market hours)