

WEALTH DAILY

Thursday, July 30th, 2009

Dear *Wealth Daily* Reader,

"The truth is, we and everyone else misread the economy."

-- Vice President Joe Biden, July 5, 2009

No, Joe - "everyone" didn't misread the economy.

In fact, some people - like my colleague, Ian Cooper - ***absolutely nailed it.***

Ian has been right on the money for the last 18 months - and I'm not talking about vague, big-picture predictions, either.

I'm talking about specific warnings of what was to come... and money-making advice as to how you could best play it.

Ian closed out 20 winners out of 24 trades during the period from September 9 through November 21 of last year - a time when the Dow dropped a staggering 36.4%!

And get this - Ian and his readers took home an average gain of 70.67% per trade (including both winners and losers) during that stretch.

That means Ian and his readers were able to more than TRIPLE their money every three weeks!

But here's the important thing:

According to Ian... the next phase of the real estate disaster has now arrived.

And this phase could make last fall's 36% drop in the Dow look like a walk in the park.

Ian has been all over this - but that's really not surprising. Ian's specialty is helping readers take home some astounding profits when financial crisis strikes.

And he's just e-mailed me to let me know that the time to take action is at hand.

With that... I'm releasing Ian's just-finished report that spells out exactly how this will all play out.

Take a minute to look over this important report - and learn how to profit from **Real Estate's Second Tsunami.**

Good Investing,

Steve Christ
Editor, *Wealth Daily*

Thanks to more than \$750 billion worth of suddenly toxic debt - and soaring unemployment rates - get ready for...

The Housing Market's Final Collapse

We made astonishing gains of 337%... 291%... and 279% in housing's first wave.

Now find out why "Real Estate's Second Tsunami" is guaranteed to be even bigger than the first.

Dear Reader,

The next phase of the disaster is here... and millions of investors are about to get **wiped out**.

Here's what I mean:

More than \$750 billion worth of option adjustable mortgages (Option ARMs) are set to come due beginning later this year...

And that means the U.S. Real Estate Crisis is about to unleash a fury that almost no one is prepared for.

But don't just take it from me...

- **The *Wall Street Journal* says, "Option ARMs' worst troubles may yet lie ahead... since the bulk are due to reset over the next three years or even earlier."**
- **The *Boston Globe* predicts, "There could also be a whiplash caused by the big white elephant in the middle of the room - option ARMs... a lot**

of them are going to be seriously upside down, probably at least 40 percent upside down."

- **And according to Goldman Sachs, nearly half of all outstanding option adjustable rate mortgages - more than \$375 billion worth - will eventually default!**

With the coming wave of Option ARMs due to reset - and the looming prospect of a 10% or higher unemployment rate - we've got a recipe for absolute disaster.

Defaults and foreclosures will accelerate with blinding speed... and some of the nation's largest banks - like Bank of America, Wells Fargo and JP Morgan Chase - are about to get clobbered.

And here's the kicker:

The second wave of this crisis is not only unavoidable - it will also be much worse than the subprime disaster.

But while millions stand to get blindsided by **Real Estate's Second Tsunami** - I'm issuing a signal to one small group of investors that it's time to pounce on the next wave of short-term double- and triple-digit profits.

The last time I issued such a signal - at the onset of the subprime mortgage meltdown - this group of investors was able to more than triple their money every three weeks... even in the face of a 36.4% Dow nosedive.

We averaged 70.67% gains per trade - with an average holding time of just over 7 days - during a two-month stretch where most investors lost their shirts.

And we're about to do it again.

If you're looking to get back even more than all the money you've lost in this market... NOW is your chance.

Let me show you how...

This Second Wave of the Real Estate Disaster Could Make You an Absolute Fortune

I don't care what the talking heads are saying on CNBC - you and I both know those guys are absolutely clueless.

No matter how many times they talk about how the U.S. economy is "on the road to recovery" - the truth is... we've got a long way to go.

“The Economy Is Even Worse Than You Think”

-- *Wall Street Journal*, July 14, 2009

Simply put - the U.S. economy can't bottom until the banking and financial sectors bottom... and that can't happen until we reach a bottom in housing prices. And according to Deutsche Bank, U.S. housing prices still have at least another 14% to fall.

So let's just forget about this idea of being "on the road to recovery" for the time being... and ***let's face facts.***

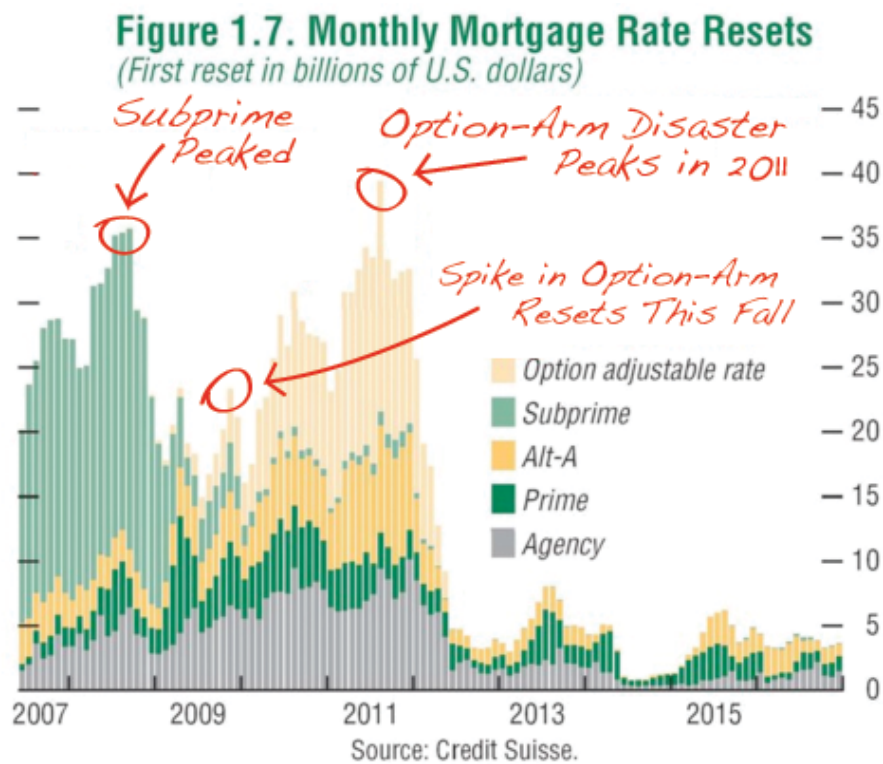
Fact #1 - More than \$750 Billion Worth of Option ARMs Are About to Begin Resetting

According to the *Wall Street Journal*, roughly \$750 billion worth of Option ARMs were issued between 2004 and 2007.

And the rates on those mortgages will begin resetting within the next few months.

You see... most option ARMs begin resetting five years after the origination of the loan - and the option ARM party really started in the fall of 2004.

Now the bill is coming due. Take a look at this chart and see for yourself:



It's as plain as the nose on your face.

While the subprime wave is now behind us... we're just a few weeks away from an enormous surge in option ARM resets.

"About 1 million option ARMs are estimated to reset higher in the next four years"
-- Bloomberg, June 11, 2009

Problem is - as of December 2008, 28% of option ARMs were already either delinquent or in foreclosure.

The truth is that many of the homeowners - perhaps as many as 50% of them, according to Goldman Sachs - who took out these option ARMs won't be able to handle the higher payments ahead of them.

"I started with \$14,200. I paid for the service and 13 days later I earned the subscription fee back... and using your strategies I'm at \$19,200." - B.H.

And as you can see - this is NOT a short-term problem. This enormous wave of resets - **Real Estate's Second Tsunami** - doesn't begin to subside until the fall of 2011.

That means we're looking at two years - and more than \$375 billion - worth of suffering.

But as I said earlier - **Real Estate's Second Tsunami** doesn't have to be a death sentence for your portfolio.

As a matter of fact, a select group of investors and I were able to rake in some **incredible profits** during the subprime meltdown... and now we're **about to do it again**.

I'll tell you how you can join us at the end of this letter - but first I need to tell you about...

Fact #2 - Soaring Unemployment Rates Will Trigger an Explosion in Defaults

As if the unavoidable steep rise in monthly mortgage payments isn't bad enough for the American consumer, he's got even more to keep him up at night.

Like the loss of his job.



Some economists are now projecting that the U.S. unemployment rate - currently at 9.5% - will soon reach 12% or higher. Heck... *even the Fed has conceded that we're likely headed over 10%.*

"The Federal Reserve projected that the unemployment rate may surpass 10 percent by year's end and warned that the economy may not return to full health for at least five years."

-- Washington Post, July 16, 2009

A rise in the unemployment rate - with no real prospect for a turnaround in the immediate future - is like pouring gasoline on the fire that is the U.S. real estate crisis.

"The highest unemployment rate in nearly 26 years is the biggest factor keeping homeowners from staying current on monthly payments."

-- Boston Globe

U.S. consumers are already struggling to pay their bills - and as we've shown... they're already having trouble paying the mortgage.

What will happen when Joe Homeowner is hit with the 1-2 punch of a soaring mortgage payment and the loss of his income?

I'll tell you what will happen...

Fact #3 - A Rise in Defaults Will Devastate the Banking System and the Economy as a Whole... Again!

Think about it - the U.S. banking system took an enormous hit when the subprime mortgage meltdown picked up steam.

"Tremendous call by you on the subprime blow-up. Kudos..." - RM Many of the nation's largest banks are still licking their

wounds from the subprime disaster... which means they're in no position to withstand another crisis.

But that's just what's about to happen.

Delinquency and foreclosure rates are running much higher already - 28% in December - and that's before the wave of resets begins to hit.

And the total of 1.9 million foreclosure filings as a whole in the first six months of 2009 was a staggering 15% higher than the same period last year.

"With many economists anticipating that the unemployment rate will rise into the double digits... foreclosures are expected to accelerate. That could exacerbate bank losses, adding pressure to the financial system and the broader economy."

-- New York Times

"Rising delinquencies are creating fresh challenges for companies such as Bank of America Corp., J.P. Morgan Chase & Co. and Wells Fargo & Co. that acquired troubled option-ARM lenders."

-- Wall Street Journal

This massive wave of foreclosures will deliver a crippling blow to the U.S. banking system - and in particular, those banks with heavy exposure to option ARMs, like Bank of America, Wells Fargo and JP Morgan Chase.

These facts are impossible to ignore.

"You have made me a ton of money over the last 5 years than any one else has. Following your every word, including stop losses, you've helped me turn \$10,000.00 into more than \$450,000." - B.A.

If you look closely at the numbers, you'll see that the enormous option-ARM disaster doesn't let up until the fall of 2011 at the earliest.

So it would be easy for investors like you and I to get discouraged when thinking about the potential for another 18-24 months worth of economic trouble.

But I don't look at it that way at all.

Instead - my readers and I look at the next 24 months as a second chance to rake in consistent, triple-digit short-term profits...

**I've Been Warning About Real Estate's Second Tsunami
For Months... and NOW the Time
Has Arrived to Take Action**

It's true.

I've been telling my readers for months exactly how this scenario would shape up - and it's unfolded exactly as I expected.

- In September 2008, I wrote that, "My latest prediction is worse than all combined. I'm calling it the "Option ARM Fiasco of 2009" and it'll absolutely wreak havoc on the U.S. and global economy for years to come... crushing retailers, banks and many unwitting consumers."
- In October 2008, I told readers, "If you thought the first leg of the credit crisis has been bad... wait until the mountainous Option ARM loans begin resetting... and the second leg of the credit crisis begins."
- In February 2009, I said that, "Option ARM resets are just around the corner and will mark the beginning of the second half of our crisis... No one can stop this from happening."
- In May 2009, I told readers, "It's going to get worse. It's not just subprime and Alt-A that we have to worry about any more. It's prime, too."
- And in June - as **Real Estate's Second Tsunami** grew closer, I asked, "where's the economic recovery going to come from, as ARMs reset over the next 24 months, and higher unemployment results in surging prime mortgage defaults?"

And now... even the mainstream media is beginning to catch on.

“Option-ARM Mortgages Turning Worse than Subprime”

“For the third straight month, option adjustable-rate mortgages are generating proportionally more delinquencies and foreclosures than subprime mortgages, the scourge of the housing crisis.”

-- Wall Street Journal, July 10, 2009

Like I said - I've been warning loyal subscribers to my **Options Trading Pit** service about **Real Estate's Second Tsunami** for months - and my readers have been right alongside me as the enormous wave of ARM resets grew closer.

And now... the time has arrived.

The crisis is upon us - and with it comes extraordinary opportunity.

We already knocked it out of the park with the subprime meltdown - racking up a slew of triple-digit winners... and in most cases, in just a matter of days, but...

This time - the Profit Potential is Even Greater than Before

My focus, as you might expect, is on delivering the highest possible gains and milking this second wave of the housing crisis for all it's worth.

But just to give you some perspective - here's a look at what we did the first time around...

- We made **291%** - **in just 16 days** - with Fremont General puts in September 2007...
- We closed out a **279% winner** with Lennar puts in January 2008...
- That same month, we also closed out a **224% winner** with our trade of Pulte puts... a **214% winner (in just 16 days)** with New Century puts... **207% gains** with Centex puts... and a **203% return** from our trade of Countrywide puts.

"Wow. Joined yesterday and bought FAS call at \$2.00. Got the alert today to sell half. I chickened out and sold all at \$3.10. No worries as I will take the 60% gain and wait for Ian's next move. Holy am I impressed!" - Thomas B.

And when the bad paper really started to hit the fan - that's when my ***Options Trading Pit*** readers and I went into high gear.

During the ten-week period from September 9, 2008 through November 21, 2008 the Dow Jones Industrial Average sunk from a high of **11,623**... all the way to **7,392**.

That's a **staggering 36.4% drop in the Dow** - all in just a little more than two months.

During that same period, my ***Options Trading Pit*** closed out a total of 24 trades.

20 of those 24 trades were winners... and all 20 of those winners were for double-digit gains or better - with eight of them going for triple digits!

Each of the trades closed out during that period - winners including losers - averaged a gain of 70.67%!

One more thing - the average holding time for those 24 trades was just 7.4 days.

That means on average, my readers and I were able to more than triple our money every three weeks!

In other words, imagine turning \$5,000 into more than \$18,619.38 - every 21 days.

I mention all of these numbers not to brag... but rather to make an important point:

I have a history of helping investors make some of their biggest profits in the face of financial crisis.

We just did it - *to the tune of 20-for-24 with an average of 70.67% gains per trade* - last fall when the market collapsed...

And this time - I think the opportunity is even bigger.

I'll tell you how you can join my readers and I in these market-defying profits at the end of this letter. But first - let me tell you more about how I do it...

Exploiting Market Volatility to Turn \$10,000 Into an Easy \$450,000

Listen... I've spent the better part of the last decade perfecting the art of trading options for triple-digit gains.

I don't say this to brag, but... I've shown thousands of investors just like you how to exploit special situations for lightning-fast short-term gains.

"Thanks for the great recommendation Ian! Waited patiently on an entry point and got in at \$2.69 last Thursday, and exited half my position this morning for a hefty 346% gain! Paid off my subscription fee plus a whole lot more! Can't wait for our next new opportunity!" - Richard G.

And while millions of Americans went into an absolute panic at the onset of the subprime mortgage meltdown... my readers and I jumped at the chance to rake in some amazing gains... time and time again.

As a matter of fact, the volatility we've seen in the markets over the past twelve months is actually perfect for short-term options profits. It "turbocharges" the profit opportunities and delivers winners much faster than in the "old days" of two years ago or more.

The thing that I love about all of this is that I'm able to help everyday Americans not only avoid the U.S. financial crisis... but also take their investment future into their own hands.

People like Neil M., who recently used one of my ***Options Trading Pit*** recommendations to collect \$4,195 after a single trading day...

Or Bruce H., who collected an extra \$5,000 inside 13 days by following our advice...

Or Brian A., who, after months of following our trade recommendations, turned an initial \$10,000 into an astonishing \$450,000!

And thanks to the ongoing "fluctuations" in the market - and the disaster that looms with **Real Estate's Second Tsunami** - these astonishing profits will continue for at least the next 18 months.

I explain everything you need to know about how to begin raking in double- and triple-digit profits in the face of financial crisis in a brand new research report.

It's called **337% Profits - Again - From Real Estate's Second Tsunami**. And I'd like you to have a copy FREE of charge... right now.

But before I share with you how you can get started right away - let me tell you just a little bit about what I look for with each trading recommendation I release...

Not a Single Recommendation Is Released Unless It Has the Potential for Short-Term Gains of 100% or More

I'll be honest with you.

"I kept my stops in place and was closed out at 4.90. I had bought them for 1.75. 100 contracts... a respectable 30 plus thousand gain." - D.F.

When it comes to making rapid-fire, triple-digit gains by trading options... there are no shortcuts.

The truth is, my success is the product of plenty of good, old-fashioned, roll-up-the-sleeves research and analysis.

But here's the good news: I handle all of the heavy lifting for you.

That "heavy lifting" includes sifting through general marketing analysis... and looking at the big picture. I tend to focus in on those sectors I feel will benefit most from any specific market situation - and in the case of this next wave of real estate headaches, I know exactly where to look.

Once my initial analysis is complete, I incorporate four specific indicators, including Bollinger Bands, W%R, candlesticks and the news.

Using just these four, I'm able to call tops and bottoms on indices, as well as individual stocks.

From there - once the sector is identified - I begin scrutinizing hundreds of potential opportunities... until I've identified the "best of the best."

But then I go one step further - I absolutely insist on providing my **Options Trading Pit** readers with only those opportunities that have the potential for explosive growth.

The gains I mentioned earlier - average gains of 70.67% per trade over a two-month stretch when the Dow nosedived - well, those gains simply aren't possible these days with stocks.

Those kinds of gains - rapid-fire, double- and triple-digit winners in the face of a bear market - they're all thanks to the "magic" of options trading.

But don't worry - even if you've never traded options before - I've got you covered...

Let's Get Started - Here's How to Start Getting My Trading Alerts Today!

When you click on the link at the end of this letter and fill out the membership form, I'll immediately send you a link to the members-only ***Options Trading Pit*** site, where you'll have access to every single one of the positions I've issued... 24 hours a day.

I'll also rush you a copy of my latest report, ***337% Profits - Again - From Real Estate's Second Tsunami.***

"I held on to your SPF trade for a 500%+ gain. Nice!" - E.O. This report explains exactly how this enormous tidal wave of Option ARM resets has formed - and what will happen with each next step of the crisis. You'll also learn just how my readers and I were able to haul in such extraordinary gains the last time around... and how we're set to do it again in the weeks ahead.

But I want to make absolutely certain you have everything you might possibly need to hit the ground running.

That's why I've instructed my publisher to "empty the vault" and give you five additional reports... FREE of charge. You'll get...

- ***Understanding Options for Maximum Gains*** - an easy-to-understand guide to successfully profiting from options...
- ***The Bear Market Baron's Guide to Options*** - a hands-on guide to making a fortune even as the markets are crashing...
- ***Options Intrinsic Value: How to Lock in Huge Gains by Going "Greek"***
- ***The Next Ticking Time Bomb (Commercial Real Estate)***
- ***Higher Education: The Next Bubble to Burst?***

Most importantly, though - when you fill out the membership form you'll immediately be placed on my e-mail distribution list so you can begin receiving my trade alerts automatically.

"Here's how I did with your last two trades: AXPMQ, bought 11/12 for \$2.50, sold 11/13 for \$4.20 for a 68% one day gain. XJZMM, bought 11/11 for \$1.56, sold 11/13 for \$2.43 for a 56% gain in two days... Take care, Ryan..."

All you have to do in order to receive all six FREE reports - and gain immediate access to my trading recommendations - is sign on for a RISK-FREE membership to my **Options Trading Pit** service.

That's right - I said RISK-FREE.

I'm absolutely certain that you'll make money - big money - in the weeks and months ahead that I'm willing to assume 100% of the risk for your subscription fee.

How You Can Get My Trading Alerts the Second They're Available

Before I go any further, I need to make one thing clear:

Options Trading Pit is NOT a fax service. Instead, I prefer to e-mail each trading alert directly to you to be sure that every subscriber receives the trade at approximately the same time.

And just so that you don't have to recheck your e-mail 10 times a day, we're also offering **Options Trading Pit** updates via like RSS feeds - so you can get the alerts the split second they're available! (Don't worry - I'll give you simple instructions that will have you all set up with your RSS feed within a matter of minutes.)

If you're comfortable with what I've shared so far - and you're ready to pounce on the profit opportunities ahead of us thanks to the **Real Estate's "Second Tsunami"** - then I urge you to join me today.

"Ian, I read your play on MS last night and got in at 9:40 am today at 7.59 puts Jan 25, I sold just after noon for \$11.08... yahoo. You just keep doing what you do best and send out the picks. Never made so much money in a down market since I started following you..." Thanks. - Dave

I realize this style of trading - racking up fast-moving winners and holding for a short period of time - may not be for everyone.

But when you sign up for my **Options Trading Pit**, you'll immediately elevate yourself into the top tier of the trading community - light years beyond what the average American investor is capable of handling.

So if you're interested... welcome aboard.

Research Worth Tens of Thousands... Yours for Just Pennies on the Dollar

So let's get down to brass tacks - how much does a subscription to my **Options Trading Pit** cost?

When you consider the fact that last year you could have walked away with \$16,875 on a \$5000 initial investment ... a price of \$5,000 per year would be a bargain.

After all - take a look at just how quickly your profits could have added up during the first phase of the real estate crisis.

- We booked short-term gains as high as 244%... 279%... 291%... and even 344% in the face of a historic market collapse.
- During the period of highest turbulence, we closed 20 winners out of 24 trades - averaging gains of 70.67% per trade (winners and losers included)... with an average hold time of just over seven days.
- And we've continued our success in recent months - closing out another 25 double-digit winners or better since the beginning of March. This includes winners of 107%... 165%... 121%... 244%... and 337% - all within the past four months.

A \$5,000 investment in our highly specialized research service could have been your "golden ticket" to more than \$18,619.38 - or more - in profits... every three weeks!

And one reader turned a \$10,000 investment into a \$450,000 financial windfall.

But here's the thing - "Got in at 0.90 and currently up 111%... not bad for a 2 day stretch." - JL even though a \$5,000 subscription fee would still be a bargain... I'm not charging \$5,000 per year for **Options Trading Pit**.

In fact... I'm not charging anything even close to that.

The normal price for one year of **Options Trading Pit** is \$999 - but if you sign up within the next seven days, I'll give you an even better deal.

I'll slash 20% off the regular price of **Options Trading Pit** and make it available to you - if you sign up now - for just \$799.

And I'll go one step further... because I know \$799 can be a big lump of money to take down - even considering the tens of thousands of dollars in profits you could be in line for.

So I've arranged for a special quarterly bill program - and if you choose that option, you'll be charged just \$250 every three months.

I can't make it any simpler for you to join me as **Real Estate's Second Tsunami** approaches.

"Great call on the TMA October 20 puts. Bought on 8/8 @ 3.10, sold them on 8/13 @ 7.50... I may have exited a little early but am very happy with a 142% return in less than a week." - CP

On top of all that - I insist that you're 100% satisfied with the research and recommendations you receive from my **Options Trading Pit**. So if for any reason

you're unhappy with the service, you can get a full refund at any time before the end of the first month of your membership.

After that, the refund is prorated.

But I'm not worried about any of that.

I know you'll be more than satisfied with the returns you'll be able to collect from my service right from your very first trade.

By taking this one simple step - and signing up for a RISK-FREE subscription to my ***Options Trading Pit*** - you'll be positioning yourself perfectly to profit from **Real Estate's Second Tsunami**.

Remember - my readers and I made an average of 70.67% per trade the last time around. And this next wave of the real estate crisis is guaranteed to be even bigger than the first.

Click on the link below to join today.

Subscribe Now!

Sincerely,

Ian Cooper
Editor, ***Options Trading Pit***

P.S. Remember... the next phase of the real estate crisis has already arrived. We're looking at the potential for 18-24 months worth of bad news related to foreclosures... unemployment rates... and bank failures. But in the face of adversity - my ***Options Trading Pit*** subscribers and I do our best work. [Join us today to make profits as high as 337%](#) from **Real Estate's Second Tsunami**.

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