

# “How To Quickly Grow A Small Trading Account of \$5,000 or Less...”



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## **How I Grew \$1,000 into \$51,178!**

Starting off with a small amount of money is always something that makes people feel like the deck is stacked against them. I know I felt that way. *Can you relate?*

Whether you only want to risk a small amount of money that is separate from your main investment/retirement account, or if all you have to trade with is \$5,000 or less.

Well I'm here to tell you that it is possible to transform that small stake into a fat sum of cash, and that I have made it happen...and am continuing to do so virtually every day the market is open!

As a result of being able to basically “print money” by being in the right stocks at the right time, I've been able to do things I could not do before...such as take my family for an extended vacation to Orlando/Disney, pay off our outstanding balance on our vehicles and enjoy the peace of mind that comes with having an extra “cushion” of money in the bank.

As you consume the tips contained in this report, know that you will be much closer to achieving your goals by the time you finish reading it!

Ready? Ok here we go...

### **3 Tactics To Grow A Small Trading Account With Microcap/Penny Stocks:**

Intro: I say it a lot and I'll say it right up front. Trading stocks *successfully*...especially microcap/penny stocks is all about recognizing specific "Tells".

What do I mean by that?

Well, "Tells" are what successful poker players use to put the odds in their favor at the poker table.

They know what to watch for...ie when a competing player nervously scratches their neck...gets sweaty palms...or when they see someone across the table crack a nervous smile.

Being able to recognize these proven "Tells" leads them to 6 and even 7 figure jackpots...but only if they a) notice and recognize them, and b) if they place a bet based on this information/observation(s).

*Transitioning back to stocks...*

Microcap/penny stocks that are about to make huge moves...sometimes over 100%, 500% or even more than that...can be identified by certain “Tells”.

And I’m going to expose 3 of these “Tells” right here in this report!

### Trading Tactic #1: “Turnaround Tells”

Find stocks under \$10 per share that are making new 52 week lows that are poised for a turnaround/bounce. This link does the hard work for you:

<http://www.microcapmillionaires.com/new-lows-list/>

(check every night before bed)

Then look for stocks in this category that have low levels of debt. (You can check corporate debt levels by going to <http://www.finance.yahoo.com> and typing in the stock symbol, then clicking on “key statistics”.)



This tactic is effective because microcap stocks under \$10 per share are far more likely to have strong

rebounds, although they may only be short term, if they are not burdened by high levels of debt.

**Good example of a clean balance sheet. ZERO debt and plenty of cash.**

Balance Sheet	
Total Cash (mrq):	22.50M
Total Cash Per Share (mrq):	0.38
Total Debt (mrq):	0.00
Total Debt/Equity (mrq):	N/A
Current Ratio (mrq):	1.35
Book Value Per Share (mrq):	1.03

The reason is that high indebtedness can lead to bankruptcy, while companies with low levels of debt have almost no risk of filing for bankruptcy. From my experience what will happen eventually is that value investors will step in at some point and begin buying the stock, which will put a bottom in and send the stock higher.

Savvy traders (like you are now!) can spot these scenarios and load up big on these stocks before big institutional buyers buy millions of shares and cause the stock to rise.

\*Note: When you find a stock under \$10 per share that is making new lows and has low or no debt...look for potential catalysts that may spark a rally...ie earnings announcements or unexpected press releases that may point to a turnaround in the company's fortunes.

2 Examples of Penny Stock “Turnaround Plays” That Led To Spectacular Gains: PIR 10,000% gains, TZOO 3,000% gains (from the bottom to the top)

Ready For The Next One? ☺

### **Trading Tactic #2: “Success By Association Tells”**

Look for microcap/penny stocks that partner with large multinational companies that trade on the larger exchanges.

There is no clear cut way to compile a list of these stocks in real time, unfortunately. You’ll need to stay abreast of much of the news releases that move microcap stocks every day the market is open.

I think an example of what this tactic is will help though, right?

“Success By Association Tell” Example: PXLW

[scroll down]

Thursday 6-Mar-2014

▲ **+87.50%**

Chg: **+4.200**

Last: **9.000**

Volume: **30,922,186**

**PXLW "Success By  
Association Tell"  
After Partnership W/Apple  
is Made Public!**

**87% gains in one  
day...not bad huh?**

**:-)**



source: stockcharts.com

# Pixelworks: Why Apple May Just Be the Start

March 7, 2014 by cgblaine22



Source: Courtesy Xiaomi Technology

One of the biggest winners among U.S. stocks on Thursday was Pixelworks Inc. (NASDAQ: PXLW), the maker of semiconductors, software and other hardware for high-end digital video applications.

Shares jumped nearly 88% in regular trading Thursday and continued to surge after hours after the company disclosed in its 2013 annual report that Apple Inc. (NASDAQ: AAPL) is responsible for more than 10% of Pixelworks' revenue.

source: 247wallst.com

Note: Penny stocks may jump higher after announcing partnerships with the following companies: Apple (as you can see in the example), Wal-Mart, Microsoft, Coca-Cola, Pepsi, Exxon Mobil....and many others! (household Names are key here)

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*Like The First 2 Trading “Tells”?*

Awesome! I hope you start cranking out some nice gains with them...and soon!

I’m sure you are ready to roll into the 3<sup>rd</sup> “Tell” ...

Right?

Ok... Let’s Go.

**Trading Tactic #3: “Short Squeeze Tells”**

Check <http://www.highshortinterest.com/> once a week or so and note the stocks on that site that have high short interest (basically means a lot of fat pocketed people are betting heavily against the stock).

If one of these stocks on your list has a strong, bullish day, seemingly “out of the blue”, you need to dig up some information as to why the stock moved.

If it is a substantial piece of news, not “fluff” (ie something that signals a positive turnaround for the company instead of a press release about when the next earnings announcement will be)...you may want to load up on that stock!

Let's get some context on this very powerful "Tell",  
Ok?...

Short squeezes have historically been the catalyst for some of the most mind boggling short term gains traders have ever laid eyes on.

Most traders miss out on most of the potential gains, simply due to the fact that they do not realize what is going on "behind the scenes".

When someone...or more commonly when some hedge fund or institution gets "caught short" ...they are forced to cover their position.

The schematics of the "Short Squeeze" are as follows:

- a) Individual/institution shorts a stock under \$10 per share as they feel it is likely a "worthless" stock that will plummet
- b) Some sort of catalyst(s) follows which is counter to the thesis of short sellers and validates the trajectory of the business/stock, excites those who are bullish and brings in an entire new crop of buyers
- c) Stock begins to go "parabolic" (almost straight up!) and as a result, those with short positions are forced to cover their positions (buy the shares that

they are short)...otherwise known as a margin call for short sellers

d) If the stock trades “thinly”, short sellers who have been forced to cover their positions may have to do so with “market” buy orders...which can lead to multi-day moves...that can **transform a couple hundred bucks into a few thousand...thousands into tens of thousands....etc, etc!**

Ready to see a case study of what “Short Squeeze Tells” can do for you?

I got ya “covered”... ; -)

[scroll down]

Open: **12.00** Ask: **4.72** P/E: **0.81**  
 High: **12.45** Ask Size: **15** EPS: **14.55**  
 Low: **11.47** Bid: **4.70** Last: **100 shrs**  
 Prev Close: **11.15** Bid Size: **8** VWAP: **N/A** SCTR:

Monday 2-Jul-2012  
 ▲ **+5.38%**  
 Chg: **+0.60**  
 Last: **11.75**  
 Volume: **716,694**



ROSG....

Huge! Tremendous short squeeze after substantial news about the company winning Medicare reimbursement for one of their main drugs.

If you would have known then--what you know *now*...

On the day that ROSG announced that news...how much Money would you have put into that stock??

Fill in your answer:

\$ \_\_, \_\_\_\_\_

Was that fun... or what! 😊

Even if you didn't catch the entirety of the move from \$3 to \$23, you still could have turned a paltry sum of cash...let's say \$1,000 into \$5,000...within just a few days.

I'm going to go ahead and assume you wouldn't mind seeing some gains like that...in your trading account...

REAL SOON?

Join Microcapmillionaires microcap/penny stock newsletter, and I will "spoon-feed" stock picks to you with these "Tells" (many more also).

\*See a special offer as to how to receive **1 free month** of my BUY and SELL alert newsletter here:

<http://www.microcapmillionaires.com/pennystockstrategypresentation/>

Thanks for reading!

Matt, Microcapmillionaires.com