

Alex Wong Smart Investor

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This is only one of the articles dated on 30 September 2010 for reference.

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Answering questions from readers

Q: Alex, need to take profit on IMM (1683) now? But even after the big shoot, it seems hold quite good.

A: Leo, the gains have been substantial, take the opportunity to take profit.

Q: Hello Alex, what do you think about Guangzhou Phar (874) now? Still worth holding? But its A-share is still performing very well...

A: Dan, recommend to hold. Stop loss at \$8.3 for short-term trading.

Q: Hi Alex, what's your view on China property stock for 2H2010? There seems to be further downside potential with the introduction of various gov't policies. I've purchased R&F Ppt (2777) @\$11.82. Is it better to cut loss or wait for any potential rebound?

A: SS, remain bullish about mainland developers. Rebound is expected in Q4. Recommend to hold R&F Ppt, but control the risk with bets, limit the exposure to no more than 5% of the portfolio.

Q: "Alex Wong Aggressive portfolio buys at \$0.13 10 contracts of ABC (1288) October \$3.9 call options." Please confirm if the above order should be 1 contract or really 10 contracts? According to HKEx webpage: http://www.hkex.com.hk/chi/prod/drprod/so/classlist_so_c.htm 1 lot of 1 ABC = 10,000 that means this order cost: $\$0.13 \times 10,000 \times 10 \text{ 張} = \13000 , which seems not a reasonable proportion for the aggressive portfolio.

Q: ABC call \$13000 = around 1%

Q: Thank you Ka Lun, just want to make sure jar. As the arrangement of the ABC option number of lot is not the same as the stock.

A: iehmfof, Ka Lun is right. To buy options with 1% of the portfolio, the bet is appropriate. Thanks for your opinion, Ka Lun.



Q: Hi Alex, Lee & Man Paper (2314) can we buy now? Thanks.

A: Jack, it has surged for two days on the capacity expansion news and it was laggard. I still believe gross profit will not remain at the higher level for paper makers. Not for long-term holding for now. For trading with limited bets, stop loss at \$6.4.

Q: How many shares are there for an ABC October 3.9 call? What's the target price?

Q: Alex, what is the exchange rate of ABC October 3.9 call? Thanks!

A: Bryan, a call option of ABC is equivalent to 10 board lots of the underlying shares, i.e. 10000 shares. The reason for buying ABC is to speculate on the change of FTSE Xinhua 25 Index. For details please refer to yesterday's "Traders Education: FTSE Xinhua 25 Index changes". The follow-up actions are based on the schedule of the switching. There are no target prices. Please pay attention to the trading instructions of Smart Investor.

Q: Alex which website can I find the price for platinum ETF(PHPT.LN)? Not possible to search from londonstock.com

A: Angela, please go to <http://www.google.co.uk/finance>, and enter PHPT.

(My clients hold IMM (1683) , ABC (1288), platinum ETF(PPLT))