



The Kobeissi Letter

2020 Annual Performance Report

January 1st, 2020 - December 31st, 2020

The Kobeissi Letter LLC – TheKobeissiLetter.com

Good Afternoon,

We are excited and pleased to present The Kobeissi Letter's fifth annual performance report. 2020 was a year described by a variety of words: unprecedented, chaotic, exhausting, surreal, volatile, hopeful, unified, and many more.

On Wednesday March 11th, the COVID-19 outbreak was officially declared a pandemic by The World Health Organization, and markets quickly tanked with the S&P 500 hitting its lowest level since November 2016, on March 23rd, at 2,192. We saw the Fed lower interest rates to zero and launch trillions of Dollars into their quantitative easing program in an effort to end what appeared to be a never-ending downward spiral in the financial markets. As the summer months approached, the S&P 500 began to quickly recover with the support of the Fed and the partial reopening of the global economy. This optimism was followed by a second wave of COVID-19 cases into the fall and winter of 2020, but emergence of multiple COVID-19 vaccines provided hope which allowed the S&P 500 to close the year at a new all-time high.

Despite this volatility, the S&P 500 managed to perform exceptionally well, erasing a 32.2% decline and ultimately marked a 16.3% gain for the year. Throughout this entire journey, we are honored that you all looked to our analysis and commentary for guidance, and we thank you for your support. **We are pleased to announce that the net return on our calls for calendar year 2020 was +44.8%, a total return that outperformed the S&P 500 by 175.7%, marking another record-breaking year for us here at The Kobeissi Letter.** Our six sections include S&P 500, WTI Crude, Natural Gas, Gold, Bonds, and Options. Net return by section included a 33.5% gain on S&P 500 trades, 71.1% gain on WTI Crude trades, 68.3% gain on Natural Gas trades, 50.0% gain on Gold trades, 1.6% gain on Bond trades, and 44.5% gain on Options trades.

In a year with record levels of volatility, rapidly swinging market sentiment, the emergence of historic Fed policy, a presidential election, and an ongoing pandemic, we found that technical analysis was and will continue to be the objective light that lit the path. At times when the market appeared to be disconnected from headlines and fundamentals, technical analysis provided clarity which allowed us to outperform the S&P 500 by 175.7%.

2020 also included the introduction of our private Twitter feed; we have enjoyed both the increased interaction with subscribers on the feed and the opportunity to provide more real-time content in such volatile times. Below you will find a detailed outline of every setup published in our newsletter and private feed throughout 2020, along with the process used to determine our net gain which utilized basic portfolio theory to mimic a portfolio that followed our calls exclusively and entirely.

In conclusion, we want to thank you for your continued support and interest in The Kobeissi Letter. We look forward to kicking off a great 2021 and to continue guiding subscribers through the waves of this market. Volatility continues to create opportunity; it is simply a matter of capturing that opportunity. Additionally, if you are interested in subscribing to The Kobeissi Letter and receiving our analysis, [information regarding our subscription plans may be found here](#). Thank you once again for your support and Happy New Year!

**Farewell and Trade Well,
The Kobeissi Letter Team**

Official Full Year 2020 Trade Breakdown**Equities (S&P 500):**

January 1st – February 25th: Long S&P 500: **3.17% Loss**
February 25th – February 28th: Short S&P 500: **5.56% Gain**
March 2nd – March 4th: Long S&P 500: **5.95% Gain**
March 9th – March 13th: Long S&P 500: **8.79% Loss**
March 16th – March 16th: Short S&P 500: **12.02% Gain**
March 16th – March 25th: Long S&P 500: **12.61% Gain**
March 25th – March 26th: Short S&P 500: **4.21% Loss**
March 30th – April 6th: Short S&P 500: **2.32% Loss**
April 13th – April 29th Short S&P 500: **4.39% Loss**
May 4th – May 24th: Short S&P 500: **4.41% Loss**
May 24th – May 27th: Long S&P 500: **3.21% Gain**
June 1st – June 3rd: Long S&P 500: **3.21% Gain**
June 3rd – June 5th: Short S&P 500: **0.74% Loss**
June 8th – June 11th: Short S&P 500: **2.40% Gain**
June 15th – June 16th: Short S&P 500: **2.59% Loss**
June 19th – July 8th: Long S&P 500: **1.38% Gain**
July 13th – July 13th: Long S&P 500: **1.51% Gain**
July 14th – July 14th: Long S&P 500: **1.50% Gain**
July 15th – July 16th: Short S&P 500: **0.93% Gain**
July 17th – July 21st: Long S&P 500: **1.55% Gain**
July 21st – July 23rd: Short S&P 500: **1.07% Gain**
July 27th – August 3rd: Long S&P 500: **3.27% Gain**
August 7th – August 25th: Long S&P 500: **3.29% Gain**
September 4th – September 21st: Long S&P 500: **2.04% Loss**
September 24th – September 25th: Long S&P 500: **2.35% Gain**
September 30th – October 2nd: Short S&P 500: **1.63% Gain**
October 2nd – October 8th: Short S&P 500: **1.72% Loss**
October 14th – October 26th: Long S&P 500: **1.14% Loss**
October 29th – November 2nd: Long S&P 500: **2.45% Gain**
November 4th – November 5th: Short S&P 500: **1.15% Loss**
November 9th – November 24th: Short S&P 500: **0.64% Loss**
November 24th – December 29th: Long S&P 500: **3.31% Gain**

Equities Net Return: 33.49% Gain**Crude Oil:**

January 6th – March 2nd: Long WTI Crude: **22.56% Loss**
March 9th – March 13th: Long WTI Crude: **6.75% Gain**
March 16th – March 18th: Short WTI Crude: **30.98% Gain**
March 23rd – April 2nd: Short WTI Crude: **8.84% Gain**
April 5th – April 9th: Short WTI Crude: **20.29% Gain**
April 13th – April 14th: Short WTI Crude: **13.04% Gain**
April 20th – April 20th: Short WTI Crude: **13.39% Gain**
April 27th – April 27th: Long WTI Crude: **6.21% Loss**
May 4th – May 4th: Short WTI Crude: **8.21% Gain**
May 11th – May 15th: Short WTI Crude: **7.53% Loss**
May 18th – May 18th: Long WTI Crude: **10.78% Gain**
May 24th – May 27th: Long WTI Crude: **2.45% Loss**
June 1st – June 3rd: Long WTI Crude: **6.11% Gain**
June 8th – June 11th: Long WTI Crude: **5.26% Loss**
June 15th – June 16th: Short WTI Crude: **4.71% Loss**
June 29th – July 1st: Short WTI Crude: **6.10% Loss**
July 6th – July 9th: Long WTI Crude: **1.86% Loss**
July 13th – July 20th: Short WTI Crude: **0.21% Gain**
August 12th – August 21st: Short WTI Crude: **2.81% Gain**
August 23rd – September 2nd: Short WTI Crude: **2.58% Gain**
September 4th – September 8th: Long WTI Crude: **3.65% Loss**
September 10th – September 16th: Long WTI Crude: **4.77% Gain**
September 18th – September 21st: Long WTI Crude: **3.67% Loss**
October 9th – October 15th: Short WTI Crude: **3.31% Gain**
October 15th – October 21st: Short WTI Crude: **3.82% Gain**
October 28th – October 29th: Short WTI Crude: **3.49% Loss**
November 6th – November 9th: Short WTI Crude: **3.73% Loss**
November 9th – November 11th: Short WTI Crude: **4.29% Loss**
November 13th – November 16th: Short WTI Crude: **3.11% Loss**
November 27th – December 1st: Long WTI Crude: **1.72% Loss**
December 2nd – December 4th: Short WTI Crude: **1.54% Loss**
December 11th – December 18th: Long WTI Crude: **5.37% Gain**

December 18th – December 21st: Short WTI Crude: 5.71% Gain

December 21st – December 31st: Long WTI Crude: 2.75% Gain

Crude Oil Net Return: 71.10% Gain

Natural Gas:

December 31st – February 24th: Long Natural Gas: 14.83% Loss

March 2nd – March 4th: Long Natural Gas: 8.32% Gain

March 9th – March 18th: Long Natural Gas: 11.76% Loss

March 23rd – April 6th: Long Natural Gas: 4.94% Gain

April 13th – April 15th: Short Natural Gas: 9.09% Gain

April 16th – April 16th: Long Natural Gas: 8.97% Gain

April 17th – April 20th: Short Natural Gas: 3.25% Loss

April 22nd – April 24th: Short Natural Gas: 9.79% Gain

April 27th – April 27th: Short Natural Gas: 5.26% Gain

May 4th – May 18th: Short Natural Gas: 21.05% Gain

May 18th – May 20th: Long Natural Gas: 10.77% Gain

May 24th – June 16th: Long Natural Gas: 10.34% Loss

June 17th – June 23rd: Long Natural Gas: 0.61% Gain

June 29th – June 29th: Long Natural Gas: 7.79% Gain

July 2nd – July 6th: Short Natural Gas: 6.47% Loss

July 13th – July 20th: Long Natural Gas: 5.71% Loss

July 27th – August 3rd: Long Natural Gas: 8.20% Gain

August 10th – August 12th: Short Natural Gas: 8.13% Gain

August 14th – August 18th: Short Natural Gas: 3.39% Loss

August 21st – September 1st: Short Natural Gas: 2.33% Gain

September 3rd – September 8th: Long Natural Gas: 3.11% Loss

September 14th – September 17th: Long Natural Gas: 7.55% Loss

September 29th – October 2nd: Long Natural Gas: 2.84% Loss

October 2nd – October 5th: Short Natural Gas: 5.69% Loss

October 8th – October 9th: Short Natural Gas: 3.78% Loss

October 12th – October 14th: Short Natural Gas: 10.51% Gain

October 26th – October 29th: Long Natural Gas: 3.51% Gain

November 2nd – November 3rd: Short Natural Gas: 8.13% Gain

November 4th – November 16th: Short Natural Gas: 7.60% Gain

November 16th – November 19th: Long Natural Gas: 4.85% Loss

November 20th – November 25th: Short Natural Gas: **5.36% Loss**

November 27th – November 30th: Long Natural Gas: **6.11% Gain**

November 30th – December 3rd: Short Natural Gas: **6.81% Loss**

December 11th – December 22nd: Long Natural Gas: **8.13% Gain**

December 28th – December 31st: Long Natural Gas: **10.13% Gain**

Natural Gas Net Return: 68.30% Gain

Gold:

January 1st – January 6th: Short Gold: **2.07% Loss**

January 6th – February 3rd: Long Gold: **1.71% Gain**

February 3rd – February 19th: Short Gold: **1.65% Loss**

March 2nd – March 26th: Long Gold: **2.71% Gain**

March 19th – March 19th: Long GDX: **15.56% Gain**

March 30th – April 6th: Short Gold: **3.68% Loss**

April 13th – April 14th: Long Gold: **2.51% Gain**

April 15th – April 16th: Short Gold: **1.25% Gain**

April 20th – May 18th: Long Gold: **3.66% Gain**

May 18th – May 27th: Short Gold: **3.75% Gain**

May 27th – May 28th: Long Gold: **1.88% Gain**

June 3rd – June 4th: Long Gold: **1.83% Gain**

June 8th – June 9th: Long Gold: **2.49% Gain**

June 15th – June 18th: Short Gold: **0.46% Gain**

June 22nd – June 24th: Short Gold: **2.22% Loss**

June 26th – July 1st: Short Gold: **1.98% Loss**

July 6th – July 8th: Long Gold: **2.13% Gain**

July 13th – July 21st: Long Gold: **1.42% Gain**

July 23rd – July 27th: Short Gold: **1.53% Loss**

July 31st – August 4th: Short Gold: **1.56% Loss**

August 7th – August 11th: Long Gold: **1.73% Loss**

August 12th – August 18th: Long Gold: **3.70% Gain**

August 19th – September 16th: Long Gold: **2.01% Gain**

September 18th – September 21st: Long Gold: **1.43% Loss**

September 24th – October 6th: Long Gold: **3.49% Gain**

October 9th – October 13th: Long Gold: **1.81% Loss**

October 15th – October 21st: Long Gold: **1.05% Gain**

October 21st – November 5th: Long Gold: 2.36% Gain
 November 6th – November 9th: Short Gold: 4.62% Gain
 November 13th – November 23rd: Long Gold: 2.65% Loss
 November 24th – December 17th: Long Gold: 5.56% Gain
 December 18th – December 31st: Long Gold: 0.80% Gain

Gold Net Return: 49.98% Gain

Forex/Treasuries and Bonds:

January 1st – February 24th: Long treasury yields/short bonds: 16.62% Loss
 February 24th – June 3rd: Short treasury yields/long bonds: 7.74% Gain
 June 8th – June 11th: Short treasury yields/long bonds: 3.77% Gain
 June 15th – June 22nd: Short treasury yields/long bonds: 0.00% Gain
 June 22nd – July 9th: Long treasury yields/short bonds: 3.02% Loss
 July 13th – August 3rd: Long treasury yields/short bonds: 2.81% Loss
 August 3rd – August 7th: Short treasury yields/long bonds: 0.59% Gain
 August 7th – August 11th: Long treasury yields/short bonds: 2.38% Gain
 August 12th – October 6th: Short treasury yields/long bonds: 3.63% Loss
 October 7th – October 14th: Short treasury yields/long bonds: 2.10% Gain
 October 19th – October 21st: Long treasury yields/short bonds: 1.67% Gain
 October 28th – November 9th: Long treasury yields/short bonds: 3.73% Gain
 November 9th – November 19th: Short treasury yields/long bonds: 2.93% Gain
 November 27th – December 4th: Long treasury yields/Short bonds: 3.13% Gain
 December 4th – December 31st Short treasury yields/long bonds: 1.94% Gain

This section also includes commentary on the U.S. Dollar, Japanese Yen, and the Euro.

FT&B Net Return: 1.61% Gain

Options:

The Kobeissi Letter provides weekly options setups for subscribers. Our average gain per options setup during 2020 was 44.51%.

Options Net Return: 44.51% Gain

S&P 500 Performance 2020: 16.26%

TKL TOTAL RETURN: 44.83%

Computation Methodology: Results were calculated using a standard breakdown by each section, assuming compounding gains, then averaged assuming equal weight. First, each section was separated, forming six subtotals, and the percentage gained or loss on each trade was multiplied in a chronological order as the trades were taken. This assumes reinvestment of all profits or losses as a standard portfolio would assume. From there, the net return per section is summed and divided by six, as commentary was provided on six separate sections and equal weighting is assumed, to ultimately derive a net return of 44.83% for CY2020. Assumes no leverage, in which case returns would be significantly higher.

Disclaimer: All information discussed in this publication adheres to our [General Terms and Conditions](#) and [Disclaimer](#). Past performance is not indicative of future results and all information discussed in this publication or any material published or posted by The Kobeissi Letter LLC is for educational purposes only. Not investment advice.