

Pacific Ethanol (PEIX) Blows It Out

Date: February 27, 2014

My first public note was on PEIX - you can [read it here](#). Following their blow-out earnings last night (which I fully expected as detailed in the model you can find in that note), the stock has shot up from sub-\$4 to over \$12, a multi-bagger in just 8 weeks. So today I received a question about what to do with the stock at these levels. My response is simple:

Throughout all my years of investing I've found that the big money was never made in the buying or the selling. The big money was made in the sitting.

- *Jesse Livermore*

Put a X% trailing stop loss and let it ride (where X is equal to your drawdown tolerance).