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EQDerivatives

Day Trading With Options

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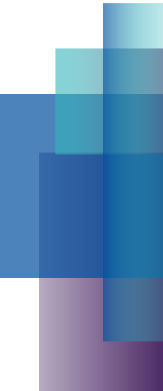
EQDerivatives

Day Trading With Options

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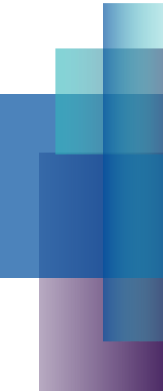
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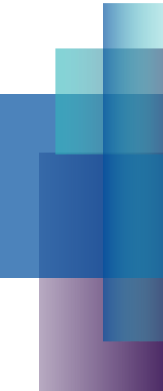
Overview

- **Option Market Liquidity**
- **Single Stock Options**
- **Index Options**
- **Contact / Q&A**



Option Market Liquidity

- **Option trading volume has increased tremendously over the past couple of years**
- **A good portion of this growth is from individual stock option trading**
- **Also, short dated options contribute to this growth as traders substitute options with little time value for delta one trades**



Option Market Liquidity

Top 50 Stocks By Option Volume 2021

AAPL		MSFT		UBER		RIOT		TWTR
TSLA		BABA		INTC		DIS		NFLX
AMC		BAC		CCL		NOK		CLOV
AMD		PFE		LCID		GM		VIAC
PLTR		SNAP		DKNG		SQ		C
NIO		BA		TLRY		XOM		WISH
F		GME		MU		MARA		PYPL
NVDA		AAL		WFC		SPCE		CLF
FB		T		GE		MRNA		FCX
AMZN		SNDL		BB		PLUG		X

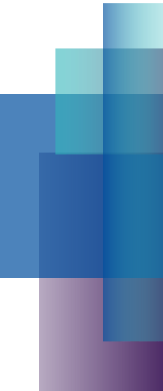
Short Dated Option Time Value

AAPL + AAPL Jan 14th 160 Call Daily Close

Date	Close	Contract	Ask	Time Value	Delta
1/7/2022	172.17	160 Call	12.40	0.23	0.85
1/10/2022	172.19	160 Call	12.55	0.36	0.95
1/11/2022	175.08	160 Call	15.30	0.22	0.98
1/12/2022	175.53	160 Call	15.90	0.37	0.93
1/13/2022	172.19	160 Call	13.00	0.81	0.87
1/14/2022	173.07	160 Call	13.07	0.00	1.00

Opening Trades On Expiration Day

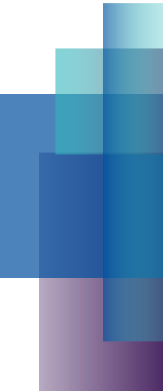
- **Each Friday in January between 150 and 200 options traded volume greater than open interest**
- **An interesting pattern appears when we compare the number of puts and number of calls showing this behavior**



Opening Trades On Expiration Day

Breakdown Of Trades By Option Type

	Calls	Puts	S&P 500	Nasdaq-100
1/7/2022	74	97	Down	Down
1/14/2022	107	49	Up	Up
1/21/2022	32	131	Down	Down
1/28/2022	148	15	Up	Up



Long Expiring Call

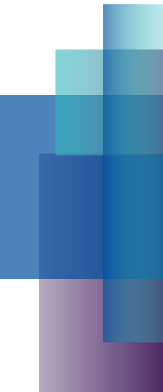
BAC – 1/7/2022

First Minute Of The Day

BAC @ 48.24

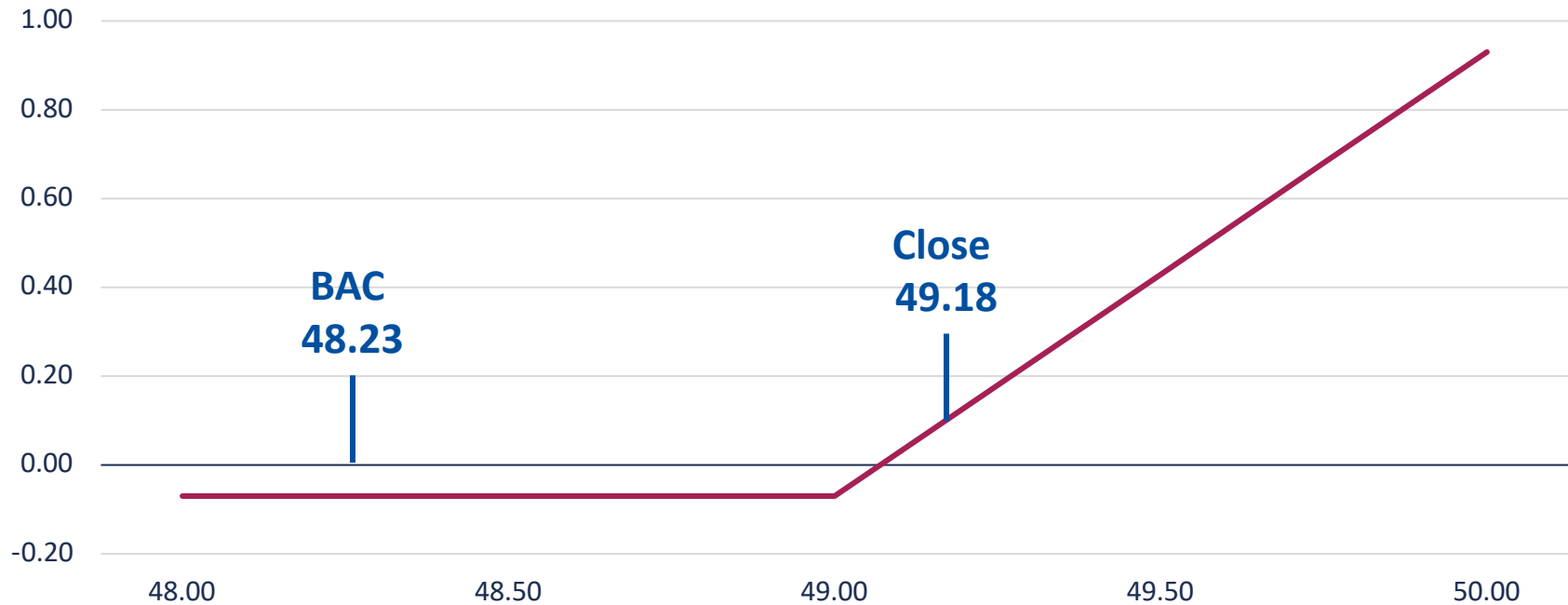
Sweep Buyer of BAC Jan 7th 49.00 Calls

0.06 to 0.08



Long Expiring Call

Long BAC Jan 7th 49.00 Call



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Long Expiring Call

MSFT – 1/7/2022

Mid-Day Stock At 312.64

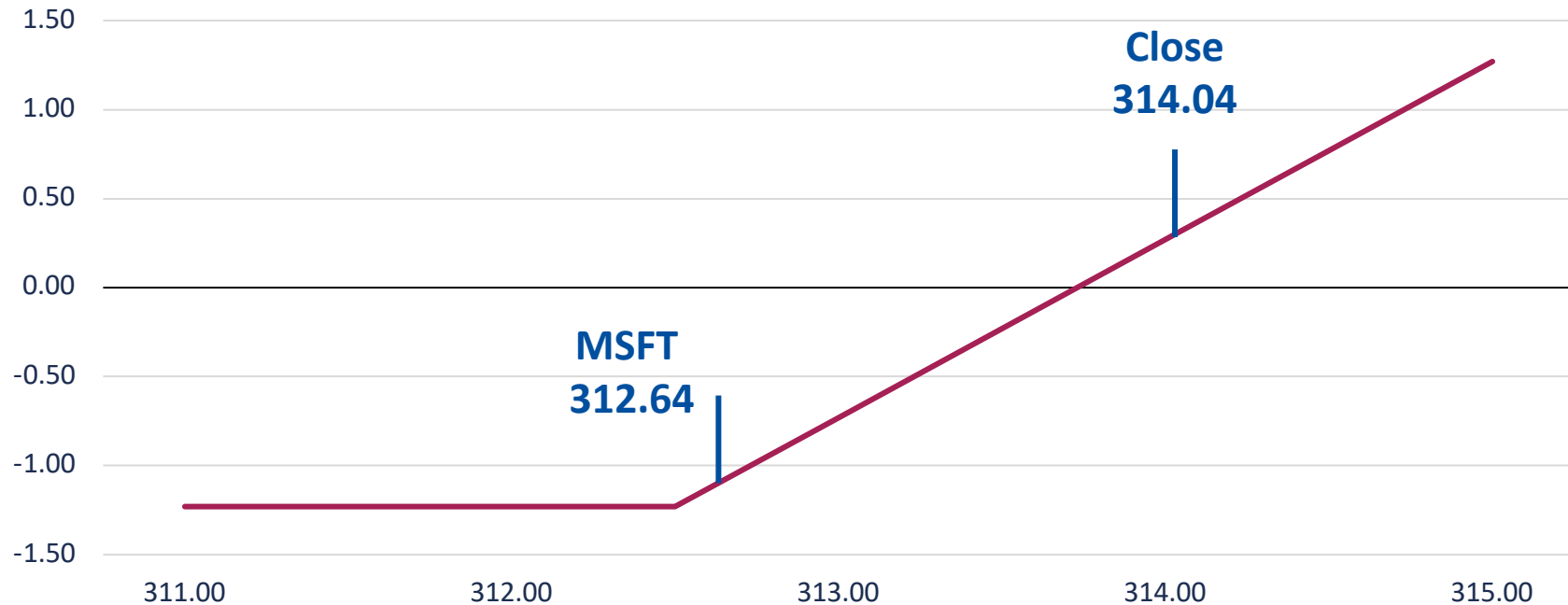
Opening Buyer

Jan 7th 312.50 Call @ 1.23



Long Expiring Call

Long MSFT Jan 7th 312.50 Call



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Long Expiring Put

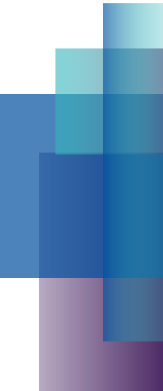
AAPL – 1/21/2022

Early In Trading Day

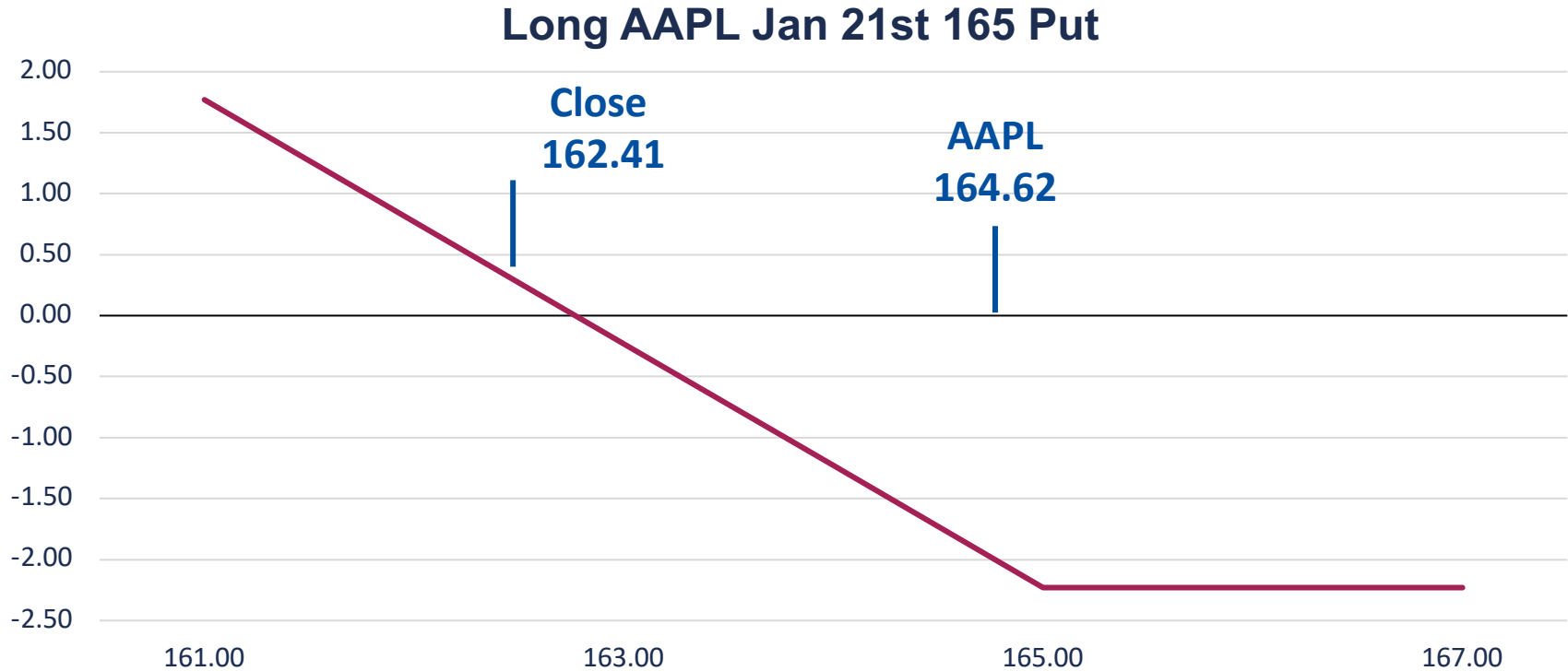
AAPL @ 164.62

Buyer Of AAPL Jan 21st 165.00 Put

2.23



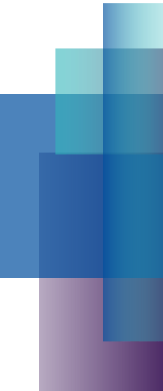
Long Expiring Call



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Index Options

- **SPX, RUT, NDX, and others have Monday / Wednesday / Friday expirations**
- **This creates multiple day of expiration trading opportunities**
- **Out of the money credit spreads seem to be popular depending on the direction of the market**



Index Options

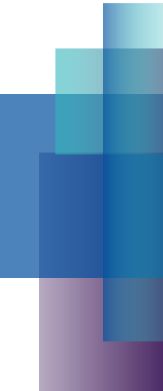
NDX – 1/31/2022 (Monday)

NDX @ 14798

Seller NDX Jan 31st 13525 Put @ 0.23

Buyer NDX Jan 31st 13520 Put @ 0.13

0.10 Credit / 4.90 Risk



Index Options

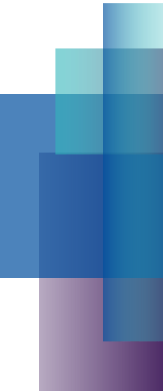
NDX – 1/26/2022 (Wednesday)

NDX @ 14240

Seller NDX Jan 26th 14650 Call @ 4.90

Buyer NDX Jan 26th 14700 Call @ 3.65

1.35 Credit / 48.65 Risk



Questions / Contact

Questions?

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