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Screening Large Option Trades for Trade Ideas

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Screen Large Option Trades For Trade Ideas

Large Option trades defined
Screener
Filters for Trade Ideas

Large Option Trades

Option Trades that were executed in the market and reported on the tape

A Large Trade establishes a fair value “Price Discovery”

Can be a basis for important insights and trade ideas

A large trade can be defined by the contract quantity or notional value of the trade

Requires details for further analysis

Option Trade Details

In order to gain insights and be able to screen for large trades, you would need surrounding details of the trade such as

Trade Condition (multi leg, sweep, contingent, regular etc..)

Timestamp to match option trade to stock action and other events

Exchange and execution (Floor Trade, Price Improvement Auction etc..)

Bid Ask Spread of the market

Open Interest

Option Analytics

Use option analytics to evaluate trade

Implied Volatility

Delta

Vega

Gamma

Screeener

Screeener will help narrow down potential candidates for further review

Use filters to set required conditions

Refine your search

Save filters

Filters

We will use filters to look for

Low implied volatility trades

High implied volatility trades

Earnings Play Trades

Stock Technical Play

Option Trades - Best Performers

Analyze Trade Post Screen

After you narrow down your search you can do further analysis from the option chain

Run an option profit calculator (assess risk/reward)

Run theoretical Value models

Check surrounding trades and markets