RiskDoctor and Probaility of Success Trading

present

Mending A BrokenWing for Advanced Traders

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Covered in this Presentation

- **Diamonetrics**; for expiry range forecasting

- **Risk Illustrator**; for Trade Tracking; Adjustment Analysis; Position Dissection; Butterfly Dissection; Spread Dissection and Hand Off [inventory management]

- Limited Risk / Theta Positive / Trades - BWB = Fly + Vertical; but the vertical can be placed at different strikes rather than conventional +1/-2/+0/+1

- **Consciousness of Ratioed Verticals**

- Trades 1/2 an example of this.

- **Managing Short Verticals** [maybe as part of a Condor] by using 'boosters' in front of Vertical

- Trade 3 an example of this.

- **Liquidating embedded positions**

- Trades 4/7 an example of this.

- **Rolling Risk using Verticals / Flys / Condors**

- Trades 6/8/9/10/11 etc an example of this.

- **Concept that trading is a business**; positions consist of inventory; inventory must be managed; using Diamonetrics / Butterfly Dissection / Spread Dissection

- **Concept of embedded butterflies used for identifying risk / opportunities**

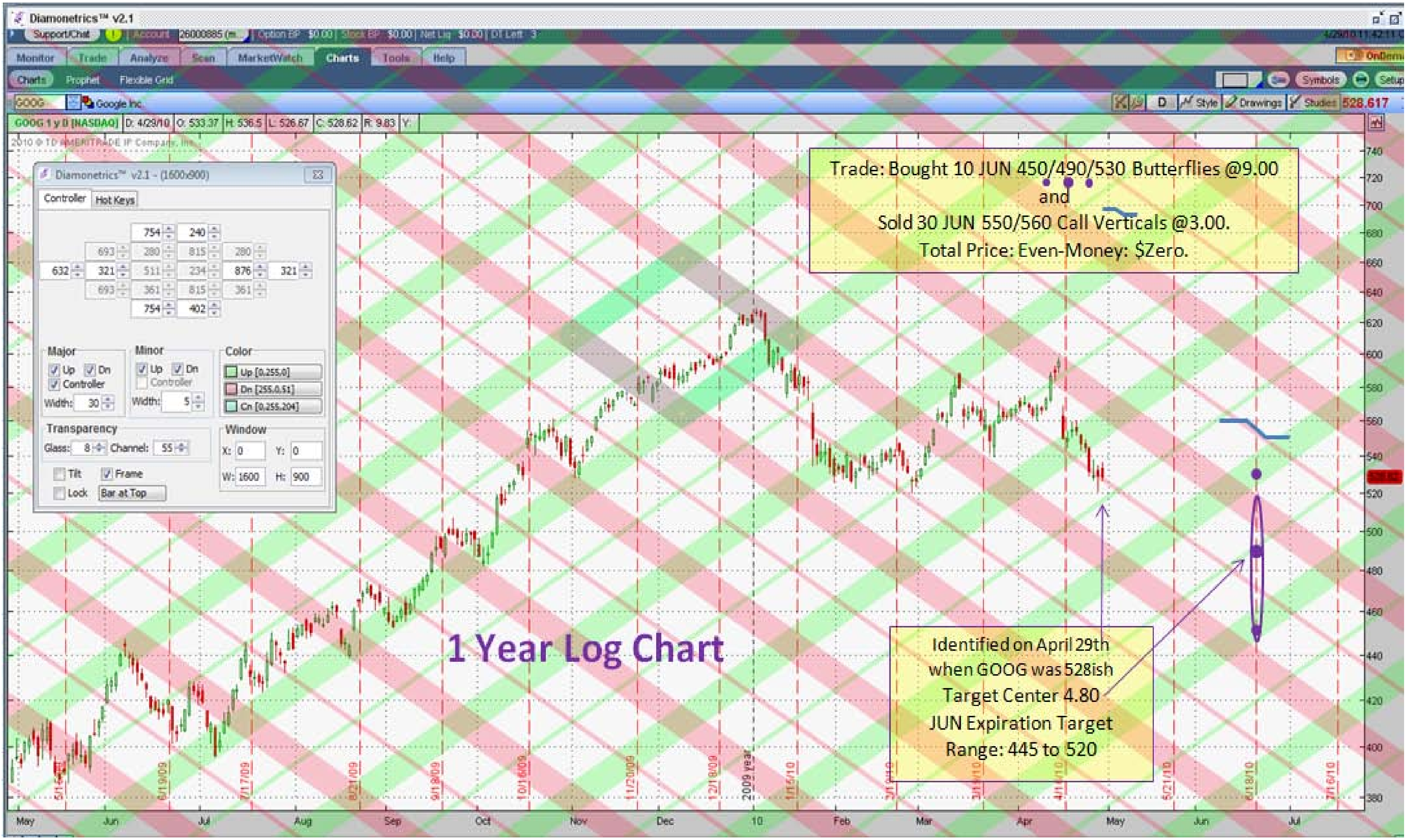
- Butterfly Dissection illustrates this and Butterfly Pricing Arc to illustrates how value of inventory changes with time / underlying price

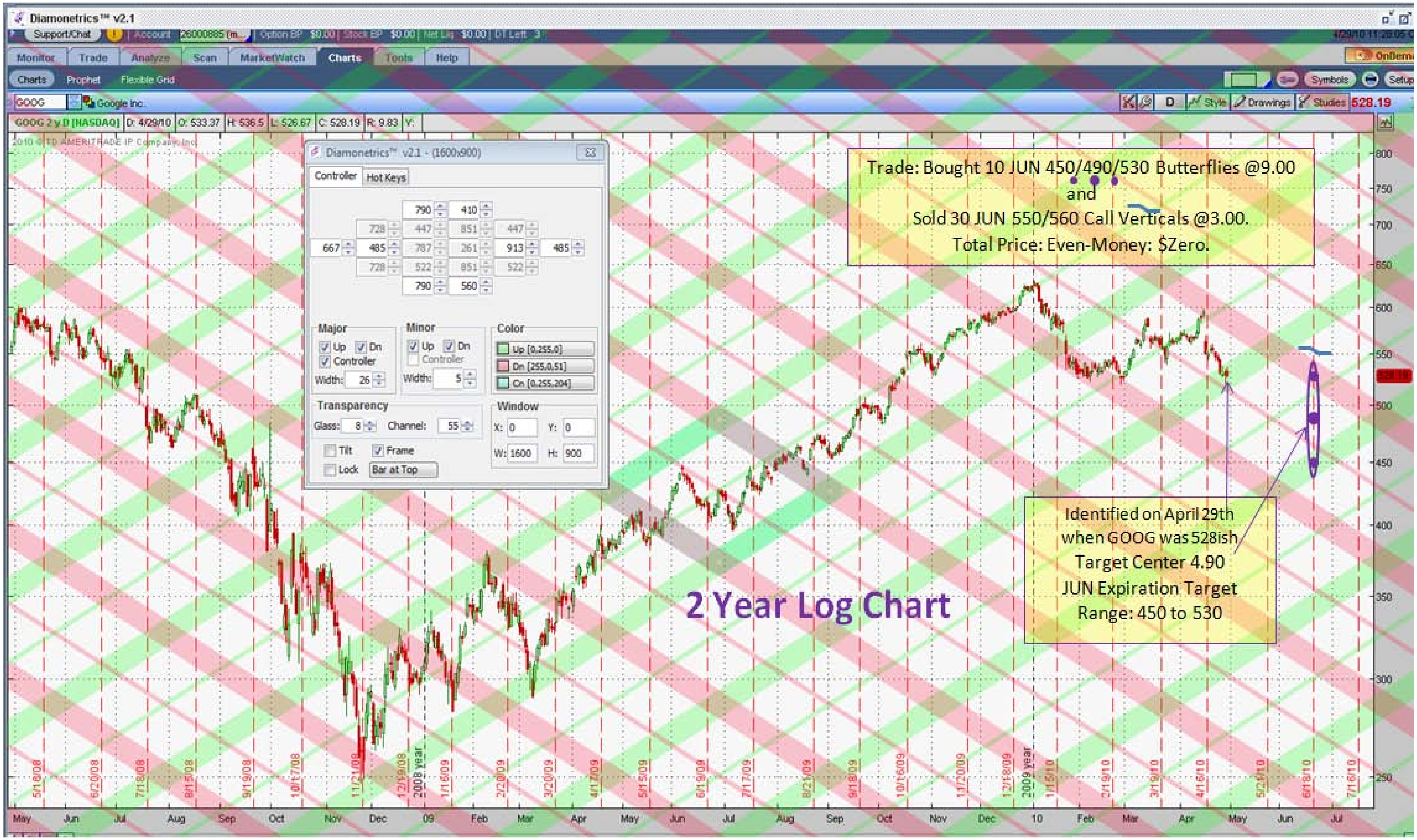
- **Concept of Spread Dissection to identify risk / opportunities / current prices of tradable inventory / order entry**

- Trades 4/6/7/8 an example of Spread Dissection.

- **Managing Expiry / Pin Risk**

- Trades 16-20 an example of this.


Diamonetrics™ v2.1
Monitor Trade Analyze Scan MarketWatch Charts Tools Help
GOOG 1 y D [NASDAQ] D: 4/29/10 O: 533.37 H: 536.5 L: 526.67 C: 528.62 R: 9.83
Trade: Bought 10 JUN 450/490/530 Butterflies @9.00
and
Sold 30 JUN 550/560 Call Verticals @3.00.
Total Price: Even-Money: $Zero.
1 Year Log Chart
Identified on April 29th
when GOOG was 528ish
Target Center 4.80
JUN Expiration Target
Range: 445 to 520
May Jun Jul Aug Sep Oct Nov Dec 10 Feb Mar Apr May Jun Jul


Trade: Bought 10 JUN 450/490/530 Butterflies @9.00
and
Sold 30 JUN 550/560 Call Verticals @3.00.
Total Price: Even-Money: $Zero.
Identified on April 29th
when GOOG was 528ish
Target Center 4.90
JUN Expiration Target
Range: 450 to 530
2 Year Log Chart


Trade: Bought 10 JUN 450/490/530 Butterflies @9.00
and
Sold 30 JUN 550/560 Call Verticals @3.00.
Total Price: Even-Money: $Zero.
5 Year Log Chart
Symmetrical
Identified on April 29th
when GOOG was 528ish
Target Center 4.60
JUN Expiration Target
Range: 370 to 560
JUN EXP


Trade: Bought 10 JUN 450/490/530 Butterflies @9.00
and
Sold 30 JUN 550/560 Call Verticals @3.00.
Total Price: Even-Money: $Zero.
5 Year Log Chart
Tilted
Identified on April 29th
when GOOG was 528ish
Target Center 4.88
JUN Expiration Target
Range: 425 to 550
JUN EXP

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Trade Tracker Page 1 of 2

Risk Illustrator

Risk Illustrator	2.01.1beta			VKR	11		11	VKR
Trade Tracker	Google	Expiry	18-Jun-10	8.00	ok	Mid - K	ok	

	Date	Nett Premium	$Commision #Contracts	$Commision per contract	Nett C / P	U Units K	450	460	470	480	490	500	510	520	530	540	550	560	U Price K	Ulying Price	ATM Vol%	DTE
Trade BFwd						Calls													Calls			
						Puts													Puts			
TRADE 1	29-Apr-10	($9,020.00)	($20.00)	($0.50)		Calls													Calls	528.51	26.00%	50
			40			Puts	10				(20)				10				Puts			
															528.51							
Post Trade 1	29-Apr-10	($9,020.00)	($20.00)	($0.50)		Calls													Calls	528.51	26.00%	50
			40			Puts	10				(20)				10				Puts			
															528.51							
TRADE 2	29-Apr-10	$8,970.00	($30.00)	($0.50)		Calls											(30)	30	Calls	528.51	26.00%	50
			60			Puts													Puts			
															528.51							
Post Trade 2	29-Apr-10	($50.00)	($50.00)	($0.50)		Calls											(30)	30	Calls	528.51	26.00%	50
			100			Puts	10				(20)				10				Puts			
															528.51							
TRADE 3	7-May-10	($3,660.00)	($10.00)	($0.50)		Calls							10	(10)					Calls	491.93	35.00%	42
			20			Puts													Puts			
											491.93											
Post Trade 3	7-May-10	($3,710.00)	($60.00)	($0.50)		Calls							10	(10)			(30)	30	Calls	491.93	35.00%	42
			120			Puts	10				(20)				10				Puts			
											491.93											
TRADE 4	7-May-10	$1,970.00	($30.00)	($0.50)		Calls													Calls	491.33	35.00%	42
			60			Puts	(10)		30	(20)									Puts			
											491.33											
Post Trade 4	7-May-10	($1,740.00)	($90.00)	($0.50)		Calls							10	(10)			(30)	30	Calls	491.33	35.00%	42
			180			Puts			30	(20)	(20)				10				Puts			
											491.33											
TRADE 5	14-May-10	$3,180.00	($20.00)	($0.50)		Calls													Calls	497.73	35.00%	35
			40			Puts	20	(20)											Puts			
												497.73										
Post Trade 5	14-May-10	$1,440.00	($110.00)	($0.50)		Calls							10	(10)			(30)	30	Calls	497.73	35.00%	35
			220			Puts	20	(20)	30	(20)	(20)				10				Puts			
												497.73										
TRADE 6	14-May-10	($3,110.00)	($10.00)	($0.50)		Calls								10	(10)				Calls	497.73	35.00%	35
			20			Puts													Puts			
												497.73										
Post Trade 6	14-May-10	($1,670.00)	($120.00)	($0.50)		Calls							10		(10)		(30)	30	Calls	497.73	35.00%	35
			240			Puts	20	(20)	30	(20)	(20)				10				Puts			
												497.73										
TRADE 7	18-May-10	$3,540.00	($60.00)	($0.50)		Calls									(30)	30	30	(30)	Calls	501.56	36.00%	31
			120			Puts													Puts			
												501.56										
Post Trade 7	18-May-10	$1,870.00	($180.00)	($0.50)		Calls							10		(40)	30			Calls	501.56	36.00%	31
			360			Puts	20	(20)	30	(20)	(20)				10				Puts			
												501.56										
TRADE 8	20-May-10	($3,930.00)	($30.00)	($0.50)		Calls									30	(30)			Calls	477.88	50.00%	29
			60			Puts													Puts			
										477.88												
Post Trade 8	20-May-10	($2,060.00)	($210.00)	($0.50)		Calls							10		(10)				Calls	477.88	50.00%	29
			420			Puts	20	(20)	30	(20)	(20)				10				Puts			
										477.88												
TRADE 9	25-May-10	($2,640.00)	($40.00)	($0.50)		Calls													Calls	464.84	50.00%	24
			80			Puts	20	(20)	(20)	20									Puts			
								464.84														
Post Trade 9	25-May-10	($4,700.00)	($250.00)	($0.50)		Calls							10		(10)				Calls	464.84	50.00%	24
			500			Puts	40	(40)	10		(20)				10				Puts			
								464.84														
TRADE 10	27-May-10	($7,640.00)	($40.00)	($0.50)		Calls													Calls	486.27	36.00%	22
			80			Puts	(40)	40											Puts			
											486.27											
Post Trade 10	27-May-10	($12,340.00)	($290.00)	($0.50)		Calls							10		(10)				Calls	486.27	36.00%	22
			580			Puts			10		(20)				10				Puts			

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Trade Tracker Page 2 of 2

	Date	Nett Premium	$Commision #Contracts	$Commision per contract	Nett C/P		U Units						500							U Price	Ulying Price	ATM Vol%	DTE
							K	450	460	470	480	490	500	510	520	530	540	550	560	K			
Trade BFwd	27-May-10	($12,340.00)	($290.00)	($0.50)		Act Calls								10		(10)				Calls	486.27	36.00%	22
			580			Act Puts				10		(20)				10				Puts			
TRADE 11	3-Jun-10	($2,710.00)	($10.00)	($0.50)		Calls														Calls	505	32.00%	15
			20			Puts				(10)		10								Puts			
														505									
Post Trade 11	3-Jun-10	($15,050.00)	($300.00)	($0.50)		Calls								10		(10)				Calls	505	32.00%	15
			600			Puts						(10)				10				Puts			
														505									
TRADE 12	4-Jun-10	$6,990.00	($10.00)	($0.50)		Calls														Calls	499.08	35.00%	14
			20			Puts					10		(10)							Puts			
													499.08										
Post Trade 12	4-Jun-10	($8,060.00)	($310.00)	($0.50)		Calls								10		(10)				Calls	499.08	35.00%	14
			620			Puts					10	(10)	(10)			10				Puts			
													499.08										
TRADE 13	9-Jun-10	($1,210.00)	($10.00)	($0.50)		Calls							10	(10)						Calls	473.73	35.00%	9
			20			Puts														Puts			
										473.73													
Post Trade 13	9-Jun-10	($9,270.00)	($320.00)	($0.50)		Calls							10			(10)				Calls	473.73	35.00%	9
			640			Puts					10	(10)	(10)			10				Puts			
										473.73													
TRADE 14	10-Jun-10	$3,190.00	($10.00)	($0.50)		Calls						(10)	10							Calls	485	35.00%	8
			20			Puts														Puts			
												485											
Post Trade 14	10-Jun-10	($6,080.00)	($330.00)	($0.50)		Calls						(10)	20			(10)				Calls	485	35.00%	8
			660			Puts					10	(10)	(10)			10				Puts			
												485											
TRADE 15	16-Jun-10	($860.00)	($10.00)	($0.50)		Calls														Calls	502.8	34.00%	2
			20			Puts					(10)	10								Puts			
													502.8										
Post Trade 15	16-Jun-10	($6,940.00)	($340.00)	($0.50)		Calls						(10)	20			(10)				Calls	502.8	34.00%	2
			680			Puts							(10)			10				Puts			
													502.8										
TRADE 16	17-Jun-10	$3,190.00	($10.00)	($0.50)		Calls														Calls	498.82	32.00%	1
			20			Puts						10	(10)							Puts			
													498.82										
Post Trade 16	17-Jun-10	($3,750.00)	($350.00)	($0.50)		Calls						(10)	20			(10)				Calls			
			700			Puts						10	(20)			10				Puts			
													498.82										
TRADE 17	18-Jun-10	($210.00)	($10.00)	($0.50)		Calls														Calls			
			20		20	Puts							20							Puts			
													500										
Post Trade 17	18-Jun-10	($3,960.00)	($360.00)	($0.50)		Calls						(10)	20			(10)				Calls	500	30.00%	0
			720		20	Puts						10				10				Puts			
													500										
TRADE 18	18-Jun-10	$1,019,985.00	($15.00)	($0.38)	(10)	Calls						10								Calls	500	30.00%	0
			40		10	Puts										(10)				Puts			
													500										
Post Trade 18	18-Jun-10	$1,016,025.00	($375.00)	($0.49)	(10)	Calls							20			(10)				Calls			
			760		30	Puts						10								Puts			
													500										
TRADE 19	18-Jun-10	($1,000,007.50)	($7.50)	($0.19)		Calls							(20)							Calls	500	30.00%	0
			40		(20)	Puts														Puts			
													500										
Post Trade 19	18-Jun-10	$16,017.50	($382.50)	($0.48)	(10)	Calls										(10)				Calls	500	30.00%	0
			800		10	Puts						10								Puts			
													500										
TRADE 20	18-Jun-10				10	Calls										10				Calls	500	30.00%	0
			20		(10)	Puts						(10)								Puts			
													500										
Post Trade 20	18-Jun-10	$16,017.50	($382.50)	($0.47)		Calls														Calls	500	30.00%	0
			820			Puts														Puts			
													500										
		Premium	Commission / contract				K	400	410	470	480	490	500	510	520	530	540	550	600	K	Liq Value	Profit / Loss	
Total Actual Position		$16,017.50	($382.50)	($0.47)		Act Calls														Act Calls		$16,017.50	
			820			Act Puts														Act Puts			

Assignment is buying back the Short Option for Zero and Trading the Stock at the Strike Price.

Exercise is like selling the Long Option for Zero and Trading the Stock at the Strike Price.

Note Exercise and Assignments in Transactions 18 & 19. Trade 20 is just the worthless options going away.

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Underlying	Google	Expiry	18-Jun-10
Spot Price	528.51	TrckBck Date	29-Apr-10
Volatility %	26.00%	Actual DTE	50
CoC %	0.25%	Aged DTE	50
Skew/Kurt	Smile	Pt Mplr	100
Includes Adjustment		Y	
PivotKused	530	PivotK 2	530

After Option Chain **Trade 1**

Google 29-Apr

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	128.81	118.93	109.11	99.36	89.68	80.09	70.65	61.42	52.53	44.12	36.35	29.37	23.29	18.17	14.00	10.71	8.19	6.29	4.89	3.85	3.07	Calls
Puts	0.16	0.28	0.46	0.70	1.02	1.43	1.98	2.75	3.86	5.44	7.67	10.68	14.60	19.48	25.31	32.01	39.48	47.59	56.18	65.14	74.35	Puts
IV %				30.4%	29.6%	28.6%	27.5%	26.5%	25.7%	25.0%	24.5%	24.2%	24.1%	24.1%	24.3%	24.6%	25.0%	25.6%	26.2%	27.0%	27.8%	IV %
Call Vcal	9.92	9.88	9.82	9.76	9.68	9.58	9.44	9.23	8.89	8.41	7.77	6.98	6.08	5.12	4.17	3.29	2.52	1.89	1.40	1.04	0.78	Call Vcal
Put Vcal	0.08	0.12	0.18	0.24	0.32	0.41	0.55	0.77	1.10	1.58	2.23	3.02	3.92	4.88	5.83	6.71	7.47	8.10	8.59	8.96	9.22	Put Vcal
Butterfly	0.04	0.06	0.06	0.08	0.10	0.14	0.22	0.33	0.48	0.64	0.79	0.90	0.96	0.95	0.88	0.77	0.63	0.49	0.36	0.26	0.18	Butterfly
U Price														528.51								U Price
PivotK 2														x								PivotK 2

	Premium$	Liq Val $	Net Q		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Adjusted Position (Net)																											
Profit / Loss $1,009	($9,020)	$10,029		Net Calls	C																						Net Calls
				Net Puts	P						10				(20)				10								Net Puts

	Liq Val $	Net Q		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	
Lock Basket [BD]			Blck Calls	C																						Blck Calls
			Blck Puts	P																						Blck Puts

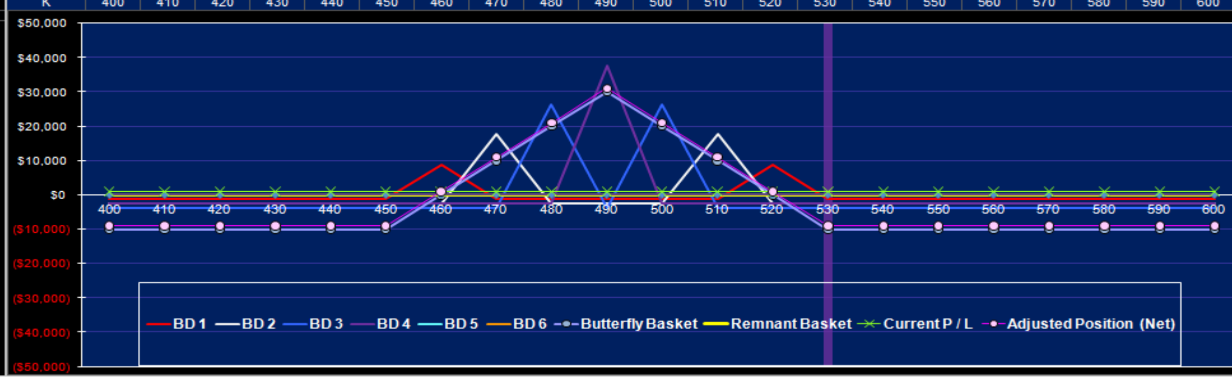
	Liq Val $	Net Bfly	Liq Val $			400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Butterfly Basket																											
Butterfly Dissection 1	$1,175	20	$1,175	C/P	BD1							10						10									BD Calls / BD Puts
Butterfly Dissection 2	$2,472	40	$2,472	C/P	BD2								20				20										BD Calls / BD Puts
Butterfly Dissection 3	$3,815	60	$3,815	C/P	BD3									30		30											BD Calls / BD Puts
Butterfly Dissection 4	$2,567	40	$2,567	C/P	BD4										40												BD Calls / BD Puts
Butterfly Dissection 5				C/P	BD5																						BD Calls / BD Puts
Butterfly Dissection 6				C/P	BD6																						BD Calls / BD Puts
BD Total	$10,029	160			Total							10	20	30	40	30	20	10									Total

	Liq Val $	Net Q		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	
Remnant Basket			Rem Calls	C																						Rem Calls
			Rem Puts	P																						Rem Puts

Risk Summary	Profit / Loss	$1,009	Google DTE	29-Apr 50
Underlying	Google	Expiry	18-Jun-10	Graph Controls
Spot Price	528.51	TrckBck Date	29-Apr-10	MaxScale 50000
Volatility %	26.00%	Actual DTE	50	MinScale (50000)
CoC %	0.25%	Aged DTE	50	MajorUnit 10000
				Show BD1-6 Yes
Skew/Kurt	Smile	Premium$	Liq Val $	Net Q
Remnant Basket		N/A		RemC / RemP
Butterfly Basket		N/A	$10,029	160 Bfly
Lock Basket		N/A		Blck C / Blck P
Adjusted Position (Net)		($9,020)	$10,029	NetC / NetP

Greeks		Remnant	Bfly		Lock (BD)	Adjusted
Delta	$	0.00	(210.43)	$	0.00	(210.43)
Gamma	$	0.00	(0.47)	$	0.00	(0.47)
Vega	$	0.00	(26.37)	$	0.00	(26.37)
Theta	$	0.00	7.27	$	0.00	7.27
Rho	$	0.00	(166.07)	$	0.00	(166.07)

U Price 528.51



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Underlying	Google	Expiry	18-Jun-10
Spot Price	528.51	TrckBck Date	29-Apr-10
Volatility %	26.00%	Actual DTE	50
CoC %	0.25%	Aged DTE	50
Skew/Kurt	Smile	Pt Mplr	100
Includes Adjustment		Y	
PivotKused	530	PivotK 2	

After Option Chain **Trade 2**

Google 29-Apr
PivotK 2 = PivotK 1

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	128.81	118.93	109.11	99.36	89.68	80.09	70.65	61.42	52.53	44.12	36.35	29.37	23.29	18.17	14.00	10.71	8.19	6.29	4.89	3.85	3.07	Calls
Puts	0.16	0.28	0.46	0.70	1.02	1.43	1.98	2.75	3.86	5.44	7.67	10.68	14.60	19.48	25.31	32.01	39.48	47.59	56.18	65.14	74.35	Puts
IV %				30.4%	29.6%	28.6%	27.5%	26.5%	25.7%	25.0%	24.5%	24.2%	24.1%	24.1%	24.3%	24.6%	25.0%	25.6%	26.2%	27.0%	27.8%	IV %
Call Vcal	9.92	9.88	9.82	9.76	9.68	9.58	9.44	9.23	8.89	8.41	7.77	6.98	6.08	5.12	4.17	3.29	2.52	1.89	1.40	1.04	0.78	Call Vcal
Put Vcal	0.08	0.12	0.18	0.24	0.32	0.41	0.55	0.77	1.10	1.58	2.23	3.02	3.92	4.88	5.83	6.71	7.47	8.10	8.59	8.96	9.22	Put Vcal
Butterfly	0.04	0.06	0.06	0.08	0.10	0.14	0.22	0.33	0.48	0.64	0.79	0.90	0.96	0.95	0.88	0.77	0.63	0.49	0.36	0.26	0.18	Butterfly
U Price														528.51								U Price
PivotK 2														x								PivotK 2

Adjusted Position (Net)		Premium$	Liq Val $	Net Q	
Profit / Loss	$2,407	($50)	$2,457		Net Calls (C)
					Net Puts (P)

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
C																(30)	30					Net Calls
P						10				(20)				10								Net Puts

Lock Basket [BD]	Liq Val $	Net Q	
			Blck Calls (C)
			Blck Puts (P)

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	
C																						Blck Calls
P																						Blck Puts

Butterfly Basket	Liq Val $	Net Bfly	Liq Val $	
Butterfly Dissection 1	$1,175	20	$1,175	BD1
Butterfly Dissection 2	$2,472	40	$2,472	BD2
Butterfly Dissection 3	$3,815	60	$3,815	BD3
Butterfly Dissection 4	$2,567	40	$2,567	BD4
Butterfly Dissection 5				BD5
Butterfly Dissection 6				BD6
BD Total	$10,029	160		Total

		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
BD1	C																							BD Calls
BD1	P								10						10									BD Puts
BD2	C																							BD Calls
BD2	P									20				20										BD Puts
BD3	C																							BD Calls
BD3	P										30		30											BD Puts
BD4	C																							BD Calls
BD4	P											40												BD Puts
BD5	C																							BD Calls
BD5	P																							BD Puts
BD6	C																							BD Calls
BD6	P																							BD Puts
Total									10	20	30	40	30	20	10									Total

Remnant Basket	Liq Val $	Net Q	
	($7,573)		Rem Calls (C)
			Rem Puts (P)

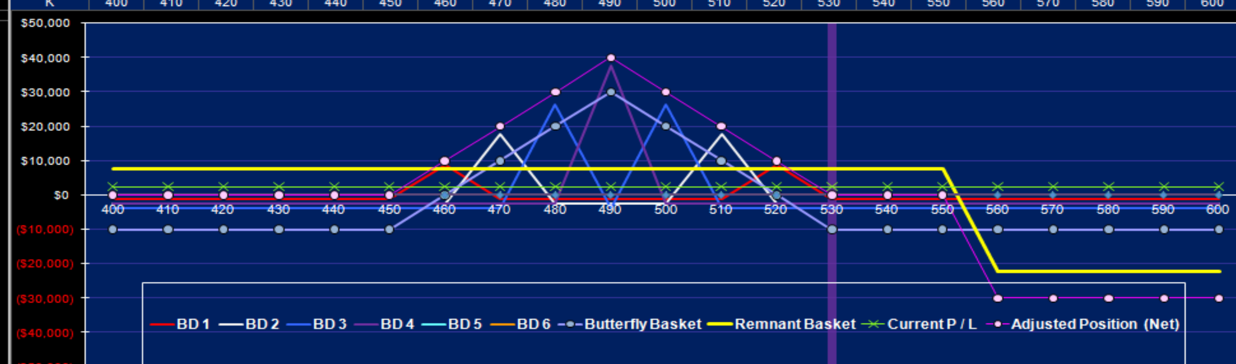
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	
C																(30)	30					Rem Calls
P																						Rem Puts

Risk Summary

Risk Summary	Profit / Loss	$2,407		Google	29-Apr
				DTE	50
Underlying	Google	Expiry	18-Jun-10	Graph Controls	
Spot Price	528.51	TrckBck Date	29-Apr-10	MaxScale	50000
Volatility %	26.00%	Actual DTE	50	MinScale	(50000)
CoC %	0.25%	Aged DTE	50	MajorUnit	10000
				Show BD1-6	Yes
Skew/Kurt	Smile	Premium$	Liq Val $	Net Q	
+ Remnant Basket		N / A	($7,573)		RemC / RemP
+ Butterfly Basket		N / A	$10,029	160	Bfly
+ Lock Basket		N / A			Blck C / Blck P
= Adjusted Position (Net)		($50)	$2,457		NetC / NetP

Greeks		Remnant	Bfly		Lock (BD)	Adjusted
Delta	$	(220.74)	(210.43)	$	0.00	(431.17)
Gamma	$	(3.73)	(0.47)	$	0.00	(4.20)
Vega	$	(195.93)	(26.37)	$	0.00	(222.29)
Theta	$	52.36	7.27	$	0.00	59.63
Rho	$	(149.43)	(166.07)	$	0.00	(315.50)

U Price														528.51								U Price
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K

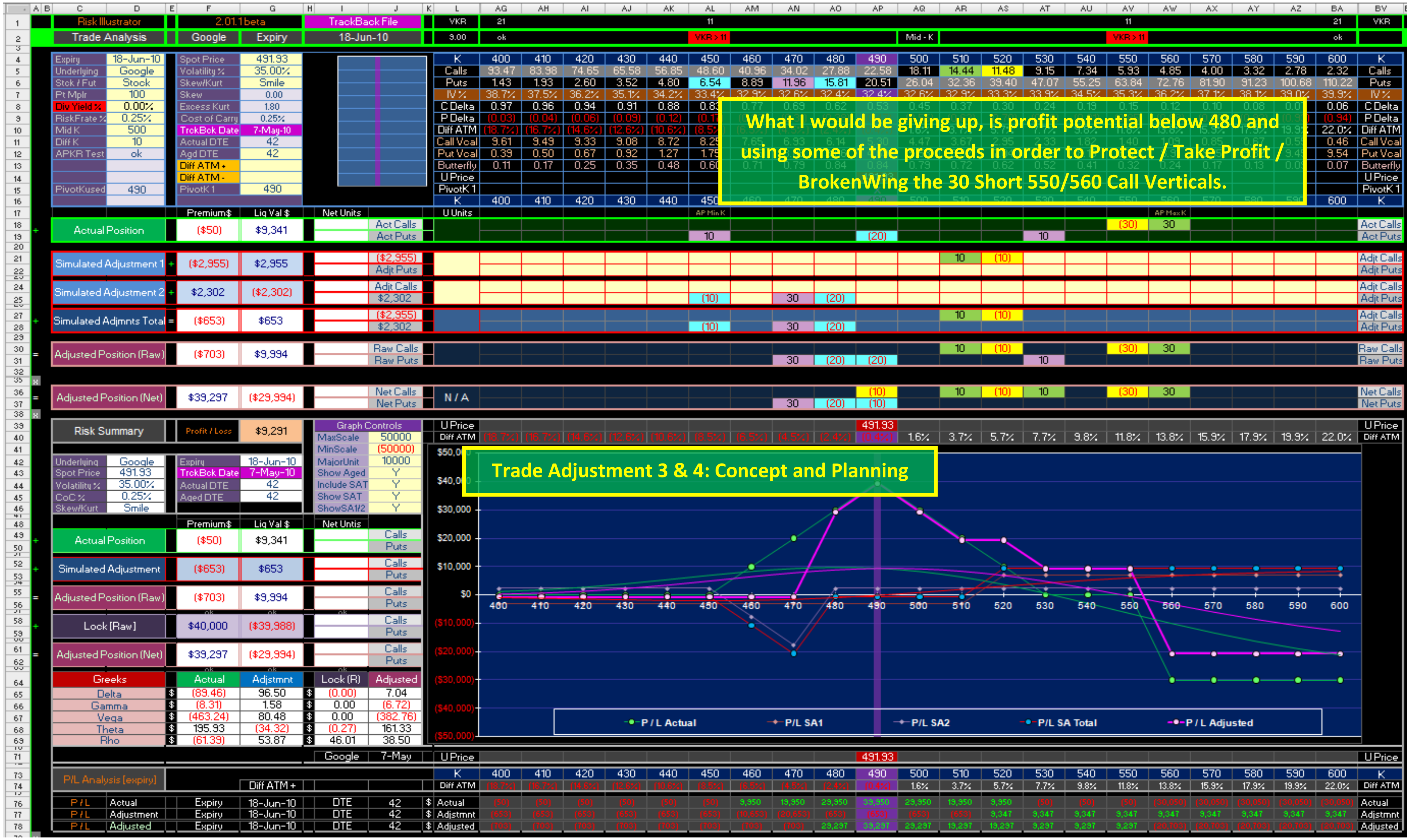



Early in the Flash Crash Day
Monitoring a potential adjustment with a 1-Minute Diamonetric Grid
Looking to buy back short Deltas


Diamonetrics™ v2.1
GOOG Google Inc.
GOOG 1 y D [NASDAQ] D: 5/7/10 O: 499.97 H: 505.32 L: 481.33 C: 493.14 R: 23.99
Diamonetrics™ v2.1 - (1600x900)
Controller
Hot Keys
Major
Minor
Color
Transparency
Window
1-Year Symmetrical Diamonetric Grid:
The last bar is May 7th when Trades 3 & 4 were made while GOOG was 491.93
Buying Back Short Deltas


Diamonetrics™ v2.1
GOOG 2 y D [NASDAQ] D: 5/7/10 O: 499.97 H: 505.32 L: 481.33 C: 493.14 R: 23.99
Google Inc.
2-Year Tilted Diamonetric Grid:
The last bar is May 7th when Trades 3 & 4 were made while GOOG was 491.93
Buying Back Short Deltas

Mending A BrokenWing for Advanced Traders



Risk Illustrator		2.01.1beta		TrackBack File	
Basket Dissection		Google	Expiry	18-Jun-10	
Underlying	Google	Expiry	18-Jun-10		
Spot Price	491.33	TrckBck Date	7-May-10		
Volatility %	35.00%	Actual DTE	42		
CoC %	0.25%	Aged DTE	42		
Skew/Kurt	Smile	Pt Mplr	100		
Includes Adjustment		Y		Google	7-May
PivotKused	490	PivotK 2		PivotK 2 = PivotK 1	

After
Option Chain
Trade 4

VKR	21					11										11					21	VKR
8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	92.89	83.41	74.09	65.03	56.33	48.11	40.50	33.61	27.51	22.26	17.84	14.22	11.30	9.01	7.22	5.84	4.78	3.94	3.28	2.74	2.29	Calls
Puts	1.45	1.96	2.64	3.58	4.87	6.65	9.04	12.14	16.05	20.79	26.37	32.74	39.82	47.53	55.74	64.35	73.28	82.45	91.78	101.24	110.79	Puts
IV %	38.7%	37.4%	36.2%	35.1%	34.1%	33.4%	32.9%	32.6%	32.4%	32.4%	32.6%	32.9%	33.3%	33.9%	34.6%	35.4%	36.3%	37.2%	38.2%	39.1%	39.9%	IV %
Call Vcal	9.60	9.49	9.32	9.06	8.70	8.22	7.61	6.89	6.09	5.25	4.42	3.63	2.91	2.30	1.79	1.38	1.07	0.83	0.66	0.54	0.45	Call Vcal
Put Vcal	0.39	0.51	0.68	0.93	1.29	1.78	2.39	3.11	3.90	4.74	5.58	6.37	7.08	7.70	8.21	8.62	8.93	9.16	9.33	9.46	9.55	Put Vcal
Butterfly	0.12	0.17	0.25	0.36	0.48	0.61	0.72	0.80	0.84	0.84	0.79	0.71	0.62	0.51	0.41	0.31	0.23	0.17	0.12	0.09	0.07	Butterfly
U Price										491.3												U Price
PivotK 2										x												PivotK 2

Basket		Premium$	Liq Val $	Net Q			K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
+ Adjusted Position (Net)	Profit / Loss $8,249	$38,260	($30,000)		Net Calls	C											(10)		10	(10)	10		(30)	30					Net Calls
					Net Puts	P									30	(20)	(10)												Net Puts
- Lock Basket [BD]			($39,988)		Blck Calls	C											(10)	(20)	30										Blck Calls
					Blck Puts	P											10	20	(30)										Blck Puts

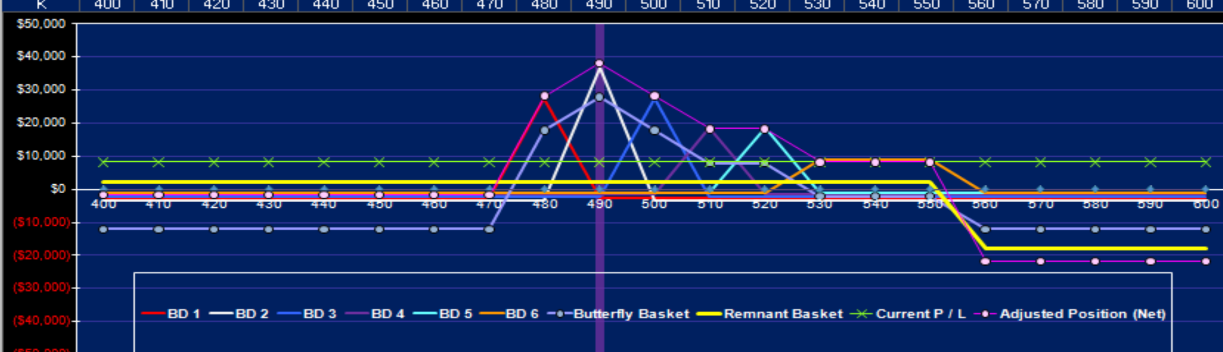
Butterfly Basket		Liq Val $	Net Bfly	Liq Val $		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Butterfly Dissection 1		$2,518	30	$2,518	C/P	BD1									30													BD Calls / BD Puts
Butterfly Dissection 2		$3,342	40	$3,342	C/P	BD2										40												BD Calls / BD Puts
Butterfly Dissection 3		$2,373	30	$2,373	C/P	BD3											30											BD Calls / BD Puts
Butterfly Dissection 4		$1,428	20	$1,428	C/P	BD4												20										BD Calls / BD Puts
Butterfly Dissection 5		$1,233	20	$1,233	C/P	BD5													20									BD Calls / BD Puts
Butterfly Dissection 6		$1,229	30	$1,229	C/P	BD6														10	10	10						BD Calls / BD Puts
BD Total		$12,123	170			Total									30	40	30	20	20	10	10	10						Total

= Remnant Basket		Liq Val $	Net Q			K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
		($2,134)		Rem Calls	C																(20)	20						Rem Calls
				Rem Puts	P																							Rem Puts

Risk Summary	Profit / Loss	$8,249	Google	7-May
			DTE	42
Underlying: Google	Expiry	18-Jun-10	Graph Controls	
Spot Price: 491.33	TrckBck Date	7-May-10	MaxScale	50000
Volatility %: 35.00%	Actual DTE	42	MinScale	(50000)
CoC %: 0.25%	Aged DTE	42	MajorUnit	10000
			Show BD1-6	Yes
Skew/Kurt: Smile	Premium$	Liq Val $	Net Q	
+ Remnant Basket	N / A	($2,134)		RemC / RemP
+ Butterfly Basket	N / A	$12,123	170	Bfly
+ Lock Basket	N / A	($39,988)		Blck C / Blck P
= Adjusted Position (Net)	$38,260	($30,000)		NetC / NetP

Greeks		Remnant	Bfly		Lock (BD)	Adjusted
Delta	$	(60.96)	72.02	$	0.00	11.06
Gamma	$	(1.78)	(4.90)	$	(0.00)	(6.68)
Vega	$	(97.57)	(282.26)	$	(0.00)	(379.83)
Theta	$	41.19	119.15	$	(0.27)	160.07
Rho	$	(32.01)	26.77	$	46.01	40.77

U Price										491.3												U Price
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K

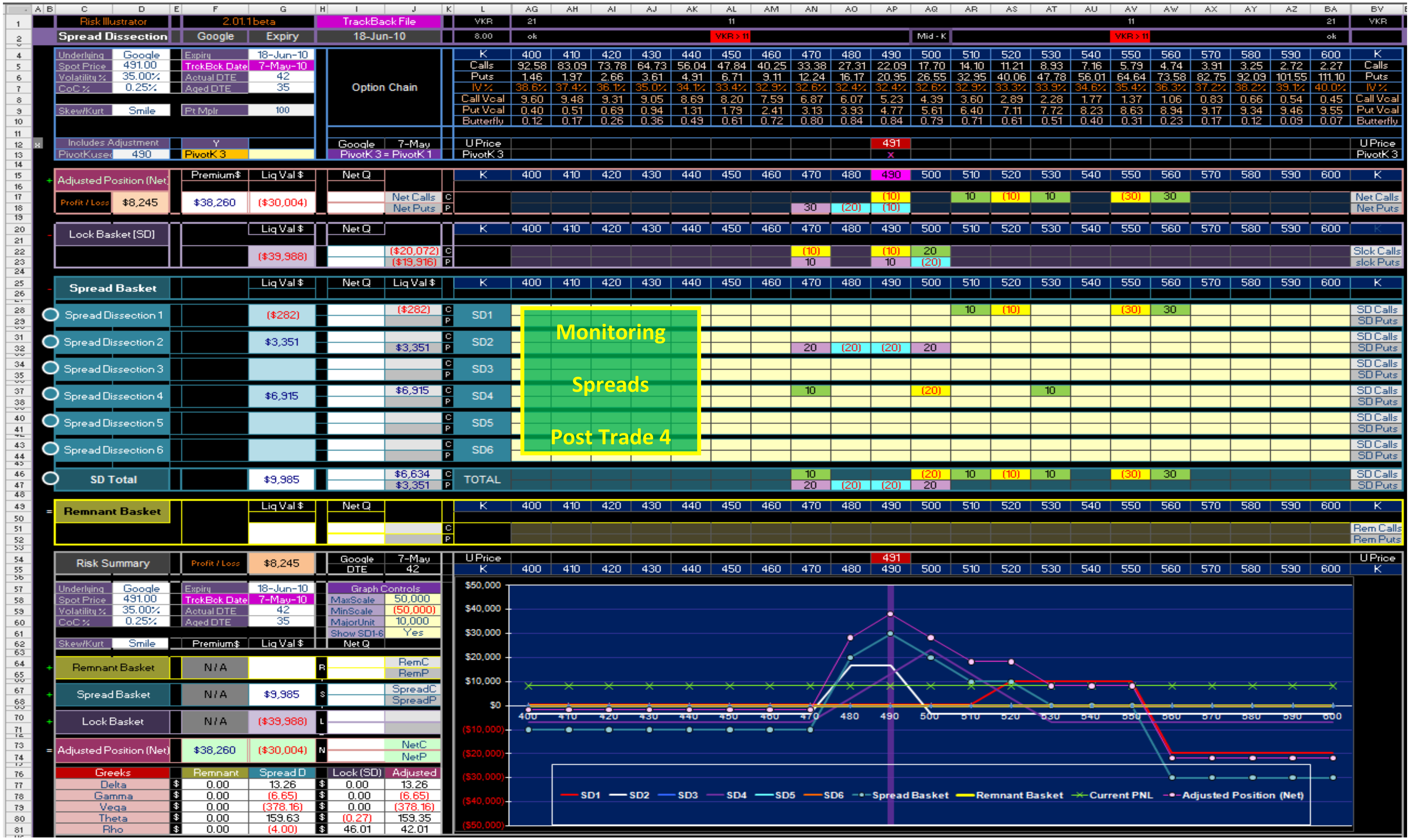


RI$K DOCTOR

Mending A BrokenWing for Advanced Traders

probability of success

Leading edge trading strategies for smart people



Author Topic: GOOG BWB (Read 786 times)

Ri$k Doctor
Administrator
Hero Member
Posts: 2867

Re: GOOG BWB
« **Reply #15 on:** May 10, 2010, 06:08:02 AM »

Quote Modify Remove Split Topic

Unusual that all legs are profiable, but so far they are:

GOOG Google Inc. ETB NASDAQ B: 513.70 A: 514.00 513.965 +20.825 +4.22%

UNDERLYING

Last X	Net Chng	Bid X	Ask X	Size	Volume	Open	High	Low
513.965 D	+20.825	513.70 Q	514.00 Z	3 x 3	865,523	513.97	518.70	512.60

TRADE GRID

OPTIONS Spread: Single Layout: Mark, Net Change, High, Low Exchange: Composite

Strikes: 14

MAY 10 (11) 100 — 36.08%
JUN 10 (39) 100 — 34.73%

CALLS Mark	Net Chng	High	Low	Bid X	Ask X	Exp	Strike	PUTS Bid X	Ask X	Mark	Net Chng	High	Low
68.20	+19.20	72.00	71.00	67.40 I	69.00 I	JUN 10	450	4.30 X	4.60 I	4.45	-5.50	5.66	4.30
59.40	+17.00	62.50	62.50	58.70 C	60.10 Q	JUN 10	460	5.40 I	5.70 C	5.55	-7.00	7.30	5.40
51.00	+11.00	55.76	50.50	50.30 C	51.70 X	JUN 10	470	6.70 I	7.30 I	7.00	-8.00	7.30	6.30
42.90	+10.70	46.78	43.00	42.20 I	43.60 C	JUN 10	480	8.90 C	9.10 A	9.00	-9.10	10.00	8.10
35.40	+10.90	40.00	35.20	34.80 I	36.00 Q	JUN 10	490	11.30 C	11.80 C	11.55	-10.90	12.50	10.70
28.70	+7.30	32.80	28.20	28.20 C	29.20 I	JUN 10	500	14.50 X	15.10 I	14.80	-12.70	17.50	13.50
22.60	+5.80	26.50	22.20	22.20 C	23.00 X	JUN 10	510	18.30 I	19.10 C	18.70	-14.90	19.90	17.00
17.30	+4.60	20.50	16.80	16.90 C	17.70 X	JUN 10	520	23.10 X	23.80 I	23.45	-15.50	26.10	22.34
13.15	+3.10	15.80	12.90	13.00 A	13.30 I	JUN 10	530	28.50 X	29.50 I	29.00	-21.20	30.10	28.50
9.50	+2.24	11.60	9.50	9.20 X	9.80 C	JUN 10	540	34.90 X	36.50 I	35.70	-19.04	36.60	32.77
6.75	+1.60	9.00	6.70	6.50 X	7.00 I	JUN 10	550	42.10 X	43.80 C	42.95	-25.50	40.00	39.50
4.75	+1.00	6.40	4.80	4.60 X	4.90 A	JUN 10	560	50.10 B	51.80 C	50.95	-16.81	50.00	50.00

PRICE SLICES Add Slice Set Slices Set Slices To Charts Reorder Reset Slices

POSITIONS AND SIMULATED TRADES click to set params Delete Simulated Trades Reset Parameters

ALL Show All Single Symbol Model Bjerksund-Stensland Interest 0.25% Date 5/10/10

GOOG

Spread	Side	Qty	Symbol	Exp	Strike	Type	Price	Vol	Delta
STK		0	GOOG			STOCK	.00	34.93%	.00
BUTTERFLY	BUY	+10	GOOG	JUN 10	450	CALL	10.55	36.94%	-117.37
	SELL	-20	GOOG	JUN 10	490	CALL	DEBIT	32.03%	
	BUY	+10	GOOG	JUN 10	530	CALL		29.19%	
VERTICAL	SELL	-30	GOOG	JUN 10	550	CALL	2.00	28.09%	-176.12
	BUY	+30	GOOG	JUN 10	560	CALL	CREDIT	27.93%	
VERTICAL	BUY	+10	GOOG	JUN 10	510	CALL	5.30	30.32%	78.88
	SELL	-10	GOOG	JUN 10	520	CALL	DEBIT	29.48%	
-BUTTERFLY	SELL	-20	GOOG	JUN 10	480	PUT	1.45	33.52%	28.04
	BUY	+30	GOOG	JUN 10	470	PUT	CREDIT	34.69%	
	SELL	-10	GOOG	JUN 10	450	PUT		37.89%	

1st bought for 9, trading 10.55.
2nd sold for 3.00, trading 2.00.
3rd bought for 3.65, trading 5.30.
4th sold for 2.00, trading 1.45.
This is all fine but not the way to look at it any longer.
Standby for next level analysis later, hopefully before James wakes up, looking for it.

« *Last Edit: May 11, 2010, 12:29:39 PM by Ri$k Doctor* »

Report to moderator 68.22.193.212 (?)


Re: GOOG BWB
« Reply #25 on: May 13, 2010, 08:27:17 AM »
Diamonetrics™ v2.1
IVolatility.com
40%
35%
30%
25%
20%
15%
10%
Jun
Jul
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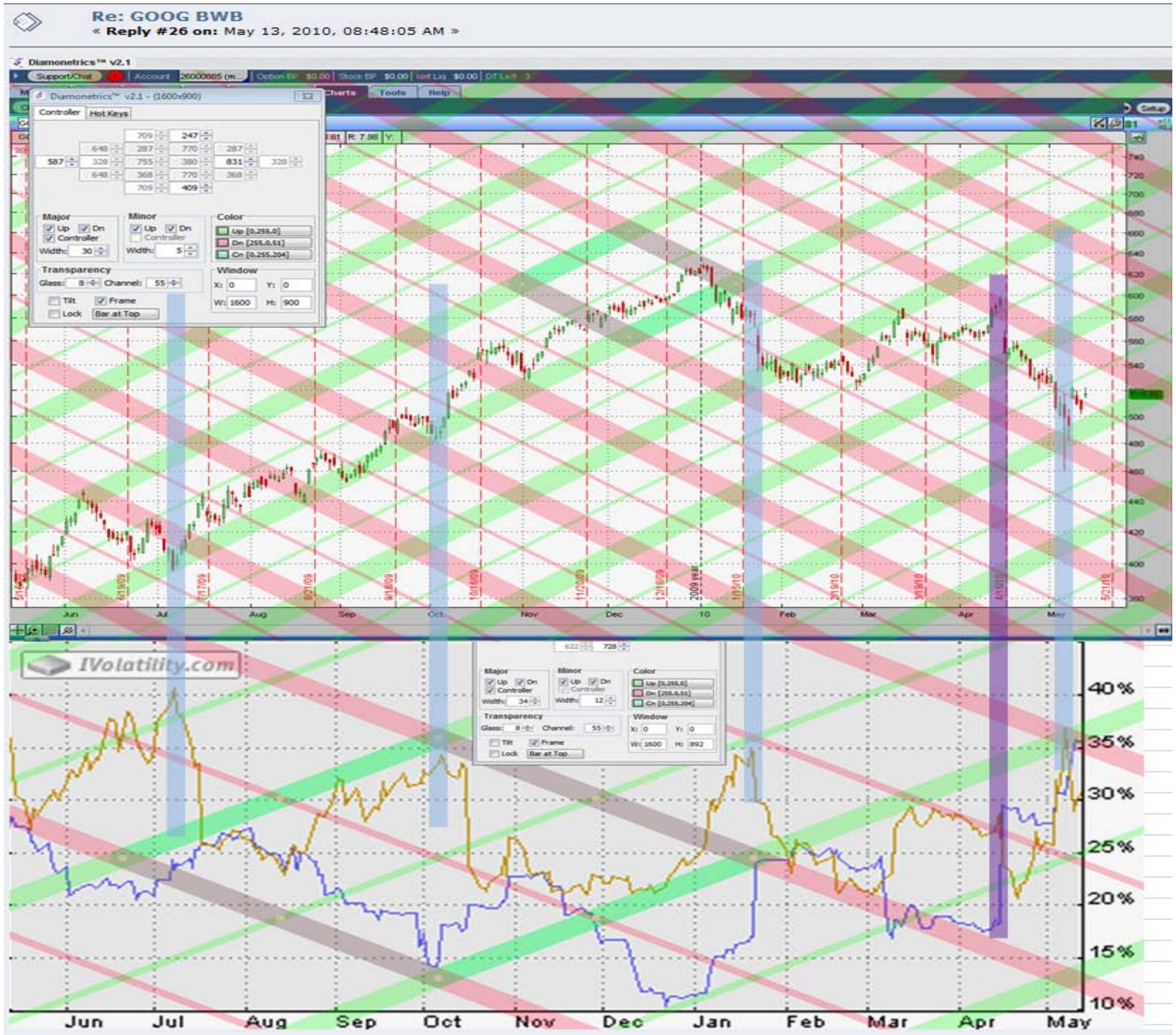
May


Re: GOOG BWB
« Reply #26 on: May 13, 2010, 08:48:05 AM »
Diamonetrics™ v2.1
IVolatility.com
40%
35%
30%
25%
20%
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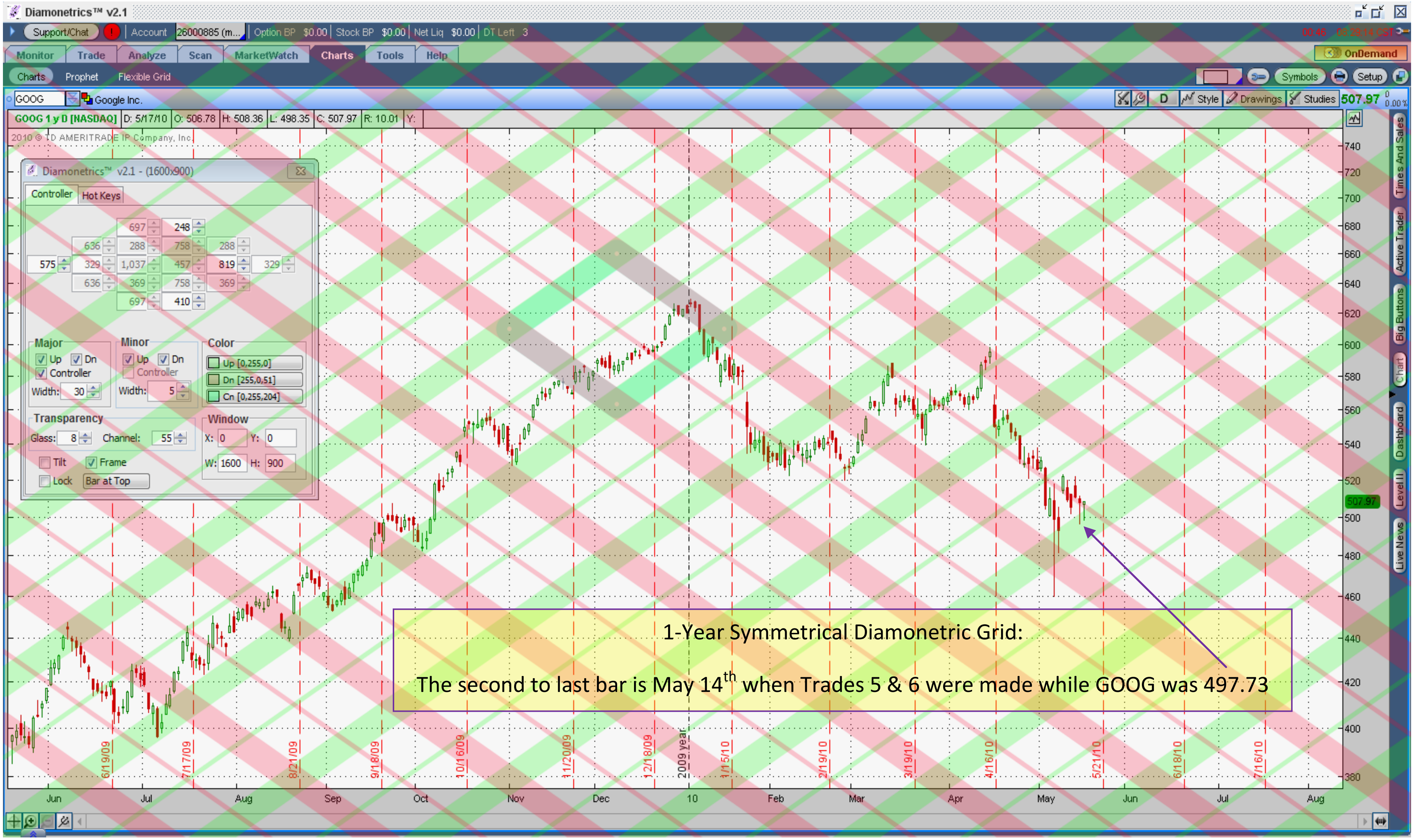
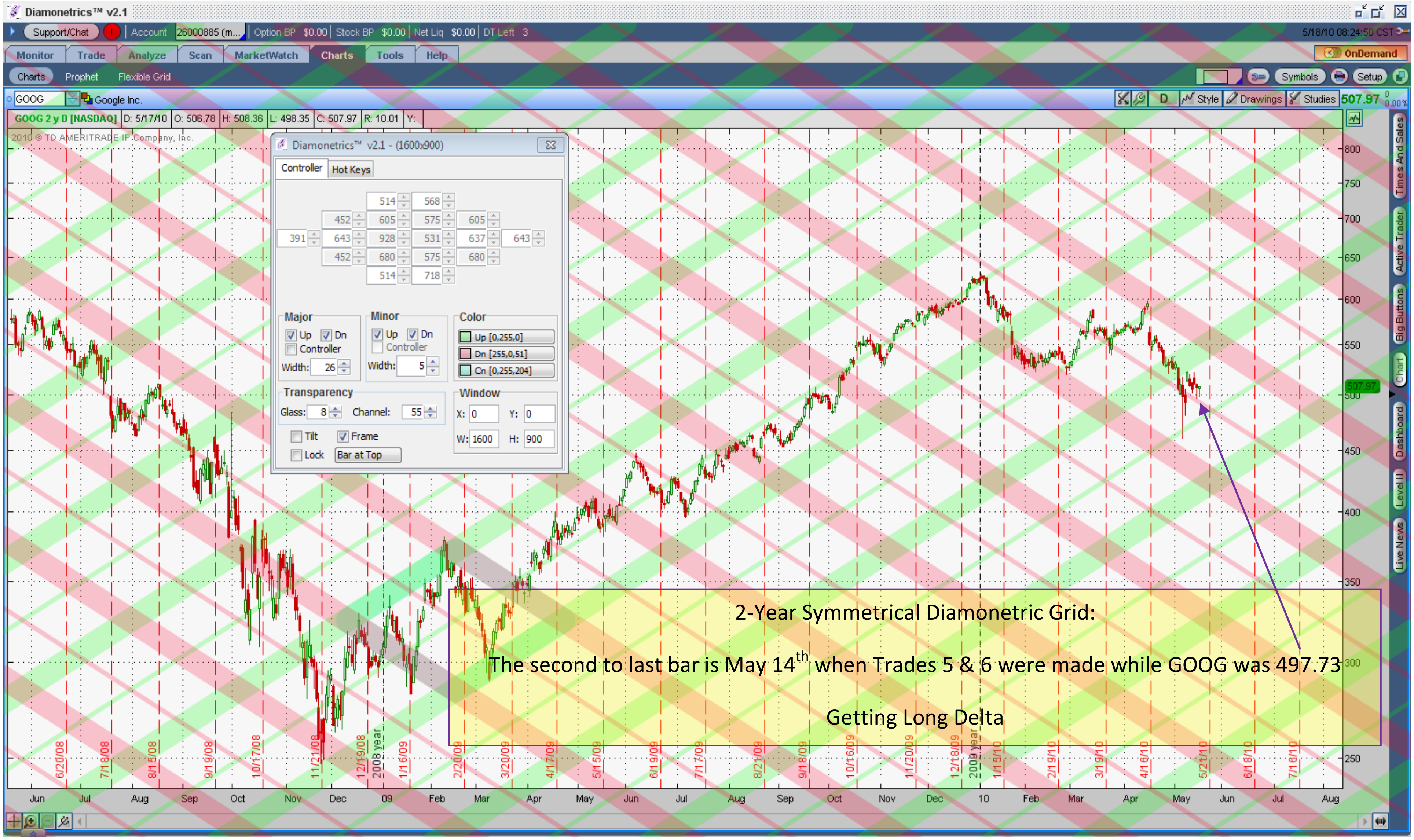
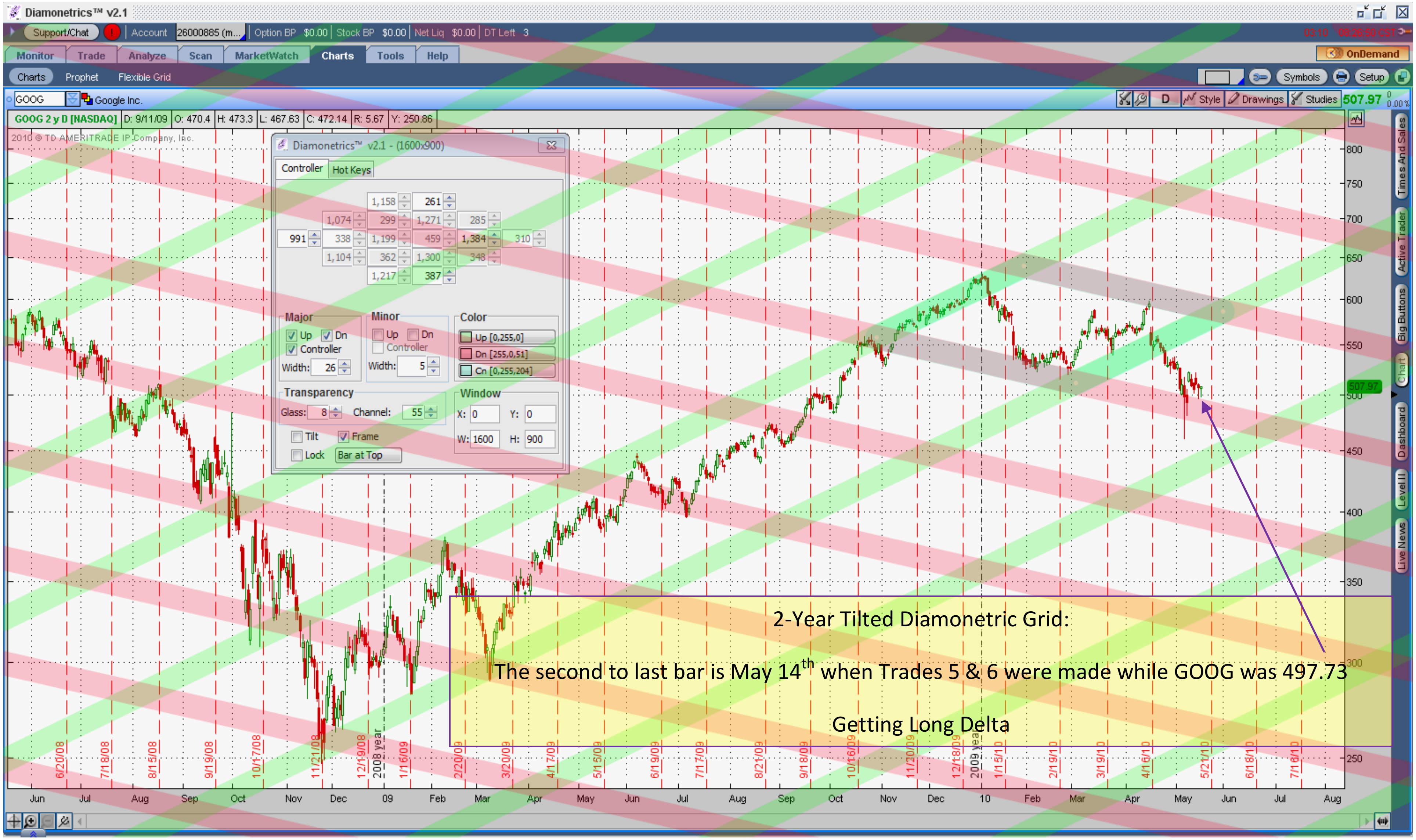
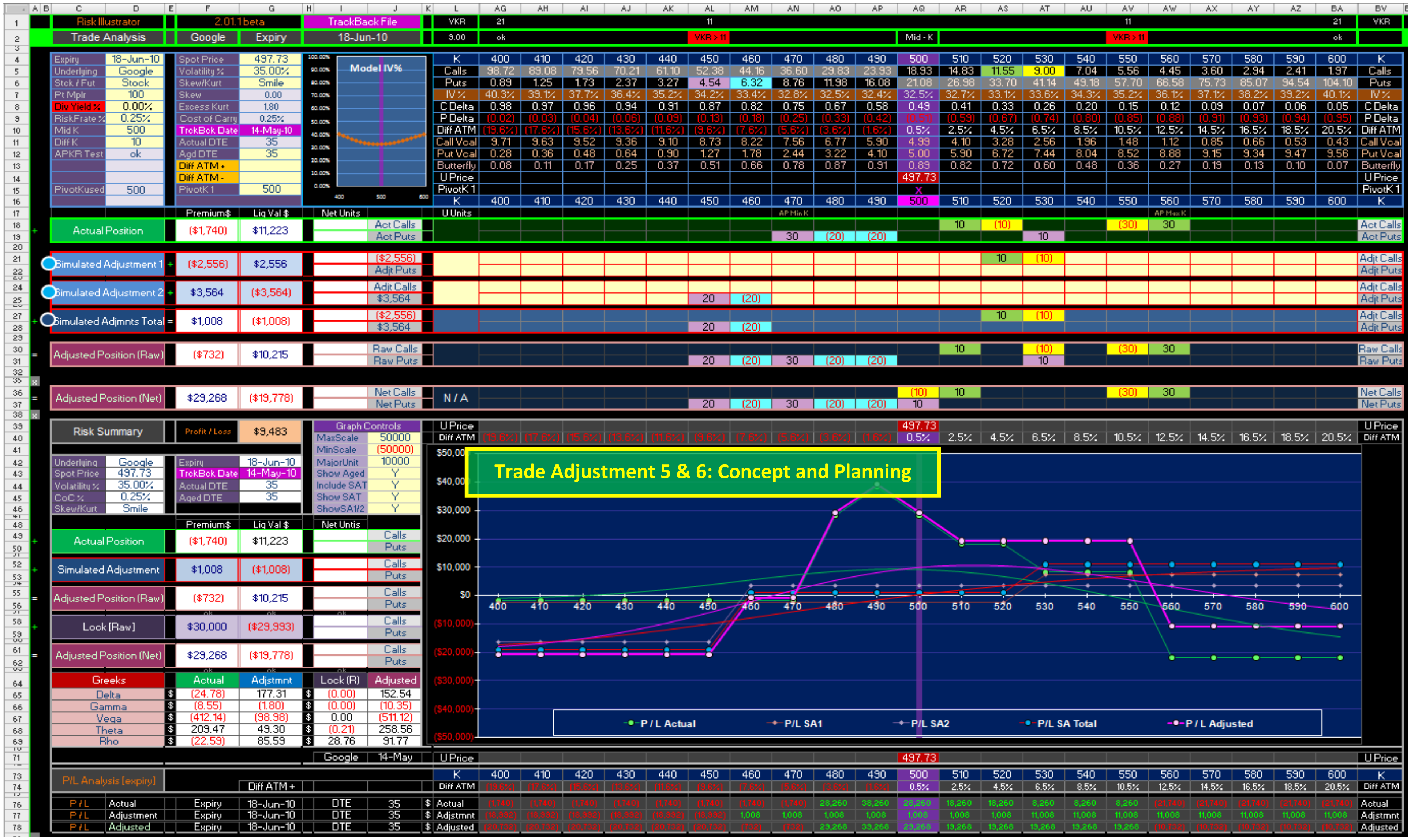

Diamonetrics™ v2.1
GOOG 1 y D [NASDAQ] D: 5/17/10 O: 506.78 H: 508.36 L: 498.35 C: 507.97 R: 10.01
Google Inc.
507.97
Major
Minor
Color
Transparency
Window
1-Year Symmetrical Diamonetric Grid:
The second to last bar is May 14th when Trades 5 & 6 were made while GOOG was 497.73


Diamonetrics™ v2.1
GOOG 2 y D [NASDAQ] D: 5/17/10 O: 506.78 H: 508.36 L: 498.35 C: 507.97 R: 10.01
Diamonetrics™ v2.1 - (1600x900)
Controller
Hot Keys
Major
Minor
Color
Transparency
Window
2-Year Symmetrical Diamonetric Grid:
The second to last bar is May 14th when Trades 5 & 6 were made while GOOG was 497.73
Getting Long Delta


Diamonetrics™ v2.1
GOOG 2 y D [NASDAQ]
2-Year Tilted Diamonetric Grid:
The second to last bar is May 14th when Trades 5 & 6 were made while GOOG was 497.73
Getting Long Delta


Trade Adjustment 5 & 6: Concept and Planning
Risk Illustrator
Trade Analysis
Google
Expiry
18-Jun-10
Model IV%
Actual Position
Simulated Adjustment 1
Simulated Adjustment 2
Simulated Adjmnts Total
Adjusted Position (Raw)
Adjusted Position (Net)
Risk Summary
Profit / Loss
$9,483
Greeks
P/L Analysis (expiry)
P / L Actual
P/L SA1
P/L SA2
P/L SA Total
P / L Adjusted

Risk Illustrator		2.01.1beta		TrackBack File	
Basket Dissection		Google	Expiry	18-Jun-10	
Underlying	Google	Expiry	18-Jun-10	After Option Chain Trade 6	
Spot Price	497.73	TrckBck Date	14-May-10		
Volatility %	35.00%	Actual DTE	35		
CoC %	0.25%	Aged DTE	35		
Skew/Kurt	Equity	Pt Mplr	100		
Includes Adjustment		Y		Google	14-May
PivotKused	500	PivotK 2		PivotK 2 = PivotK 1	

L	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW	AX	AY	AZ	BA	BV
VKR	21					11										11					21	VKR
8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	99.34	89.93	80.64	71.48	62.48	53.74	45.36	37.50	30.30	23.89	18.36	13.74	10.03	7.14	4.98	3.43	2.34	1.61	1.13	0.82	0.62	Calls
Puts	1.51	2.10	2.81	3.64	4.65	5.90	7.52	9.66	12.45	16.04	20.51	25.89	32.17	39.29	47.12	55.56	64.48	73.74	83.26	92.95	102.75	Puts
IV %	44.8%	43.9%	42.6%	41.1%	39.4%	37.7%	36.1%	34.6%	33.4%	32.3%	31.5%	30.9%	30.4%	30.0%	29.8%	29.7%	29.8%	30.1%	30.5%	31.2%		IV %
Call Vcal	9.51	9.40	9.29	9.16	9.00	8.74	8.38	7.86	7.20	6.41	5.53	4.61	3.71	2.89	2.16	1.56	1.09	0.73	0.48	0.31	0.20	Call Vcal
Put Vcal	0.48	0.60	0.71	0.83	1.00	1.25	1.62	2.13	2.80	3.59	4.47	5.38	6.28	7.11	7.84	8.44	8.91	9.27	9.52	9.69	9.80	Put Vcal
Butterfly	0.11	0.11	0.13	0.17	0.25	0.37	0.51	0.66	0.79	0.88	0.92	0.90	0.83	0.73	0.60	0.47	0.35	0.25	0.17	0.11	0.07	Butterfly
U Price											497.7											U Price
PivotK 2											x											PivotK 2

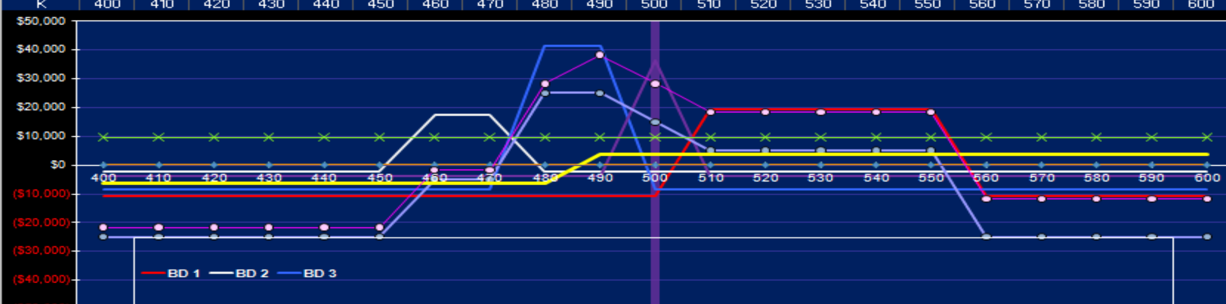
Adjusted Position (Net)		Premium$	Liq Val $	Net Q			K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Profit / Loss	$9,702	$28,330	($18,620)		Net Calls	C												(10)	10				(30)	30					Net Calls
					Net Puts	P							20	(20)	30	(20)	(20)	10											Net Puts
Lock Basket [BD]			Liq Val $	Net Q			K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
			($39,990)		Blck Calls	C												(40)	40										Blck Calls
					Blck Puts	P												40	(40)										Blck Puts

Butterfly Basket		Liq Val $	Net Bfly	Liq Val $		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Butterfly Dissection 1		$10,583	150	$10,583	C P	BD1												30	30	30	30	30						BD Calls BD Puts
Butterfly Dissection 2		$2,348	40	$2,348	C P	BD2							20	20														BD Calls BD Puts
Butterfly Dissection 3		$8,357	100	$8,357	C P	BD3									50	50												BD Calls BD Puts
Butterfly Dissection 4		$3,669	40	$3,669	C P	BD4											40											BD Calls BD Puts
Butterfly Dissection 5					C P	BD5																						BD Calls BD Puts
Butterfly Dissection 6					C P	BD6																						BD Calls BD Puts
BD Total		$24,957	330			Total							20	20	50	50	40	30	30	30	30	30						Total

Remnant Basket		Liq Val $	Net Q			K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
		($3,587)		Rem Calls	C																							Rem Calls
				Rem Puts	P										10	(10)												Rem Puts

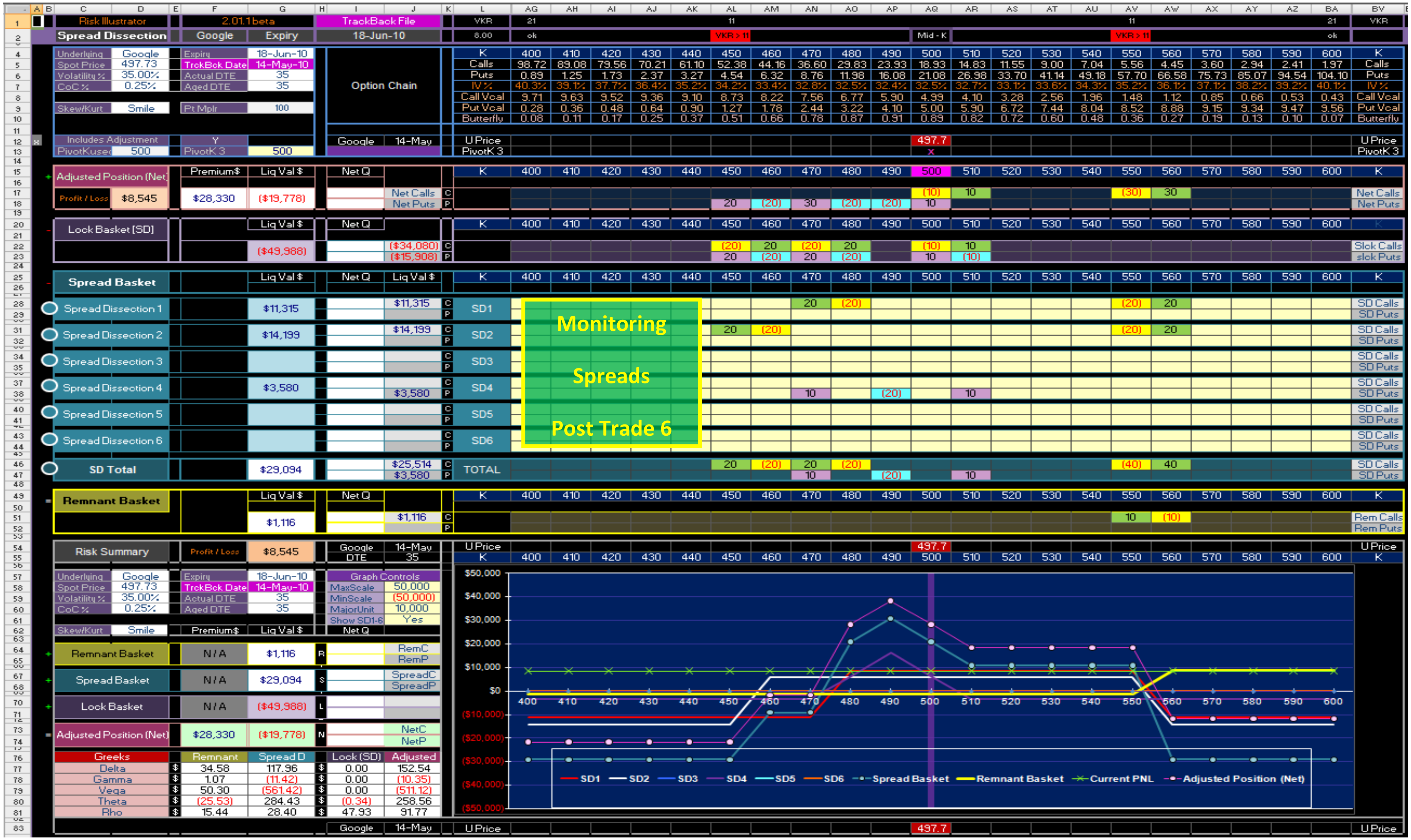
Risk Summary		Profit / Loss	$9,702	Google	14-May
				DTE	35
Underlying	Google	Expiry	18-Jun-10	Graph Controls	
Spot Price	497.73	TrckBck Date	14-May-10	MaxScale	50000
Volatility %	35.00%	Actual DTE	35	MinScale	(50000)
CoC %	0.25%	Aged DTE	35	MajorUnit	10000
				Show BD1-6	Yes
Skew/Kurt	Equity	Premium$	Liq Val $	Net Q	
Remnant Basket		N/A	($3,587)		RemC RemP
Butterfly Basket		N/A	$24,957	330	Bfly
Lock Basket		N/A	($39,990)		Blck C Blck P
Adjusted Position (Net)		$28,330	($18,620)		NetC NetP

Greeks		Remnant	Bfly		Lock (BD)	Adjusted
Delta	$	82.23	(31.44)	$	0.00	50.79
Gamma	$	(1.19)	(10.20)	$	0.00	(11.39)
Vega	$	(36.87)	(461.73)	$	0.00	(498.61)
Theta	$	18.45	234.17	$	(0.27)	252.34
Rho	$	42.68	(38.93)	$	38.35	42.10



P/L Analysis [expiry]							K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
				Google	14-May		U Price											497.7											U Price
							Diff ATM	(19.6%)	(17.6%)	(15.6%)	(13.6%)	(11.6%)	(9.6%)	(7.6%)	(5.6%)	(3.6%)	(1.6%)	0.5%	2.5%	4.5%	6.5%	8.5%	10.5%	12.5%	14.5%	16.5%	18.5%	20.5%	Diff ATM
P/L	Remnant	Expiry	18-Jun-10	DTE	35	$	Remnant	(6,413)	(6,413)	(6,413)	(6,413)	(6,413)	(6,413)	(6,413)	(6,413)	(6,413)	3,587	3,587	3,587	3,587	3,587	3,587	3,587	3,587	3,587	3,587	3,587	3,587	Remnant
P/L	Butterfly	Expiry	18-Jun-10	DTE	35	$	Butterfly	(24,957)	(24,957)	(24,957)	(24,957)	(24,957)	(24,957)	(4,957)	(4,957)	25,043	25,043	15,043	5,043	5,043	5,043	5,043	5,043	(24,957)	(24,957)	(24,957)	(24,957)	(24,957)	Butterfly
P/L	Lock (B)	Expiry	18-Jun-10	DTE	35	$	Lock (B)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	Lock (B)
P/L	Lock (R)	Expiry	18-Jun-10	DTE	35	$	Lock (R)	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	Lock (R)
P/L	Current	Expiry	18-Jun-10	DTE	35	$	Current	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	9,702	Current
P/L	Adjusted	Expiry	18-Jun-10	DTE	35	$	Adjusted	(21,670)	(21,670)	(21,670)	(21,670)	(21,670)	(21,670)	(1,670)	(1,670)	28,330	38,330	28,330	18,330	18,330	18,330	18,330	18,330	(11,670)	(11,670)	(11,670)	(11,670)	(11,670)	Adjusted

Mending A BrokenWing for Advanced Traders



Mending A BrokenWing for Advanced Traders

Risk Illustrator	2.01.1beta		TrackBack File	
Spread Dissection	Google	Expiry	18-Jun-10	
Underlying	Google	Expiry	18-Jun-10	Option Chain
Spot Price	497.73	TrckBck Date	14-May-10	
Volatility %	35.00%	Actual DTE	35	
CoC %	0.25%	Aged DTE	35	
Skew/Kurt	Smile	Pt Mplr	100	
Includes Adjustment		Y		Google 14-May
PivotKused	500	PivotK 3	500	

VKR	21					11										11					21	VKR
8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	98.72	89.08	79.56	70.21	61.10	52.38	44.16	36.60	29.83	23.93	18.93	14.83	11.55	9.00	7.04	5.56	4.45	3.60	2.94	2.41	1.97	Calls
Puts	0.89	1.25	1.73	2.37	3.27	4.54	6.32	8.76	11.98	16.08	21.08	26.98	33.70	41.14	49.18	57.70	66.58	75.73	85.07	94.54	104.10	Puts
IV %	40.3%	39.1%	37.7%	36.4%	35.2%	34.2%	33.4%	32.8%	32.5%	32.4%	32.5%	32.7%	33.1%	33.6%	34.3%	35.2%	36.1%	37.1%	38.2%	39.2%	40.1%	IV %
Call Vcal	9.71	9.63	9.52	9.36	9.10	8.73	8.22	7.56	6.77	5.90	4.99	4.10	3.28	2.56	1.96	1.48	1.12	0.85	0.66	0.53	0.43	Call Vcal
Put Vcal	0.28	0.36	0.48	0.64	0.90	1.27	1.78	2.44	3.22	4.10	5.00	5.90	6.72	7.44	8.04	8.52	8.88	9.15	9.34	9.47	9.56	Put Vcal
Butterfly	0.08	0.11	0.17	0.25	0.37	0.51	0.66	0.78	0.87	0.91	0.89	0.82	0.72	0.60	0.48	0.36	0.27	0.19	0.13	0.10	0.07	Butterfly
U Price											497.7											U Price
PivotK 3											x											PivotK 3

Basket	Premium$	Liq Val $	Net Q	Liq Val $		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Adjusted Position (Net) Profit / Loss $8,545	$28,330	($19,778)		Net Calls	C												(10)	10				(30)	30					Net Calls
				Net Puts	P							20	(20)	30	(20)	(20)	10											Net Puts
Lock Basket [SD]		($49,988)		($34,080)	C							(20)	20	(20)	20		(10)	10										Slck Calls
				($15,908)	P							20	(20)	20	(20)		10	(10)										slck Puts
Spread Dissection 1		$22,630		$22,630	C	SD1								40	(40)							(40)	40					SD Calls
					P																							SD Puts
Spread Dissection 2		$2,884		$2,884	C	SD2						20	(20)	(20)	20													SD Calls
					P																							SD Puts
Spread Dissection 3					C	SD3																						SD Calls
					P																							SD Puts
Spread Dissection 4		$3,580			C	SD4																						SD Calls
				$3,580	P									10		(20)		10										SD Puts
Spread Dissection 5					C	SD5																						SD Calls
					P																							SD Puts
Spread Dissection 6					C	SD6																						SD Calls
					P																							SD Puts
SD Total		$29,094		$25,514	C	TOTAL						20	(20)	20	(20)							(40)	40					SD Calls
				$3,580	P									10		(20)		10										SD Puts
Remnant Basket		$1,116		$1,116	C																	10	(10)					Rem Calls
					P																							Rem Puts

Less Efficient

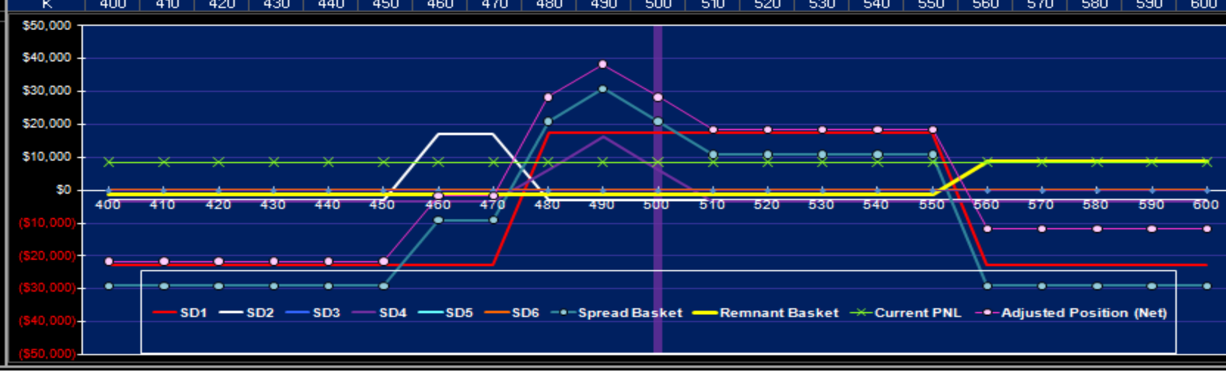
Spreads

Post Trade 6

Risk Summary	Profit / Loss	$8,545	Google DTE	14-May 35
Underlying	Google	Expiry	18-Jun-10	Graph Controls
Spot Price	497.73	TrckBck Date	14-May-10	MaxScale 50,000
Volatility %	35.00%	Actual DTE	35	MinScale (50,000)
CoC %	0.25%	Aged DTE	35	MajorUnit 10,000
				Show SD1-6 Yes
Skew/Kurt	Smile	Premium$	Liq Val $	Net Q
Remnant Basket		N/A	$1,116	R RemC / RemP
Spread Basket		N/A	$29,094	S SpreadC / SpreadP
Lock Basket		N/A	($49,988)	L
Adjusted Position (Net)		$28,330	($19,778)	N NetC / NetP

Greeks		Remnant	Spread D		Lock (SD)	Adjusted
Delta	$	34.58	117.96	$	0.00	152.54
Gamma	$	1.07	(11.42)	$	0.00	(10.35)
Vega	$	50.30	(561.42)	$	0.00	(511.12)
Theta	$	(25.53)	284.43	$	(0.34)	258.56
Rho	$	15.44	28.40	$	47.93	91.77

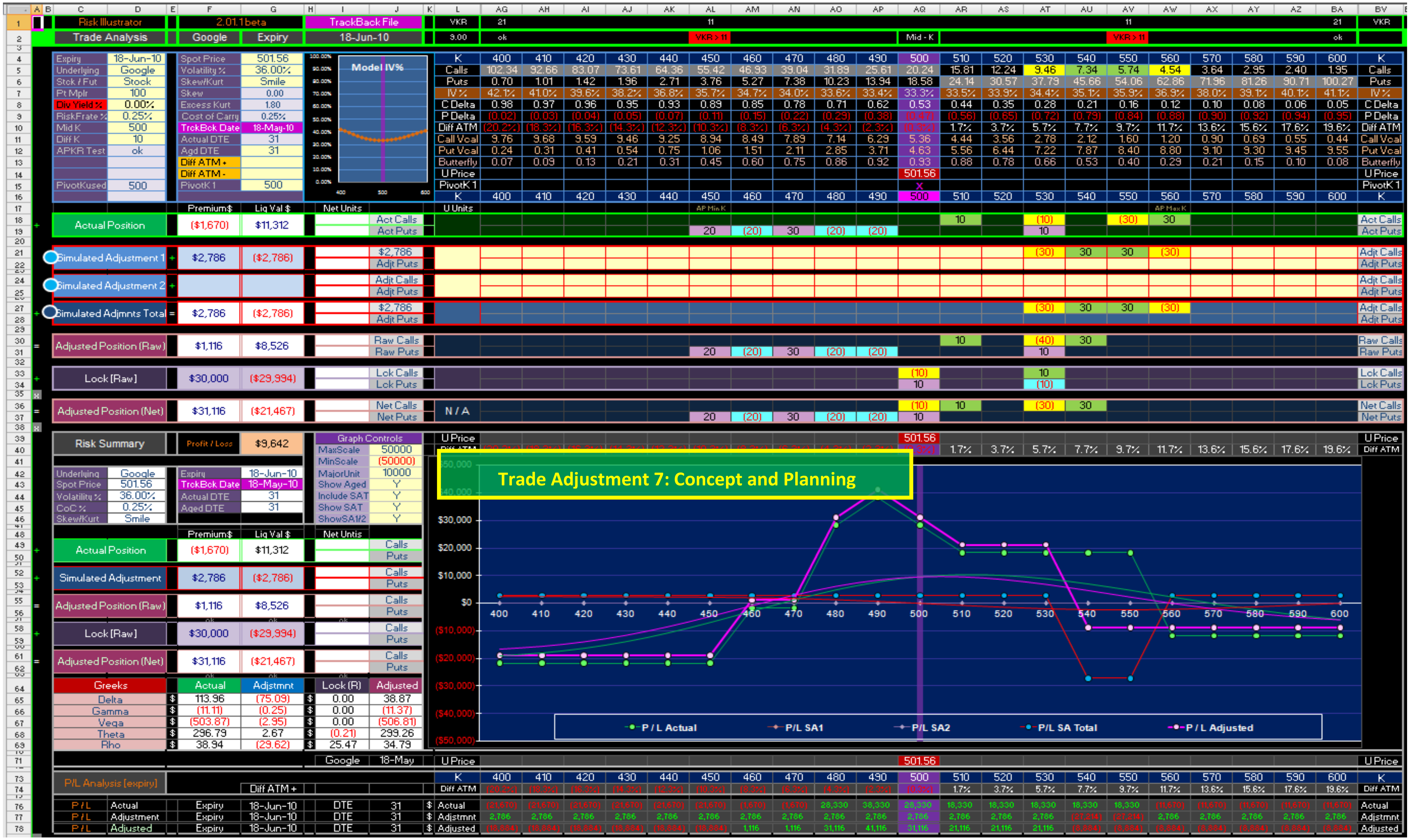
U Price											497.7											U Price
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K



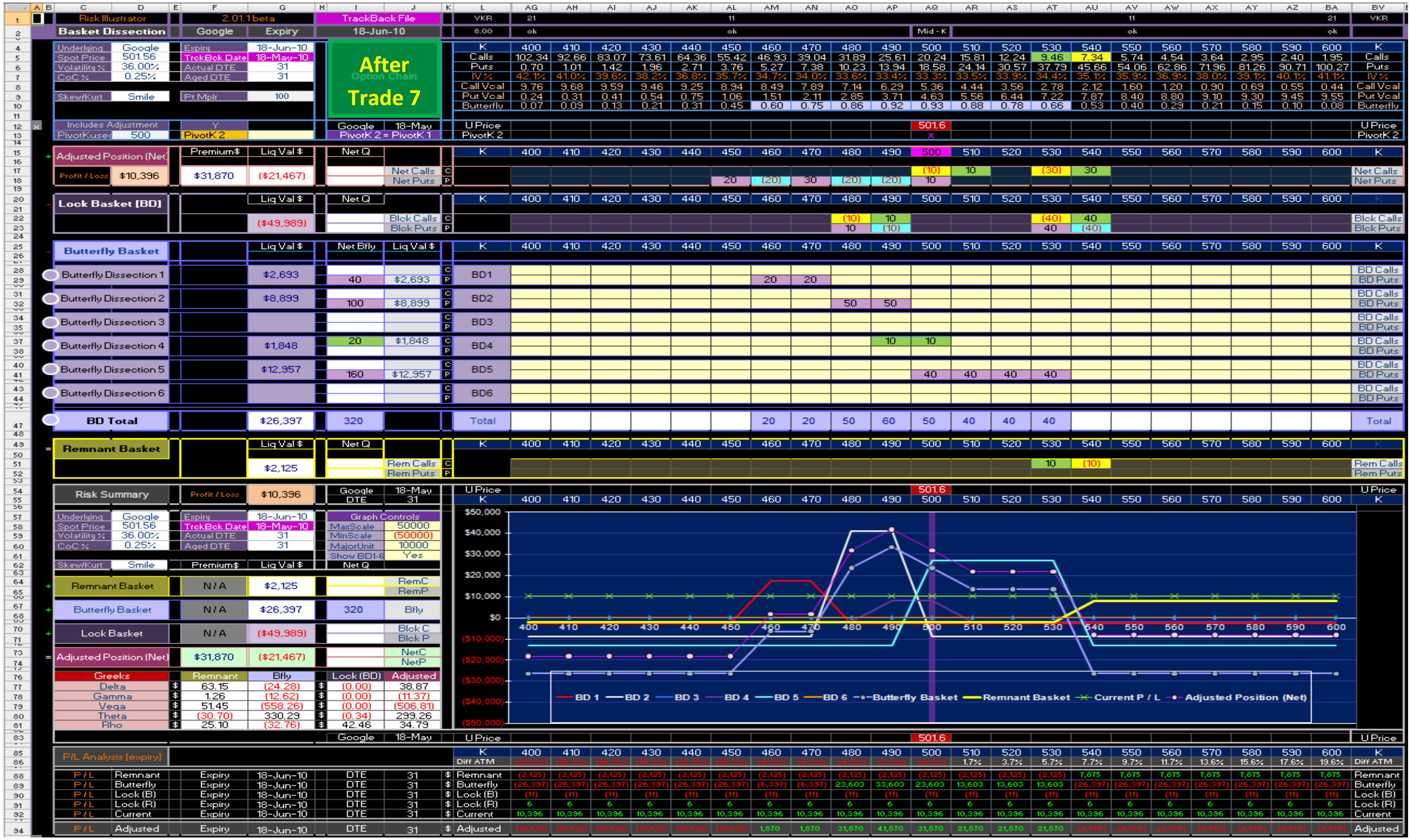
RI$K DOCTOR

Mending A BrokenWing for Advanced Traders

probability of success
Leading edge trading strategies for smart people



Mending A BrokenWing for Advanced Traders



RI$K DOCTOR

Mending A BrokenWing for Advanced Traders

probability of success
Leading edge trading strategies for smart people

Risk Illustrator		2.01.1beta		TrackBack File	VKR
Spread Dissection		Google	Expiry	18-Jun-10	8.00
Underlying	Google	Expiry	18-Jun-10	Option Chain	
Spot Price	501.56	TrckBck Date	18-May-10		
Volatility %	36.00%	Actual DTE	31		
CoC %	0.25%	Aged DTE	31		
Skew/Kurt	Smile	Pt Mplr	100		
Includes Adjustment		Y		Google	18-May
PivotKused	500	PivotK 3		PivotK 3 = PivotK 1	

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	102.34	92.66	83.07	73.61	64.36	55.42	46.93	39.04	31.89	25.61	20.24	15.81	12.24	9.46	7.34	5.74	4.54	3.64	2.95	2.40	1.95	Calls
Puts	0.70	1.01	1.42	1.96	2.71	3.76	5.27	7.38	10.23	13.94	18.58	24.14	30.57	37.79	45.66	54.06	62.86	71.96	81.26	90.71	100.27	Puts
IV %	42.1%	41.0%	39.6%	38.2%	36.8%	35.7%	34.7%	34.0%	33.6%	33.4%	33.3%	33.5%	33.9%	34.4%	35.1%	35.9%	36.9%	38.0%	39.1%	40.1%	41.1%	IV %
Call Vcal	9.76	9.68	9.59	9.46	9.25	8.94	8.49	7.89	7.14	6.29	5.36	4.44	3.56	2.78	2.12	1.60	1.20	0.90	0.69	0.55	0.44	Call Vcal
Put Vcal	0.24	0.31	0.41	0.54	0.75	1.06	1.51	2.11	2.85	3.71	4.63	5.56	6.44	7.22	7.87	8.40	8.80	9.10	9.30	9.45	9.55	Put Vcal
Butterfly	0.07	0.09	0.13	0.21	0.31	0.45	0.60	0.75	0.86	0.92	0.93	0.88	0.78	0.66	0.53	0.40	0.29	0.21	0.15	0.10	0.08	Butterfly
U Price											501.6											U Price

	Premium$	Liq Val $	Net Q	K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Adjusted Position (Net) Profit / Loss $10,396	$31,870	($21,467)	Net Calls C												(10)	10		(30)	30							Net Calls
			Net Puts P							20	(20)	30	(20)	(20)	10											Net Puts
Lock Basket [SD]		($49,989)	($27,743) C										(10)	(30)	40											Slck Calls
			($22,246) P										10	30	(40)											slck Puts

Spread Basket	Liq Val $	Net Q Liq Val $		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Spread Dissection 1	$2,693		C	SD1																						SD Calls
		$2,693	P							20	(20)	(20)	20													SD Puts
Spread Dissection 2	$8,899		C	SD2																						SD Calls
		$8,899	P									50	(50)	(50)	50											SD Puts
Spread Dissection 3			C	SD3																						SD Calls
			P																							SD Puts
Spread Dissection 4	$1,848	$1,848	C	SD4									10	(10)	(10)	10										SD Calls
			P																							SD Puts
Spread Dissection 5	$12,957	$12,957	C	SD5										40	(40)			(40)	40							SD Calls
			P																							SD Puts
Spread Dissection 6			C	SD6																						SD Calls
			P																							SD Puts
SD Total	$26,397	$14,805	C	TOTAL									10	30	(50)	10		(40)	40							SD Calls
		$11,592	P							20	(20)	30	(30)	(50)	50											SD Puts
Remnant Basket	$2,125	$2,125	C															10	(10)							Rem Calls
			P																							Rem Puts

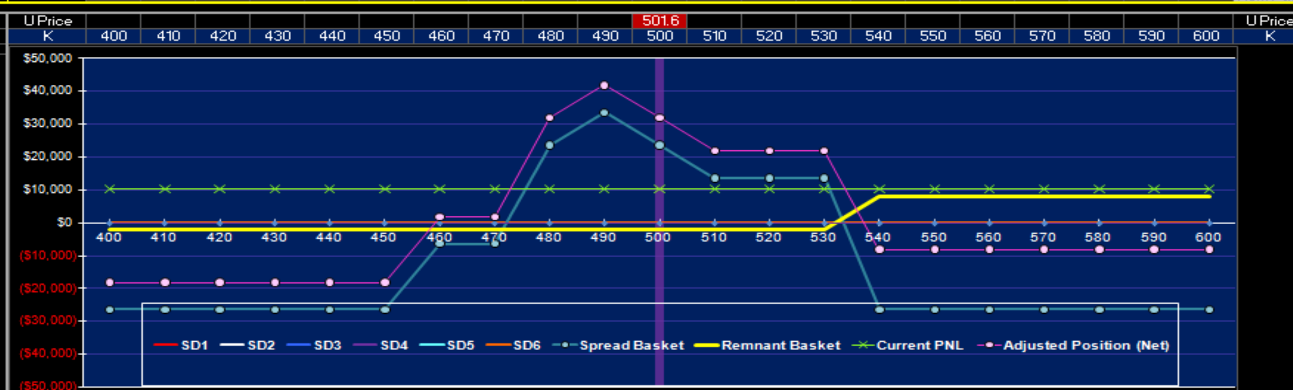
Less Efficient

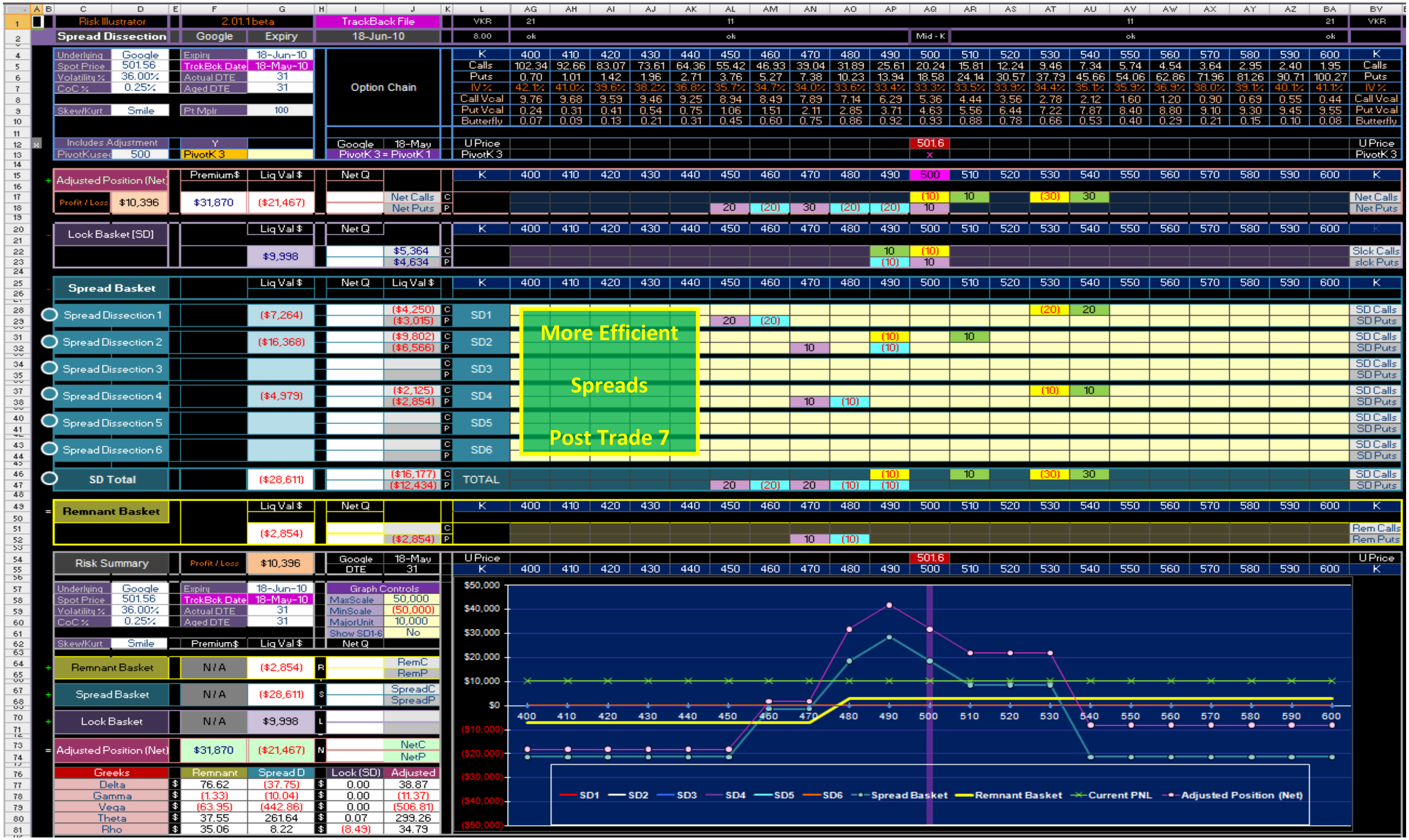
Spreads

Post Trade 7

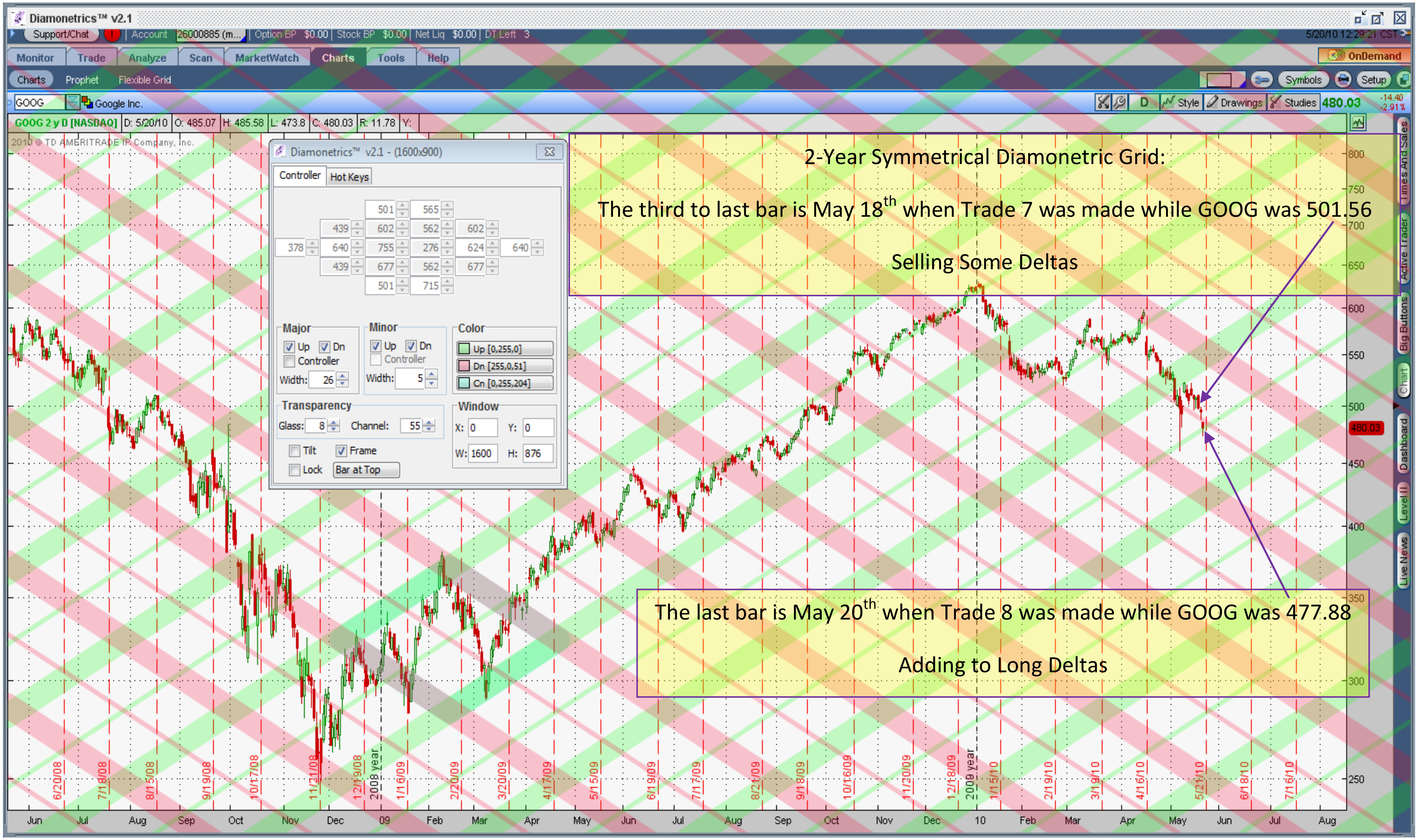
Risk Summary	Profit / Loss	$10,396	Google DTE	18-May 31
Underlying	Google	Expiry	18-Jun-10	Graph Controls
Spot Price	501.56	TrckBck Date	18-May-10	MaxScale 50,000
Volatility %	36.00%	Actual DTE	31	MinScale (50,000)
CoC %	0.25%	Aged DTE	31	MajorUnit 10,000
Skew/Kurt	Smile			Show SD1-6 No
	Premium$	Liq Val $		Net Q
Remnant Basket	N/A	$2,125	R	RemC RemP
Spread Basket	N/A	$26,397	S	SpreadC SpreadP
Lock Basket	N/A	($49,989)	L	
Adjusted Position (Net)	$31,870	($21,467)	N	NetC NetP

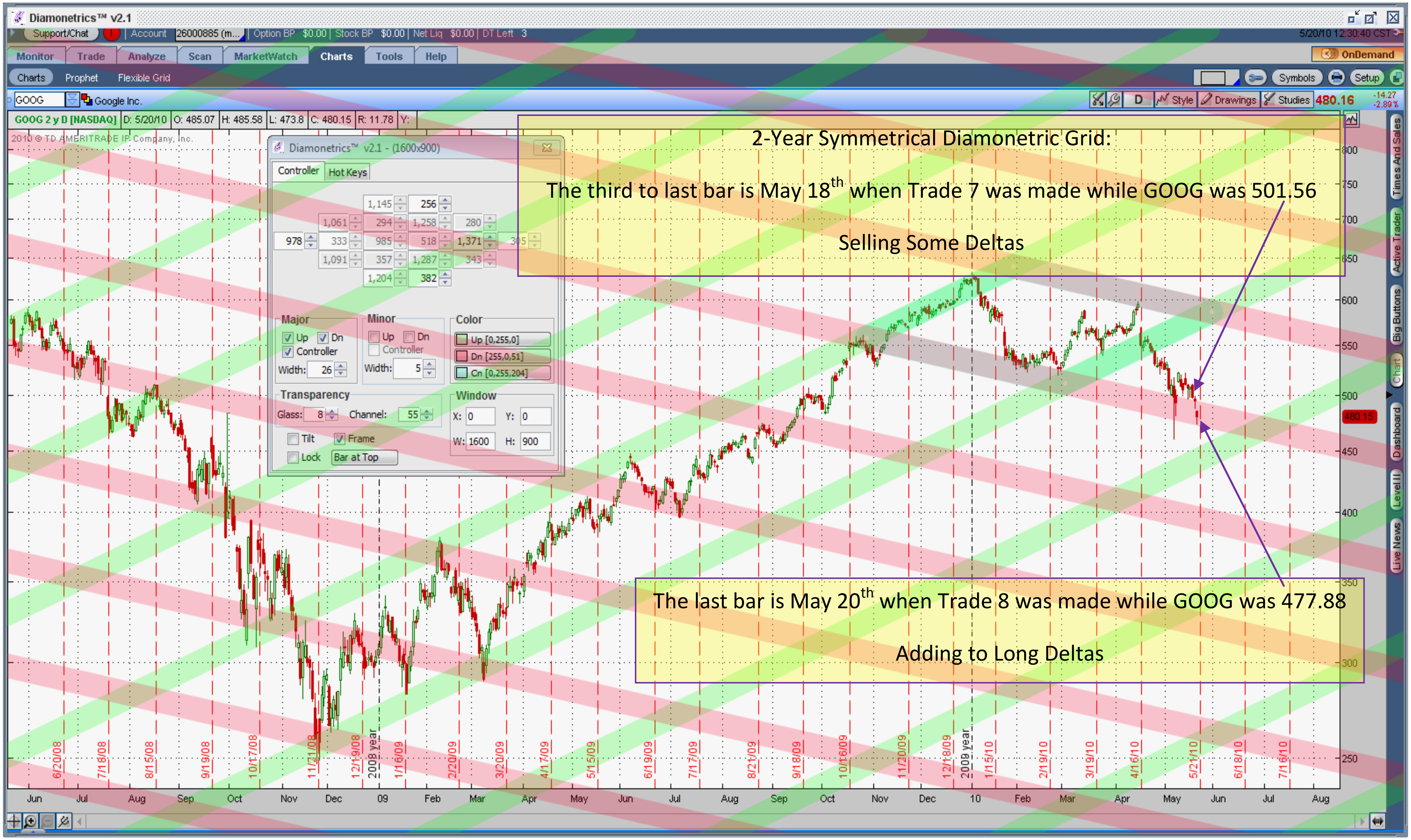
Greeks		Remnant	Spread D		Lock (SD)	Adjusted
Delta	$	63.15	(24.28)	$	(0.00)	38.87
Gamma	$	1.26	(12.62)	$	0.00	(11.37)
Vega	$	51.45	(558.26)	$	0.00	(506.81)
Theta	$	(30.70)	330.29	$	(0.34)	299.26
Rho	$	25.10	(32.76)	$	42.46	34.79

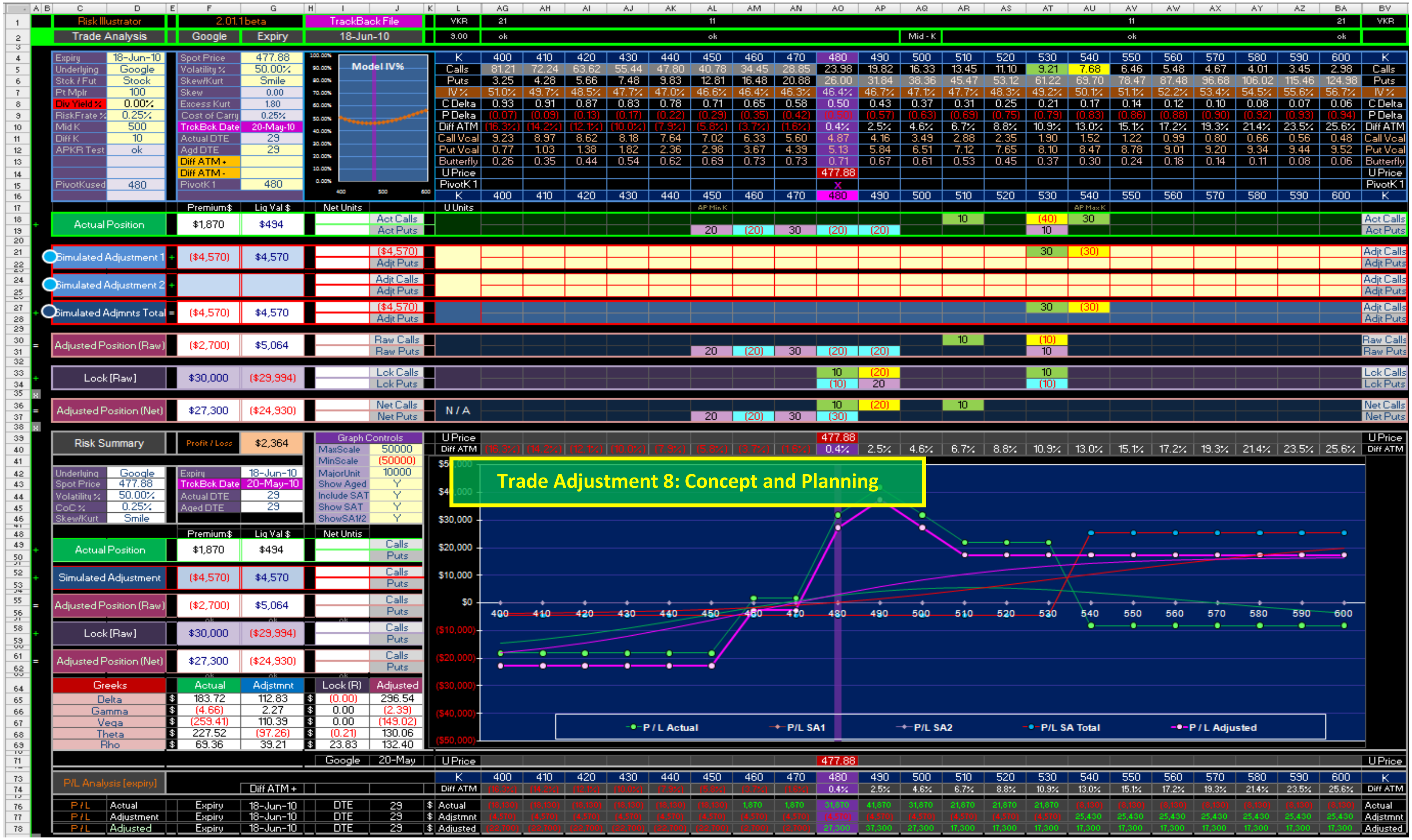




K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	102.34	92.66	83.07	73.61	64.36	55.42	46.93	39.04	31.89	25.61	20.24	15.81	12.24	9.46	7.34	5.74	4.54	3.64	2.95	2.40	1.95	Calls
Puts	0.70	1.01	1.42	1.96	2.71	3.76	5.27	7.38	10.23	13.94	18.58	24.14	30.57	37.79	45.66	54.06	62.86	71.96	81.26	90.71	100.27	Puts
IV %	42.1%	41.0%	39.6%	38.2%	36.8%	35.7%	34.7%	34.0%	33.6%	33.4%	33.3%	33.5%	33.9%	34.4%	35.1%	35.9%	36.9%	38.0%	39.1%	40.1%	41.1%	IV %
Call Vcal	9.76	9.68	9.59	9.46	9.25	8.94	8.49	7.89	7.14	6.29	5.36	4.44	3.56	2.78	2.12	1.60	1.20	0.90	0.69	0.55	0.44	Call Vcal
Put Vcal	0.24	0.31	0.41	0.54	0.75	1.06	1.51	2.11	2.85	3.71	4.63	5.56	6.44	7.22	7.87	8.40	8.80	9.10	9.30	9.45	9.55	Put Vcal
Butterfly	0.07	0.09	0.13	0.21	0.31	0.45	0.60	0.75	0.86	0.92	0.93	0.88	0.78	0.66	0.53	0.40	0.29	0.21	0.15	0.10	0.08	Butterfly


Diamonetrics™ v2.1
GOOG Google Inc.
GOOG 2 y D [NASDAQ] D: 5/20/10 O: 485.07 H: 485.58 L: 473.8 C: 480.03 R: 11.78
2-Year Symmetrical Diamonetric Grid:
The third to last bar is May 18th when Trade 7 was made while GOOG was 501.56
Selling Some Deltas
The last bar is May 20th when Trade 8 was made while GOOG was 477.88
Adding to Long Deltas


Diamonetrics™ v2.1
GOOG 2 y D [NASDAQ] D: 5/20/10 O: 485.07 H: 485.58 L: 473.8 C: 480.15 R: 11.78
2-Year Symmetrical Diamonetric Grid:
The third to last bar is May 18th when Trade 7 was made while GOOG was 501.56
Selling Some Deltas
The last bar is May 20th when Trade 8 was made while GOOG was 477.88
Adding to Long Deltas


Trade Adjustment 8: Concept and Planning
Risk Illustrator
2.01.1beta
TrackBack File
Trade Analysis
Google
Expiry
18-Jun-10
Actual Position
Simulated Adjustment 1
Simulated Adjustment 2
Simulated Adjmnts Total
Adjusted Position (Raw)
Lock [Raw]
Adjusted Position (Net)
Risk Summary
Profit / Loss
$2,364
Greeks
P / L Actual
P/L SA1
P/L SA2
P/L SA Total
P / L Adjusted
P/L Analysis [expiry]

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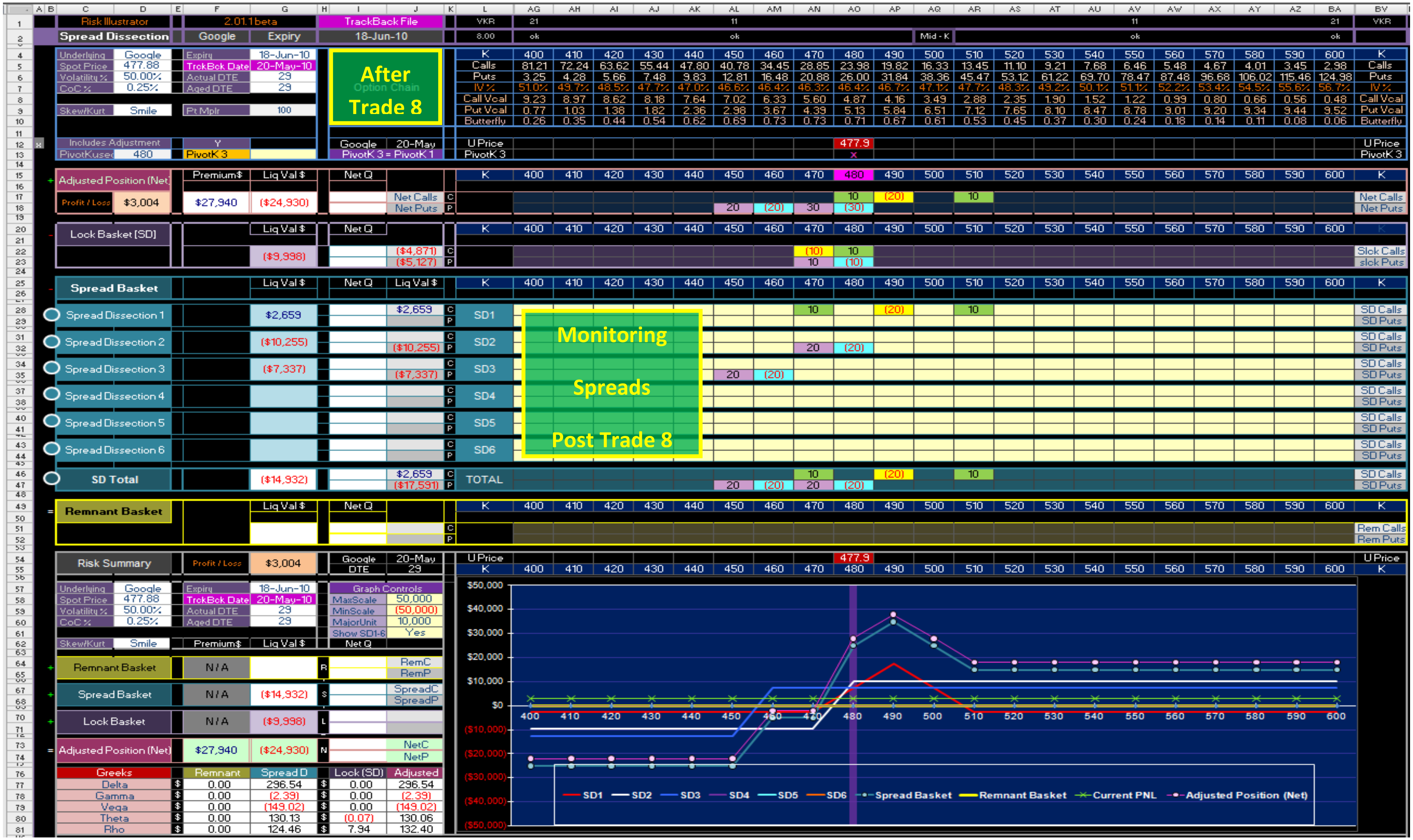


RI$K DOCTOR

Mending A BrokenWing for Advanced Traders

probability of success
Leading edge trading strategies for smart people

Risk Illustrator	2.01.1beta	TrackBack File	VKR
Spread Dissection	Google / Expiry	18-Jun-10	8.00

Underlying	Google	Expiry	18-Jun-10
Spot Price	477.88	TrckBck Date	20-May-10
Volatility %	50.00%	Actual DTE	29
CoC %	0.25%	Aged DTE	29
Skew/Kurt	Smile	Pt Mplr	100
Includes Adjustment	Y		
PivotKused	480	PivotK 3	

Option Chain

Google 20-May
PivotK 3 = PivotK 1

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	81.21	72.24	63.62	55.44	47.80	40.78	34.45	28.85	23.98	19.82	16.33	13.45	11.10	9.21	7.68	6.46	5.48	4.67	4.01	3.45	2.98	Calls
Puts	3.25	4.28	5.66	7.48	9.83	12.81	16.48	20.88	26.00	31.84	38.36	45.47	53.12	61.22	69.70	78.47	87.48	96.68	106.02	115.46	124.98	Puts
IV %	51.0%	49.7%	48.5%	47.7%	47.0%	46.6%	46.4%	46.3%	46.4%	46.7%	47.1%	47.7%	48.3%	49.2%	50.1%	51.1%	52.2%	53.4%	54.5%	55.6%	56.7%	IV %
Call Vcal	9.23	8.97	8.62	8.18	7.64	7.02	6.33	5.60	4.87	4.16	3.49	2.88	2.35	1.90	1.52	1.22	0.99	0.80	0.66	0.56	0.48	Call Vcal
Put Vcal	0.77	1.03	1.38	1.82	2.36	2.98	3.67	4.39	5.13	5.84	6.51	7.12	7.65	8.10	8.47	8.78	9.01	9.20	9.34	9.44	9.52	Put Vcal
Butterfly	0.26	0.35	0.44	0.54	0.62	0.69	0.73	0.73	0.71	0.67	0.61	0.53	0.45	0.37	0.30	0.24	0.18	0.14	0.11	0.08	0.06	Butterfly
U Price									477.9													U Price
PivotK 3									x													PivotK 3

	Premium$	Liq Val $	Net Q		K	450	460	470	480	490	500	510	
Adjusted Position (Net) — Profit / Loss $3,004	$27,940	($24,930)		Net Calls	C				10	(20)		10	Net Calls
				Net Puts	P	20	(20)	30	(30)				Net Puts
Lock Basket [SD]		($9,998)	($2,211)		C				10	(20)		10	Slck Calls
			($7,787)		P				(10)	20		(10)	slck Puts

Spread Basket	Liq Val $	Liq Val $			450	460	470	480	490	500	510	
Spread Dissection 1	$606	$606	C/P	SD1					10	(20)	10	SD Calls / SD Puts
Spread Dissection 2	$2,767	$2,767	C/P	SD2			20	(20)	(20)	20		SD Calls / SD Puts
Spread Dissection 3	$725	$725	C/P	SD3	10	(20)	10					SD Calls / SD Puts
Spread Dissection 4	($19,031)	($19,031)	C/P	SD4	10				(10)			SD Calls / SD Puts
Spread Dissection 5			C/P	SD5								SD Calls / SD Puts
Spread Dissection 6			C/P	SD6								SD Calls / SD Puts
SD Total	($14,932)	($14,932)	C/P	TOTAL	20	(20)	30	(20)	(20)		10	SD Calls / SD Puts

Monitor Spreads Post Trade 8
SD4 easier than 2 Back to Back 20 Lot Verticals

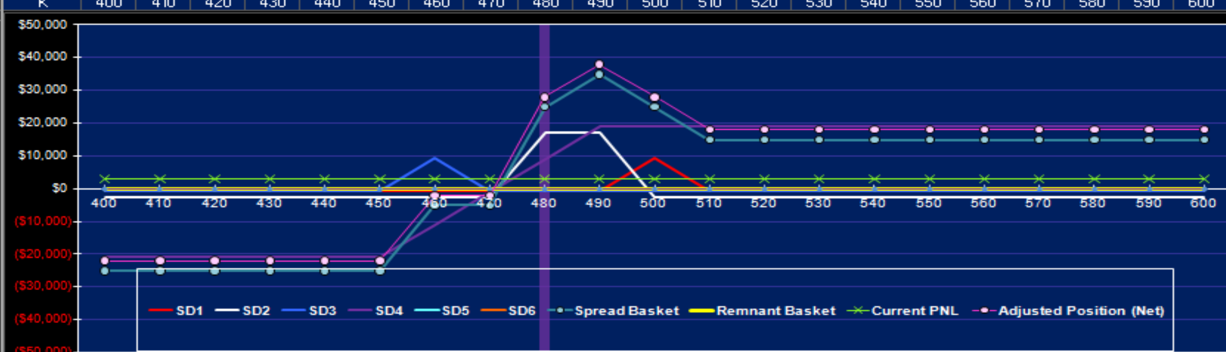
Remnant Basket — Liq Val $ — Net Q — Rem Calls / Rem Puts

Risk Summary	Profit / Loss	$3,004	Google DTE	20-May 29
Underlying	Google	Expiry	18-Jun-10	
Spot Price	477.88	TrckBck Date	20-May-10	
Volatility %	50.00%	Actual DTE	29	
CoC %	0.25%	Aged DTE	29	
Skew/Kurt	Smile			

Graph Controls	
MaxScale	50,000
MinScale	(50,000)
MajorUnit	10,000
Show SD1-6	Yes

	Premium$	Liq Val $		Net Q
Remnant Basket	N/A		R	RemC / RemP
Spread Basket	N/A	($14,932)	S	SpreadC / SpreadP
Lock Basket	N/A	($9,998)	L	
Adjusted Position (Net)	$27,940	($24,930)	N	NetC / NetP

Greeks		Remnant	Spread D		Lock (SD)	Adjusted
Delta	$	0.00	296.54	$	0.00	296.54
Gamma	$	0.00	(2.39)	$	0.00	(2.39)
Vega	$	0.00	(149.02)	$	0.00	(149.02)
Theta	$	0.00	130.13	$	(0.07)	130.06
Rho	$	0.00	124.46	$	7.94	132.40



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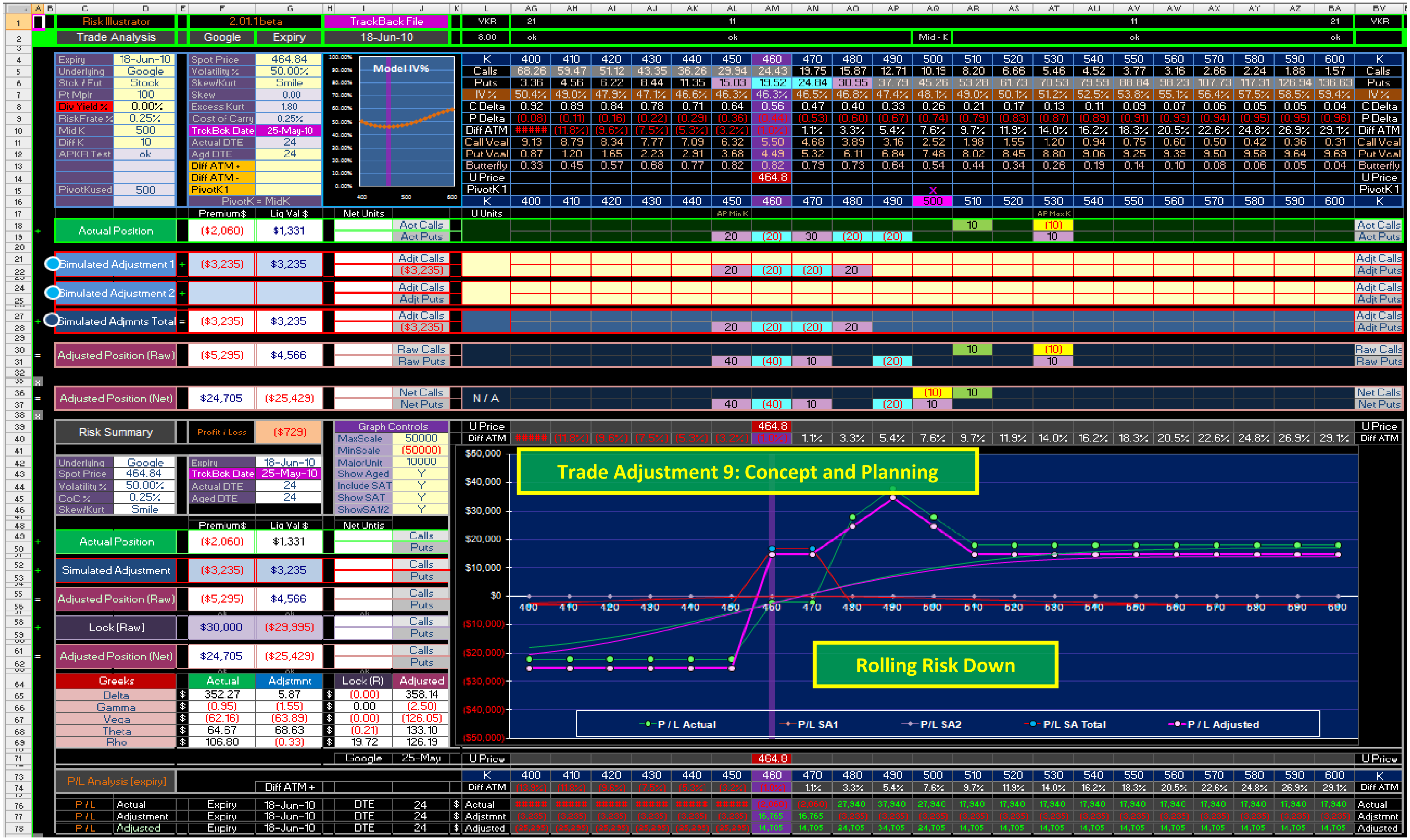


Risk Illustrator	2.01.1beta	TrackBack File	VKR
Spread Dissection	Google Expiry	18-Jun-10	8.00

Underlying	Google	Expiry	18-Jun-10
Spot Price	464.84	TrckBck Date	25-May-10
Volatility %	50.00%	Actual DTE	24
CoC %	0.25%	Aged DTE	24
Skew/Kurt	Smile	Pt Mplr	100
Includes Adjustment		Y	
PivotKused	500	PivotK 3	

After Trade 9

Google 25-May
PivotK 3 = PivotK 1

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	68.26	59.47	51.12	43.35	36.26	29.94	24.43	19.75	15.87	12.71	10.19	8.20	6.66	5.46	4.52	3.77	3.16	2.66	2.24	1.88	1.57	Calls
Puts	3.36	4.56	6.22	8.44	11.35	15.03	19.52	24.84	30.95	37.79	45.26	53.28	61.73	70.53	79.59	88.84	98.23	107.73	117.31	126.94	136.63	Puts
IV %	50.4%	49.0%	47.9%	47.1%	46.6%	46.3%	46.3%	46.5%	46.8%	47.4%	48.1%	49.0%	50.1%	51.2%	52.5%	53.8%	55.1%	56.4%	57.5%	58.5%	59.4%	IV %
Call Vcal	9.13	8.79	8.34	7.77	7.09	6.32	5.50	4.68	3.89	3.16	2.52	1.98	1.55	1.20	0.94	0.75	0.60	0.50	0.42	0.36	0.31	Call Vcal
Put Vcal	0.87	1.20	1.65	2.23	2.91	3.68	4.49	5.32	6.11	6.84	7.48	8.02	8.45	8.80	9.06	9.25	9.39	9.50	9.58	9.64	9.69	Put Vcal
Butterfly	0.33	0.45	0.57	0.68	0.77	0.82	0.82	0.79	0.73	0.64	0.54	0.44	0.34	0.26	0.19	0.14	0.10	0.08	0.06	0.05	0.04	Butterfly
U Price							464.8															U Price
PivotK 3											x											PivotK 3

	Premium$	Liq Val $	Net Q		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Adjusted Position (Net) — Profit / Loss ($134)	$25,300	($25,429)		Net Calls C												(10)	10										Net Calls
				Net Puts P							40	(40)	10		(20)	10											Net Puts
Lock Basket [SD]		($9,998)		($4,526) C									(10)		20	(10)											Slck Calls
				($5,472) P									10		(20)	10											slck Puts
Spread Basket		Liq Val $	Net Q	Liq Val $																							
Spread Dissection 1		$2,544		$2,544 C	SD1								10		(20)		10										SD Calls
				P																							SD Puts
Spread Dissection 2		($17,975)		C	SD2																						SD Calls
				($17,975) P							40	(40)															SD Puts
Spread Dissection 3				C / P	SD3																						SD Calls / SD Puts
Spread Dissection 4				C / P	SD4																						SD Calls / SD Puts
Spread Dissection 5				C / P	SD5																						SD Calls / SD Puts
Spread Dissection 6				C / P	SD6																						SD Calls / SD Puts
SD Total		($15,431)		$2,544 C	TOTAL								10		(20)		10										SD Calls
				($17,975) P							40	(40)															SD Puts
Remnant Basket		Liq Val $	Net Q	C / P																							Rem Calls / Rem Puts

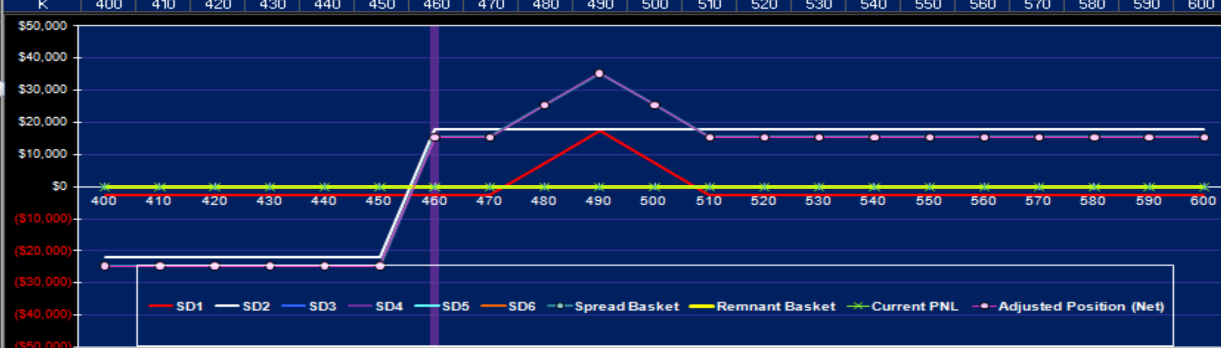
Risk Summary	Profit / Loss	($134)	Google DTE	25-May 24

				Graph Controls	
Underlying	Google	Expiry	18-Jun-10	MaxScale	50,000
Spot Price	464.84	TrckBck Date	25-May-10	MinScale	(50,000)
Volatility %	50.00%	Actual DTE	24	MajorUnit	10,000
CoC %	0.25%	Aged DTE	24	Show SD1-6	Yes
Skew/Kurt	Smile	Premium$	Liq Val $	Net Q	

	Premium$	Liq Val $		Net Q	
+ Remnant Basket	N/A		R		RemC / RemP
+ Spread Basket	N/A	($15,431)	S		SpreadC / SpreadP
+ Lock Basket	N/A	($9,998)	L		
= Adjusted Position (Net)	$25,300	($25,429)	N		NetC / NetP

Greeks		Remnant	Spread D		Lock (SD)	Adjusted
Delta	$	0.00	358.14	$	0.00	358.14
Gamma	$	0.00	(2.50)	$	(0.00)	(2.50)
Vega	$	0.00	(126.05)	$	(0.00)	(126.05)
Theta	$	0.00	133.17	$	(0.07)	133.10
Rho	$	0.00	119.61	$	6.57	126.19

Google 25-May U Price 464.8



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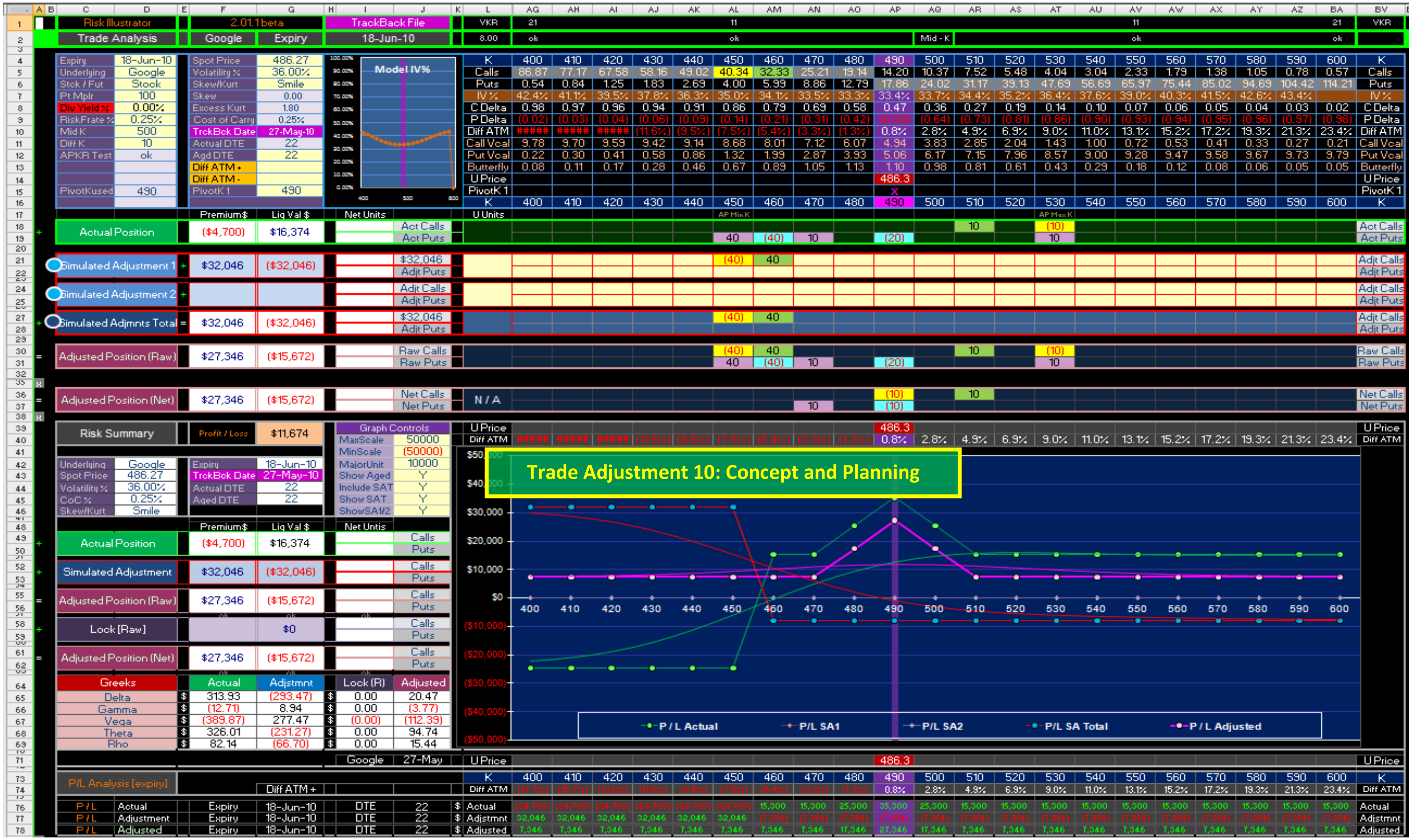
Trade Adjustment 10: Concept and Planning
Risk Summary
Risk Illustrator
2.01.1beta
TrackBack File
Trade Analysis
Google
Expiry
18-Jun-10
Actual Position
Simulated Adjustment 1
Simulated Adjustment 2
Simulated Adjmnts Total
Adjusted Position (Raw)
Adjusted Position (Net)
Profit / Loss
$11,674
Model IV%
Graph Controls
P / L Actual
P/L SA1
P/L SA2
P/L SA Total
P / L Adjusted
P/L Analysis (expiry)

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Risk Illustrator	2.01.1beta	TrackBack File	VKR
Basket Dissection	Google / Expiry	18-Jun-10	8.00

Underlying	Google	Expiry	18-Jun-10
Spot Price	486.27	TrckBck Date	27-May-10
Volatility %	36.00%	Actual DTE	22
CoC %	0.25%	Aged DTE	22
Skew/Kurt	Smile	Pt Mplr	100
Includes Adjustment		Y	
PivotKused	500	PivotK 2	

After Option Chain **Trade 10**

Google 27-May
PivotK 2 = PivotK 1

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
VKR	21					11										11					21	VKR
	ok					ok					Mid - K					ok					ok	
Calls	86.87	77.17	67.58	58.16	49.02	40.34	32.33	25.21	19.14	14.20	10.37	7.52	5.48	4.04	3.04	2.33	1.79	1.38	1.05	0.78	0.57	Calls
Puts	0.54	0.84	1.25	1.83	2.69	4.00	5.99	8.86	12.79	17.86	24.02	31.17	39.13	47.69	56.69	65.97	75.44	85.02	94.69	104.42	114.21	Puts
IV %	42.4%	41.1%	39.5%	37.8%	36.3%	35.0%	34.1%	33.5%	33.3%	33.4%	33.7%	34.4%	35.2%	36.4%	37.6%	39.0%	40.3%	41.5%	42.6%	43.4%		IV %
Call Vcal	9.78	9.70	9.59	9.42	9.14	8.68	8.01	7.12	6.07	4.94	3.83	2.85	2.04	1.43	1.00	0.72	0.53	0.41	0.33	0.27	0.21	Call Vcal
Put Vcal	0.22	0.30	0.41	0.58	0.86	1.32	1.99	2.87	3.93	5.06	6.17	7.15	7.96	8.57	9.00	9.28	9.47	9.58	9.67	9.73	9.79	Put Vcal
Butterfly	0.08	0.11	0.17	0.28	0.46	0.67	0.89	1.05	1.13	1.10	0.98	0.81	0.61	0.43	0.29	0.18	0.12	0.08	0.06	0.05	0.05	Butterfly
U Price										486.3												U Price
PivotK 2											x											PivotK 2

Adjusted Position (Net)	Premium$	Liq Val $	Net Q
Profit / Loss $11,982	$17,660	($5,674)	Net Calls C / Net Puts P

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
C											(10)	10										Net Calls
P								10		(20)	10											Net Puts

Lock Basket [BD]	Liq Val $	Net Q
	($9,998)	Blck Calls C / Blck Puts P

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
C									(20)	30	(10)											Blck Calls
P									20	(30)	10											Blck Puts

Butterfly Basket	Liq Val $	Net Bfly	Liq Val $		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Butterfly Dissection 1	$985	10	$985	C / P	BD1											10											BD Calls / BD Puts
Butterfly Dissection 2	$2,208	20	$2,208	C / P	BD2										20												BD Calls / BD Puts
Butterfly Dissection 3	$1,132	10	$1,132	C / P	BD3									10													BD Calls / BD Puts
Butterfly Dissection 4				C / P	BD4																						BD Calls / BD Puts
Butterfly Dissection 5				C / P	BD5																						BD Calls / BD Puts
Butterfly Dissection 6				C / P	BD6																						BD Calls / BD Puts
BD Total	$4,325	40			Total									10	20	10											Total

Remnant Basket	Liq Val $	Net Q
		Rem Calls C / Rem Puts P

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
																						Rem Calls / Rem Puts

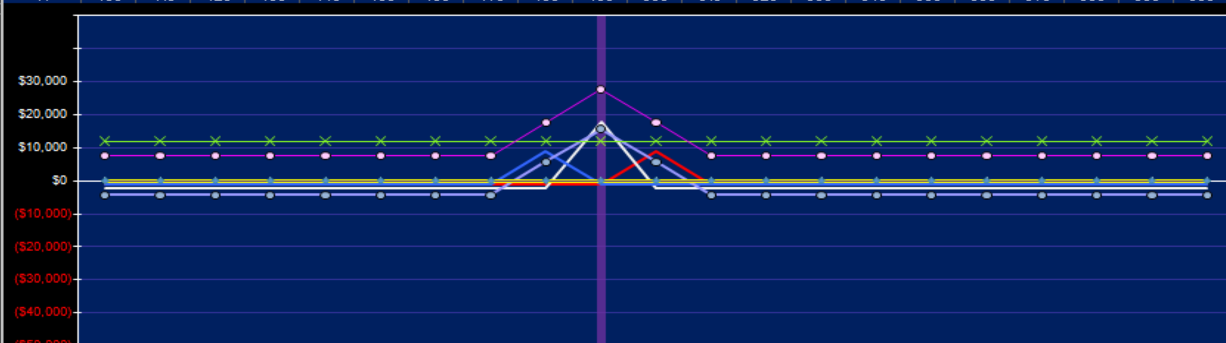
Risk Summary	Profit / Loss	$11,982	Google DTE	27-May 22

Underlying	Google	Expiry	18-Jun-10	Graph Controls	
Spot Price	486.27	TrckBck Date	27-May-10	MaxScale	50000
Volatility %	36.00%	Actual DTE	22	MinScale	(50000)
CoC %	0.25%	Aged DTE	22	MajorUnit	10000
				Show BD1-6	Yes
Skew/Kurt	Smile	Premium$	Liq Val $	Net Q	

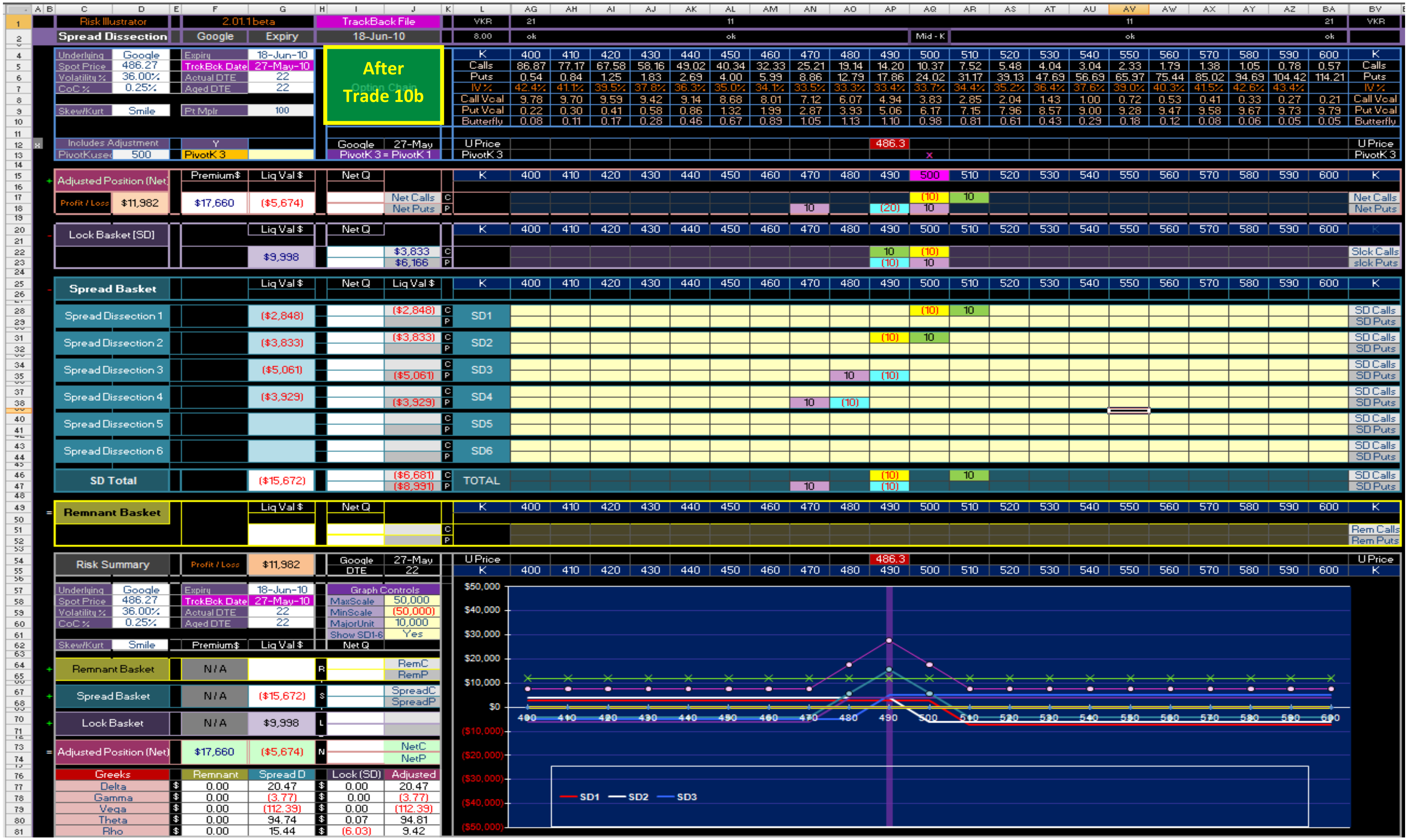
	Premium$	Liq Val $	Net Q	
+ Remnant Basket	N / A			RemC / RemP
+ Butterfly Basket	N / A	$4,325	40	Bfly
+ Lock Basket	N / A	($9,998)		Blck C / Blck P
= Adjusted Position (Net)	$17,660	($5,674)		NetC / NetP

Greeks		Remnant	Bfly		Lock (BD)	Adjusted
Delta	$	0.00	20.47	$	0.00	20.47
Gamma	$	0.00	(3.77)	$	0.00	(3.77)
Vega	$	0.00	(112.39)	$	0.00	(112.39)
Theta	$	0.00	94.88	$	(0.07)	94.81
Rho	$	0.00	3.39	$	6.03	9.42

U Price										486.3												U Price
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K

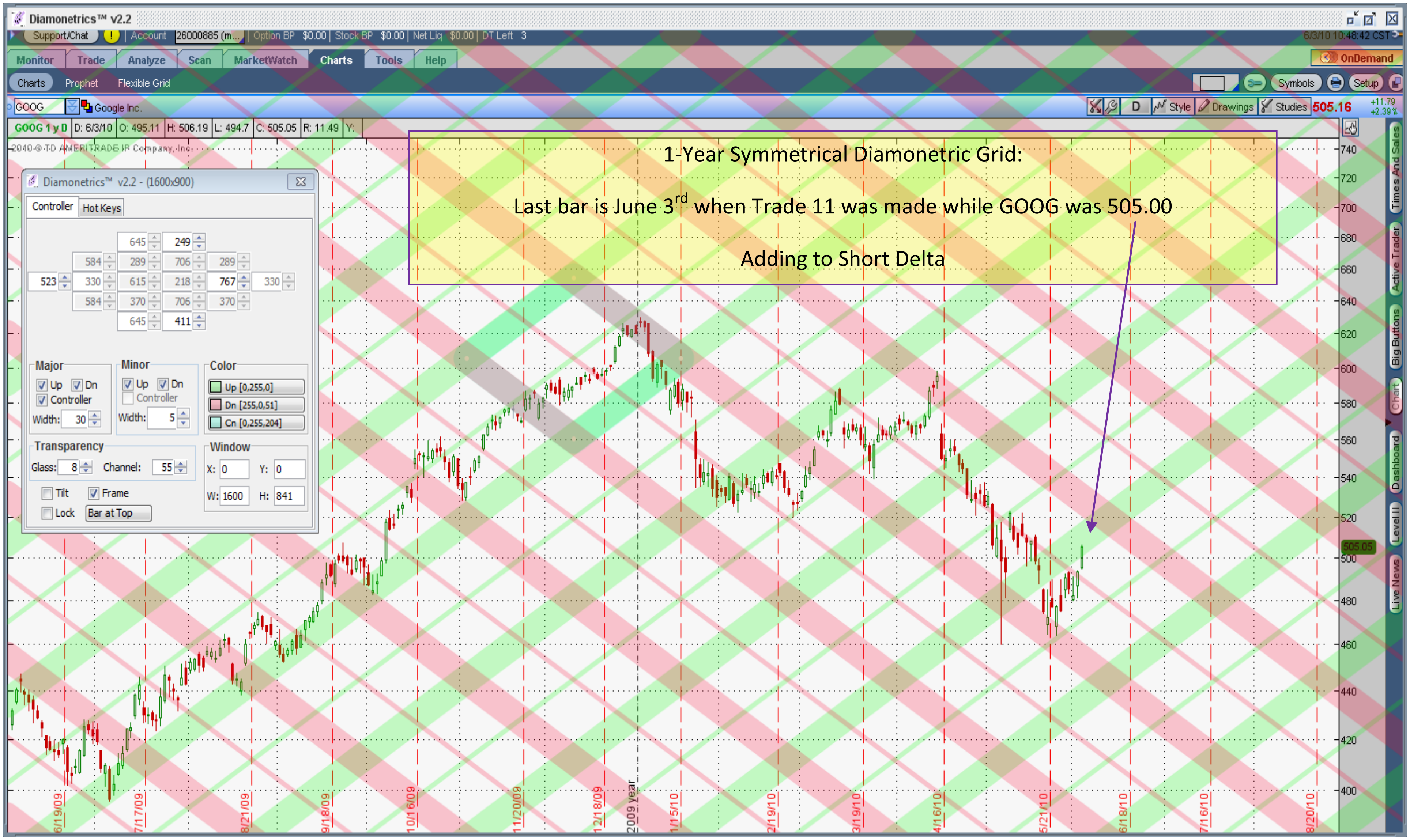


 Charles@RiskDoctor.com RiskDoctor.com RiskIllustrated.com Diamonetrics™ RiskIllustrator™



K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600
Calls	86.87	77.17	67.58	58.16	49.02	40.34	32.33	25.21	19.14	14.20	10.37	7.52	5.48	4.04	3.04	2.33	1.79	1.38	1.05	0.78	0.57
Puts	0.54	0.84	1.25	1.83	2.69	4.00	5.99	8.86	12.79	17.86	24.02	31.17	39.13	47.69	56.69	65.97	75.44	85.02	94.69	104.42	114.21
IV %	42.4%	41.1%	39.5%	37.8%	36.3%	35.0%	34.1%	33.5%	33.3%	33.4%	33.7%	34.4%	35.2%	36.4%	37.6%	39.0%	40.3%	41.5%	42.6%	43.4%	
Call Vcal	9.78	9.70	9.59	9.42	9.14	8.68	8.01	7.12	6.07	4.94	3.83	2.85	2.04	1.43	1.00	0.72	0.53	0.41	0.33	0.27	0.21
Put Vcal	0.22	0.30	0.41	0.58	0.86	1.32	1.99	2.87	3.93	5.06	6.17	7.15	7.96	8.57	9.00	9.28	9.47	9.58	9.67	9.73	9.79
Butterfly	0.08	0.11	0.17	0.28	0.46	0.67	0.89	1.05	1.13	1.10	0.98	0.81	0.61	0.43	0.29	0.18	0.12	0.08	0.06	0.05	0.05

Greeks	Remnant	Spread D	Lock (SD)	Adjusted
Delta	0.00	20.47	0.00	20.47
Gamma	0.00	(3.77)	0.00	(3.77)
Vega	0.00	(112.39)	0.00	(112.39)
Theta	0.00	94.74	0.07	94.81
Rho	0.00	15.44	(6.03)	9.42


1-Year Symmetrical Diamonetric Grid:
Last bar is June 3rd when Trade 11 was made while GOOG was 505.00
Adding to Short Delta

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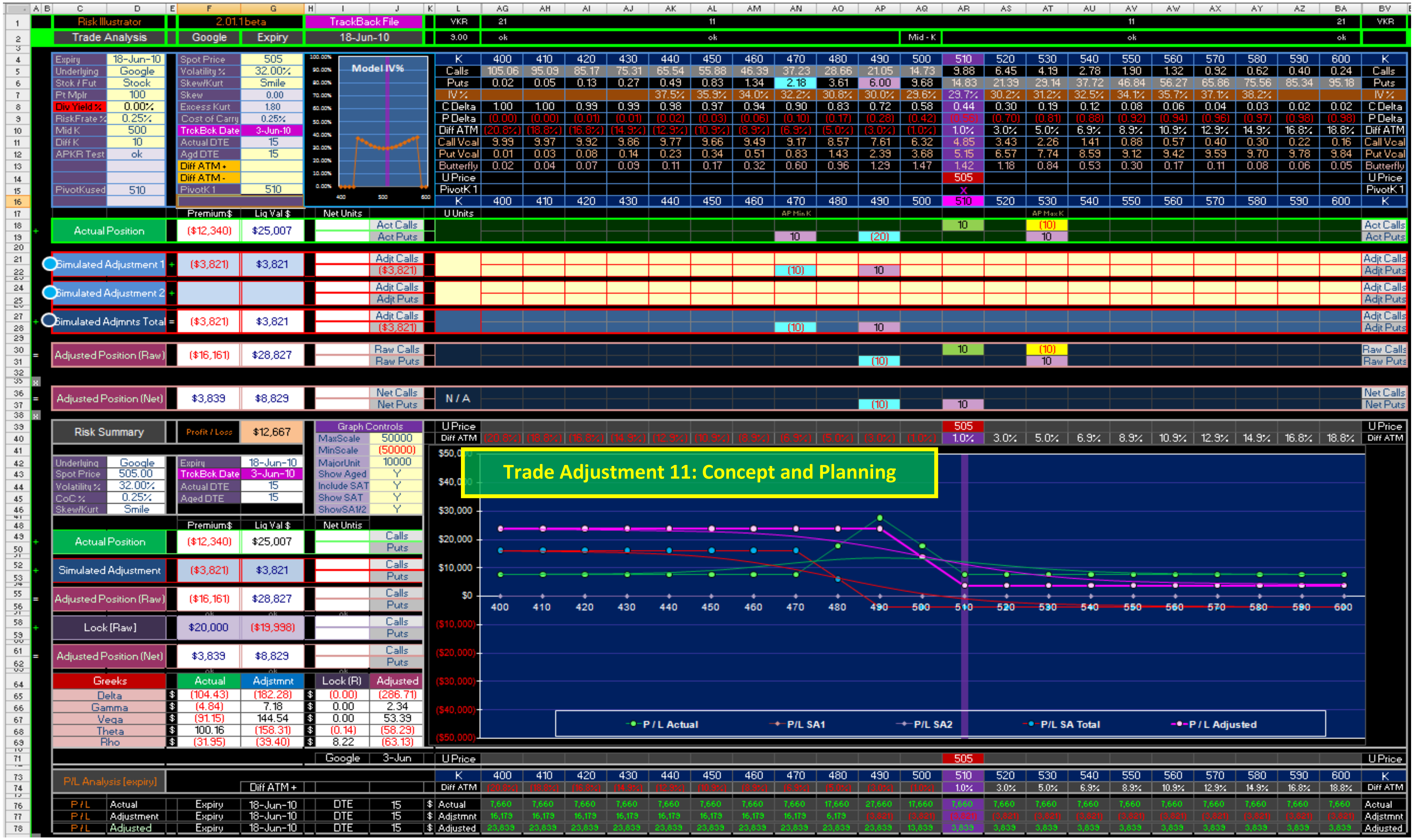
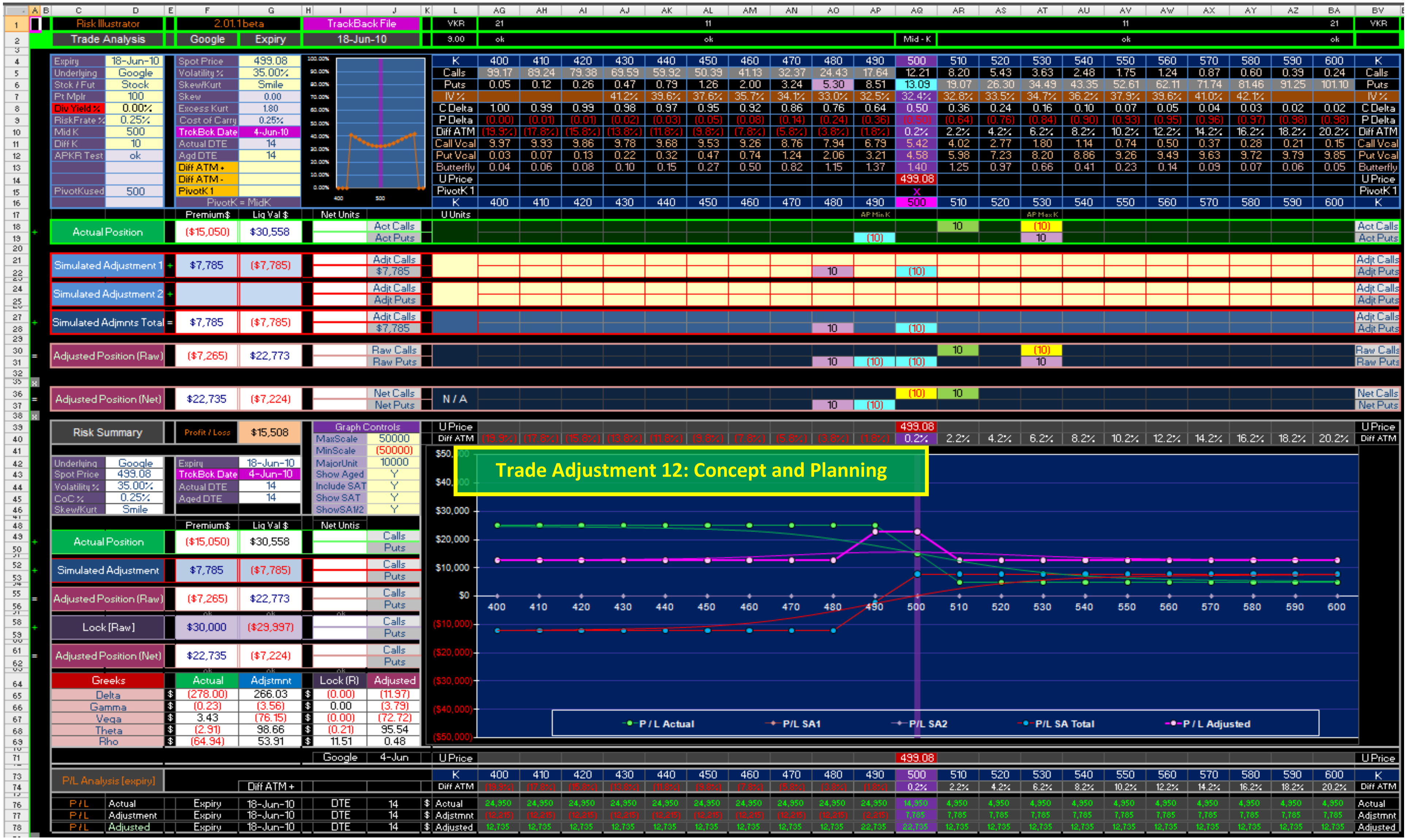
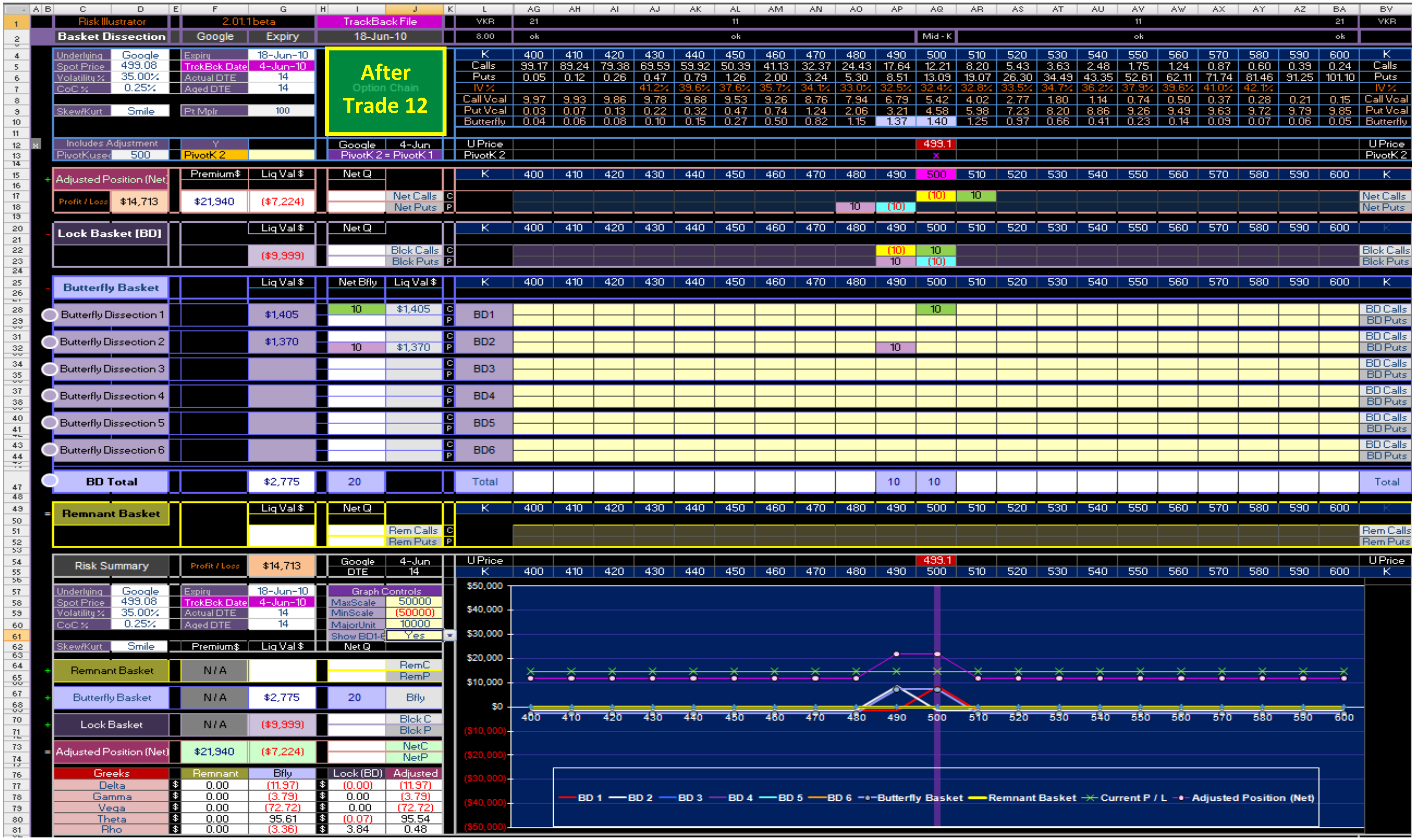


Mending A BrokenWing for Advanced Traders





K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600
Calls	99.17	89.24	79.38	69.59	59.92	50.39	41.13	32.37	24.43	17.64	12.21	8.20	5.43	3.63	2.48	1.75	1.24	0.87	0.60	0.39	0.24
Puts	0.05	0.12	0.26	0.47	0.79	1.26	2.00	3.24	5.30	8.51	13.09	19.07	26.30	34.49	43.35	52.61	62.11	71.74	81.46	91.25	101.10
IV %				41.2%	39.6%	37.6%	35.7%	34.1%	33.0%	32.5%	32.4%	32.8%	33.5%	34.7%	36.2%	37.9%	39.6%	41.0%	42.1%		
Call Vcal	9.97	9.93	9.86	9.78	9.68	9.53	9.26	8.76	7.94	6.79	5.42	4.02	2.77	1.80	1.14	0.74	0.50	0.37	0.28	0.21	0.15
Put Vcal	0.03	0.07	0.13	0.22	0.32	0.47	0.74	1.24	2.06	3.21	4.58	5.98	7.23	8.20	8.86	9.26	9.49	9.63	9.72	9.79	9.85
Butterfly	0.04	0.06	0.08	0.10	0.15	0.27	0.50	0.82	1.15	1.37	1.40	1.25	0.97	0.66	0.41	0.23	0.14	0.09	0.07	0.06	0.05

Risk Summary	Premium$	Liq Val $	Net Q	
Remnant Basket	N/A			RemC / RemP
Butterfly Basket	N/A	$2,775	20	Bfly
Lock Basket	N/A	($9,999)		Blck C / Blck P
Adjusted Position (Net)	$21,940	($7,224)		NetC / NetP

Greeks	Remnant	Bfly	Lock (BD)	Adjusted
Delta	$ 0.00	(11.97)	$ (0.00)	(11.97)
Gamma	$ 0.00	(3.79)	$ 0.00	(3.79)
Vega	$ 0.00	(72.72)	$ 0.00	(72.72)
Theta	$ 0.00	95.61	$ (0.07)	95.54
Rho	$ 0.00	(3.36)	$ 3.84	0.48

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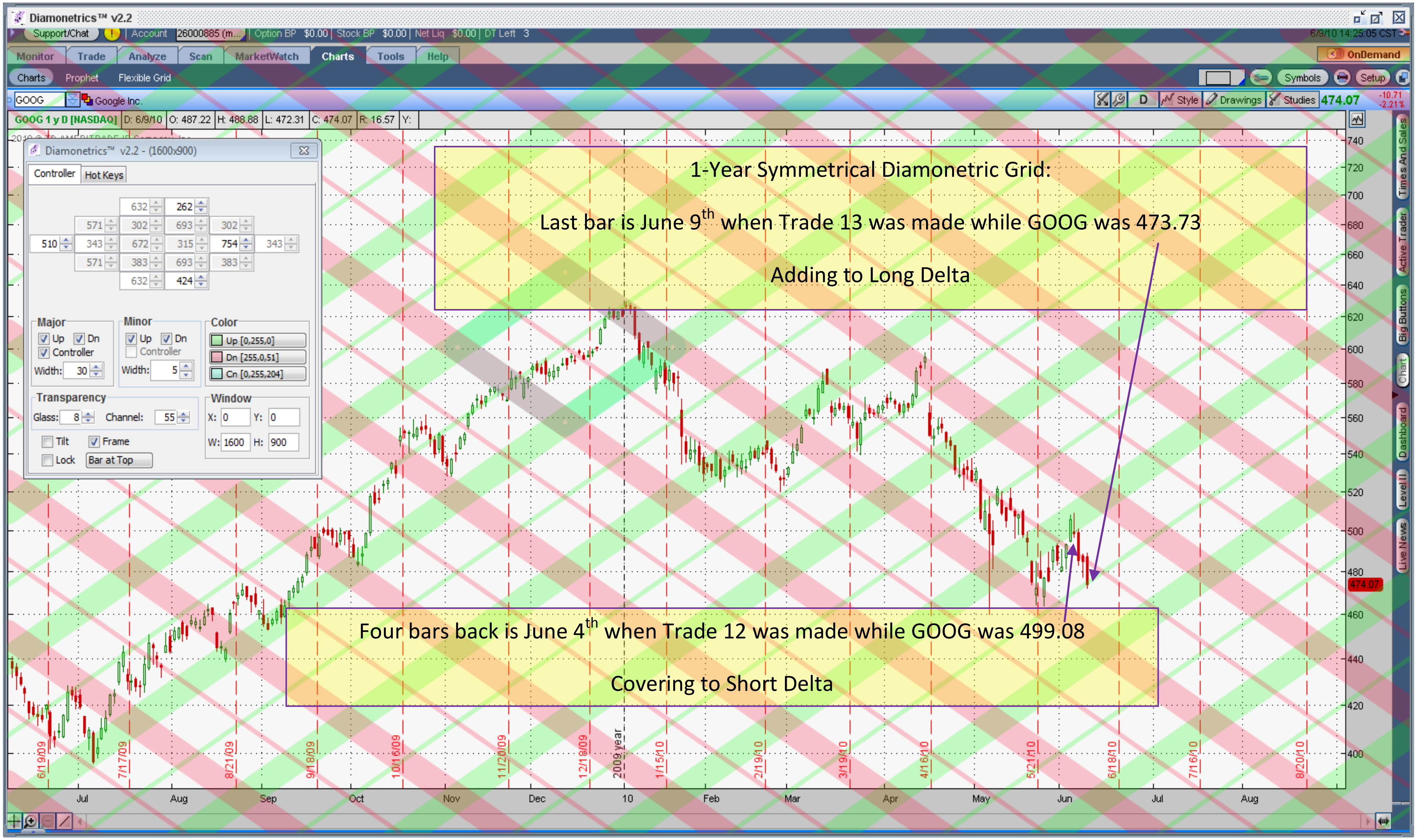

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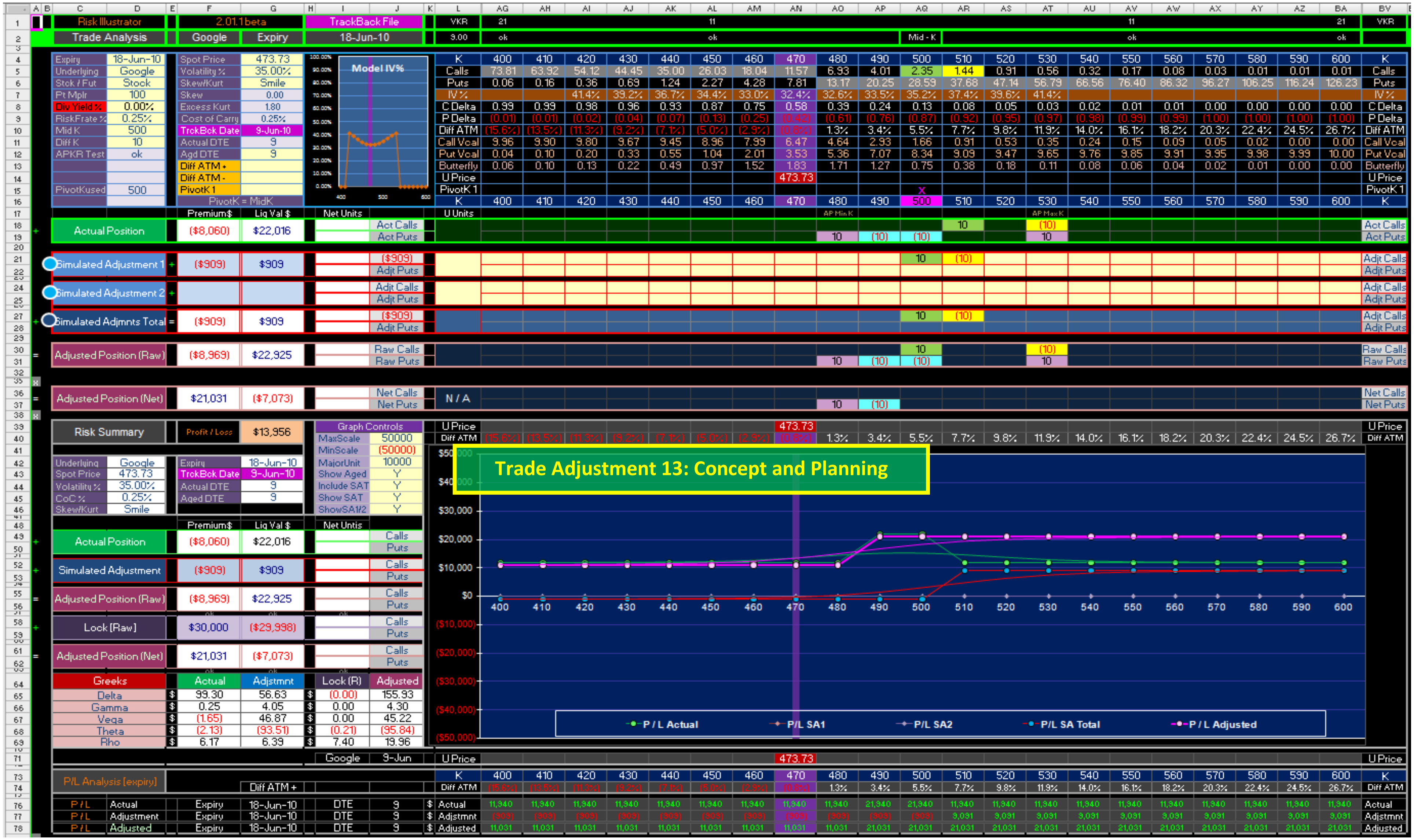
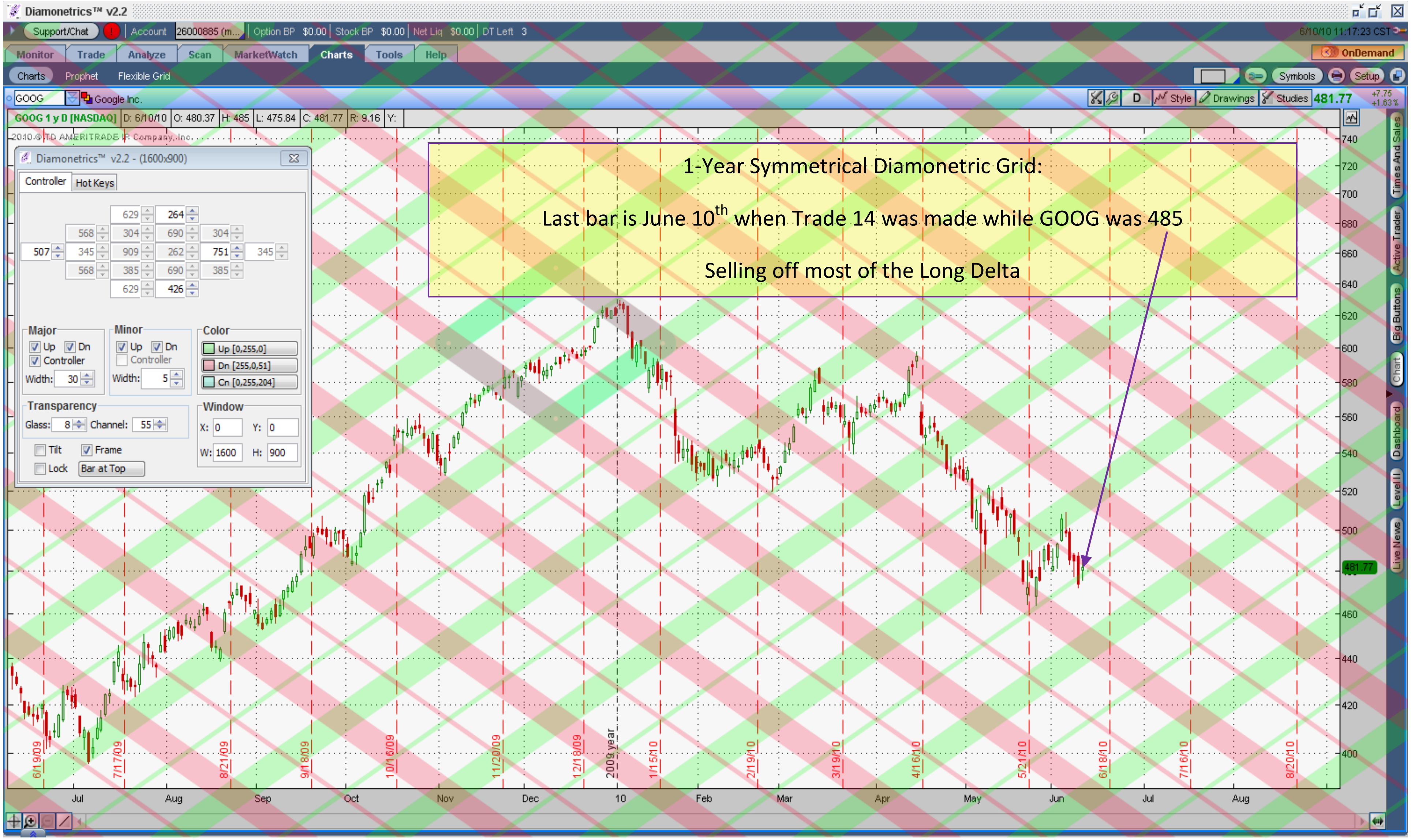


Trade Adjustment 13: Concept and Planning

 Charles@RiskDoctor.com RiskDoctor.com RiskIllustrated.com Diamonetrics™ RiskIllustrator™


Diamonetrics™ v2.2
GOOG 1 y D [NASDAQ] D: 6/10/10 O: 480.37 H: 485 L: 475.84 C: 481.77 R: 9.16
1-Year Symmetrical Diamonetric Grid:
Last bar is June 10th when Trade 14 was made while GOOG was 485
Selling off most of the Long Delta

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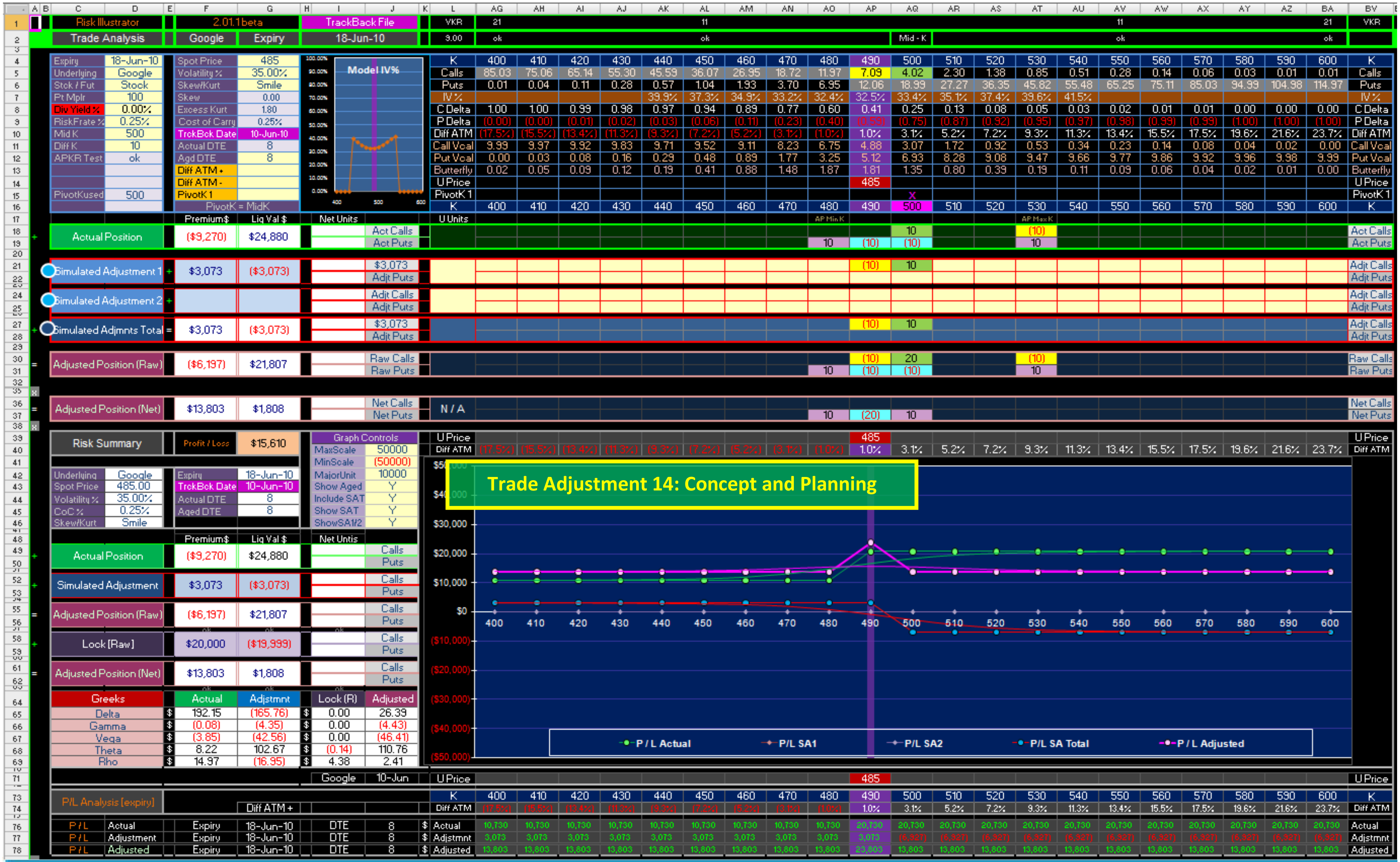

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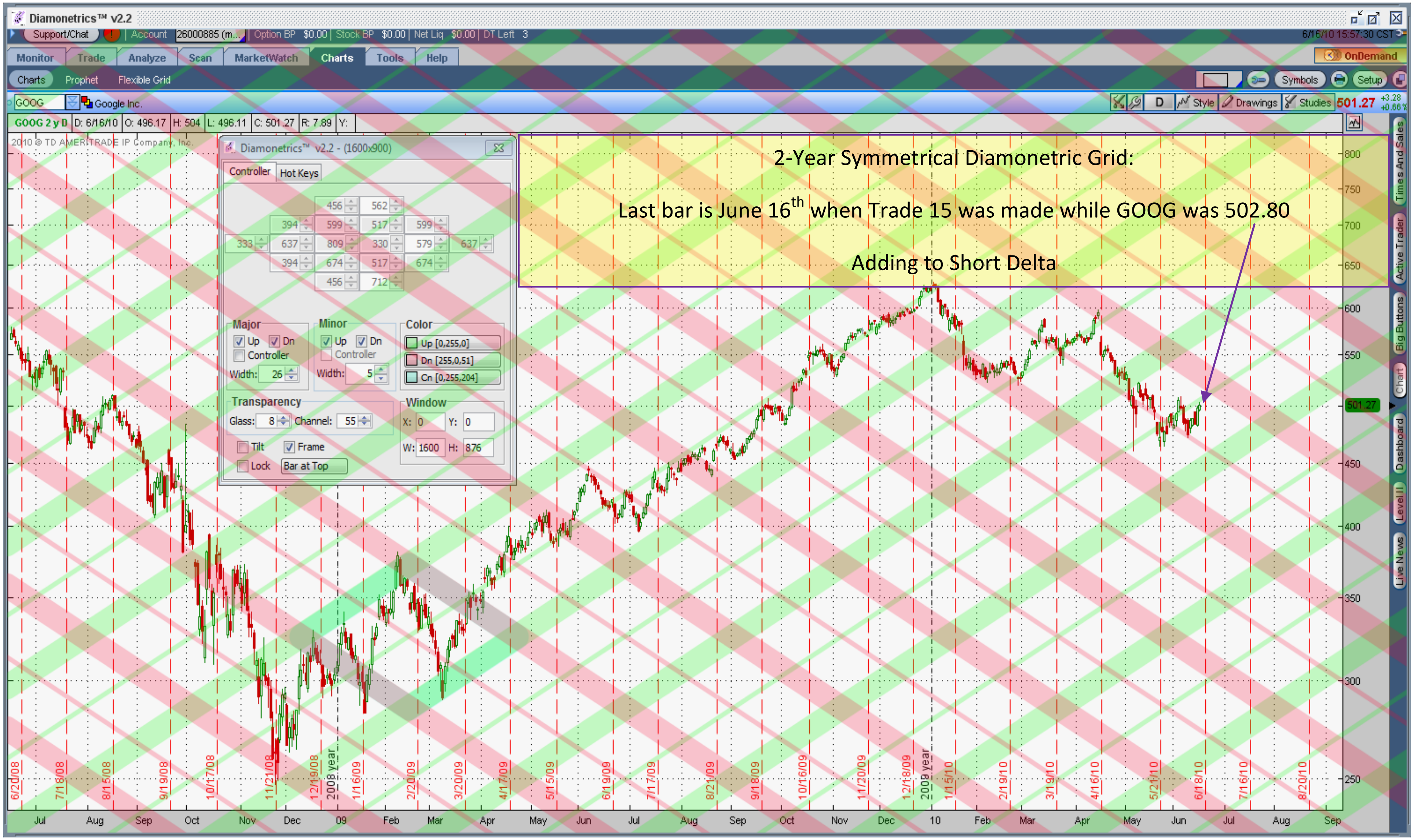
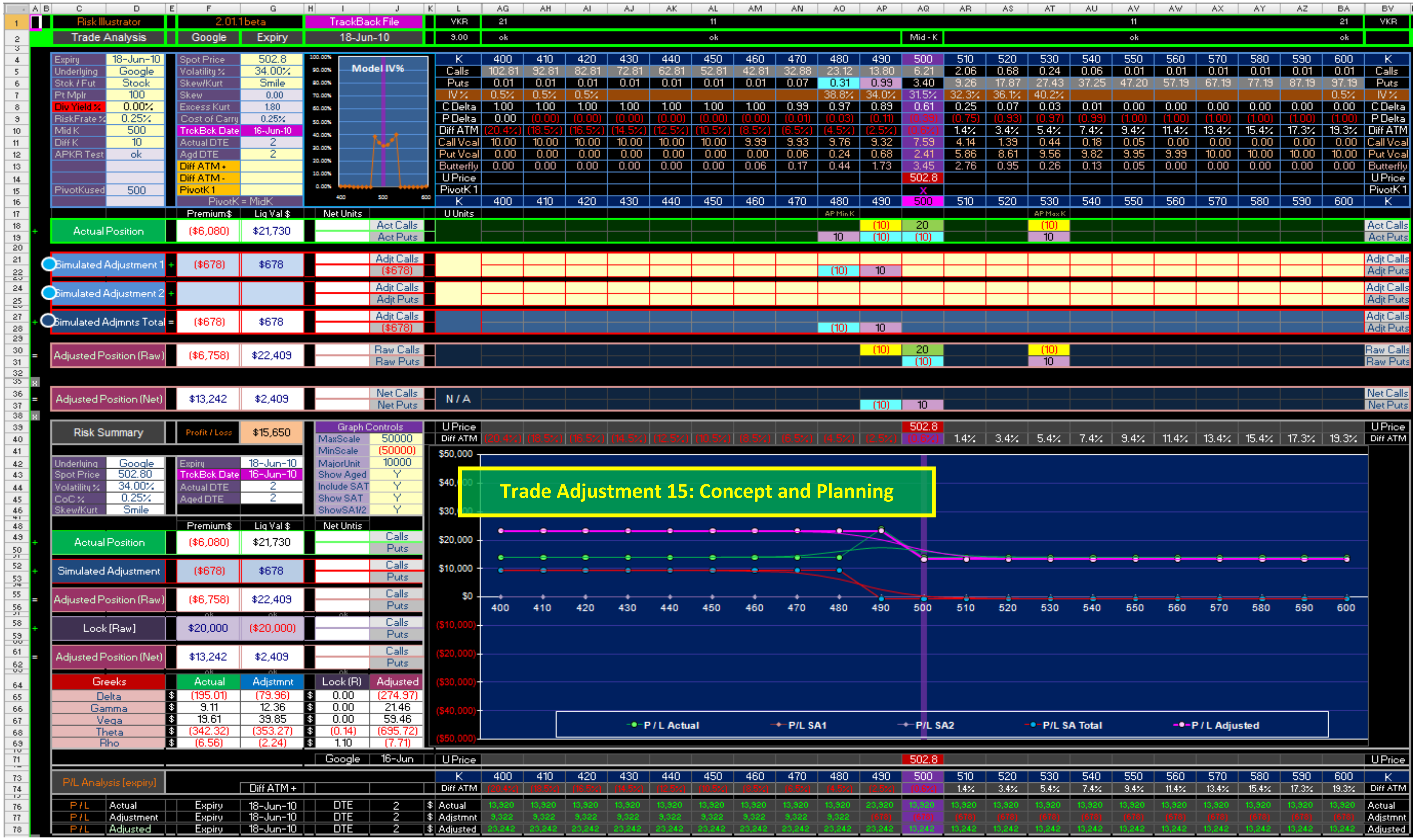
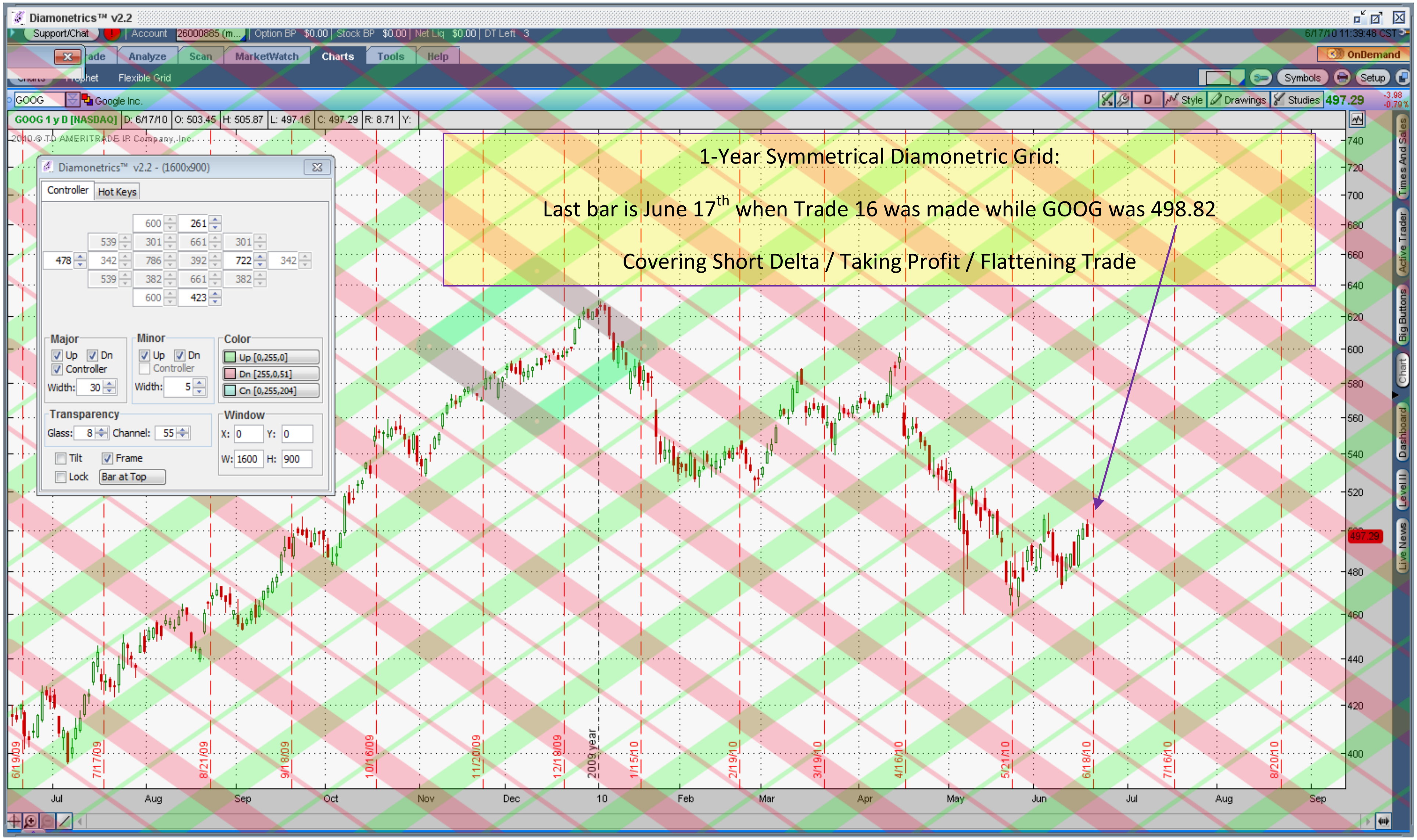



Trade Adjustment 15: Concept and Planning
Risk Illustrator
Trade Analysis
Google
Expiry
18-Jun-10
TrackBack File
Actual Position
Simulated Adjustment 1
Simulated Adjustment 2
Simulated Adjmnts Total
Adjusted Position (Raw)
Adjusted Position (Net)
Risk Summary
Profit / Loss
$15,650
Lock (Raw)
Greeks
Delta
Gamma
Vega
Theta
Rho
P/L Analysis (expiry)
P / L Actual
P/L SA1
P/L SA2
P/L SA Total
P / L Adjusted


1-Year Symmetrical Diamonetric Grid:
Last bar is June 17th when Trade 16 was made while GOOG was 498.82
Covering Short Delta / Taking Profit / Flattening Trade

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Trade Adjustment 16: Concept and Planning

Risk Illustrator	2.01.1beta		TrackBack File
Trade Analysis	Google	Expiry	18-Jun-10

Expiry	18-Jun-10	Spot Price	498.82
Underlying	Google	Volatility %	32.00%
Stck / Fut	Stock	Skew/Kurt	Smile
Pt Mplr	100	Skew	0.00
Div Yield %	0.00%	Excess Kurt	1.80
RiskFrate %	0.25%	Cost of Carry	0.25%
Mid K	500	TrckBck Date	17-Jun-10
Diff K	10	Actual DTE	1
APKR Test	ok	Agd DTE	1
		Diff ATM +	
		Diff ATM -	
PivotKused	500	PivotK 1	
		PivotK = MidK	

Model IV%

L	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW	AX	AY	AZ	BA	BV
VKR	21					11										11					21	VKR
9.00	ok					ok					Mid - K					ok					ok	
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Calls	98.82	88.82	78.82	68.82	58.82	48.82	38.82	28.83	18.93	9.45	2.54	0.45	0.08	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	Calls
Puts	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.10	0.62	3.72	11.63	21.26	31.18	41.18	51.18	61.18	71.18	81.18	91.18	101.18	Puts
IV %	0.5%	0.5%	0.5%	0.5%	0.5%					32.2%	29.7%	33.8%					0.5%	0.5%	0.5%	0.5%	0.5%	IV %
C Delta	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.98	0.89	0.43	0.07	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	C Delta
P Delta	0.00	0.00	0.00	0.00	(0.00)	(0.00)	(0.00)	(0.00)	(0.02)	(0.11)	(0.57)	(0.93)	(0.98)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	P Delta
Diff ATM	(19.8%)	(17.8%)	(15.8%)	(13.8%)	(11.8%)	(9.8%)	(7.8%)	(5.8%)	(3.8%)	(1.8%)	0.2%	2.2%	4.2%	6.3%	8.3%	10.3%	12.3%	14.3%	16.3%	18.3%	20.3%	Diff ATM
Call Vcal	10.00	10.00	10.00	10.00	10.00	10.00	10.00	9.99	9.90	9.48	6.91	2.09	0.37	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Call Vcal
Put Vcal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.09	0.52	3.09	7.91	9.63	9.93	10.00	10.00	10.00	10.00	10.00	10.00	10.00	Put Vcal
Butterfly	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.09	0.42	2.58	4.82	1.72	0.30	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Butterfly
U Price											498.82											U Price
PivotK 1											x											PivotK 1
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
U Units										AP Min K				AP Max K								

	Premium$	Liq Val $	Net Units		490	500	530	
+ Actual Position	($6,940)	$23,089		Act Calls	(10)	20	(10)	Act Calls
				Act Puts		(10)	10	Act Puts
Simulated Adjustment 1 +	$3,095	($3,095)		Adjt Calls				Adjt Calls
				$3,095	10	(10)		Adjt Puts
Simulated Adjustment 2 +				Adjt Calls				Adjt Calls
				Adjt Puts				Adjt Puts
+ Simulated Adjmnts Total =	$3,095	($3,095)		Adjt Calls				Adjt Calls
				$3,095	10	(10)		Adjt Puts
= Adjusted Position (Raw)	($3,845)	$19,995		Raw Calls	(10)	20	(10)	Raw Calls
				Raw Puts	10	(20)	10	Raw Puts
= Adjusted Position (Net)	$16,155			Net Calls	N / A			Net Calls
				Net Puts				Net Puts

Risk Summary	Profit / Loss	$16,149	Graph Controls	
			MaxScale	50000
			MinScale	(50000)
Underlying: Google	Expiry	18-Jun-10	MajorUnit	10000
Spot Price: 498.82	TrckBck Date	17-Jun-10	Show Aged	Y
Volatility %: 32.00%	Actual DTE	1	Include SAT	Y
CoC %: 0.25%	Aged DTE	1	Show SAT	Y
Skew/Kurt: Smile			ShowSA1/2	Y

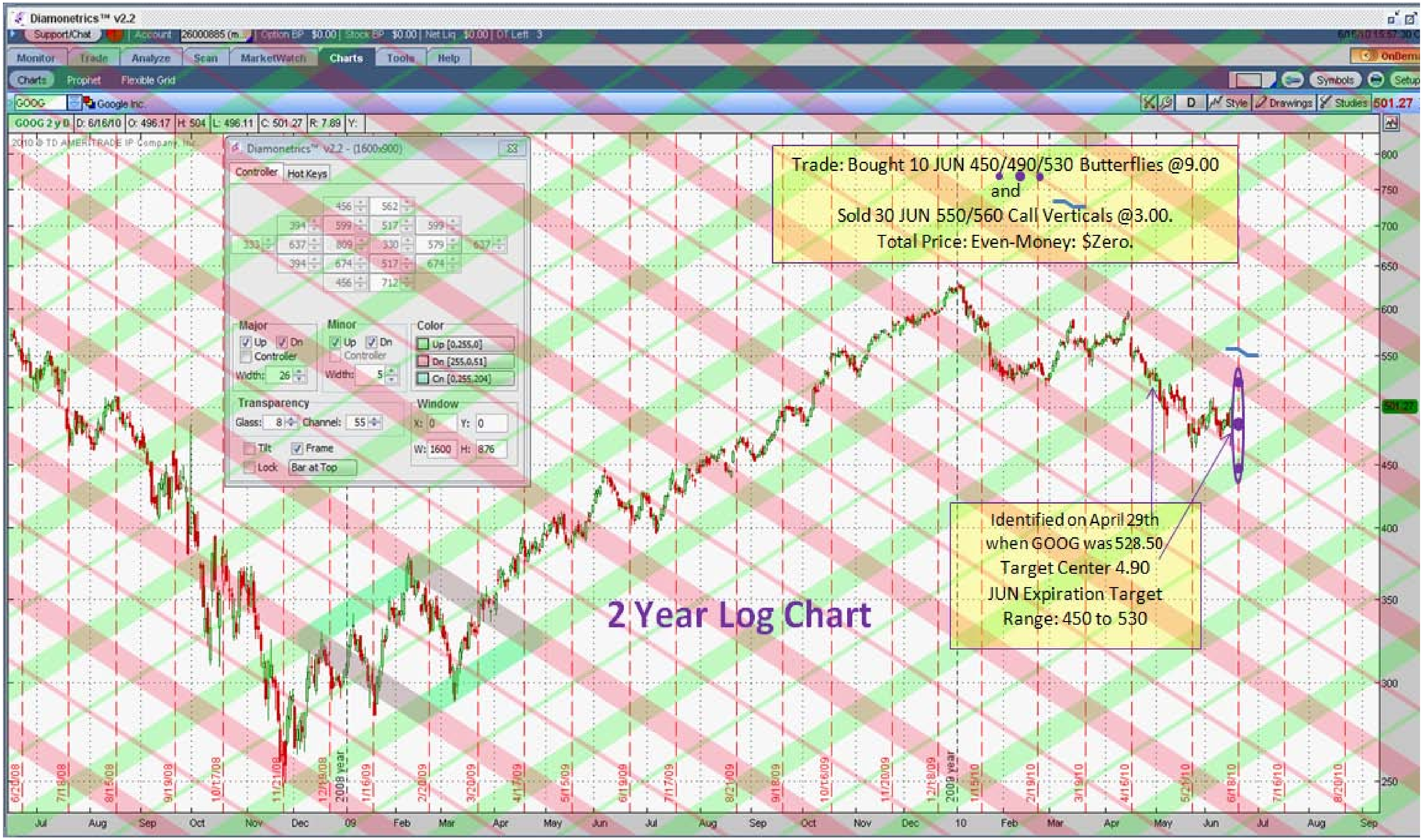
	Premium$	Liq Val $	Net Untis	
+ Actual Position	($6,940)	$23,089		Calls / Puts
+ Simulated Adjustment	$3,095	($3,095)		Calls / Puts
= Adjusted Position (Raw)	($3,845)	$19,995		Calls / Puts
+ Lock [Raw]	$20,000	($19,995)		Calls / Puts
= Adjusted Position (Net)	$16,155			Calls / Puts

Greeks		Actual	Adjstmnt		Lock (R)	Adjusted
Delta	$	(458.30)	458.30	$	(0.00)	0.00
Gamma	$	35.63	(35.63)	$	0.00	0.00
Vega	$	45.77	(45.77)	$	0.00	0.00
Theta	$	(1908.37)	1908.51	$	(0.14)	0.00
Rho	$	(6.90)	6.35	$	0.55	0.00

Google 17-Jun

P/L Analysis [expiry] — Diff ATM +

							U Price	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	
							U Price											498.82											U Price
							K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
							Diff ATM	(19.8%)	(17.8%)	(15.8%)	(13.8%)	(11.8%)	(9.8%)	(7.8%)	(5.8%)	(3.8%)	(1.8%)	0.2%	2.2%	4.2%	6.3%	8.3%	10.3%	12.3%	14.3%	16.3%	18.3%	20.3%	Diff ATM
P / L	Actual	Expiry	18-Jun-10	DTE	1	$	Actual	23,060	23,060	23,060	23,060	23,060	23,060	23,060	23,060	23,060	23,060	13,060	13,060	13,060	13,060	13,060	13,060	13,060	13,060	13,060	13,060	13,060	Actual
P / L	Adjustment	Expiry	18-Jun-10	DTE	1	$	Adjstmnt	(6,905)	(6,905)	(6,905)	(6,905)	(6,905)	(6,905)	(6,905)	(6,905)	(6,905)	(6,905)	3,095	3,095	3,095	3,095	3,095	3,095	3,095	3,095	3,095	3,095	3,095	Adjstmnt
P / L	Adjusted	Expiry	18-Jun-10	DTE	1	$	Adjusted	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	16,155	Adjusted


Trade: Bought 10 JUN 450/490/530 Butterflies @9.00
and
Sold 30 JUN 550/560 Call Verticals @3.00.
Total Price: Even-Money: $Zero.
2 Year Log Chart
Identified on April 29th
when GOOG was 528.50
Target Center 4.90
JUN Expiration Target
Range: 450 to 530

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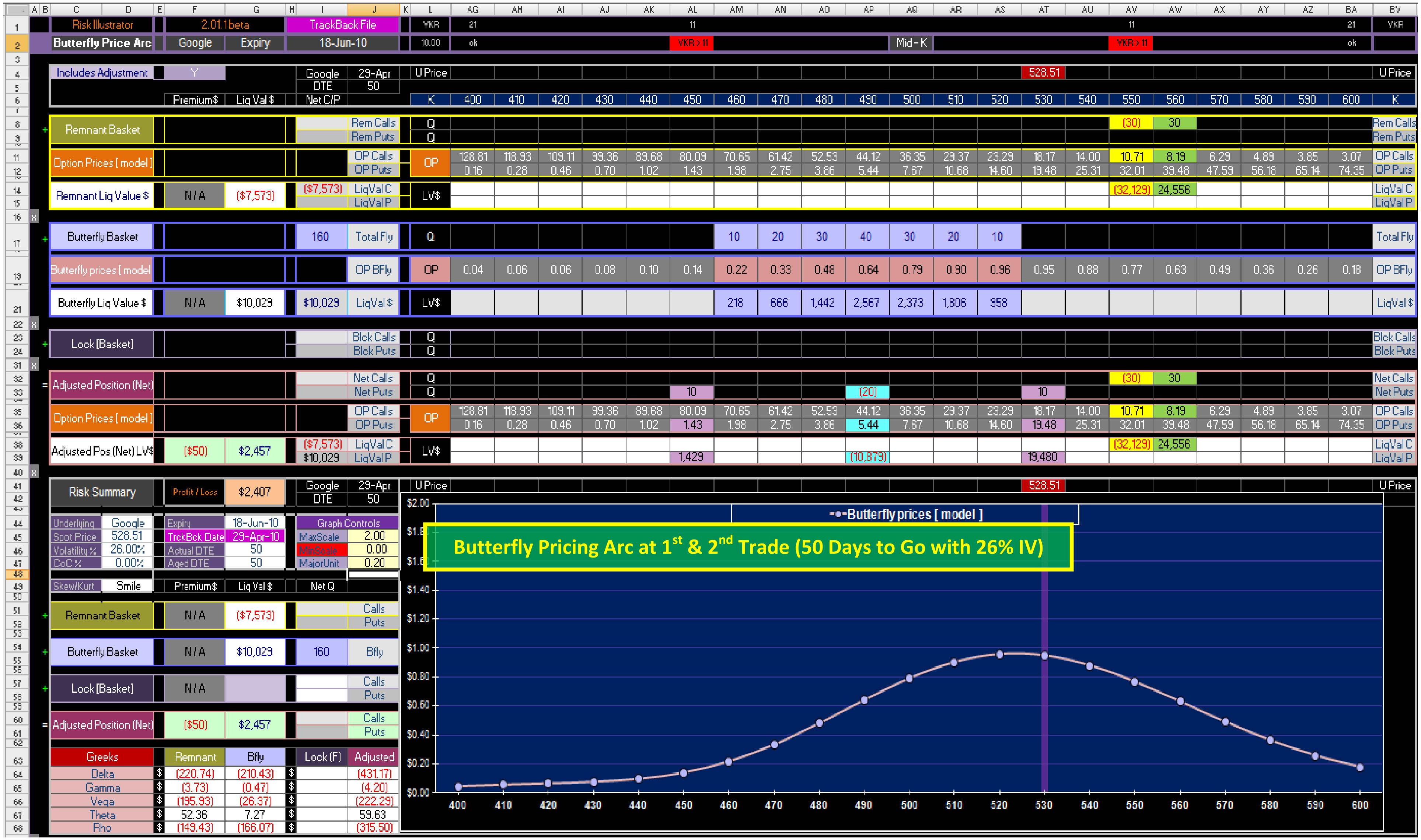
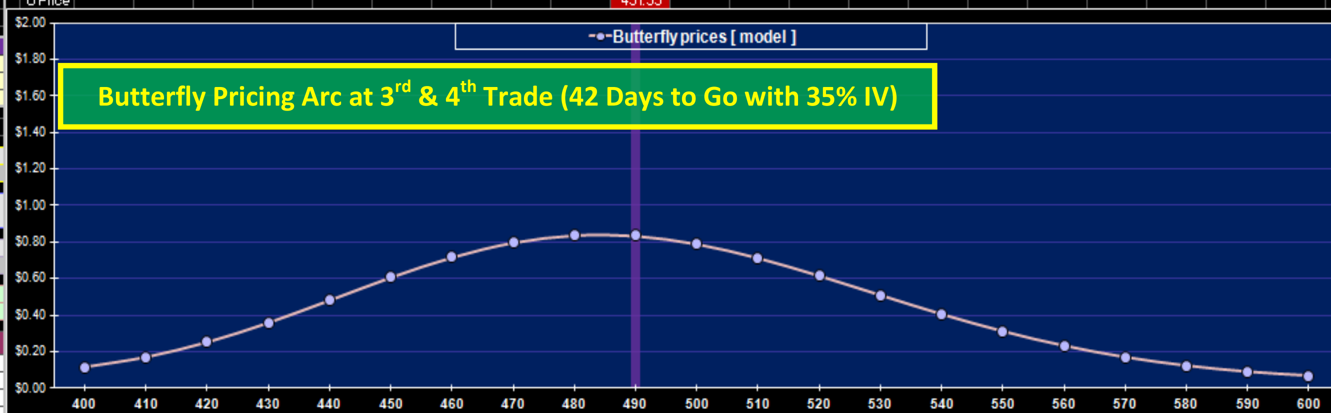


Risk Illustrator	2.01.1beta		TrackBack File		
Butterfly Price Arc	Google	Expiry	18-Jun-10		
Includes Adjustment	Y		Google	7-May	
			DTE	42	
	Premium$	Liq Val $	Net C/P		
Remnant Basket				Rem Calls	
				Rem Puts	
Option Prices [model]				OP Calls	
				OP Puts	
Remnant Liq Value $	N/A	($2,134)	($2,134)	LiqVal C	
				LiqVal P	
Butterfly Basket			170	Total Fly	
Butterfly prices [model				OP BFly	
Butterfly Liq Value $	N/A	$12,123	$12,123	LiqVal $	
Lock [Basket]				Blck Calls	
				Blck Puts	
Option Prices [model]				OP Calls	
				OP Puts	
Lock [Basket] Liq Val $	N/A	($39,988)	($15,298)	LiqVal C	
			($24,691)	LiqVal P	
Adjusted Position (Net)				Net Calls	
				Net Puts	
Option Prices [model]				OP Calls	
				OP Puts	
Adjusted Pos (Net) LV$	$38,260	($30,000)	($13,542)	LiqVal C	
			($16,458)	LiqVal P	

L	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	BV
VKR	21					11										11					21	VKR
10.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
U Price										491.33												U Price
K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Q																(20)	20					Rem Calls
Q																						Rem Puts
OP	92.89	83.41	74.09	65.03	56.33	48.11	40.50	33.61	27.51	22.26	17.84	14.22	11.30	9.01	7.22	5.84	4.78	3.94	3.28	2.74	2.29	OP Calls
	1.45	1.96	2.64	3.58	4.87	6.65	9.04	12.14	16.05	20.79	26.37	32.74	39.82	47.53	55.74	64.35	73.28	82.45	91.78	101.24	110.79	OP Puts
LV$																(11,686)	9,551					LiqVal C
																						LiqVal P
Q									30	40	30	20	20	10	10	10						Total Fly
OP	0.12	0.17	0.25	0.36	0.48	0.61	0.72	0.80	0.84	0.84	0.79	0.71	0.62	0.51	0.41	0.31	0.23	0.17	0.12	0.09	0.07	OP BFly
LV$									2,518	3,342	2,373	1,428	1,233	510	406	312						LiqVal $
Q										(10)	(20)	30										Blck Calls
Q										10	20	(30)										Blck Puts
OP	92.89	83.41	74.09	65.03	56.33	48.11	40.50	33.61	27.51	22.26	17.84	14.22	11.30	9.01	7.22	5.84	4.78	3.94	3.28	2.74	2.29	OP Calls
	1.45	1.96	2.64	3.58	4.87	6.65	9.04	12.14	16.05	20.79	26.37	32.74	39.82	47.53	55.74	64.35	73.28	82.45	91.78	101.24	110.79	OP Puts
LV$										(22,261)	(35,686)	42,649										LiqVal C
										20,790	52,738	(98,219)										LiqVal P
Q										(10)		10	(10)	10		(30)	30					Net Calls
Q								30	(20)	(10)												Net Puts
OP	92.89	83.41	74.09	65.03	56.33	48.11	40.50	33.61	27.51	22.26	17.84	14.22	11.30	9.01	7.22	5.84	4.78	3.94	3.28	2.74	2.29	OP Calls
	1.45	1.96	2.64	3.58	4.87	6.65	9.04	12.14	16.05	20.79	26.37	32.74	39.82	47.53	55.74	64.35	73.28	82.45	91.78	101.24	110.79	OP Puts
LV$										(22,261)		14,216	(11,304)	9,008		(17,528)	14,327					LiqVal C
								36,423	(32,092)	(20,790)												LiqVal P
U Price										491.33												U Price

Risk Summary	Profit / Loss	$8,249	Google	7-May	
			DTE	42	
Underlying	Google	Expiry	18-Jun-10	Graph Controls	
Spot Price	491.33	TrckBck Date	7-May-10	MaxScale	2.00
Volatility %	35.00%	Actual DTE	42	MinScale	0.00
CoC %	0.00%	Aged DTE	42	MajorUnit	0.20
Skew/Kurt	Smile	Premium$	Liq Val $	Net Q	
Remnant Basket		N/A	($2,134)		Calls
					Puts
Butterfly Basket		N/A	$12,123	170	Bfly
Lock [Basket]		N/A	($39,988)		Calls
					Puts
Adjusted Position (Net)		$38,260	($30,000)		Calls
					Puts

Greeks		Remnant	Bfly		Lock (F)	Adjusted
Delta	$	(60.96)	72.02	$		11.06
Gamma	$	(1.78)	(4.90)	$	(0.00)	(6.68)
Vega	$	(97.57)	(282.26)	$	(0.00)	(379.83)
Theta	$	41.19	119.15	$	(0.27)	160.07
Rho	$	(32.01)	26.77	$	46.01	40.77



Risk Illustrator 2.01.1beta | TrackBack File | VKR 11.00
Butterfly Price Arc | Google | Expiry 18-Jun-10

Includes Adjustment: Y | Google DTE: 14-May, 35 | UPrice: 497.73

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600
Remnant Basket – Rem Puts Q									10	(10)											
OP Calls	98.72	89.08	79.56	70.21	61.10	52.38	44.16	36.60	29.83	23.93	18.93	14.83	11.55	9.00	7.04	5.56	4.45	3.60	2.94	2.41	1.97
OP Puts	0.89	1.25	1.73	2.37	3.27	4.54	6.32	8.76	11.98	16.08	21.08	26.98	33.70	41.14	49.18	57.70	66.58	75.73	85.07	94.54	104.10
Remnant LiqVal P									11,984	(16,080)											
Butterfly Basket – Total Fly Q							20	20	50	50	40	30	30	30	30	30					
OP BFly	0.08	0.11	0.17	0.25	0.37	0.51	0.66	0.78	0.87	0.91	0.89	0.82	0.72	0.60	0.48	0.36	0.27	0.19	0.13	0.10	0.07
Butterfly LiqVal $							1,316	1,568	4,360	4,543	3,562	2,472	2,166	1,803	1,431	1,087					
Lock – Blck Calls Q											(40)	40									
Lock – Blck Puts Q											40	(40)									
Lock LiqVal C											(75,738)	59,329									
Lock LiqVal P											84,339	(107,920)									
Adjusted – Net Calls Q											(10)	10				(30)	30				
Adjusted – Net Puts Q						20	(20)	30	(20)	(20)	10										
Adjusted LiqVal C											(18,935)	14,832				(16,694)	13,346				
Adjusted LiqVal P						9,075	(12,640)	26,280	(23,968)	(32,160)	21,085										

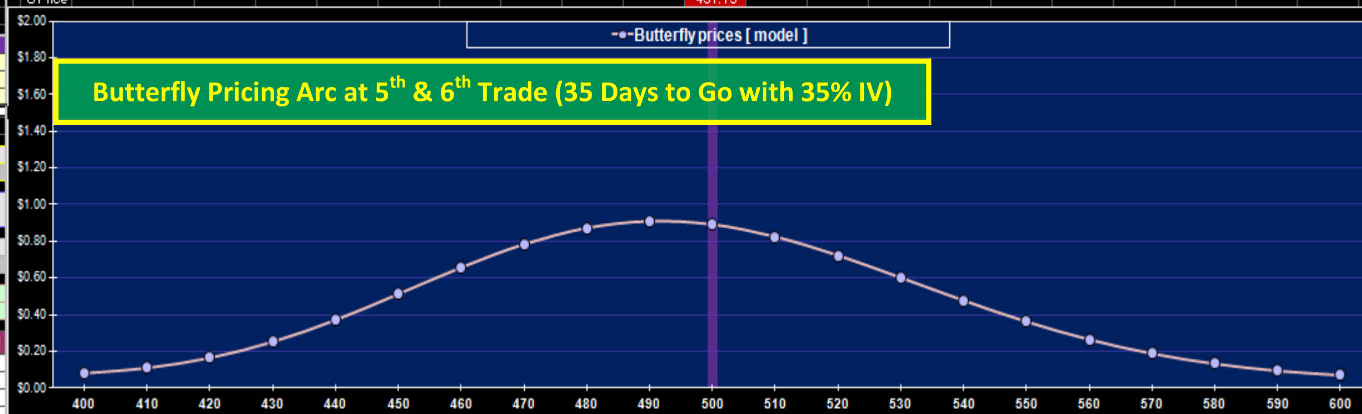
	Premium$	Liq Val $	Net C/P
Remnant Liq Value $	N/A	($4,096)	($4,096)
Butterfly Liq Value $	N/A	$24,308	$24,308
Lock [Basket] Liq Val $	N/A	($39,990)	($16,409) / ($23,581)
Adjusted Pos (Net) LV$	$28,330	($19,778)	($7,450) / ($12,328)

Risk Summary — Profit / Loss: $8,545

Underlying	Google	Expiry	18-Jun-10
Spot Price	497.73	TrckBck Date	14-May-10
Volatility %	35.00%	Actual DTE	35
CoC %	0.00%	Aged DTE	35
Skew/Kurt	Smile		

Graph Controls: MaxScale 2.00; MinScale 0.00; MajorUnit 0.20

Greeks	Remnant	Bfly	Lock (F)	Adjusted
Delta	87.65	64.89		152.54
Gamma	(0.70)	(9.65)	0.00	(10.35)
Vega	(39.88)	(471.25)	0.00	(511.12)
Theta	19.96	238.87	(0.27)	258.56
Rho	45.76	7.66	38.35	91.77



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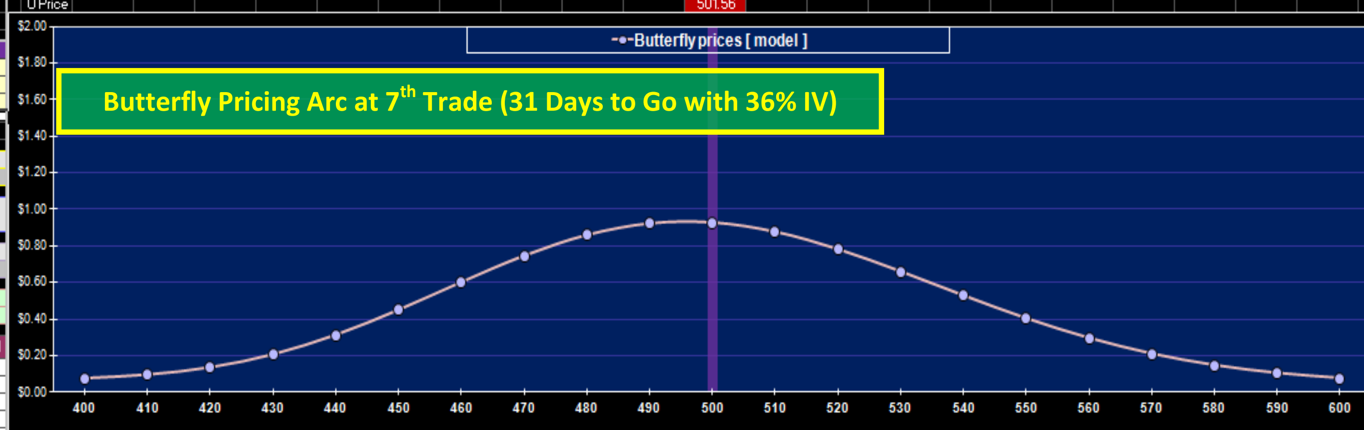
Row	C–D	F	G	I	J	L	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW	AX	AY	AZ	BA	BV
1	Risk Illustrator	2.01.1beta		TrackBack File		VKR	21					11										11					21	VKR
2	Butterfly Price Arc	Google	Expiry	18-Jun-10		11.00	ok					ok					Mid - K					ok					ok	
4	Includes Adjustment	Y		Google	18-May	U Price											501.56											U Price
5				DTE	31																							
6		Premium$	Liq Val $	Net C/P		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
8	Remnant Basket				Rem Calls	Q														10	(10)							Rem Calls
9					Rem Puts	Q																						Rem Puts
11	Option Prices [model]				OP Calls	OP	102.34	92.66	83.07	73.61	64.36	55.42	46.93	39.04	31.89	25.61	20.24	15.81	12.24	9.46	7.34	5.74	4.54	3.64	2.95	2.40	1.95	OP Calls
12					OP Puts		0.70	1.01	1.42	1.96	2.71	3.76	5.27	7.38	10.23	13.94	18.58	24.14	30.57	37.79	45.66	54.06	62.86	71.96	81.26	90.71	100.27	OP Puts
14	Remnant Liq Value $	N/A	$2,125	$2,125	LiqVal C	LV$														9,461	(7,336)							LiqVal C
15					LiqVal P																							LiqVal P
17	Butterfly Basket			320	Total Fly	Q							20	20	50	60	50	40	40	40								Total Fly
19	Butterfly prices [model				OP BFly	OP	0.07	0.09	0.13	0.21	0.31	0.45	0.60	0.75	0.86	0.92	0.93	0.88	0.78	0.66	0.53	0.40	0.29	0.21	0.15	0.10	0.08	OP BFly
21	Butterfly Liq Value $	N/A	$26,397	$26,397	LiqVal $	LV$							1,202	1,491	4,291	5,529	4,632	3,501	3,120	2,631								LiqVal $
23	Lock [Basket]				Blck Calls	Q									(10)	10				(40)	40							Blck Calls
24					Blck Puts	Q									10	(10)				40	(40)							Blck Puts
26	Option Prices [model]				OP Calls	OP	102.34	92.66	83.07	73.61	64.36	55.42	46.93	39.04	31.89	25.61	20.24	15.81	12.24	9.46	7.34	5.74	4.54	3.64	2.95	2.40	1.95	OP Calls
27					OP Puts		0.70	1.01	1.42	1.96	2.71	3.76	5.27	7.38	10.23	13.94	18.58	24.14	30.57	37.79	45.66	54.06	62.86	71.96	81.26	90.71	100.27	OP Puts
29	Lock [Basket] Liq Val $	N/A	($49,989)	($14,786)	LiqVal C	LV$									(31,894)	25,609				(37,844)	29,344							LiqVal C
30				($35,204)	LiqVal P										10,233	(13,945)				151,153	(182,645)							LiqVal P
32	Adjusted Position (Net)				Net Calls	Q											(10)	10		(30)	30							Net Calls
33					Net Puts	Q						20	(20)	30	(20)	(20)	10											Net Puts
35	Option Prices [model]				OP Calls	OP	102.34	92.66	83.07	73.61	64.36	55.42	46.93	39.04	31.89	25.61	20.24	15.81	12.24	9.46	7.34	5.74	4.54	3.64	2.95	2.40	1.95	OP Calls
36					OP Puts		0.70	1.01	1.42	1.96	2.71	3.76	5.27	7.38	10.23	13.94	18.58	24.14	30.57	37.79	45.66	54.06	62.86	71.96	81.26	90.71	100.27	OP Puts
38	Adjusted Pos (Net) LV$	$31,870	($21,467)	($10,813)	LiqVal C	LV$											(20,244)	15,806		(28,383)	22,008							LiqVal C
39				($10,655)	LiqVal P							7,526	(10,541)	22,136	(20,465)	(27,889)	18,578											LiqVal P
41	Risk Summary	Profit / Loss	$10,396	Google	18-May	U Price											501.56											U Price
42				DTE	31																							

Underlying	Google	Expiry	18-Jun-10	Graph Controls	
Spot Price	501.56	TrckBck Date	18-May-10	MaxScale	2.00
Volatility %	36.00%	Actual DTE	31	MinScale	0.00
CoC %	0.00%	Aged DTE	31	MajorUnit	0.20
Skew/Kurt	Smile	Premium$	Liq Val $	Net Q	
Remnant Basket		N/A	$2,125		Calls
					Puts
Butterfly Basket		N/A	$26,397	320	Bfly
Lock [Basket]		N/A	($49,989)		Calls
					Puts
Adjusted Position (Net)		$31,870	($21,467)		Calls
					Puts

Greeks		Remnant	Bfly		Lock (F)	Adjusted
Delta	$	63.15	(24.28)	$	(0.00)	38.87
Gamma	$	1.26	(12.62)	$	(0.00)	(11.37)
Vega	$	51.45	(558.26)	$	(0.00)	(506.81)
Theta	$	(30.70)	330.29	$	(0.34)	299.26
Rho	$	25.10	(32.76)	$	42.46	34.79



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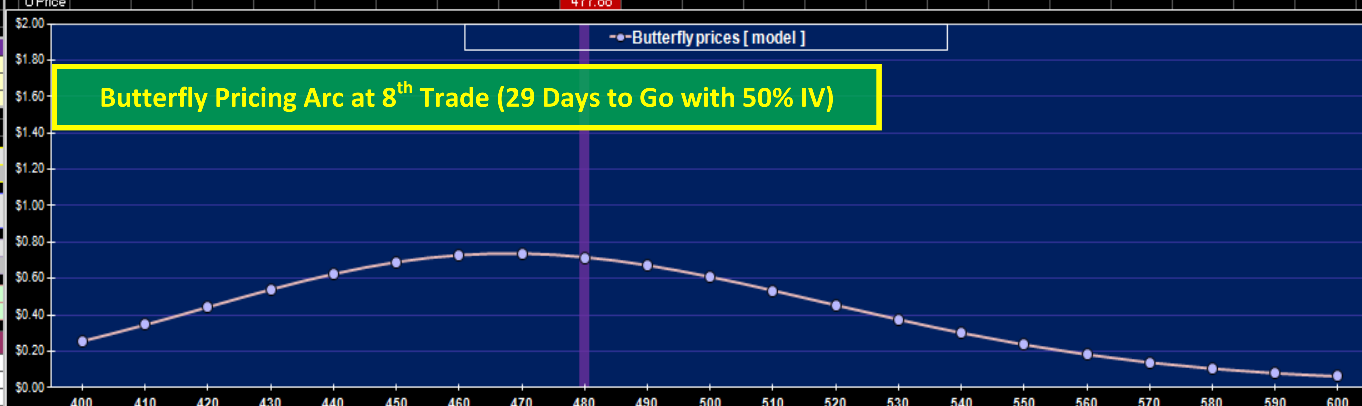
Risk Illustrator	2.01.1beta		TrackBack File	VKR
Butterfly Price Arc	Google	Expiry	18-Jun-10	11.00
Includes Adjustment	Y		Google DTE 20-May 29	UPrice 477.88
	Premium$	Liq Val $	Net C/P	

Row		Premium$	Liq Val $	Net	Label	K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Remnant Basket					Rem Calls	Q																						Rem Calls
					Rem Puts	Q								40	(40)													Rem Puts
Option Prices [model]					OP Calls	OP	81.21	72.24	63.62	55.44	47.80	40.78	34.45	28.85	23.98	19.82	16.33	13.45	11.10	9.21	7.68	6.46	5.48	4.67	4.01	3.45	2.98	OP Calls
					OP Puts		3.25	4.28	5.66	7.48	9.83	12.81	16.48	20.88	26.00	31.84	38.36	45.47	53.12	61.22	69.70	78.47	87.48	96.68	106.02	115.46	124.98	OP Puts
Remnant Liq Value $		N/A	($20,509)		LiqVal C	LV$																						LiqVal C
				($20,509)	LiqVal P									83,506	(104,015)													LiqVal P
Butterfly Basket				80	Total Fly	Q							20	20	10	20	10											Total Fly
Butterfly prices [model]					OP BFly	OP	0.26	0.35	0.44	0.54	0.62	0.69	0.73	0.73	0.71	0.67	0.61	0.53	0.45	0.37	0.30	0.24	0.18	0.14	0.11	0.08	0.06	OP BFly
Butterfly Liq Value $		N/A	$5,577	$5,577	LiqVal $	LV$							1,450	1,467	714	1,339	606											LiqVal $
Lock [Basket]					Blck Calls	Q								(10)	10													Blck Calls
					Blck Puts	Q								10	(10)													Blck Puts
Option Prices [model]					OP Calls	OP	81.21	72.24	63.62	55.44	47.80	40.78	34.45	28.85	23.98	19.82	16.33	13.45	11.10	9.21	7.68	6.46	5.48	4.67	4.01	3.45	2.98	OP Calls
					OP Puts		3.25	4.28	5.66	7.48	9.83	12.81	16.48	20.88	26.00	31.84	38.36	45.47	53.12	61.22	69.70	78.47	87.48	96.68	106.02	115.46	124.98	OP Puts
Lock [Basket] Liq Val $		N/A	($9,998)	($4,871)	LiqVal C	LV$								(28,850)	23,979													LiqVal C
				($5,127)	LiqVal P									20,876	(26,004)													LiqVal P
Adjusted Position (Net)					Net Calls	Q									10	(20)		10										Net Calls
					Net Puts	Q						20	(20)	30	(30)													Net Puts
Option Prices [model]					OP Calls	OP	81.21	72.24	63.62	55.44	47.80	40.78	34.45	28.85	23.98	19.82	16.33	13.45	11.10	9.21	7.68	6.46	5.48	4.67	4.01	3.45	2.98	OP Calls
					OP Puts		3.25	4.28	5.66	7.48	9.83	12.81	16.48	20.88	26.00	31.84	38.36	45.47	53.12	61.22	69.70	78.47	87.48	96.68	106.02	115.46	124.98	OP Puts
Adjusted Pos (Net) LV$		$27,940	($24,930)	($2,211)	LiqVal C	LV$									23,979	(39,644)		13,454										LiqVal C
				($22,719)	LiqVal P						25,629	(32,966)	62,629	(78,011)													LiqVal P

Risk Summary		Profit / Loss	$3,004	Google DTE	20-May 29	UPrice 477.88
Underlying	Google	Expiry	18-Jun-10	Graph Controls		
Spot Price	477.88	TrckBck Date	20-May-10	MaxScale	2.00	
Volatility %	50.00%	Actual DTE	29	MinScale	0.00	
CoC %	0.00%	Aged DTE	29	MajorUnit	0.20	
Skew/Kurt	Smile	Premium$	Liq Val $	Net Q		
Remnant Basket		N/A	($20,509)		Calls / Puts	
Butterfly Basket		N/A	$5,577	80	Bfly	
Lock [Basket]		N/A	($9,998)		Calls / Puts	
Adjusted Position (Net)		$27,940	($24,930)		Calls / Puts	

Greeks		Remnant	Bfly		Lock (F)	Adjusted
Delta	$	289.55	7.00	$		296.54
Gamma	$	(0.41)	(1.98)	$		(2.39)
Vega	$	(45.17)	(103.85)	$		(149.02)
Theta	$	38.44	91.69	$	(0.07)	130.06
Rho	$	126.23	(1.77)	$	7.94	132.40

Butterfly Pricing Arc at 8th Trade (29 Days to Go with 50% IV)



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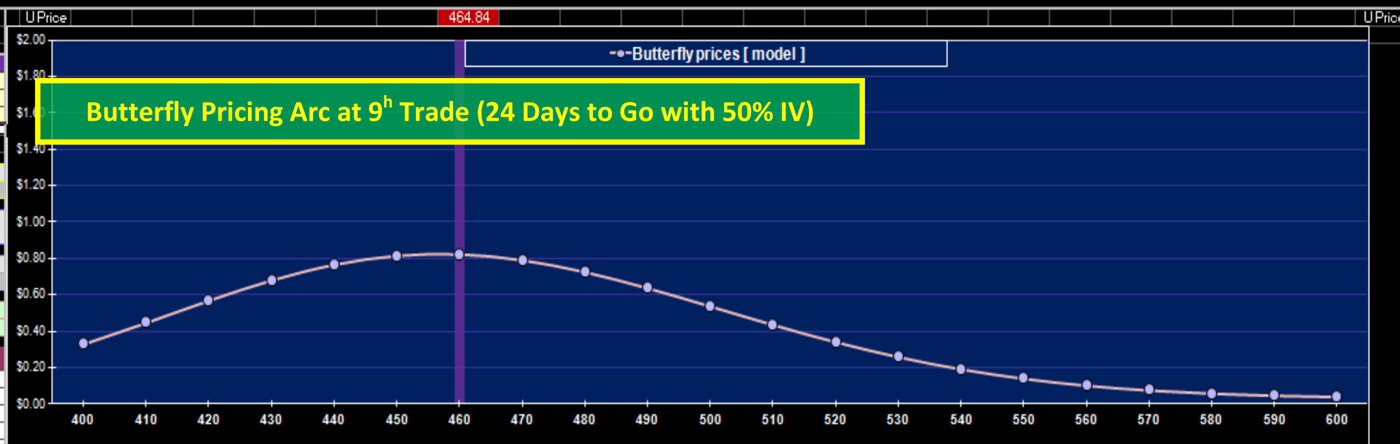
Risk Illustrator	2.01.1beta	TrackBack File	VKR	
Butterfly Price Arc	Google	Expiry	18-Jun-10	11.00
Includes Adjustment	Y	Google DTE	25-May 24	UPrice 464.84
	Premium$	Liq Val $	Net C/P	
Remnant Basket				
Option Prices [model]				
Remnant Liq Value $	N/A	($17,975)	($17,975)	
Butterfly Basket			40	Total Fly
Butterfly prices [model]				OP BFly
Butterfly Liq Value $	N/A	$2,544	$2,544	LiqVal $
Lock [Basket]				
Option Prices [model]				
Lock [Basket] Liq Val $	N/A	($9,998)	($4,526) / ($5,472)	LiqVal C / LiqVal P
Adjusted Position (Net)				
Option Prices [model]				
Adjusted Pos (Net) LV$	$25,300	($25,429)	($1,983) / ($23,447)	LiqVal C / LiqVal P

K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600
Rem Calls Q																					
Rem Puts Q						40	(40)														
OP Calls	68.26	59.47	51.12	43.35	36.26	29.94	24.43	19.75	15.87	12.71	10.19	8.20	6.66	5.46	4.52	3.77	3.16	2.66	2.24	1.88	1.57
OP Puts	3.36	4.56	6.22	8.44	11.35	15.03	19.52	24.84	30.95	37.79	45.26	53.28	61.73	70.53	79.59	88.84	98.23	107.73	117.31	126.94	136.63
LiqVal C																					
LiqVal P						60,101	(78,076)														
Total Fly Q									10	20	10										
OP BFly	0.33	0.45	0.57	0.68	0.77	0.82	0.82	0.79	0.73	0.64	0.54	0.44	0.34	0.26	0.19	0.14	0.10	0.08	0.06	0.05	0.04
LiqVal $									727	1,278	539										
Blck Calls Q								(10)		20	(10)										
Blck Puts Q								10		(20)	10										
OP Calls	68.26	59.47	51.12	43.35	36.26	29.94	24.43	19.75	15.87	12.71	10.19	8.20	6.66	5.46	4.52	3.77	3.16	2.66	2.24	1.88	1.57
OP Puts	3.36	4.56	6.22	8.44	11.35	15.03	19.52	24.84	30.95	37.79	45.26	53.28	61.73	70.53	79.59	88.84	98.23	107.73	117.31	126.94	136.63
LiqVal C								(19,755)		25,414	(10,186)										
LiqVal P								24,837		(75,573)	45,264										
Net Calls Q											(10)	10									
Net Puts Q						40	(40)	10		(20)	10										
OP Calls	68.26	59.47	51.12	43.35	36.26	29.94	24.43	19.75	15.87	12.71	10.19	8.20	6.66	5.46	4.52	3.77	3.16	2.66	2.24	1.88	1.57
OP Puts	3.36	4.56	6.22	8.44	11.35	15.03	19.52	24.84	30.95	37.79	45.26	53.28	61.73	70.53	79.59	88.84	98.23	107.73	117.31	126.94	136.63
LiqVal C											(10,186)	8,203									
LiqVal P						60,101	(78,076)	24,837		(75,573)	45,264										

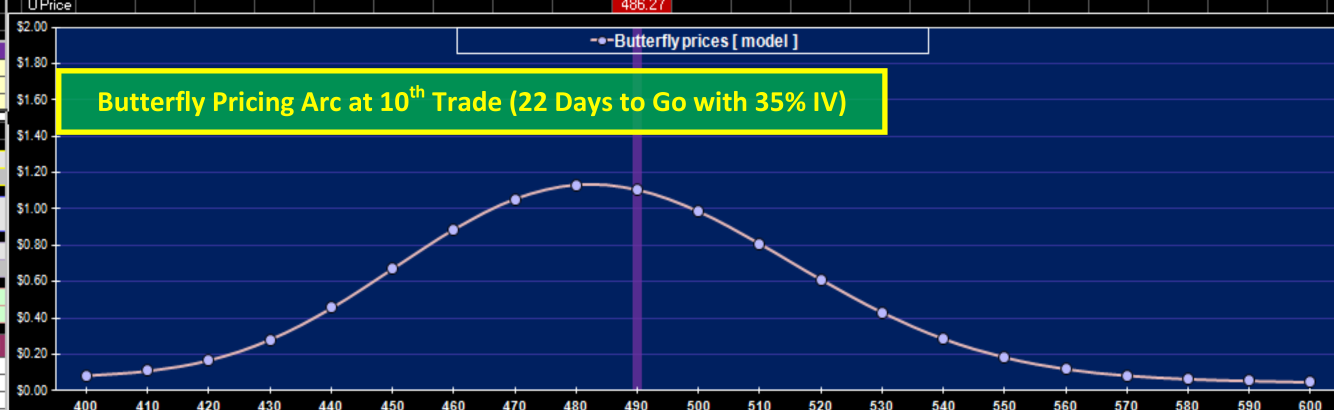
Risk Summary	Profit / Loss	($134)	Google DTE	25-May 24
Underlying: Google	Expiry: 18-Jun-10		Graph Controls	
Spot Price: 464.84	TrckBck Date: 25-May-10		MaxScale	2.00
Volatility %: 50.00%	Actual DTE: 24		MinScale	0.00
CoC %: 0.00%	Aged DTE: 24		MajorUnit	0.20
Skew/Kurt: Smile	Premium$	Liq Val $	Net Q	
Remnant Basket	N/A	($17,975)		Calls / Puts
Butterfly Basket	N/A	$2,544	40	Bfly
Lock [Basket]	N/A	($9,998)		Calls / Puts
Adjusted Position (Net)	$25,300	($25,429)		Calls / Puts

Greeks	Remnant	Bfly	Lock (F)	Adjusted
Delta	324.22	33.93	0.00	358.14
Gamma	(1.67)	(0.83)	(0.00)	(2.50)
Vega	(89.91)	(36.13)	(0.00)	(126.05)
Theta	94.86	38.30	(0.07)	133.10
Rho	110.91	8.70	6.57	126.19



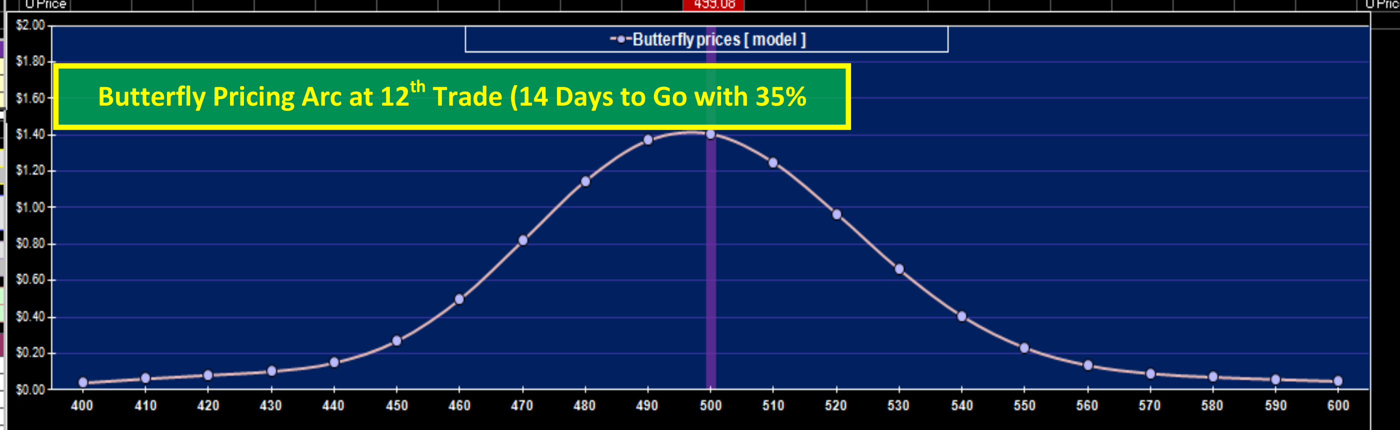
Risk Illustrator	2.01.1beta		TrackBack File		VKR	21					11										11					21	VKR
Butterfly Price Arc	Google	Expiry	18-Jun-10		10.00	ok					ok					Mid - K					ok					ok	
Includes Adjustment	Y		Google DTE	27-May 22	UPrice										486.27												UPrice
	Premium$	Liq Val $	Net C/P		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Remnant Basket				Rem Calls	Q																						Rem Calls
				Rem Puts	Q																						Rem Puts
Option Prices [model]				OP Calls	OP	86.87	77.17	67.58	58.16	49.02	40.34	32.33	25.21	19.14	14.20	10.37	7.52	5.48	4.04	3.04	2.33	1.79	1.38	1.05	0.78	0.57	OP Calls
				OP Puts		0.54	0.84	1.25	1.83	2.69	4.00	5.99	8.86	12.79	17.86	24.02	31.17	39.13	47.69	56.69	65.97	75.44	85.02	94.69	104.42	114.21	OP Puts
Remnant Liq Value $	N/A			LiqVal C	LV$																						LiqVal C
				LiqVal P																							LiqVal P
Butterfly Basket			40	Total Fly	Q									10	20	10											Total Fly
Butterfly prices [model]				OP BFly	OP	0.08	0.11	0.17	0.28	0.46	0.67	0.89	1.05	1.13	1.10	0.98	0.81	0.61	0.43	0.29	0.18	0.12	0.08	0.06	0.05	0.05	OP BFly
Butterfly Liq Value $	N/A	$4,325	$4,325	LiqVal $	LV$									1,132	2,208	985											LiqVal $
Lock [Basket]				Blck Calls	Q									(20)	30	(10)											Blck Calls
				Blck Puts	Q									20	(30)	10											Blck Puts
Option Prices [model]				OP Calls	OP	86.87	77.17	67.58	58.16	49.02	40.34	32.33	25.21	19.14	14.20	10.37	7.52	5.48	4.04	3.04	2.33	1.79	1.38	1.05	0.78	0.57	OP Calls
				OP Puts		0.54	0.84	1.25	1.83	2.69	4.00	5.99	8.86	12.79	17.86	24.02	31.17	39.13	47.69	56.69	65.97	75.44	85.02	94.69	104.42	114.21	OP Puts
Lock [Basket] Liq Val $	N/A	($9,998)	($6,041)	LiqVal C	LV$									(38,273)	42,598	(10,367)											LiqVal C
			($3,957)	LiqVal P										25,588	(53,567)	24,021											LiqVal P
Adjusted Position (Net)				Net Calls	Q											(10)	10										Net Calls
				Net Puts	Q								10		(20)	10											Net Puts
Option Prices [model]				OP Calls	OP	86.87	77.17	67.58	58.16	49.02	40.34	32.33	25.21	19.14	14.20	10.37	7.52	5.48	4.04	3.04	2.33	1.79	1.38	1.05	0.78	0.57	OP Calls
				OP Puts		0.54	0.84	1.25	1.83	2.69	4.00	5.99	8.86	12.79	17.86	24.02	31.17	39.13	47.69	56.69	65.97	75.44	85.02	94.69	104.42	114.21	OP Puts
Adjusted Pos (Net) LV$	$17,660	($5,674)	($2,848)	LiqVal C	LV$											(10,367)	7,518										LiqVal C
			($2,825)	LiqVal P									8,865		(35,711)	24,021											LiqVal P
Risk Summary	Profit / Loss	$11,982	Google DTE	27-May 22	UPrice										486.27												UPrice

Underlying	Google	Expiry	18-Jun-10	Graph Controls	
Spot Price	486.27	TrckBck Date	27-May-10	MaxScale	2.00
Volatility %	36.00%	Actual DTE	22	MinScale	0.00
CoC %	0.00%	Aged DTE	22	MajorUnit	0.20
Skew/Kurt	Smile	Premium$	Liq Val $	Net Q	
Remnant Basket		N/A			Calls
					Puts
Butterfly Basket		N/A	$4,325	40	Bfly
Lock [Basket]		N/A	($9,998)		Calls
					Puts
Adjusted Position (Net)		$17,660	($5,674)		Calls
					Puts
Greeks		Remnant	Bfly	Lock (F)	Adjusted
Delta	$		20.47		20.47
Gamma	$		(3.77)		(3.77)
Vega	$		(112.39)	0.00	(112.39)
Theta	$		94.88	(0.07)	94.81
Rho	$		3.39	6.03	9.42



C–D	F	G	I	J	L	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW	AX	AY	AZ	BA	BV
Risk Illustrator	2.01.1beta		TrackBack File		VKR	21					11										11					21	VKR
Butterfly Price Arc	Google	Expiry	18-Jun-10		11.00	ok					ok					Mid - K					ok					ok	
Includes Adjustment	Y		Google	4-Jun	U Price											499.08											U Price
			DTE	14																							
	Premium$	Liq Val $	Net C/P		K	400	410	420	430	440	450	460	470	480	490	500	510	520	530	540	550	560	570	580	590	600	K
Remnant Basket				Rem Calls	Q																						Rem Calls
				Rem Puts	Q																						Rem Puts
Option Prices [model]				OP Calls	OP	99.17	89.24	79.38	69.59	59.92	50.39	41.13	32.37	24.43	17.64	12.21	8.20	5.43	3.63	2.48	1.75	1.24	0.87	0.60	0.39	0.24	OP Calls
				OP Puts		0.05	0.12	0.26	0.47	0.79	1.26	2.00	3.24	5.30	8.51	13.09	19.07	26.30	34.49	43.35	52.61	62.11	71.74	81.46	91.25	101.10	OP Puts
Remnant Liq Value $	N/A			LiqVal C	LV$																						LiqVal C
				LiqVal P																							LiqVal P
Butterfly Basket			20	Total Fly	Q										10	10											Total Fly
Butterfly prices [model				OP BFly	OP	0.04	0.06	0.08	0.10	0.15	0.27	0.50	0.82	1.15	1.37	1.40	1.25	0.97	0.66	0.41	0.23	0.14	0.09	0.07	0.06	0.05	OP BFly
Butterfly Liq Value $	N/A	$2,775	$2,775	LiqVal $	LV$										1,370	1,405											LiqVal $
Lock [Basket]				Blck Calls	Q										(10)	10											Blck Calls
				Blck Puts	Q										10	(10)											Blck Puts
Option Prices [model]				OP Calls	OP	99.17	89.24	79.38	69.59	59.92	50.39	41.13	32.37	24.43	17.64	12.21	8.20	5.43	3.63	2.48	1.75	1.24	0.87	0.60	0.39	0.24	OP Calls
				OP Puts		0.05	0.12	0.26	0.47	0.79	1.26	2.00	3.24	5.30	8.51	13.09	19.07	26.30	34.49	43.35	52.61	62.11	71.74	81.46	91.25	101.10	OP Puts
Lock [Basket] Liq Val $	N/A	($9,999)	($5,422)	LiqVal C	LV$										(17,636)	12,215											LiqVal C
			($4,578)	LiqVal P											8,509	(13,087)											LiqVal P
Adjusted Position (Net)				Net Calls	Q											(10)	10										Net Calls
				Net Puts	Q									10	(10)												Net Puts
Option Prices [model]				OP Calls	OP	99.17	89.24	79.38	69.59	59.92	50.39	41.13	32.37	24.43	17.64	12.21	8.20	5.43	3.63	2.48	1.75	1.24	0.87	0.60	0.39	0.24	OP Calls
				OP Puts		0.05	0.12	0.26	0.47	0.79	1.26	2.00	3.24	5.30	8.51	13.09	19.07	26.30	34.49	43.35	52.61	62.11	71.74	81.46	91.25	101.10	OP Puts
Adjusted Pos (Net) LV$	$21,940	($7,224)	($4,017)	LiqVal C	LV$											(12,215)	8,198										LiqVal C
			($3,207)	LiqVal P										5,302	(8,509)												LiqVal P
Risk Summary	Profit / Loss	$14,713	Google	4-Jun	U Price											499.08											U Price
			DTE	14																							

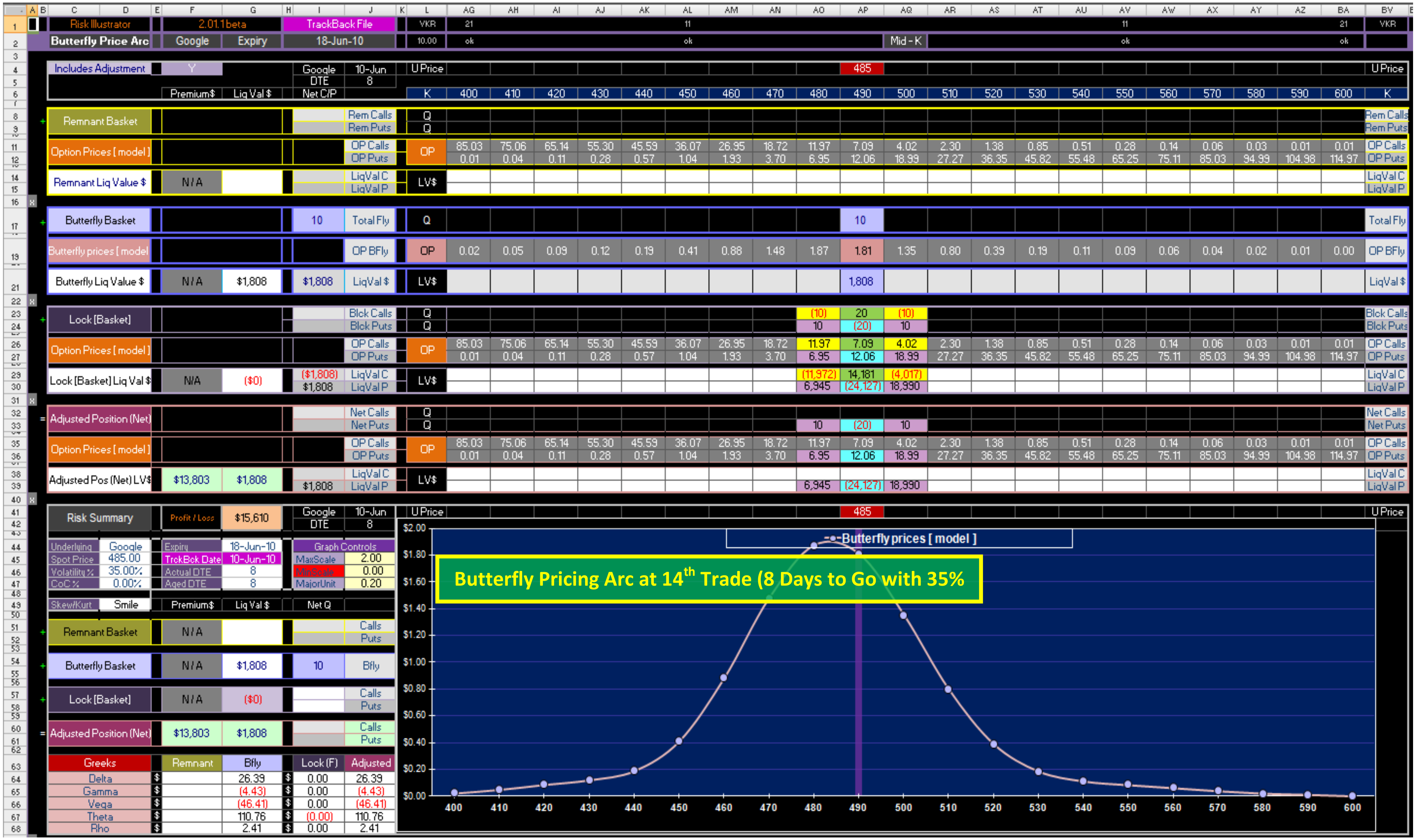
Underlying	Google	Expiry	18-Jun-10		Graph Controls	
Spot Price	499.08	TrckBck Date	4-Jun-10		MaxScale	2.00
Volatility %	35.00%	Actual DTE	14		MinScale	0.00
CoC %	0.00%	Aged DTE	14		MajorUnit	0.20
Skew/Kurt	Smile	Premium$	Liq Val $		Net Q	
Remnant Basket		N/A				Calls
						Puts
Butterfly Basket		N/A	$2,775		20	Bfly
Lock [Basket]		N/A	($9,999)			Calls
						Puts
Adjusted Position (Net)		$21,940	($7,224)			Calls
						Puts
Greeks		Remnant	Bfly		Lock (F)	Adjusted
Delta	$		(11.97)	$	(0.00)	(11.97)
Gamma	$		(3.79)	$	0.00	(3.79)
Vega	$		(72.72)	$		(72.72)
Theta	$		95.61	$	(0.07)	95.54
Rho	$		(3.36)	$	3.84	0.48

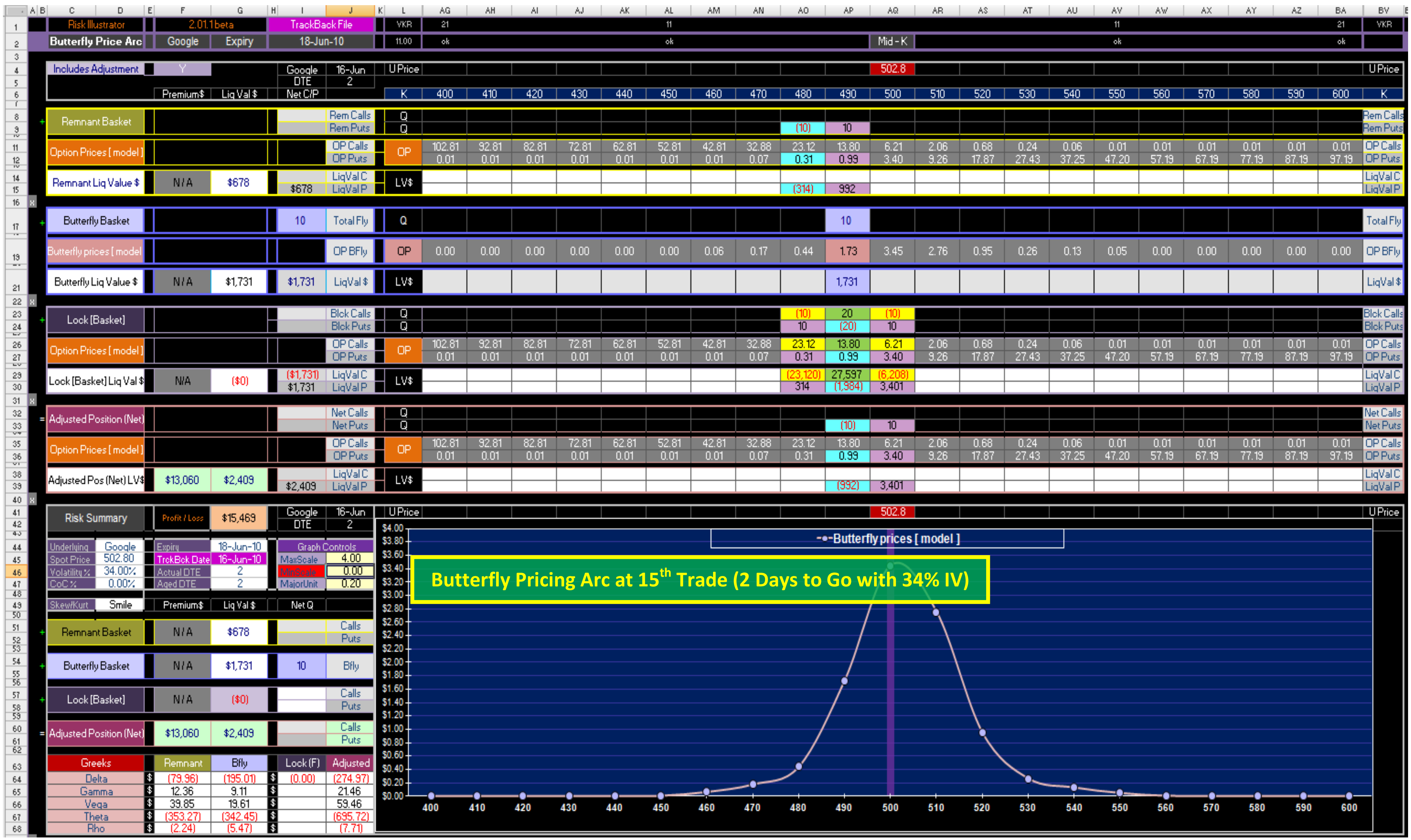


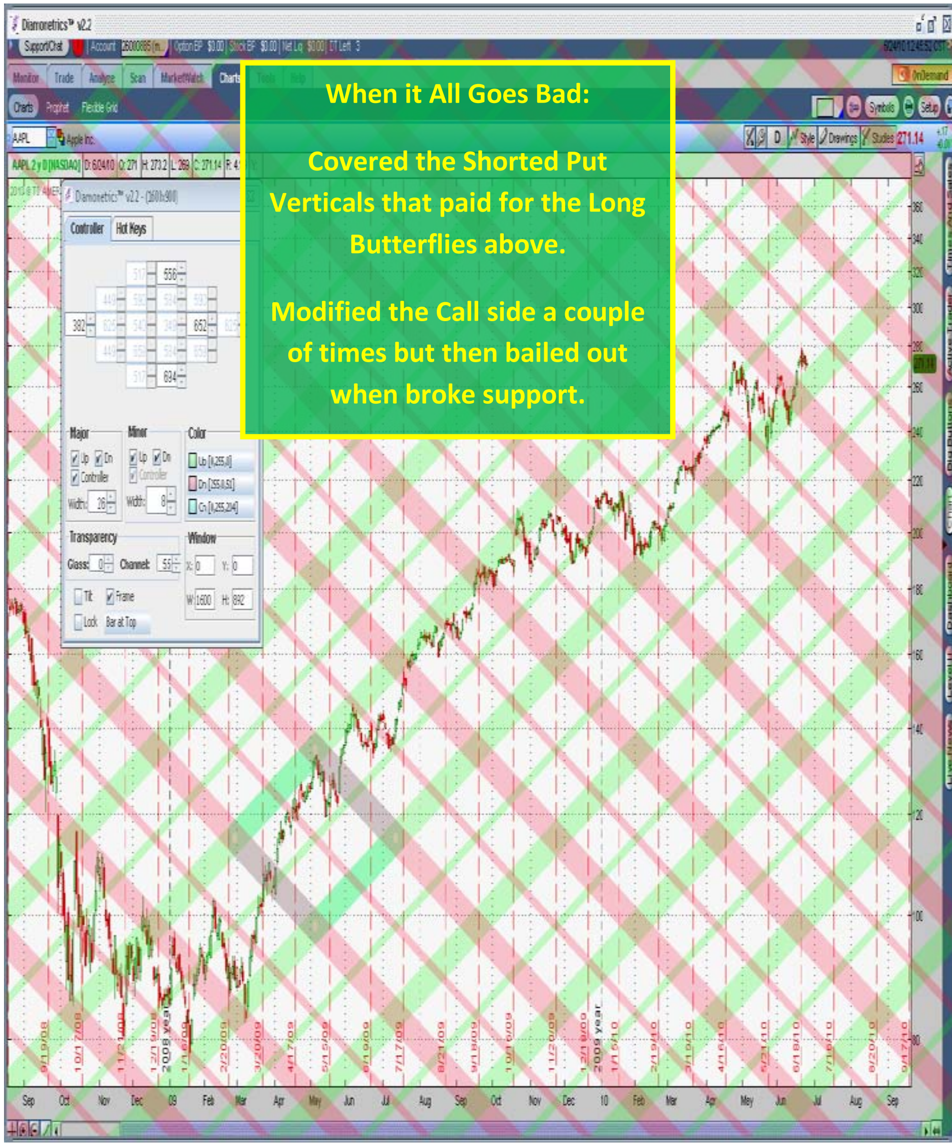
RI$K DOCTOR

Mending A BrokenWing for Advanced Traders

probability of success



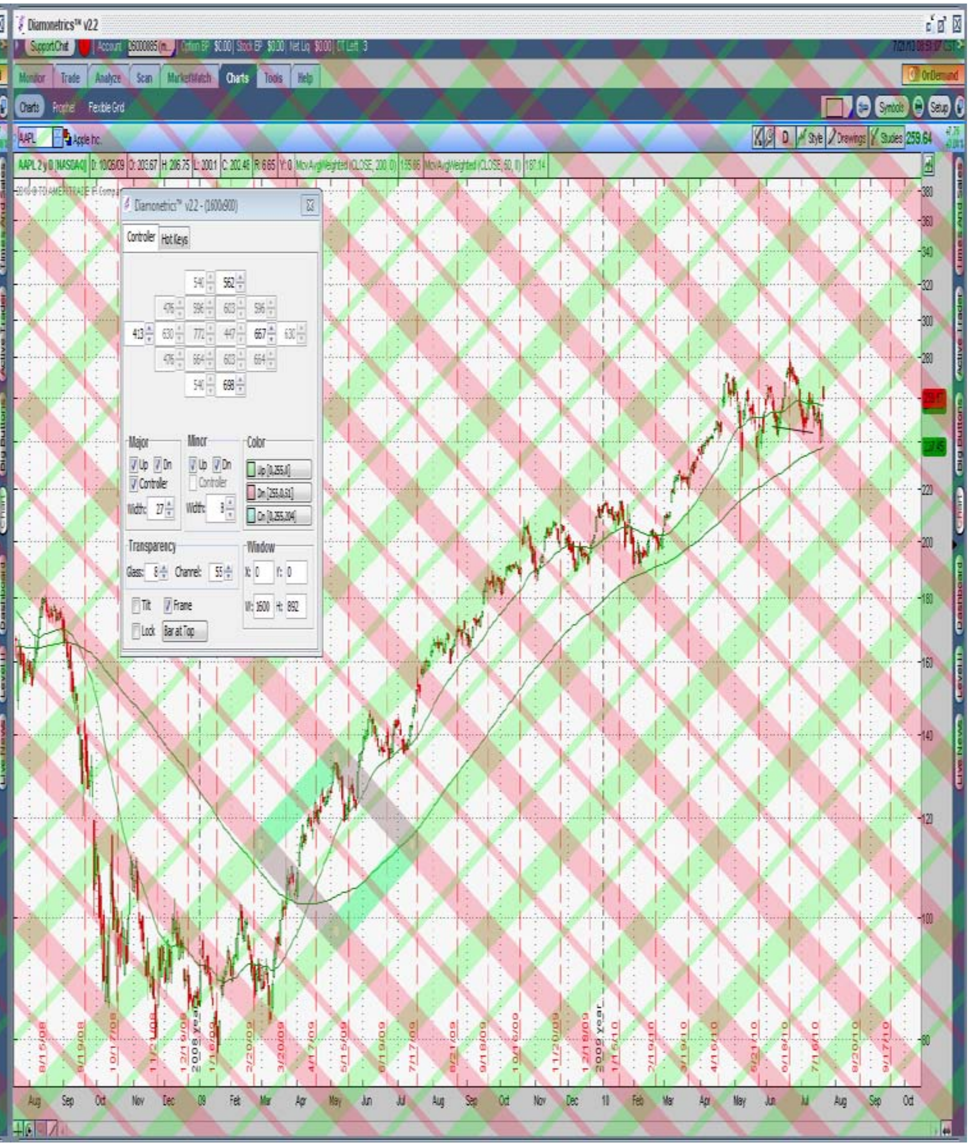

Risk Illustrator
2.01.1beta
TrackBack File
Butterfly Price Arc
Google
Expiry
18-Jun-10
Remnant Basket
Option Prices [model]
Remnant Liq Value $
Butterfly Basket
Butterfly prices [model]
Butterfly Liq Value $
Lock [Basket]
Lock [Basket] Liq Val $
Adjusted Position (Net)
Adjusted Pos (Net) LV$
Risk Summary
Profit / Loss
$15,469
Greeks
Delta
Gamma
Vega
Theta
Rho
Butterfly prices [model]
Butterfly Pricing Arc at 15th Trade (2 Days to Go with 34% IV)



When it All Goes Bad:

Covered the Shorted Put Verticals that paid for the Long Butterflies above.

Modified the Call side a couple of times but then bailed out when broke support.



Re: GOOG BWB
« **Reply #37 on:** May 21, 2010, 06:42:40 AM »

Quote Modify Remove Split Topic

GOOG Update:
Wednesday on Jack's show I said that the Market moves to cause the greatest pain for the natural tendency of options speculators. Where has the pain been lately? Downside. For example, long calls for bulls that become cheaper and cheaper, motivates hopeful bulls to roll down and closer to the money, because their calls are going worthless and have lesser of a chance for a pay-off on a bounce. The bounce usually comes too late, after expiration on the following Monday or Tuesday. Luckily we are in JUN so we can take the heat for a couple of more days for our anticipated JUN put vertical adjustment.

That is not the case for a MAY GOOG Butterfly that one SOS client has on. Here are the trades:

	B	D	E	G	H	J	K	M	N	P	Q	S	T	V	W
2	All Months	$2,200		$2,750		$4,950		($120)		$4,830		$3,000		$7,830	
4	Enter 2	$2,200		$2,750		$4,950		($120)		$4,830		$3,000		$7,830	
6	Adjacent Ks in	Initial Position		Adjustment 1		Post Adjustment		Adjustment 2		Post Adjustment		Adjustment 3		Post Adjustment	
8	Cells B32 & B33	19-May		20-May		20-May		20-May		20-May		20-May		20-May	
10	JUN Net Units														
12	Underlying Units														
14	Strikes (Ks)	Calls	Puts	Calls	Puts	Calls	Puts	Calls	Puts	Calls	Puts	Calls	Puts	Calls	Puts
32	440														
33	450														
34	460				10		10				10				10
35	470		10		(10)										
36	480		(10)				(10)				(10)	(10)		(10)	(10)
37	490			(10)		(10)				(10)		10			
38	500			10		10				10				10	
39	510	(10)				(10)		10							
40	520	10				10		(10)							
41	530														

The break-even point is right where GOOG was before today's open -- 472.17. The position wants 480 by the close. The client could cross their fingers but remember what I said about the pain above. It will be too late by Monday or Tuesday when GOOG probably will go back up a bit. The thing to do is roll the MAY put vertical to JUN and look to cover the call spread cheap or let go out. The good thing is that JUN will crawl compared to MAY so that the heat will not be so bad. The bad thing is that after the adjustment, if a rally ensues, then the reward of the put credit spread will not be as good for JUN as it would be in MAY. Bottom line is that the MAY goes faster to full value or worthless than JUN. Rolling will keep the person in the game until this giant bear steps off the bulls' throats.

« *Last Edit: May 21, 2010, 06:48:20 AM by Ri$k Doctor* »

Report to moderator 68.22.192.192 (?)

Re: GOOG BWB
« **Reply #38 on:** May 24, 2010, 08:19:40 AM »

Quote Modify Remove Split Topic

Well it was a wild ride for this May Iron. The client rolled the MAY Put Vertical to JUN for even money when GOOG was around 470. The call spread was covered for 1.00 while prices for that visited .15 when GOOG was at its lows (464ish) and over 5.00 on the rebound up. Therefore, after both trade ajustments the 7.38 credit became a net 6.38 credit. Today the Put Vertical was covered on the rally, for 6.80 to end the saga with a .42 loss on 10 spreads for a total loss of $420 plus commissions. Not bad.