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trader56 Start With a Market Opinion?

« on: April 30, 2012, 04:39:36 AM »

Hello harles,

This will seem like a very simple-minded question, but would you say that deciding upon which positions to initiate - whether done synthetically, outright, or in some combination - first requires a market opinion?

Now, I'm thinking a "market opinion" can encompass an almost infinite number of scenarios:

\*higher, with or without excessive volatility

\*lower, again, with or without excessive volatility

\*sideways, with or without excessive volatility

\*NO opinion as to the future - which of course Is an opinion, if for no other reason than by exclusion of all else

\*numerous other variations on the above

In any case, deciding upon strategy requires at least some viewpoint, and then takes into consideration one's goals and current positions, correct?

Thank you again for your time and insight!

Dave

Ri\$k Doctor Re: Start With a Market Opinion?

« Reply #1 on: April 30, 2012, 05:24:53 PM »

You've got it.

### trader56

## Quant/math/modeling vs the floor

« on: April 30, 2012, 05:03:10 AM »

Hello yet again Charles,

For some time now, there seems to have been a move toward complex mathematical modelling, use of advanced mathematics, and all the rest of the tools the so-called quants use to price and trade derivatives. But, as argued by at least one author (Taleb), traders have used experience and much simpler tools to trade and price options long before the advent of Black-Scholes and other constructs.

So, as I look at it, there would seem to be two ways to approach derivatives:

The first is to learn a LOT of complex math and theory - stochastic calculus, stats, pricing models, and so on - ala all the physics PhD's.

The second would be to take a much more trader/experience-oriented approach such as yours (I don't recall a lot of math in the ITI classes for the bankers).

This first approach has been called a top-down approach where first a theory, then model is used to deal with the world. For example, do prices really behave like a physical system? Is this an accurate model? This approach has been blamed for a lot of the hedge fund/financial institution melt-downs seen in recent years. The quants, of course, will tell you that it is the only way to go, and sneer at most anything else.

The second approach has been called a bottom-up approach that is based up experience and observation. This is an approach used successfully in markets for hundreds of years prior to the advent of math-oriented approaches. There were no small number of floor traders who could hardly do much calculus, but could certainly trade well.

Can you discuss your views on all of this, short of writing another book? Has the market moved to a point where only quant models and advanced math applications can work? Is it simply a matter of tweaking the models endlessly, or can a more pragmatic, experience-based approach be equally effective?

Thank you again for entertaining my, well, excessive attempts at thinking!

### **Ri\$k Doctor**

#### Quant/math/modeling vs the floor« Reply

**#1 on:** April 30, 2012, 05:34:53 PM »

Go with all that you are capable of using and combine the methods, if you can. There are no absolutes.



trader56 Discretionary Skill vs Analysis

« on: April 28, 2012, 08:12:43 AM »

Hello Charlie,

I was a floor trader, then traded NYSE equities at a prop firm up until a couple of years ago. Both of these involved a discretionary approach that relied very heavily upon having well-developed skills. Skills, as one author has put it, translate into making this type of trading a "performance sport," just as playing basketball or a musical instrument involve performance. And as such, people will vary in their ability to develop these skills no matter how hard they try nor how much they think they understand. For example, at 5' 7" no matter how much "passion" I have for basketball, nor how much I know about the game, it will be an impossibility for me to play for the NBA.

Recently, I've been working with futures spreads. While both floor trading and prop discretionary trading relied very heavily on flat-pricing skills, spreads seem to rely on this just a bit less, but are, from my experience, still heavily reliant on flat-pricing, especially if legging the spread.

My question is this:

Do you think that options trading may rely a bit more on the analysis of positions - the outright components and synthetics - rather than skill?

No doubt, skill is indispensable, but perhaps there is a difference, however slight between trading that relies almost exclusively on skills, and trading where correct position analysis is more of a factor?

Forgive me if I'm not being as clear as I'd like; these are ideas that are just taking shape for me. Thanks for any insight you might have!

Best wishes, Dave (from ITI)

Ri\$k Doctor Re: Discretionary Skill vs Analysis

« Reply #1 on: April 29, 2012, 10:24:14 AM »

Hi Dave,

Skills to be developed should include position analysis which can go shallow or deep according to different trader needs. For example, a much disciplined trader can keep it simple with spreads such as calendars, verticals and butterflies without the need to analyze anything to much of a degree.

When spreads become more convoluted with embedded harvest able opportunities then acquiring skills for deeper analysis is required.



volramp short fly adjustment

« **on:** July 31, 2011, 12:09:14 PM »

After legging in and out of various spreads for 3 weeks on SPX July calls, I ended up with the following combo on july 11: short 10\*1310s, long 20\*1320s and short 10\*1330s. (gives a short fly, now that I look at it altogether.). I closed the whole thing paying up \$1.75 each (X10). My question is, could I have done better? What would you do? Was there any way of breaking it up to manage as verticals? Lock in a small loss while maintaining an option for profit? Thnx.

Ri\$k Doctor Re: short fly adjustment

« Reply #1 on: July 31, 2011, 01:04:31 PM »

Coulda Woulda Shoulda. It is hard to say but the only thing that makes sense is to leg out of one of the verticals, if and only if, you developed an interim opinion warranting such a move and if you have the experience of taking such action based on sound planning (taking profit or loss or flattening when your opinion has manifested or has lost its reasoning).



rpex Pricing off the fly

« **on:** June 23, 2011, 02:42:14 AM »

Hi,

I'm really interested in some of the trading heuristics you've taught. Something which I think I saw in RD material (but can't find) is a reference to "pricing off of the fly", so given what a butterfly has traded at and at what spot reference could you infer vertical/straddle prices from this?

Ri\$k Doctor Re: Pricing off the fly

« Reply #1 on: June 24, 2011, 11:52:12 AM »

I suppose that you might be able to infer Vertical and Straddle prices with some sort of formula but it actually works simpler the opposite way. Straddles vs. Strangles give you Butterflies and Verticals vs Verticals give you Butterflies.



**Gery** Newbie

## **FX Options Delta Hedge**

« on: June 15, 2011, 11:23:59 PM »

Hi there,

I have been experimenting with the following trade:

- short /6E strangle (EURO futures)
- long the equivalent amount of delta in the spot EURUSD

The result is a somewhat flat delta for the position but what can I do with the Gamma risk?

Or what else is the downside of this strategy.

Obviously I would like to get the premium from writing the strangle with pretty wide strikes. However I would like to hedge the trade if something goes wrong.

Would it also be possible to get automatic delta hedge on TOS?

thx, Gery

**Ri\$k Doctor** 

### **Re: FX Options Delta Hedge**

« Reply #1 on: June 16, 2011, 06:07:33 AM »

Risky Business (and a bad habit to get into) has no automatic hedge because you can't predict where prices of the options will be owing to potential gaps and such.

You could place stops based on the underlying price or the options price but the fills can be nasty.

The better way to protect this synthetic short ratioed strangle configuration\* is to buy further out wings to create a ratioed iron condor (BrokenWing Condor). That way you know the worst it could be.

Did you set this up arbitrarily or do you have action points to get out or adjust at?

\*Please let me know the exact position and I will show you.

Gery

### Re: FX Options Delta Hedge

« Reply #2 on: June 16, 2011, 07:46:10 AM »

Hello,

I am just testing at the moment, no real position:

- -1 /6EU1 1.4Put
- -1 /6EU1 1.44 Call

The expiration breakevens are 1.4609, 1.3791. I thought putting EURUSD buy and sell stop orders at these points with the delta equivalent amount like 1.25 lot.

I know it could swing back and forth in the meantime and delta is constantly changing, so I should have some delta hedging mechnisms, but how to make it work?

The aim is to speculate for theta decay for the currencies, but not on spot but on futures. I saw spot option prices and they are even wider.

thx, Gery

Ri\$k Doctor	Re: FX Options Delta Hedge « Reply #3 on: June 19, 2011, 06:48:56 AM »
	There are several problems with this approach: With a 1-lot strangle you will not be able to generate even one future on a delta neutral basis.
	If you do a whole future, for example when at the put strike, you will then be naked short 2 calls: the real 1.44 Call and then a Synthetic 1.40 Call.
	Negative Gamma Scalping
	If however, you shorted 10 strangles then the deltas may look like this, for example, down at 1.40; 140 Put50 delta and 1.44 Call .30 delta. Your delta hedge would be to sell 2 futures that would now result in: Short 10*1.44 Calls Short 8*140 Puts Short 2 Synthetic 1.40 Calls
	This may be OK for an experienced trader that has an account size to support this type of risk. I however, think that it is unnecessary to take unlimited risk and would recommend at least buying the same amount of outside strangles such as the 1.35 Put / 1.49 Call for protection (Iron Condor for Positive Theta). You also will be able to increase your size because of reduced margin.
	I also think that you would be better off trading FXE the ETF for more liquidity and tighter markets.
Gery	Re: FX Options Delta Hedge « Reply #4 on: June 19, 2011, 08:27:18 AM »
	Thanks Charles, now it is more clear. Anyway what is your opinion about trading options on futures in general? Are they all illiquid?
	thx, Gery
Ri\$k Doctor	Re: FX Options Delta Hedge « Reply #5 on: June 20, 2011, 06:43:21 AM »
	For the most part and the electronic technology is way behind in the US.



sadsack1040	High Frequency Trading « on: June 10, 2011, 12:53:47 PM »
	Charles, I would like your opinion on the effects of HFT (High Frequency Trading) on the options market and if the retail options trader is adversely affected by their dominance in the markets. Just curiousJeff.
Ri\$k Doctor	Re: High Frequency Trading « Reply #1 on: June 14, 2011, 08:43:07 PM »
	I could be wrong but by having all those bids and offers at every tick I would think that it dampens volatility. A stock or futures contract can gap open but once the HFTs come back into the market, prices tend to grind and become more orderly.

ifty at



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RJS
                                   NIFTY MAY'11
                                   « on: April 11, 2011, 01:23:41 AM »
                                  Trade idea for MAY series (expiry on 26/May/2011)
                                  (1) Trade Idea 1:
                                  Nifty spot at 5800ish
                                  Sell 4x 5800 C at 182.20
                                  Buy 8 x 6200 C at 30
                                  Inflow: 489
                                  Theta: (1.54)...its short theta, should it be done?
                                  (2) Trade Idea 2:
                                  Buy 6 x 5200 P at 27.50
                                  Sell 4 x 5600 P at 93.70
                                  Inflow: 210
                                  Theta: 2.6...Negative iv skew is not in favour, should it be done?
                                  please comment .. is this the way to look at the trade idea ?
                                  rakesh
Ri$k Doctor
                                   Re: NIFTY MAY'11
                                   « Reply #1 on: April 13, 2011, 05:16:27 PM »
                                  Sorry, I am not a big fan of Back Spreads and trading in illiquid inefficient markets like the NIFTY so I will refrain from suggesting anything.
RJS
                                     Re: NIFTY MAY'11
                                     « Reply #2 on: May 01, 2011, 05:42:48 AM »
                                                                                                                   Trade 3: Bought Puts
                                    I've built following position for Nifty May (expiry 26th May 2011): and
                                                                                                                   DTE: 37
                                     intend to track it till expiry. Seek guidance of CC and other experts
                                                                                                                   iv: 18.9%
                                     (like James) Comments from fellow members is welcome
                                                                                                                   Nifty at 5900
                                                                                                                   + 12 x 5400 P
                                    Trade 1:
                                                                                                                   Debit: 261.84
                                    DTE: 45
                                    iv: 21%
                                                                                                                   Trade 4: Sold Calls
                                    Nifty at 5880
                                                                                                                   DTE: 29
                                     +6 x 5200 P / -4 x 5600 P / -4 x 5800 C / +8 x 6200 C
                                                                                                                   iv: 18.5%
                                    Credit: 672.42
                                                                                                                   Nifty at 5760
                                                                                                                   - 12 x 6000 C
                                    Trade 2: increased position in same strikes
                                                                                                                   Credit: 367.68
                                    DTE: 38
                                    iv:
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redit:

Risk Illustrator																										
Risk Illustrator  TA Butterfly Dissection	RI v4.01	Euronext Expiry	28-May-11	9.00	21 ok				_	11 ok					Mid-K					11 ok					21 ok	VKR
Underlying NFTY ImpFwd Prid 5750.00	Expiry Today Actual DTE	28-May-11 1-May-11 27 0	Option Chain	K Calls Puts IV % Call Voal	0.13	4800 943,46 0.46	845.05 1.31	747.64 3.17	651,70 6,49 25,6%	557.46 11.52 25.1%	464.97	374.57 27.15 22.6%	287.87 39.71 21.0%	208.17 59.27 19.5%	5700 139.75 90.12 18.4%	5800 86.13 135.76 17.6%	48.43 197.33 17.0%	24.97	12.14 359.56 16.7%	5.97 452.66 17.0%	3.28 549.22	2.07 647.28	1.40 745.87	0.92	0.57 943.57	Calls
Skew/Kurt Equity  Includes Adjustment PivotKused 5700	Pt Mplr Y PivotK 2	1	NFTY 1-May PivotK 2 = PivotK 1	Butterfly U Price	0.23	0.33 0.53					6.77 2.10		12.56 7.00		30.84 14.80			75.80 10.64								Put Voal Butterfly U Price PivotK 2
Adjusted Position (Net)		Liq Val\$	Net Q	K		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	K
Profit / Loss \$687	\$2,055	(\$1,368)	Net Calls 18 Net Puts							18		12		(12)		(12)		(12)		24						Net Calls Net Puts
Lock Basket [BD]		Liq Val \$	Net Q	K	4700	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	K
		(\$11,316)	Blok Call Blok Put													114 (114)										Blok Calls Blok Puts
Butterfly Dissection		Liq Val\$	Net Bfly Liq Val \$	K	4700	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	К
Butterfly Dissection 1	(SA	\$38	18 \$38	C BD1							18															BD Calls BD Puts
Butterfly Dissection 2	LSA	\$133	36 \$133	BD2								36														BD Calls BD Puts
Butterfly Dissection 3	LSA	\$462	<b>66</b> \$462	BD3									66													BD Calls BD Puts
Butterfly Dissection 4	LSA	\$2,535	102 \$1,451 96 \$1,083	BD4										96			102									BD Calls BD Puts
Butterfly Dissection 5	LSA	\$3,503	114 \$1,815 114 \$1,687	BD5											114	114										BD Calls BD Puts
Butterfly Dissection 6	LSA	\$957	90 \$957	C P BD6														90								BD Calls BD Puts
BD Total	(SA)	\$7,627	636	Total							18	36	66	96	114	114	102	90								Total
= Remnant Basket		Liq Val\$	Net Q	К	4700	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	К
	(SA)	\$2,321	Rem Calls 18 Rem Puts												18			66	(90)	24						Rem Calls Rem Puts
Risk Summary	Profit / Loss	\$687	NFTY 1-May DTE 27	U Price K		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5750 5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	U Price K
Underlying NFTY ImpFwd Prid 5750.00	Expire	28-May-11 1-May-11	Graph Controls GS MaxScale 5,000	\$4,500							7					Ŧ										
Volatility % 19.60% CoC %	Actual DTE Aged DTE	27 0	MinScale (5,000) MajorUnit 500	\$4,000 - \$3,500 -				•							/-	-			$- \wedge$							
Skew/Kurt Equity	Premium\$	Lig Val \$	Show BD1-6 No Net Q	\$3,000 - \$2,500 - \$2,000 -								-\		_/	· .		1		1	\						
Remnant Basket	N/A	\$2,321	RemC 18 RemP	\$1,500 - \$1,000 -					Y				$\searrow$	1				$\searrow$								
Butterfly Basket	N/A	\$7,627	<b>636</b> Bfly	\$500 - \$0 -	×	×	×	×	<u> </u>	×_	×	×	二)	<u>(</u> *_	×	1	<u></u>	1	_ ×	×	$\overset{\times}{-}$	×	×	×	$\overset{\times}{-\!\!\!\!-}$	
+ Lock Basket	N/A	(\$11,316)	Blok C Blok P	(\$500)- (\$1,000)-	4700	4800	4900	5000	5100	5200	5300	5400	5500	5800	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	
- Adjusted Position (Net)	\$2,055	(\$1,368)	NetC 18 NetP	(\$1,500)- (\$2,000)-									/		\_	1		_/\								
Greeks Delta	Remnant \$ (1.75)	Bfly (4,42)	Lock (BD) Adjusted \$ 0.00 (6.17)	(\$2,500) (\$3,000) (\$3,500)															1							
Gamma Veqa	0.05 160.02	(0.08) (220.92)	\$ (0.00) (0.03) \$ 0.00 (60.90) \$ (3.10) 22.15	(\$4,000)- (\$4,500)-		—B0	1 —	BD 2 -	BD 3		4 —	BD 5/ -	BD 6	-«-Butt	terfly Bas	ket	Remna	nt Baske	<b>d *</b> ¢	urrent P	/L •	Adjusted	l Positio	n (Net)		
Theta Rho	\$ (58.17) \$ (9.17)	83.43 (24.42)	8.37 (25.22)	(\$5,000)												=			<u> </u>							
Dill Academia for the			NFTY 1-May	U Price K		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5750 5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	U Price K
P/L Remnant	Expiry	28-May-11		\$ Remnant	(18.314) 15,679	(16.5%)	[14.8%]	[13.0%]	(11.3%)	(9.6%)	(7.8%)	(6.8%)	[4,3%]	(2.6%) (521)	(0.9%)			4.3%				11.3%			16.5%	Diff ATM Remnant
P/L Butterfly P/L Lock (B)	Expiry Expiry	28-May-11 28-May-11	DTE 27 DTE 27	\$ Butterfly \$ Lock (B)	(7,627) (84)	(7,621) (84)	(7,627) (84)	(7,627) (84)	(7,627) (84)	(7,627) (84)	(5,827) (84)	(4,027) (84)	(1,027) (84)	1,973 (84)	3,773	3,773 (84)	2,573 (84)	1,373 (84)	(7,627) (84)	(7,627) (84)	(7,627) (84)	(7,627) (84)	(7,627) (84)	(1,627) (84)	(7,627) (84)	Butterfly Lock (B)
P/L Lock(R) P/L Current	Expiry	28-May-11 28-May-11	DTE 27	\$ Look (R) \$ Current	687	687	687	687	687	681	681	687	687	687	687	687	687	687	687	681	687	687	687	687	687	Lock (R) Current
P/L Adjusted	Expiry	28-May-11	DTE 27	\$ Adjusted	8,655	6,855	5,055	3,255	1,455	(345)	(345)	(345)	855	2,055	2,055	2,055	855	(345)	(2,745)	(5,145)	(5,145)	(5,145)	(5,145)	(5,145)	(5,145)	Adjusted

Ri\$k Doctor

octor Re: NIFTY MAY'11

« Reply #3 on: May 01, 2011, 07:49:40 AM »

The goal of osition issection is to pull out ALL the Butterflies usually most appropriate to see what aked osition or atio Spread is left. I went a little further and organi ed the Butterflies into ondors:

Risk Illustrator

TA Butterfly Dissection NFTY Expiry 28-May-11 4700 4800 4900 5000 5100 5200 5200 5200 5500 5600 5700 5800 5800 5900 6000 6100 6200 6300 6400 6500 6600 6700 K
##### 943.46 845.05 147.64 651.70 557.46 464.97 374.57 287.87 208.17 139.75 86.19 48.43 24.97 12.14 5.97 328 2.07 1.40 0.92 0.57 Cullo 0.13 0.46 1.31 3.17 6.49 11.52 18.29 24.15 333.11 59.27 90.12 135.75 197.33 273.13 359.56 452.66 549.22 647.28 745.87 844.66 949.57 Pate Option Chain Call Veal 99.16 98.94 98.41 97.41 95.94 94.23 92.49 90.40 86.70 79.70 68.42 Pet Yest 0.10 0.33 0.86 1.85 3.32 5.03 6.77 8.86 1256 1956 30.84 45.64 6157 75.80 86.44 93.10 96.56 98.06 98.59 98.79 98.91 Pet Y Betterfly 0.23 0.53 1.00 1.47 1.71 1.74 2.10 3.70 1.00 11.28 14.80 15.93 14.23 10.64 6.66 3.47 1.49 0.54 0.20 0.12 0.11 Better NIFTY 1-May U Price PivotK 2 5800 5900 6000 6100 6200 6300 6400 6500 6600 6700 K \$2,055 Liq Val \$ Not O lutterfly Dissecti \$1,765 \$2,352 BD2 48 48 48 48 192 \$2,352 LINA \$645 BD3 Butterfly Dissection LEA BO4 Butterfly Dissection 4 \$84 (4) \$38 BO5 LEA BD6 BD Total \$5,140 Liq Yal \$ \$639 UPrice K 4700 4800 4800 5000 5100 5200 5300 5400 5500 5600 5700 5800 5800 6000 6100 6200 6300 6400 6500 6600 6700 K Risk Summary \$687 \$4,000 63,500 e Equity Promises Lig Val \$ Not0 \$2,000 NZA \$639 \$1,500 N/A \$5,140 Betterfly Backet Bfly 5000 5100 5200 5300 \$800 8000 5700 5000 \ 5900 600 6100 6200 6200 6400 Lock Basket N/A (\$1,147)\$2,055 NIFTY 1-May U Price H) Butterfly Basket Liq Yel \$ Net Billy Liq Yel \$ 4700 4800 4800 5000 5100 5200 5300 5400 5500 5500 5500 5700 5000 6000 6000 6200 6300 6400 6500 6600 6700 \$1,765 BD1 \$2,352 (48) 48 48 (48) B \$545 BD3 36 (72) 36 123 \$84 BD4 12 (24) 12 (BA) \$38 BD5 24 (48) 24 \$255 \$255 BD6 Butterfly Backet Total

\*Coming into Expiry it maybe in appropriate.

James Parker

Re: NIFTY MAY'11

« Reply #4 on: May 01, 2011, 08:40:15 AM »

Charles

It would surely be simpler;

- to dissect out the 12 lot 5400/5600/5800/6000 Condor (using 12/24/24/12 babies at 5500-5900);
- and leave remnants +18p 5200 / -24c 6000 / +24c 6200

Rakesh could then consider the following adjustments to manage his upside risk;

Cheers James a. +12c 6000 / -12c 6200

b. +12c 6000

c. -12c 5600 / +24c 5800

d. -12p 5400 / +12p 5600 / +12c 5800 / -12 6000

e. +12p 5600 / +12c 5800

f. -12p 5400 / +12p 5600 / +12c 5800

**Ri**\$k Doctor

Re: NIFTY MAY'11

« Reply #5 on: May 01, 2011, 10:11:13 AM »

Yes, I agree with James:

That is where I started but continued by 'zipping' the 24 Verticals down to the 18 lot -- the 3rd leg of the incomplete (missing: -18\*5400 Puts) Unbalanced 5200/5400/6000/6200 Iron Condor). I then rearranged the BD Rows to illustrate as embedded Baby Condors (BD1, BD2 and BD3) and left over Baby Butterflies (BD4, BD5 and BD6).

Butterfly Dissection		/ Eurosext			9.10						11 nk				ми-к					11 ok					21 nk
Inderbring NIPTY	Espire	28-May-11 1-May-11 27	2010	103-11	K Calls Puts	4700	343.46	845.05 1.31	747.64 ( 3.17	651.70 5 6.40	5200 5300 57.46 464.3 11.52 10.23	7 374.57 21.15	287,87	208.17 59.27	5700 139.15 50.12	86.13 135.76	46.43 137.33	24.97 279.19	12.14 359.56	6200 5.97 452.66	3.26 543.22	2.07 647.28	1.40 745.67	0.02	6700 0.51
	AgedDTE Pettple	0	Option	n Chain		33.16 0.10	36.34 0.33	36,41 0.66	37.41 1.05	25.6% : 35.34 : 3.32	25.1% 24.19 94.20 92.4 5.00 6.17	22.6% 30.40 8.86	21.0% 66.10 12.56	13.5% 73.70 13.56	18.4% 68.42 30.64	17.6% 50.62 45.64	17.0% 37.69 61.57	16.7% 23.46 75.60	16.7% 12.60 66.44	6.17 53.10	2.10 36.56	1.21	0.67 36.53	0.47 36.73	0.35 C 35.31 P
Indiada Affartment InotKezod 5700	V PivotK 2	5700	NIFTY	1-May			0.50	1.00	1.47	1,71	1.74 2.10	3.70	7,00	11.25	14,60	15.50 5750	14.23	10.64	6.66	3,47	1.45	0.54	0.20	0.12	0.11 B
Adjusted Position (Not)	Prenium\$	Liq Yal \$	Net Q		K	4700	4800	4300	5000	5100	5200 5300	5400	5500	5600	5700	5800	5800	6000	6100		6300	6400	6500	6600	
Profit/Lour \$627	\$2,055	(\$1,368)	18	Net Callo Net Peto	2						18	12		[12]		(12)		(12)		24					n r
Lock Basket (BD)		(\$2,382)	Net 0	Blok Calls Blok Puts		4700	4600	4300	5000	5100	5200 5300	(12) 12	5500	5600 12 (12)	5700	5800	5800	6000	6100	6200	6300	6400	6500	6600	6700 B
Butterfly Dissection		Liq Yal \$	Net Billy	Liq Yal \$	K	4700	4800	4300	5000	5100	5200 5300	5400	5500	5600	5700	5800	5800	6000	6100	6200	6300	6400	6500	6600	6700
Butterfly Dissection 1		\$1,263	36	\$1,263	BDI					$\exists$			12	24	24	24	12								
Butterfly Dissection 2		\$0			BD2																				
Butterfly Dissection 3		\$0			BD3																				E
Betterfly Dissection 4		\$0			BD4					_															E 8
Butterfly Dissection 5		\$0			BD5					_	_														E
Butterfly Dissection 6		\$0			BD6						-														
BD Total		\$1,263 Lig Val \$	96 Net G		Total	4700	4800	4300	5000	5100	5200 5300	5400	12	24	24	24	12	6000	6100	6200	6300	6400	6500	6600	6700
Remnant Basket		(\$249)		Rom Callo Rom Puta	,		2000	4300			18	,400	,,,,,	,,,,,,	5100	3000	7500	(24)	0100	24	0300	0400	0300	0000	B B
Risk Summary	Profit/Lan	1687	NIFTY D1E	1-May 21	U Price K	4700	4800	4300	5000	5100	5200 5300	5400	5500	5600	5700	5750 5800	5300	6000	6100	6200	6300	6400	6500	6600	6700
aderlying NIFTY opEndPrice 5750.00 aladity:: 19.60%	Expiry Teday ActualDTE	28-May-11 1-May-11 27	Graph Canto HasScale HisScale	(5,000)	] }				$\overline{}$							Т									
ladic Naudičana Equity	AquidDTE	0 La Vald	HajarUnit ShawBD1-6	500 Yee					/																
Remaint Backet	N/A	(\$249)	10	RenC RenP					`																
Betterfly Backet	N/A	\$1,263	96	Bfly										<u> </u>			_	ς.							
Lock Backet	NZA	(\$2,382)		Blok C Blok P	:																				
Adjusted Position (Net)	\$2,055	(\$1,368)	18	Not C Not P																					
Greeks Delta	Remark 5 (4.34)	(183)	Lock (BD) 0.00	(6,17) (0,03)															$-$ \						
Garma	(16.35)	(43.55)	(0.00)													土				<u> </u>	_				
Yega Theta	6.23	16.58	[0.65]	(60,50)																					
Vega	(10.20)		1.76	[60,50]	U Price								=			5750									〓
Vega	6.23	16.58	1.76	(60,50) 22,15 (25,22)	U Price K Domath	4700 (11.3%)	4000 (9.50)	4900 (944x)	5000	5100	5200 5300 Mari 17.60	5400	5500 (4.2%)	5600 (6.60)	5700 (6.8x)	5750 5800 0.6x	5800 2.6xt	6000 4.3%	6100 6.1x	6200 7.4x	6300 9.6×	6400 H.2x	6500 13.6×	6600 H.%:	
Veda Theta Theta Fiho  FYL Analysis [caping]  PYL Betterfly  PyL Butterfly	Expiry Expiry	28-Msy-f1 28-Msy-f1	NITTY  OTE OTE	(60,50) 22,15 (25,22) 1-May	K Duri ATH \$ Remost \$ Betterfly	(11.23) 9,249 (1,243)	4800 (16.5a) 7,449 (1,542)	(94.00)	(9.00)	(Hax) I	5200 5300 9800 1730 249 249 1,343) (1,343	5400 1 (5.46) 244 2 (5.262)	5500 (4.74) 2.49 (62)	5600 (1,440) 249 1,127	(0.99)	5750 5800 0.9% 244 1,127	5900 2.6x 249 (47)	6000 4.3% 249 (5,362)	6100 6.12 (2.151) (1.262)	6200 T.42 (4,591) (1,267)	6300 9.6x (4,551) (1,241)	6400 ft.2% (4,550 (1,347)	6500 10.6% (4,650 (4,262)	6600 94.0x (4,651) (1,262)	6700 16.5% I (4.991) F (1.262) B
Vega Theta Theta Pho  P/L Analysis [capity]  P/L Bernoat	Espiry Espiry Espiry Espiry Espiry	28-May-11 28-May-11 28-May-11	(0.65) 1.76 NITTY	(60,50) 22,15 (25,22) 1-May	K Duri ATH \$ Remost \$ Betterfly	(11.23) 9,249 (1,243)	(8.5%)	(94.00)	(9.00)	(Hax) I	(5.6%) (7.4%)	(6.1/0)	(4.2%)	(3.60)	(0.100)	0.9% 241	2.6%	4.3%	6100 6.1x (3,151) (1,262) (12)	6200 T.42 (4,991) (1,263) (11)	6300 9.6% (4,591) (1,242) (11)	6400 112% (4,550) (1,262) (19)	6500 10.6% (4,664) (4,262) (10)	6600 94.60 (4,654) (4,352) (42)	6700 19.5% C (4.991) F
Vega Theta File  File  P/L Analysis (aspiry)  P/L Remost P/L Surterfly P/L Lock (B)  P/L Lock (B)	Expiry Expiry Expiry Expiry Expiry Expiry	28-Msy-f1 28-Msy-f1	NIFTY  OTE OTE OTE OTE OTE	150,501 22,75 (25,221 1-May 21 21 21 21 21 21	K Diff ATH \$ Remost \$ Betterfly	(11.310) 6,249 (1,263) (11)	(8.5%)	(96.6x) 5,649 (5,262) (90) 617	(10.0-0 1 2,949 (1262) ( (19) (	(Hax) I	(5.6%) (7.4%)	(6.1/0)	(4.2%)	(3.60)	(0.100)	0.9% 241	2.6%	4.3%	6100 6.12 (2,151) (1,262) (12) (12)	6200 T.48 (4,591) (1283) (10)	6300 9.6% (4,5%) (1,2%) (11) (27	6400 112% (4,570 (1,242) (19) 427 (5,146)	6500 10.60: (4,550) (1,242) (19) 417 (1,140)	6600 14.62 (4,851) (1262) (10)	6700 16.5% C (4.66) F (1.5%) B (10) L
Mega Theta Fino  PIL Analysis (capits)  PIL Bonnast PIL Lock (B) PIL Lock (B) PIL Curron  PIL Adjected	Expiry Expiry Expiry Expiry Expiry Expiry	28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11	OTE OTE OTE OTE	150,501 22,75 (25,221 1-May 21 21 21 21 21 21	K Dirri ATH S Remount S Betterfly S Lock (B) S Lock (R)	(11.310) 6,249 (1,263) (11)	(16.3x) 7,449 (1,267) (19)	(96.6x) 5,649 (5,262) (90) 617	(10.0-0 1 2,949 (1262) ( (19) (	(Hax) I	(5.6%) (7.4%)	(6.1/0)	(4.2%)	(3.60)	(0.100)	0.9% 241	2.6%	4.3%	6100 6.18 (2,64) (1,242) (19) 647 (2,746)	6200 T.42 (4.551) (1.552) (10) 697	6900 9.62 (4,550 (1,263) (19) (227 (6,105)	6400 112% (4,550 (1,242) (10) 467 (6,146)	6500 19.6x (4,551) (1,762) (10)	6600 H.65 (6,641) (1,242) (10) (10)	6700 19.5% C (4,551) F (1,5%) B (10) L (47) (
Mega Theta Fiho  PVL Analysis Cospins  PVL Bornasat PVL Bornasat PVL Lock (B) PVL Current PVL Current PVL Adjusted  Butterfly Basket	Expiry Expiry Expiry Expiry Expiry Expiry Expiry Expiry	28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11	NIFTY  OTE OTE OTE OTE OTE OTE OTE	(60.50) (25.22) (25.22) 1-May 27 27 27 27 27 27 27	K Dirri ATH S Remount S Betterfly S Lock (B) S Lock (R)	6(8,240 6,240 (1,262) (14) 607 1,655	(18.84) 7,449 (1,242) (18) 627 6,155	(%,649 (%,242) (%) 487 6,665	2,949 (1,242) (1242) (191) 597 3,295	(10.20) 1 2,049 (1.262) ( (10) 697 1,455	(5.6%) (7.4%)	9 (5.16) 249 9 (5.26) (20) 517 1 (3.45)	(4.04) 249 (62) (42) 647 155	(0.40) 249 1,197 (19) 697 2,055	249 1,127 (18) 697 2,055	0.661 248 5,027 (18) 627 2,055	249 (62) (18) 627 855	4.5 H 249 (1,362) (19) 697 (348)	6.08 (2,154) (1,262) (12) (12) 687 (2,146)	T.48 (4,551) (1,282) (10) 697 (8,140)	9.6k (4,591) (1,242) (10) 697 (6,140)	H2% (4,550) (1,242) (10) 487 (5,145)	(4,554) (4,554) (4,242) (40) 447 (5,146)	14.6x (4,651) (1262) (12) (12) (47 (6,665)	6700 16.5% ( (4.66) F (4.352) B (10) L (47) ( (6.48) A
Vegs Theta Theta Fino  P/L Analyzia (capits)  P/L Romosat P/L Romosat P/L Bomosat P/L Lock (B) P/L Lock (B) P/L Lock (B) P/L Curron  P/L Adjected  Butterfly Basket  Butterfly Basket	Expiry Expiry Expiry Expiry Expiry Expiry Expiry Expiry	28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11	NIFTY  OTE OTE OTE OTE OTE OTE OTE	(60.50) (25.22) (25.22) 1-May 27 27 27 27 27 27 27	R Diri ATH  \$ Remark \$ Butterfly \$ Lock (R) \$ Lock (R) \$ Current \$ Adjusted	6(8,240 6,240 (1,262) (14) 607 1,655	(18.84) 7,449 (1,242) (18) 627 6,155	(%,649 (%,242) (%) 487 6,665	2,949 (1,242) (1242) (191) 597 3,295	(10.20) 1 2,049 (1.262) ( (10) 697 1,455	0.60) (7.60) 249 249 (240) (7.21) (11) (11) 627 627 (146) (146)	9 (5.16) 249 9 (5.26) (20) 517 1 (3.45)	(43) (62) (82) (82) (82) (82) (82) (82) (82)	(0.40) 249 1,197 (19) 697 2,055	249 1,127 (18) 697 2,055	0.661 248 5,027 (18) 627 2,055	2.6st 246 (63) (89) 527 255	4.5 H 249 (1,362) (19) 697 (348)	6.08 (2,154) (1,262) (12) (12) 687 (2,146)	T.48 (4,551) (1,282) (10) 697 (8,140)	9.6k (4,591) (1,242) (10) 697 (6,140)	H2% (4,550) (1,242) (10) 487 (5,145)	(4,554) (4,554) (4,242) (40) 447 (5,146)	14.6x (4,651) (1262) (12) (12) (47 (6,665)	6700 15.5% (10.061) F 10.061) F 10.161) L 10.161) A
Vegs Thets Thes Thes Pho  P/L Analysis (supply)  Pri. Bornosit Pri. Lock (E) Pri. Lock (E) Pri. Current  Pri. Adjusted  Butterfly Basket  Butterfly Basket  Butterfly Basket  Butterfly Basket	Expiry Expiry Expiry Expiry Expiry Expiry Expiry Expiry	28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11	NIFTY  OTE OTE OTE OTE OTE OTE OTE	22 15 (25 22) 1-May 27 27 27 27 27 27 27 27 27 27 27 27 27	R Downarh  \$ Retreate \$ Batterfly \$ Lock (B) \$ Lock (P) \$ Current \$ Adjusted	6(8,240 6,240 (1,262) (14) 607 1,655	(18.84) 7,449 (1,242) (18) 627 6,155	(%,649 (%,242) (%) 487 6,665	2,949 (1,242) (1242) (191) 597 3,295	(10.20) 1 2,049 (1.262) ( (10) 697 1,455	0.60) (7.60) 249 249 (240) (7.21) (11) (11) 627 627 (146) (146)	1 05.161 249 0 (5,262) (98) 547 1 (348)	(43) (62) (82) (82) (82) (82) (82) (82) (82)	(42) 1,127 (42) 697 2,055	249 1,127 (18) 697 2,055	0.66 249 1,127 (18) 627 2,165	2.6st 246 (63) (89) 527 255	4.5% 269 (5,002) (99) 617 (045)	6.08 (2,154) (1,262) (12) (12) 687 (2,146)	T.48 (4,551) (1,282) (10) 697 (8,140)	9.6k (4,591) (1,242) (10) 697 (6,140)	H2% (4,550) (1,242) (10) 487 (5,145)	(4,554) (4,554) (4,242) (40) 447 (5,146)	14.6x (4,651) (1262) (12) (12) (47 (6,665)	6700 16.5% C 16.5%) F 16.5%) F 112.2) E 17.7 ( 16.40) A
Vega Theta File File File File File File File File	Expiry Expiry Expiry Expiry Expiry Expiry Expiry Expiry	28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11	NIFTY  OTE OTE OTE OTE OTE OTE OTE	22 15 (25 22) 1-May 27 27 27 27 27 27 27 27 27 27 27 27 27	K Direction  S Particular  S Particular  S Particular  S Particular  S Particular  S Particular  Current  S Adjusted	6(8,240 6,240 (1,262) (14) 607 1,655	(18.84) 7,449 (1,242) (18) 627 6,155	(%,649 (%,242) (%) 487 6,665	2,949 (1,242) (1242) (191) 597 3,295	(10.20) 1 2,049 (1.262) ( (10) 697 1,455	0.60) (7.60) 249 249 (240) (7.21) (11) (11) 627 627 (146) (146)	1 05.161 249 0 (5,262) (98) 547 1 (348)	(43) (62) (82) (82) (82) (82) (82) (82) (82)	(42) 1,127 (42) 697 2,055	249 1,127 (18) 697 2,055	0.66 249 1,127 (18) 627 2,165	2.6st 246 (63) (89) 527 255	4.5% 269 (5,002) (99) 617 (045)	6.08 (2,154) (1,262) (12) (12) 687 (2,146)	T.48 (4,551) (1,282) (10) 697 (8,140)	9.6k (4,591) (1,242) (10) 697 (6,140)	H2% (4,550) (1,242) (10) 487 (5,145)	(4,554) (4,554) (4,242) (40) 447 (5,146)	14.6x (4,651) (1262) (12) (12) (47 (6,665)	6700 16.5% (16.5%) F 16.5%) F 16.5%) F 16.5% (16.5%) A
Vega Theta File Theta File File Pit Anabolic Corpins Pit Romant Pit Butterfly Pit Lock (B) Pit Current Pit Adjected  Butterfly Bask et  Butterfly Dissection 1  Butterfly Dissection 3	Expiry Expiry Expiry Expiry Expiry Expiry Expiry Expiry	16.55 (6.70)	NIFTY  OTE OTE OTE OTE OTE OTE OTE	22 15 (25 22) 1-May 27 27 27 27 27 27 27 27 27 27 27 27 27	K own Arthur S Bottom F S Bottom F S Lock (F) S Lock (F) S Lock (F) S Courses S Adjusted K K BD1	6(8,240 6,240 (1,262) (14) 607 1,655	(18.84) 7,449 (1,242) (18) 627 6,155	(%,649 (%,242) (%) 487 6,665	2,949 (1,262) (10) (10) (10) (10) (10) (10) (10) (10	(10.20) 1 2,049 (1.262) ( (10) 697 1,455	0.60) (7.60) 249 249 (240) (7.21) (11) (11) 627 627 (146) (146)	1 05.161 249 0 (5,262) (98) 547 1 (348)	(43) (62) (82) (82) (82) (82) (82) (82) (82)	(42) 1,127 (42) 697 2,055	249 1,127 (18) 697 2,055	0.66 249 1,127 (18) 627 2,165	2.6st 246 (63) (89) 527 255	4.5% 269 (5,002) (99) 617 (045)	6.08 (2,154) (1,262) (12) (12) 687 (2,146)	T.48 (4,551) (1,282) (10) 697 (8,140)	9.6k (4,591) (1,242) (10) 697 (6,140)	H2% (4,550) (1,242) (10) 487 (5,145)	(4,554) (4,554) (4,242) (40) 447 (5,146)	14.6x (4,651) (1262) (12) (12) (47 (6,665)	6700   1-35   1-
Vega Theta Theta Theta Theta The Pit Analysis Cospins  Pit Analysis Cospins  Pit Analysis Pit Lock (B) Pit Lock (B) Pit Correct Pit Adjusted  Dutterfly Basket  Dutterfly Dissection 1  Batterfly Dissection 2  Batterfly Dissection 4	Expiry Expiry Expiry Expiry Expiry Expiry Expiry Expiry	16.50 (6.70) 28-May-11 28-May-12 28-May-11 28-May-11 28-May-11 28-May-11 28-May-11 58-May-11 58-May-11	NIFTY  OTE OTE OTE OTE OTE OTE OTE	22 15 (25 22) 1-May 27 27 27 27 27 27 27 27 27 27 27 27 27	K ori Art S Battarfy S Battarfy S Lock (B) Current K BD1 BD2 BD3	6(8,240 6,240 (1,262) (14) 607 1,655	(18.84) 7,449 (1,242) (18) 627 6,155	(%,649 (%,242) (%) 487 6,665	2,949 (1,262) (10) (10) (10) (10) (10) (10) (10) (10	(10.20) 1 2,049 (1.262) ( (10) 697 1,455	0.60) (7.60) 249 249 (240) (7.21) (11) (11) 627 627 (146) (146)	1 05.161 249 0 (5,262) (98) 547 1 (348)	(43) (62) (82) (82) (82) (82) (82) (82) (82)	(42) 1,127 (42) 697 2,055	249 1,127 (18) 697 2,055	0.66 249 1,127 (18) 627 2,165	2.6st 246 (63) (89) 527 255	4.5% 269 (5,002) (99) 617 (045)	6.08 (2,154) (1,262) (12) (12) 687 (2,146)	T.48 (4,551) (1,282) (10) 697 (8,140)	9.6k (4,591) (1,242) (10) 697 (6,140)	H2% (4,550) (1,242) (10) 487 (5,145)	(4,554) (4,554) (4,242) (40) 447 (5,146)	14.6x (4,651) (1262) (12) (12) (47 (6,665)	6700   16.263)   6   6   6   6   6   6   6   6   6
Vega Theta Theta Theta Fino  Pil Analysis (caping)  Pil Borrossis Pil Borrossis Pil Lock (B) Pil	Expiry Expiry Expiry Expiry Expiry Expiry Expiry Expiry	16.55 (6.70)	NIFTY  OTE OTE OTE OTE OTE OTE OTE OTE	22 15 (25 22) 1-May 27 27 27 27 27 27 27 27 27 27 27 27 27	K Der Ander S Betterfly S Betterfly S Betterfly S Lock (P) S Lock (P) S Courset S Adjusted K BDI	6(8,240 6,240 (1,262) (14) 607 1,655	(18.84) 7,449 (1,242) (18) 627 6,155	(%,649 (%,242) (%) 487 6,665	2,949 (1,262) (10) (10) (10) (10) (10) (10) (10) (10	(10.20) 1 2,049 (1.262) ( (10) 697 1,455	0.60) (7.60) 249 249 (240) (7.21) (11) (11) 627 627 (146) (146)	1 (6-14) 246 2 (5-14) 3 (5-14) 4 (8) 4 (7) 4 (7)	200 (62) (82) 162 165	(42) 1,127 (42) 697 2,055	249 1,127 (18) 697 2,055	0.66 249 1,127 (18) 627 2,165	2-6-6 2-4-6 (5-3) (5-9)	428 249 (4,182) (47) (47) (47) (47) (47) (47) (47) (47	6.08 (2,154) (1,262) (12) (12) 687 (2,146)	T.48 (4,551) (1,282) (10) 697 (8,140)	9.6k (4,591) (1,242) (10) 697 (6,140)	H2% (4,550) (1,242) (10) 487 (5,145)	(4,554) (4,554) (4,242) (40) 447 (5,146)	14.6x (4,651) (1262) (12) (12) (47 (6,665)	6700 H.5% E (12.4) F (12.4) F (12.4) F (12.4) A (13.4) A
Vegs Theta File File Pit Analysis (capins) Pit Bottonts Pit Bottonts Pit Lock (B) Pit Current Pit Adjusted  Butterfly Basket	Expiry Expiry Expiry Expiry Expiry Expiry Expiry Expiry	16.50 (6.70)	NIFTY  OTE OTE OTE OTE OTE OTE OTE OTE	22 15 (25 22) 1-May 27 27 27 27 27 27 27 27 27 27 27 27 27	K Off Art S Parmate S Bittarfly S Lock (P) C Adjusted  K BD1 BD2 BD2 BD3 BD4 BD6 BD6	6(8,240 6,240 (1,262) (14) 607 1,655	(18.84) 7,449 (1,242) (18) 627 6,155	(%,649 (%,242) (%) 487 6,665	2,949 (1,262) (10) (10) (10) (10) (10) (10) (10) (10	(10.20) 1 2,049 (1.262) ( (10) 697 1,455	0.60) (7.60) 249 249 (240) (7,212) (111) (111) 627 627 (146) (146)	1 05.161 249 0 (5,262) (98) 547 1 (348)	200 (62) (82) 162 165	(42) 1,127 (42) 697 2,055	249 1,127 (18) 697 2,055	0.66 249 1,127 (18) 627 2,165	2-6-6 2-4-6 (5-3) (5-9)	4.5% 269 (5,002) (99) 617 (045)	6.08 (2,154) (1,262) (12) (12) 687 (2,146)	T.48 (4,551) (1,282) (10) 697 (8,140)	9.6k (4,591) (1,242) (10) 697 (6,140)	H2% (4,550) (1,242) (10) 487 (5,145)	(4,554) (4,554) (4,242) (40) 447 (5,146)	14.6x (4,651) (1262) (12) (12) (47 (6,665)	6700   1.000

RJS Re: NIFTY MAY'11

« Reply #6 on: May 01, 2011, 07:39:34 PM »

Thanks Charles, Thanks James

How would you look at the Greeks of the position? How should it be managed?

Rakesh

Ri\$k Doctor Re: NIFTY MAY'11

« Reply #7 on: May 02, 2011, 08:23:37 PM »

Rakesh,

"How would I manage it?" is a very general question and requires a boat load of info from you like where are your action points and what is your tolerance for pain and gain. Why don't you tell me how you plan to manage it and I will critique your plan?

RJS

Re: NIFTY MAY'11

« Reply #8 on: May 02, 2011, 08:38:59 PM »

ok.

I will answer your questions :

Action Points:

Nifty has been finding consistent resistance in 5900-5950 points (multiple highs in this region). Decisive move beyond this range will be my action point for directional up side. 5600-5650 levels is the support zone, with 200 Day averages, several swing highs/lows in this band. So decisive break of this range will be my action point for directional down side.

To take advantage of nifty oscillating within this band, should i adopt to gamma scalping? (I've not done this before)

Rakesh

**Ri\$k Doctor** 

Re: NIFTY MAY'11

« Reply #9 on: May 04, 2011, 01:21:51 PM »

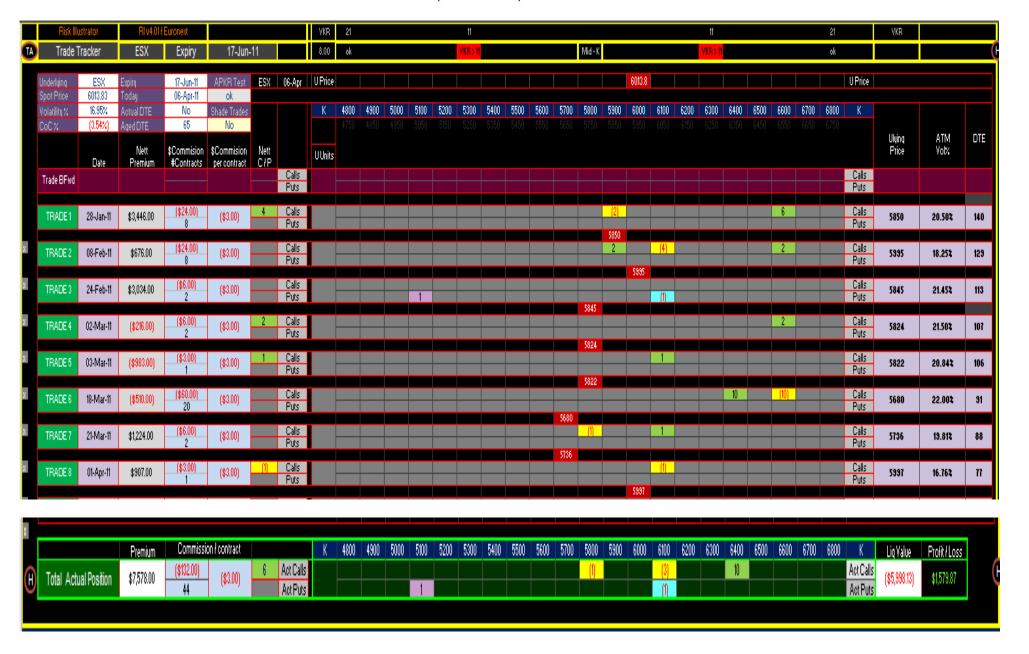
Good game plan. A little inefficient having Baby Butterflies below support (you don't believe in it). It is not a lot of money represented there, however. Negative Gamma Scalping would be giving away money when you currently believe in support and resistance levels. You have your kickers but just beef them up over time so if they come into play they will have enough fire power.

A lesson from the master himself: James -- Thank you James for this Latest Installment.

FTSE | Daily Price Movement from 27 January – 11 April 2011 | Range 5500 - 6100

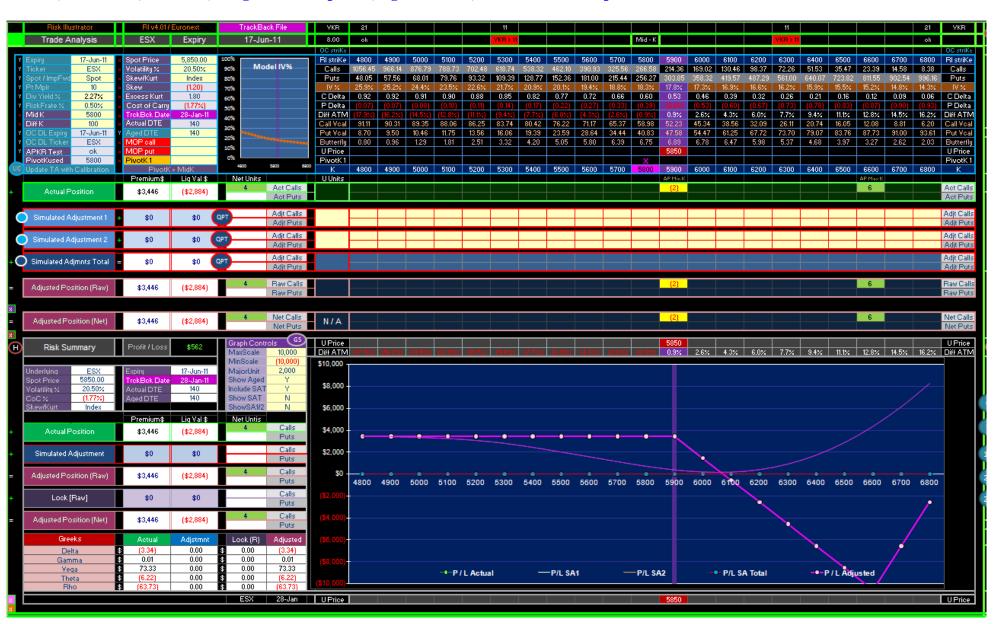


## FTSE | June 2011 | Trade Tracker



## TrackBack Trades 1 - 8

FTSE | June 2011 | Trade#1 | Long Call Backspread | AgedPL T+0 | Note risk hole to upside > 6100



 $FTSE \mid June\ 2011 \mid Trade\#2 \mid Long\ Call\ Broken\ Wing\ Butterfly* \mid AgedPL\ T+0 \mid Roll\ risk\ up \mid Note\ risk\ hole\ to\ upside > 6200$ 

Risk Illustrator	RI v4.017	Euronext	TrackBack Fil	le	VKR	21					11										11					21	VKR
Trade Analysis	ESX	Expiry	17-Jun-11		8.00	ok					VKR > 11					Mid - K					VKR > 1					ok	
				0	OC striKe																						OC striKe
Y Expiry 17-Jun-11 × Y Ticker ESX ×	Spot Price	5,995.00 18.25%	90% Model IV	454	RLstriKe Calls	4800 1175.21	4900	5000	5100	5200	5300 721.02	5400	5500 550.55	5600	5700	5800	5900	6000 205.31	6100 157.44	6200 117.40	6300	6400 59.18	6500 39.59	6600 25.10	6700 14.96		RI striKe
Y Spot / ImpFwd Spot ×	Volatility % Skew/Kurt	Index	80%		Puts											324.18 170.10						504.04			759.30		
Y Pt Mplr 10 ×	Skew	(1.20)	70%			24.3%		23.5%	22.9%	22.1%	21.3%	20.4%	19.5%	18.7%		17.2%	16.6%	16.1%							13.3%		IV %
Y Div Yield % 2.43% *	Excess Kurt	1.80	50%		C Delta	0.94	0.93	0.93	0.92	0.91	0.90	0.88	0.85	0.81	0.76	0.70	0.63	0.55	0.47	0.39	0.32	0.25	0.19	0.14	0.10	0.06	C Delta
Y RiskFrate % 0.50% *  * Mid K 5800 *	Cost of Carry TrokBok Date		50%		P Delta Jiff ATM	(19.9%)	(19.3%)	(16.6%)	(0.07)	(0.08)	(11.6%)	(9.9%)	(9.3%)	(8.6%)	(4.9%)	(0.29)	(1.8%)	0.1%	1.8%	2.4%	5.1%	6.8%	8.4%	10.1%	11.9%	12.4%	P Delta Diff ATM
Diff K 100	Actual DTE	129	40%			93.65	92.62	91.70	90.83	89.89	88.65	86.85	84.22	80.58	75.82	69.97	63.17	55,69	47.87	40.04			19.59	14.42			Call Voal
Y OC DL Expiry 17-Jun-11 Y	Aged DTE	129	20%			6.17		8.12	8.99	9.93	11.18	12.98	15.60	19.24			36.65	44.13	51.96	59.78	67.27		80.23	85.40		92.94	
Y OC DL Ticker ESX *	MOP call		10%			1.03	0.92	0.86	0.94	1.24	1.80	2.62	3.64	4.76	5.86	6.80	7.48	7.83	7.82	7.49	6.88	6.08	5.16	4.22	3.32	2.50	
Y APKR Test ok × PivotKused 5800 ×	MOP put PivotK1		0%		U Price PivotK 1	$\longrightarrow$										v		5995				-					U Price PivotK1
UC Update TA with Calibration	PivotK	= MidK	4900 5900	5900		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	K
	Premium\$	Liq Val \$	Net Units		U Units												AP Min K							AP Max K			
Actual Position	\$3,446	(\$3,710)		t Calls													(2)							- 6			Act Calls
	V-11-11	(4-11-15)	Act	t Puts																							Act Puts
Simulated Adjustment 1 +	\$574	(\$574)	\$!	574													2		(4)					2			Adjt Calls
Simulated Adjustment I	\$974	(\$0.4)	Adj	jt Puts																							Adjt Puts
Simulated Adjustment 2 +	\$0	\$0		t Calls																							Adjt Calls
Oimalated Aujustment 2	φ0	Φ0	Adj	jt Puts																							Adjt Puts
O Simulated Adjmnts Total =	\$574	(\$574)	\$!														2		(4)					2			Adjt Calls
Ominated Adminis Fotal	φ014	(4014)	Adj	it Puts																							Adjt Puts
			4 Bay	w Calls															(4)					8			Raw Calls
= Adjusted Position (Raw)	\$4,020	(\$4,285)		w Puts															(.)								Raw Puts
X	44.000	(44.005)	4 Net	t Calls															(4)					8			Net Calls
= Adjusted Position (Net)	\$4,020	(\$4,285)		t Puts	N/A														(1)								Net Puts
×			Court Council	GS I	U Price													5995									HDda
H Risk Summary	Profit / Loss	(\$264)	Graph Controls MaxScale 10	$\overline{}$	Diff ATM	(19.9%)	(18.3%)	(16.6%)	(14.9%)	(13.3%)	(11.6%)	(9.9%)	(8.3%)		(4.9%)	(3.3%)	0.650	0.1%	1.8%	3.4%	5.1%	6.8%	8.4%	10.1%	11.8%	13.4%	UPrice Diff ATM
					10,000 —			,			,	1	,	,		12.2.2	,										
Underlying ESX	Expiry	17-Jun-11		,000																							
Spot Price 5995.00 Volatility % 18.25%	TrokBok Date	08-Feb-11 129		Y	\$8,000																						
Volatility % 18.25% (1.93%)	Actual DTE Aged DTE	129		N																							
Skew/Kurt Index	Adea D 1 E	12.0			\$6,000																						
	Premium\$	Liq Val \$	Net Untis																								
+ Actual Position	\$3,446	(\$3,710)		Calls	\$4,000	•	•	•	-•-	-•-	•	_•	_•_	<u> </u>	<u> </u>	_•	<u> </u>		<b>—•</b>								
		··· /		Puts		•	•	•	•		•	•		Ŀ	•	•	_•		_ \								
<ul> <li>Simulated Adjustment</li> </ul>	\$574	(\$574)		Calls	\$2,000																						
				Puts																							
= Adjusted Position (Raw)	\$4,020	(\$4,285)		Calls	\$0		****	-	-	-	-	-	-	•	•	-				3	•		•	-	-	-	
				Puts	•	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
+ Lock [Raw]	\$0	\$0		Calls (	\$2,000)-															-							
= Adjusted Position (Net)	\$4,020	(\$4,285)		Calls Puts	54,000)-																1						
Courte					BC 0000																						
Greeks	Actual	Adjstmnt		justed (	<b>20,000)</b>																	1.			•		
Delta Gamma	(4.30) 0.02	(3.58)		7.89) 0.01	<b>50.000</b>																						
Veqa	108.78	(119.30)		0.52)	<b>5</b> 8,000)								D// 00			D// 00						`\				<i>'</i>	
Theta	(8.98)	7.31	\$ 0.00 (1	1.67)	10.0005				-•-P/	L Actua			-P/L SA	1		−P/L SA	2		P/L S	A lotal			/ L Adju	ısted			
Rho	(77.95)	(73.85)		51.80)	ינטטט,טיי																						
×			ESX 08	3-Feb L	U Price													5995									UPrice
X																											

st Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#3 | Short Put Spread\* | AgedPL T+0 | Market Down / Sell some put premium | Note risk hole to upside > 6300

Risk Illustrator	RI v4.017	Euronext	TrackBack File	VKR	21					11										11					21	VKF
Trade Analysis	ESX	Expiry	17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
				OC striKe																						OC str
Expiry 17-Jun-11 ×	Spot Price	5,845.00	100%	RI striKe	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	RI stri
	Volatility %	21.45%	90% Model IV%	Calls	1044.99	954.21	864.35	775.65	688.63		522.62	445.48	373.56	307.73	248.66	196.78	152.23	114.89	84.34	60.02	41.19	27.04	16.78	9.62	4.86	Call
	Skew/Kurt	Index	80%	Puts	41.18	50.25	60.23	71.38	84.21	99.41		140.59		202.53		291.27	346.57	409.07	478.37	553.89	634.90	720.61	810.19	902.87	997.96	Puts
	Skew	(1.20)	70%	IV %	27.5%	26.8%	25.9%	25.0%	24.0%	23.0%	22.1%	21.2%	20.4%	19.7%	19.1%	18.6%	18.1%	17.7%	17.3%	16.9%	16.5%	16.1%	15.7%	15.2%		IV 2
	Excess Kurt	1.80	60%		0.93	0.92	0.91	0.90	0.88	0.86	0.82	0.78	0.73	0.66	0.59	0.52	0.45	0.37	0.30	0.24	0.19	0.14	0.10	0.07	0.04	
	Cost of Carry		50%	P Delta	(0.06)	(0.07)	(0.08)	(0.09)	(0.11)	(0.13)	(0.17)	(0.21)	(0.27)	(0.33)	(0.40)	(0.47)	(0.55)	(0.62)	(0.69)	(0.75)	(0.81)	(0.85)	(0.89)	(0.92)	(0.95)	P De
* Mid K 5800 *	TrokBok Date	24-Feb-11	40%	Diff ATM	[17.9%]	[16.2%]	[14.5%]	[12.7%]	[11.0%]	[9.3%]	[7.6%]	[5.9%]	[4.2%]	[2.5%]	[0.8%]	0.9%	2.7%	4.4%	6.1%	7.8%	9.5%	11.2%	12.9%	14.6%	16.3%	
	Actual DTE	113	30%	Call Voal Put Voal			9.98		87.02	84.64 15.21		77.14		65.84	59.07 40.77	51.88 47.97	44.54 55.30	37.35	30.54	24.32 75.52	18.83 81.01	14.14 85.70	10.26 89.58	7.16		Call V
Y OC DL Expiry 17-Jun-11 Y OC DL Ticker ESX ×	Aged DTE	113	20%					11.15				22.71 5.21		34.01 6.77	7.19		7.20	62,50	69.30	75.52 5.49	4.69	3.88	3.10	92.69	95.08	_
Y APKR Test ok *	MOP call MOP put		10%	Butterfly UPrice	0.82	0.91	1.18	1.67	2.30	3.20	4.24	9.21	6.09	0.77	5845	1.33	7.20	6.81	6.22	0.43	4.63	3.00	3.10	2.40	1.78	Butte U Pri
PivotKused 6100 Y	PivotK1	6100	0%	PivotK1											3043			v								Pivot
C Update TA with Calibration		0100	4900 5900 69	K	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
opasie III III III aliano	Premium\$	Lig Val \$	Net Units	U Units				0.00	0200		0.00			0.00	0000		-	AP Min K	0200		0.00		AP Max K	0.00		- '
Assurt Decision			4 Act Calls															(4)					8			Act C
Actual Position	\$4,122	(\$3,253)	Act Puts																							Act P
Simulated Adjustment 1 🕒	\$3,377	(\$3,377)	QPT Adjt Calls																							Adjt C
		37.7	\$3,377					1										m								Adjt F
Simulated Adjustment 2 +	\$0	\$0	OPT Adjt Calls																							Adjt C
Similared FidjaSimeric 2	Ψ0	40	Adjt Puts																							Adjt P
Oisside de Adisside Touri	40.077	(40.077)	Adit Calls																							Adit C
Simulated Adjmnts Total =	\$3,377	(\$3,377)	Adjt Calls \$3,377					1										m								Adjt F
Adjusted Position (Raw)	\$7,499	(\$6,630)	4 Raw Calls	<b>=</b>														(4)					8			Raw C
	411111	(41,111)	Raw Puts					1										m								Raw F
10 10 20 20 20 2	47.400	(40.000)	4 Net Calls															(4)					8			Net C
Adjusted Position (Net)	\$7,499	(\$6,630)	Net Puts					1										(1)								Net P
Risk Summary	Profit / Loss	\$869	Graph Controls GS	UPrice											5845		<u> </u>									UPri
,			MaxScale 10,000	Diff ATM	[17.9%]	[16.2%]	[14.5%]	[12,7%]	[11.0%]	[9.3%]	[7.6%]	[5.9%]	[4.2%]	[2.5%]	[0.8%]	0.9%	2.7%	4.4%	6.1%	7.8%	9.5%	11.2%	12.9%	14.6%	16.3%	Diff A
Tour Four	I =	47. bo 44	MinScale (10,000) MajorUnit 2,000	\$10,000																						
Underlying ESX Spot Price 5845.00	Expiry TrokBok Date	17-Jun-11 24-Feb-11	MajorUnit 2,000 Show Aged Y																							
Volatility % 21.45%	Actual DTE	113	Include SAT Y	\$8,000 -																						
CoC / (2.20%)	Aged DTE	113	Show SAT N															<u> </u>								
Skew/Kurt Index	11903012		ShowSA1/2 N	\$6,000 -														_ \								
	Premium\$	Lig Val \$	Net Untis	***												_			\							
			4 Calls	\$4,000 -			_			_	_															
Actual Position	\$4,122	(\$3,253)	Puts	\$4,000 -														$\overline{}$	•							
_			Calls										<b>_</b> -<													
Simulated Adjustment	\$3,377	(\$3,377)	Puts	\$2,000 -																$\overline{}$						
												_								<del></del>						
Adjusted Position (Raw)	\$7,499	(\$6,630)	4 Calls	\$0 -	<del>-</del> -		-			-	<b>~</b> ∓−		-	-		-		_ •	—₹	<u>-\</u> €			-	-		-
			Puts		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
Lock [Raw]	\$0	\$0	Calls	(\$2,000)-																$\overline{}$						
zook (i. idil)	•	•	Puts		•-	-•-	•	_•																		
Administration (Alexa)	47.400	(40,000)	4 Calls	(\$4,000)-																						
Adjusted Position (Net)	\$7,499	(\$6,630)	Puts	(01,000)																	- <b>\</b>				,	
Greeks	Assess	Adiatoria		/PG 0001																	\ \					
	Actual	Adjstmnt	Lock (R) Adjusted	(30,000)																					/	
Delta \$	(6.93) 0.00	5.27	\$ 0.00 (1.66) \$ 0.00 (0.00)																					/		
Gamma S	(69.23)	(0.01)	\$ 0.00 (0.00) \$ 0.00 (104.48)	(\$8,000)																	•	<b>\</b>		- 1		
Veqa \$ Theta \$	4.28	(35.25) 5.12	\$ 0.00 (104.48) \$ 0.00 9.40					-•-P/	L Actua	II.		-P/L SA	11		−P/L SA	2		P/L S/	A Total		-•- <u>-</u>	/ L Ādj	usted			
			<u> </u>	(\$10,000)-																		\\				
	1115.361	105.83																								
Rho \$	(115.36)	105.83	\$ 0.00 (9.52) ESX 24-Feb												5845	_										UPri

st Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#4 | Long OTM Calls\* | AgedPL T+0 | Market Down / buy extra long units | Note risk hole to upside > 6300

i iisk iiidstrator	RI 94.017	Euronext	TrackBack File	VKR	21					11										11					21	VKR
Trade Analysis	ESX	Expiry	17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
				OC striKe																						OC stril
Expiry 17-Jun-11 *	Spot Price	5,824.00	90% Model IV%	RI striKe		4900	5000	5100	5200	5300	5400	5500	5600	5700		5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	RI strik
Ticker ESX *	Volatility %	21.50%	2010	Calls	1022.84	000.01	842.11	753.42	666.44	581.95	500.87	424.23	353.07	288.28	230.54	180.26				51.15			12.81	6.85	3.04	Calls
Spot / ImpFwd Spot ×	Skew/Kurt	Index	80%	Puts	39.77	48.80	58.76		82.79			140.14				295.59	352.70	417.13	488.43		648.74		827.11	921.00	1017.05	Puts
Pt Mplr 10 ×	Skew	(1.20)	70%	C Dalas	27.6%	26.9%	26.0%	25.0%	24.0%	23.0%	22.1%	21.2%		19.7%	19.1%	18.5%	18.0%	17.6%	17.2%	16.8%	16.4%	16.0%	15.5%	14.9%	0.00	0.04
Div Yield % 2.82% × RiskFrate % 0.50% ×	Excess Kurt	1.80 (2.32%)	50%	C Delta P Delta	0.93	0.92	0.91	0.90	0.88	0.85	0.82	0.77	(0.72	0.65	0.58	0.50	0.43	0.35	0.28	(0.22	0.17	(0.02)	0.08	0.06	0.03	
Mid K 5800 *	Cost of Carry TrokBok Date		50%	Diff ATM	(17.6%)	(15.9%)	(14.1%)	(12.4%)	(10.7%)	(9.0%)	(7.2%)	(E.C*/)	(2.0%)	(2.1%)	(0.4%)	1.3%	3.0%	4.7%	6.5%	9.77	9.9%	11.0%	13.3%	15.0%	16.8%	P Delt
Diff K 100	Actual DTE	107	40%	Call Voal	91.66	90.82	89.90	88.70	86.97	84.50	81.08	76.63	71.16	64.79	57.74	50.28			28.56	22.39	17.01		8.83	5.97		Call Vo
OC DL Expiry 17-Jun-11 Y	Aged DTE	107	30%	Put Voal			9,95	11.16	12.88	15.36	18.77	23.22	28.69	35.06	42.12	49.57				77.47	82.84		91.02	93.89	96.05	
OC DL Ticker ESX ×	MOP call	101	20%	Butterfly	0.84	0.92	1.20		2.48	3.41	4.45	5.47			7.45	7.54	7.33	6.85	6.18	5.37	4.52		2.87	2.16	1.56	Butter
APKR Test ok *	MOP put		10%	UPrice	0.01	0.02			2.10	V.11		V	0.01	1.00	5824	1.01	1.00	0.00	0.10	0.01	1.02	0.00	2.01	2.10		U Prio
PivotKused 6100 Y	PivotK1	6100	0%	PivotK1														Х								Pivoti
Update TA with Calibration			4900 5900	**** K	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	K
	Premium\$	Liq Val \$	Net Units	U Units				AP Min K															AP Max K			
Actual Position	\$7,150	(\$6,531)	4 Act Calls															(4)					8			Act Ca
Trotagn Osmon	\$1,100	(40,001)	Act Puts					1										m								Act P
			2 (\$256)	_																			- 2			Adjt C
Simulated Adjustment 1 🕒	(\$256)	\$256	OPT 2   \$256   Adit Puts	•																						Adit P
				_																						
Simulated Adjustment 2 👵	\$0	\$0	OPT Adjt Calls																							Adjt Ca
			Adjt Puts																							Adjt P
Simulated Adjmnts Total =	(\$256)	\$256	2 (\$256)																				2			Adjt Ca
omasta rajimo rota.	(\$200)	4200	Adjt Puts																							Adjt Po
			C Desc Celle															(4)					10			RawC
Adjusted Position (Raw)	\$6,894	(\$6,275)	6 Raw Calls Raw Puts															(1)					10			Raw P
			naw nuts															111								Maw F
Adjusted Position (Net)	\$6,894	(\$6,275)	6 Net Calls															(4)					10			Net Ca
Adjusted Fusikion (raet)	Φ0,001	(\$0,210)	Net Puts	11/7				1										m								Net Pu
			Graph Controls GS	UPrice											5824											UPrio
Risk Summary	Profit / Loss	\$619	Graph Controls MaxScale 10,000	Diff ATM	(17.6%)	(15.9%)	(14.1%)	(12.492)	(10.7%)	(9.0%)	(7.2%)	(E.C+Z)		(2.1%)	(0.4%)	12%	2.0%	A 7°/	6 E*/	0.2%	9.9%	11 6*/	12.2%	15.0%	10.0%	
			MinScale (10,000)	\$10,000 -	[11.074]	110.071	[14,1/4]	[16,774]	10.174	[0.071]	11.071	[0.071]	[0,074]	[6,1/4]	[9,774]	1.074	0.074	7.174	0.074	0.274	0.074	11.074	10.074	10.074	10.074	<u> </u>
Underlying ESX	Expiry	17-Jun-11	MajorUnit 2,000	\$10,000 -																						
Spot Price 5824.00	TrokBok Date		Show Aged Y																							
Volatility % 21.50%	Actual DTE	107	Include SAT Y	\$8,000 -																						
CoC / (2.32%)	Aged DTE	107	Show SAT N																							
Skew/Kurt Index			ShowSA1/2 N	\$6,000 -														$\overline{}$								
	Premium\$	Liq Val \$	Net Untis	]																						
Actual Position	\$7,150	(\$6,531)	4 Calls	\$4,000 -											-8				<b>\</b>							
TISTOSITI ODINION	41,100	(40,000)	Puts											_8					<b>\</b>							
Circulated Adjustment	(4050)	#OEC	2 Calls	\$2,000 -															_\							
Simulated Adjustment	(\$256)	\$256	Puts	42,000								-8-	_						_							
			6 Calls	\$0 -								4			_	_										
Adjusted Position (Raw)	\$6,894	(\$6,275)	Puts	<b>3</b> 0 -	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
					1000	1300	3000	3100	-0200	3.00	3400	3300	3000	3700	3800	3300	0000	0100	0200	0340	0400	0500	0000	0700	0800	
Lock [Raw]	\$0	\$0	Calls Puts	(\$2,000)	=				<b>_</b> i																	
					-		<b>-</b> \$	<del>-</del> :													/					
Adjusted Position (Net)	\$6,894	(\$6,275)	6 Calls	(\$4,000)																	1				/	
,	*****	(4-12-1-)	Puts																		1				•	
Greeks	Actual	Adjstmnt	Lock (R) Adjusted	(\$6,000)																						
Delta \$	(1.81)	1.69	\$ 0.00 (0.12)																							
Gamma \$	(0.01)	0.01	\$ 0.00 0.00	(\$8,000)																				_//		
Vega \$	(128.42)	69.73	\$ 0.00 (58.69)	(00,000)				-0-0-	L Actua			-P/L SA	4		-P/L SA	3		- Dil e	A Total			/ L Adju	e to al	1.		
Theta \$	12.31	(6.31)	\$ 0.00 6.00	(\$10,000)				• • •	L Actua	"		F/L SA			F/L SA	12		-P/L S/	4 IOIAI			7 L Majt	istea	1/		
	(11.76)	28.16	\$ 0.00 16.40	(#10,000)																						
Rho \$	Incred																									
Rho \$	[ILIO]			UPrice											5824											UPri

st Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#5 | Long OTM Call\* | AgedPL T+0 | Market Down / buy in upside risk | Note risk hole to upside > 6300

Risk Illustrator	RI v4.017	Euronext	TrackBac	k File	VKR	21					11										11					21	VKR
Trade Analysis	ESX	Expiry	17-Jun-	-11	8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
Y Expiry 17-Jun-11	× Spot Price	5,822.00	100%		OC striKe RI striKe	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	OC striKe RlistriKe
Y Ticker ESX	Volatility %	20.84%	90% Mod	el IV%				835.93		659.51	574.51	492.87	415.69		279.02		171.21	128.98	94.33		45.39		18.02	10.15	5.01		Calls
Y Spot / ImpFwd Spot	× Skew/Kurt	Index	80%					54.54 25.4%	65.37 24.5%	77.83	92.69		133.58	161.83	196.62		288.52	346.15 17.5%	411.35	483.59 16.6%		646.05	734.46	826.44 14.9%	921.16	1017.88	Puts
Y Pt Mplr 10 Y Div Yield % 2.84%	<ul> <li>Skew</li> <li>Excess Kurt</li> </ul>	(1.20) 1.80	70% 60%		11.74	27.0% 0.93		0.91	E 1.074	0.88	0.86	21.5%	20.07		19.1%	18.5% 0.58	18.0%		17.0% 0.34	10.071	16.2%	15.8% 0.15	15.4%	0.07	0.05	0.03	IV % C Delta
RiskFrate % 0.50%	Cost of Carry	(2.34%)	30%		P Delta	(0.06)	(0.07)	(80.0)	(0.09)	(0.11)	(0.13)	(0.17)	(0.22)	(0.27)	(0.34)	(0.42)	(0.50)	(0.57)	(0.65)	(0.72)	(0.78)	(0.84)	(88.0)	(0.92)	(0.94)	(0.96)	P Delta
<ul> <li>Mid K 5800</li> <li>Diff K 100</li> </ul>	<ul> <li>TrokBok Date</li> <li>Actual DTE</li> </ul>	03-Mar-11 106	40%		Diff ATM Call Voal	(17.6%)	(15.8%) 91.08	(14.1%) 90.17	(12.4%)	(10.7%) 87.39	(9.0%) 85.00	(7.2%) 81.64	(5.5%) 77.18	(3.8%)	(2.1%) 65.06	(0.4%)	1.3% 50.04	3.1%		6.5% 27.62	8.2% 21.33	9.9% 15.92	11.6%	13.4% 7.87	15.1% 5.14		Diff ATM Call Voal
Y OC DL Expiry 17-Jun-11	Y Aged DTE	106	20%		Put Voal		8.77	9.68			14.85		22.68				49.81			72.24		83.93	88.41	91.98		96.72	Put Voal
Y OC DL Ticker ESX	MOP call		10%	********	Butterfly	0.87	0.91	1.15	1.64	2.39	3.36	4.46	5.57	6.55	7.29	7.73	7.82	7.57	7.04	6.29	5.41	4.48	3.57	2.73	2.01	1.40	Butterfly
APKR Test ok PivotKused 6100	MOP put PivotK1	6100	0%	<b></b>	U Price PivotK 1											5822			X								U Price PivotK 1
UC Update TA with Calibration				5800 6800	K	4800	4900	5000		5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500		6700	6800	K
	Premium\$	Liq Val \$	Net Units	Act Calls	U Units				AP Min K										(4)					AP Max K 10			Act Calls
+ Actual Position	\$6,940	(\$6,218)		Act Puts					1										(1)					10			Act Puts
			1	(\$943)															1								Adjt Calls
Simulated Adjustment 1	(\$943)	\$943		Adjt Puts																							Adjt Puts
Simulated Adjustment 2	<b>\$</b> 0	\$0		Adjt Calls																							Adjt Calls
Oirnalated Aujustinent 2	φυ	\$0		Adjt Puts																							Adjt Puts
O Simulated Adjmnts Total	(\$943)	\$943		(\$943)															1								Adjt Calls
		`		Adjt Puts																							Adjt Puts
= Adjusted Position (Raw)	\$5,997	(\$5,275)		Raw Calls															(3)					10			Raw Calls
				Raw Puts					1										(1)								Raw Puts
×			7	Net Calls															(3)					10			Net Calls
= Adjusted Position (Net)	\$5,997	(\$5,275)		Net Puts	N/A				1										(1)					10			Net Puts
			Graph Contro	ols G5	UPrice											5822											U Price
H Risk Summary	Profit / Loss	\$722	MaxScale	10,000	Diff ATM	(17.8%)	(15.8%)	(14.1%)	(12.4%)	(10.7%)	(9.0%)	(7.2%)	(5.5%)	(3.8%)	(2.1%)	(0.4%)	1.3%	3.1%	4.8%	6.5%	8.2%	9.9%	11.6%	13.4%	15.1%		Diff ATM
Underlying ESX	Fi	17-Jun-11	MinScale MajorUnit	(10,000) 2,000	\$10,000											_								,			
Underlying ESX Spot Price 5822.00	Expiry TrokBok Date		Show Aged	Υ Υ	***																						
Volatility % 20.84%	Actual DTE	106	Include SAT	Y	\$8,000 -																						
CoC % (2.34%) Skew/Kurt Index	Aged DTE	106	ShowSAT ShowSA1/2	N N	\$6,000 -														$\leq \lambda$								
	Premium\$	Lig Val \$	Net Untis		40,000												_•_										
- Actual Position	\$6,940	(\$6,218)	6	Calls	\$4,000 -												_•_			ackslash							
				Puts Calls											_•_					X							
+ Simulated Adjustment	(\$943)	\$943		Puts	\$2,000 -										_•_												
= Adjusted Position (Raw)	\$5,997	(\$5,275)	7	Calls	\$0 -							_	4		-			-							/		
- Aujusteu Positioiri(Haw)	\$0,007	(\$0,210)		Puts		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
+ Lock [Raw]	\$0	\$0		Calls	(\$2,000)						_•																
				Puts		•	_•	•	-•	_•												11					
= Adjusted Position (Net)	\$5,997	(\$5,275)	-	Calls Puts	(\$4,000)-	•	•	•	-																		
Greeks	Actual	Adistmnt	Lock (R)	Adjusted	(\$6,000)																		\				
Delta	\$ (0.64)	3.41	\$ 0.00	2.77	(00,000)																						
Gamma	\$ (0.00)	0.01	\$ 0.00	0.01	(\$8,000)																			$\setminus I$			
Veqa Theta	\$ (89.28) \$ 8.68	92.37 (7.78)	\$ 0.00 \$ 0.00	3.10 0.90					-0-P/	L Actua	ıl	_	-P/L SA	1		-P/L SA	2	-	P/L S/	A Total		-•-P	/ L Adju	isted			
Rho	\$ 7.28	54.96	\$ 0.00	62.24	(\$10,000)																						
			ESX	03-Mar	UPrice											5822											U Price
X																											

st Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#6 | Long OTM Call Spreads\* | AgedPL T+0 | Market Down / buy in upside risk | Note risk hole to upside > 6300

		itor	mi v4.01r	Euronext	- 11	ackBack File	VKR	21															11					21	VK
	Trade Anal	ysis	ESX	Expiry	1	17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR > 1	1				ok	
							OC striKe																						OC st
Expi	oiry 1	7-Jun-11 ×	Spot Price	5,680.00	100%		RI striKe	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000		6200		6400			6700	6800	Rlstr
	ker	ESX	Volatility %	22.00%	90%	Model IV%	Calls	883.62	793,47	704.54	617.39	532.89	452.12	376.31	306.64	244.12		142.97				32.46			5.46			5.00	
	ot / ImpFwd	Spot ×	Skew/Kurt	Index	30%		Puts	43.19	52.91	63.85	76.58	91,95	111.06	135.13	165.33						508.11	590.28	677.46	768.65	862.91	959.39	1057.42	1156.46	Put
	Mplr	10 ×	Skew	(1.20)	70%		O Date	27.7%	26.8%	25.8%	24.7%	23.6%	22.5%	21.5%	20.7%	19.9%	19.3%	18.7%	18.2%	17.7%	17.3%	16.8%	16.3%	15.8%	0.05	0.00	0.01	0.01	IV:
	/ Yield % skFrate %	3.23% × 0.50% ×	Excess Kurt Cost of Carry	1.80 (2.73%)	60%		C Delta P Delta		0.91	0.90	0.88	0.85	(0.19)	0.76	(0.70	(0.62	0.54	0.46	(0.82)	(0.30	0.23	0.17	(0.97)	0.08	0.05	0.03	0.01	0.01	C De
Mid		5800	TrokBok Date		30%		Diff ATN		(13.7%)	(12.0%)	(10.25)	(8.5%)	(6.7%)	(4.9%)	(3.2%)	(14%)	0.4%	2.1%	3.9%	5.6%	7.4%	9.2%	10.9%	12.7%	14.4%	16.2%	18.0%	19.7%	
Diff		100	Actual DTE	91	40%			91.10	90.15	88.93	87.15	84.50	80.77	75.81	69.67	62.52	54.66	46.48	38.37	30.69	23.74		12.69						Call V
		7-Jun-11 Y	Aged DTE	91	30%		Put Voa				12.73	15.37	19.11	24.06		37.35	45.21	53,39		69.18	76.13		87.19						
	DL Ticker	ESX ×	MOP call	5.00	20%		Butterflu			1.78		3.74	4.95	6.14			8.18	8.11	7.68	6.95	6.03	5.02	4.00						
APK	KR Test	ok ×	MOP put		10%		UPrice										5680												UPri
	otKused 💮	6100 Y	PivotK1	6100	0%		PivotK1														X								Pivol
Upda	date TA with Ca	dibration			4900		**** K	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	K
			Premium\$	Liq Val \$	Net		U Units	_			AP Min K															AP Max K			
	Actual Posit	tion	\$5,957	(\$5,320)	7	11010000															(3)					10			Act C
				\$1.7.7		Act Puts					1										m								Act F
						(\$608)																		10		(10)			Adjt 0
Si 🛡	Simulated Adjus	stment 1	(\$608)	\$608	QPT	Adit Puts	•																	10		(10)	_		Adit
							_																				$\overline{}$		
Si	Simulated Adjus	stment 2	\$0	\$0 (	QРТ <b>)</b> —	Adjt Calls Adjt Puts																					_		Adjt C
					_		_	_																	_		_		
) Sir	imulated Adjmr	nts Total =	(\$608)	\$608	QРТ <b>)</b> —	(\$608)																		10		(10)			Adjt 0
	•		S1 7		_	Adjt Puts																							Adjt F
$\Box$					7	7 Raw Calls															(3)			10					Raw (
Ad	djusted Positic	on (Raw)	\$5,349	(\$4,712)		Raw Puts					1										(1)			- 10					Raw F
						No. Colle		_													700			40			-	_	North
A	Adjusted Position	on (Net)	\$5,349	(\$4,712)	-	Net Calls Net Puts	N/A	⊢													(3)			10	-				Net C
																												_	Metr
	Dials Cumm		Draft II ass	\$637	Graph	Controls GS	UPrice		$\Box$								5680							$\overline{}$	$\overline{}$	$\Box$			UPri
<u> </u>	Risk Summ	ary	Profit / Loss	\$651	MaxS	cale 10,000	Diff ATN	(15.5%)	(13.7%)	(12.0%)	(10.2%)	(8.5%)	(6.7%)	(4.9%)	(3.2%)	(1.4%)	0.4%	2.1%	3.9%	5.6%	7.4%	9.2%	10.9%	12.7%	14.4%	16.2%	18.0%	19.7%	Diff A
					MinSe		\$10,000										_												
	derlying	ESX	Expiry	17-Jun-11	Major																								
		680.00	TrokBok Date			Aged Y	\$8,000																						
		22.00%	Actual DTE	91		le SAT Y	40,000																						
		(2.73%) Index	Aged DTE	91	Show		95,000																						
Sker	ewrkuit	ilidex					\$6,000																						
			Premium\$	Liq Val \$	Net l																							•	
	Actual Posit	tion	\$5,957	(\$5,320)		Puts	\$4,000												_:_	_		<del></del>							
_					_													_•				<u>  \\</u>			- 7				
s	Simulated Adju:	stment	(\$608)	\$608	₽—	Calls	\$2,000																						
						Puts										_• <u>_</u>													
Ad	djusted Positic	on (Baw)	\$5,349	(\$4,712)	7	Calls	\$0											•					<del>\</del> -						-
		()	<b>V</b> -   -	(4-4)		Puts		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
	Lock [Rav	al	\$0	\$0		Calls	(\$2,000)																						
<u> </u>	LOCK [1 lav	w1	Φ0	40		Puts					-																		
	Salta and Physics 1975	(81-15	45.040	(44.740)	7	7 Calls	(\$4,000)																	- 7					
A	Adjusted Positio	on (ivet)	\$5,349	(\$4,712)		Puts	(01,000)	-	_:_	_:_	_:-																		
	Greeks		Actual	Adjstmnt	Lock	(R) Adjusted	(86,000)																						
			2.58	5.13		.00 7.71	(30,000)																						
	Delta	3	(0.01)	0.02		.00 7.71	400.555																						
	<u>Gamma</u> Vega	3	(78.19)	177.51		.00 99.32	(\$8,000)																						
	Theta	3	10.73	(19.28)		.00 (8.55)					-•-P/	L Actua	ıl		-P/L SA	1		-P/L SA	12		P/L S	A Total		-•-	P/L Adj	usted			
	Rho	\$	50.60	70.38		.00 120.98	(\$10,000)																						
					ES	SX 18-Mar	UPrice										5680												UP
						10 10 10 10 1	O Frice																						

<sup>\*</sup> Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#7 | Short ATM Call Spread\* | AgedPL T+0 | Market up / sell call premium | Note risk hole to upside > 6200

Risk Illustrator	RI v4.017	/ Euronext	TrackBack File	VKR	21					11										11					21	VKR
Trade Analysis	ESX	Expiry	17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR > f	1				ok	
Fusion 17 Jun 11	Coat Price	E 700.00	100%	OC striKe	4800	4900	5000	E100	E200	5300	5400	5500	5600	E700	5800	E900	6000	6100	6200	6200	0400	CEOO	ccoo	6700		OC striKe
Y Expiry 17-Jun-11 Y Ticker ESX	<ul> <li>Spot Price</li> <li>Volatility %</li> </ul>	5,736.00 19.81%	90% Model IV%	RI striKe Calls		832.16		5100 652.27	5200 564.72					5700 196.30		5900 103,81	6000 70.97	6100 46,15	6200 28.24	6300 15.96	6400 8.05	6500 3,31	6600 0.76	6700 0.00	0.00	RI striKe Calls
¥ Spot / ImpFwd Spot	Skew/Kurt	Index	30%			36.02							159.12	199.19		306.46		448.56		618.14		805.24		1001.29	1100.83	Puts
Y Pt Mplr 10 Y Div Yield % 3.32%	* Skew	(1.20) 1.80	70%	IV % C Delta		25.4% 0.92	24.5%	23.5%	22.4%	21.3%	20.3%	19.3%		17.7%	17.1%		16.1%	15.6%	15.2%	14.7%	14.1%	0.04	0.00	0.01	0.00	IV % C Delta
7 RiskFrate % 0.50%	<ul> <li>Excess Kurt</li> <li>Cost of Carry</li> </ul>		50%	P Delta	(0.06)	(0.07)	(0.08)	(0.09)	(0.11)	(0.14)	(0.19)	(0.25)	(0.32)	(0.41)	(0.50)	(0.59)	(0.68)	0.23	(0.83)	(0.88)	(0.92)	(0.95)	(0.97)	0.01	(0.99)	P Delta
Mid K 5800	TrokBok Date	21-Mar-11	40%	Diff ATM	(16.3%)	(14.6%)	(12.8%)	(11.1%)	(9.3%)	(7.6%)	(5.9%)	(4.1%)	(2.4%)		1.1%		4.6%	6.3%	8.1%	9.8%		13.3%		16.8%		Diff ATM
* Diff K 100 Y OC DL Expiry 17-Jun-11	Actual DTE  Aged DTE	88 88	30%	Call Voal Put Voal	92.59 7.29	91.55 8.33	90.55 9.33		87.55 12.33	84.78 15.10	80.69 19.19	75.10 24.78	68.05	59.81 40.07	50.83 49.05		32.84 67.04	24.82 75.06	17.91 81.97	12.28 87.60	7.92 91.96	4.74 95.14	2.55 97.33	0.76 98.73	0.00 99.54	Call Voal Put Voal
Y OC DL Ticker ESX	MOP call	00	20%	Butterfly	1.04		1.21						8.24	8.98	9.17			6.91						0.00		Butterfly
Y APKR Test ok	MOP put		10%	U Price										5736												UPrice
PivotKused 5800 UC Update TA with Calibration	PivotK1 Pivotk	/ - Midk	4900 5900 690	PivotK1	4900	4900	5000	5100	5200	5200	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6900	PivotK1 K
Jopdate 12 with Calibration	Premium\$		Net Units	U Units	7000	4300	3000	AP Min K	3200	5500	3400	3300	3000	3100	3000	3300	0000	0100	0200	0300	AP Max K	0300	0000	0100	0000	
Actual Position	\$5,447	(\$4,507)	7 Act Calls															(3)			10					Act Calls
			Act Puts					11										m			_					Act Puts
Simulated Adjustment 1	\$993	(\$993)	QPT \$993												(1)			1								Adjt Calls
			Adjt Puts																		-					Adjt Puts
Simulated Adjustment 2	<b>\$</b> 0	\$0	Adjt Calls Adjt Puts																							Adjt Calls Adjt Puts
0.00			4000												m			1								Adjt Calls
Simulated Adjmnts Total	\$993	(\$993)	Adjt Puts												(1)											Adjt Puts
			7 Raw Calls												m			(2)			10					Raw Calls
= Adjusted Position (Raw)	\$6,440	(\$5,500)	Raw Puts					1							(0			(1)			10					Raw Puts
w																										
= Adjusted Position (Net)	\$3,440	(\$2,503)	7 Net Calls	N/A														(3)			10					Net Calls
v rialogean opinion (reet)	40,110	(42,000)	Net Puts	W/A				1							m											Net Puts
H Risk Summary	Profit / Loss	\$940	Graph Controls GS	UPrice										5736												UPrice
Nok Summary	1 10111 2033	4010	MaxScale 10,000 MinScale (10,000)	Diff ATM	(16,3%)	(14.6%)	(12.8%)	(11.1%)	(9.3%)	(7.6%)	(5.9%)	(4.1%)	(2.4%)	(0.6%)	1.1%	2.9%	4.6%	6.3%	8.1%	9.8%	11.6%	13.3%	15.1%	16.8%	18.5%	Diff ATM
Underlying ESX	Expiry	17-Jun-11	MinScale (10,000) MajorUnit 2,000	\$10,000 -																	/		11			
Spot Price 5736.00	TrokBok Date		Show Aged Y	\$8,000 -																			_/∳			
Volatility % 19.81% CoC % (2.82%)	Actual DTE Aged DTE	88	Include SAT Y Show SAT N	40,000																						
Skew/Kurt Index	Adea D 1 E		ShowSA1/2 N	\$6,000 -																						
	Premium\$	Liq Val \$	Net Untis															<u> </u>								
Actual Position	\$5,447	(\$4,507)	7 Calls Puts	\$4,000 -																						
			Calls	\$2,000 -										_	-				•							
Simulated Adjustment	\$993	(\$993)	Puts	\$2,000 -									•	•					//							
= Adjusted Position (Raw)	\$6,440	(\$5,500)	7 Calls	\$0 -		•	•			•					•				- }	\.		//	-	-	-	
( rajasta i ostion (riaw)	\$9,770	(\$0,000)	Puts		4800	4900	5000	5100	5200			5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
+ Lock [Raw]	(\$3,000)	\$2,996	Calls Puts	(\$2,000)-							•															
					-				-											1	V					
= Adjusted Position (Net)	\$3,440	(\$2,503)	7 Calls Puts	(\$4,000)-	•	•	•	$\rightarrow$													$\setminus /$					
Greeks	Actual	Adjstmnt	Lock (R) Adjusted	(\$6,000)																	V					
Delta	\$ 6.69	(2.60)	\$ 0.00 4.09	(55,550)																						
Gamma	\$ 0.01	(0.00)	\$ 0.00 0.01	(\$8,000)-																						
Vega Theta	\$ 56.15 \$ (3.18)	(28.61)	\$ 0.00 27.54 \$ 0.04 (1.07)					-•-P/	L Actua	ıl	_	-P/L SA	\1		−P/L S#	12	-(	P/L S/	A Total			P/L Adj	usted			
Rho	\$ 103.37		\$ (7.22) 62.62	(\$10,000)																						
X			ESX 21-Mar	UPrice										5736												U Price
8																										

st Adjustments shown at RI model prices for purposes of illustration

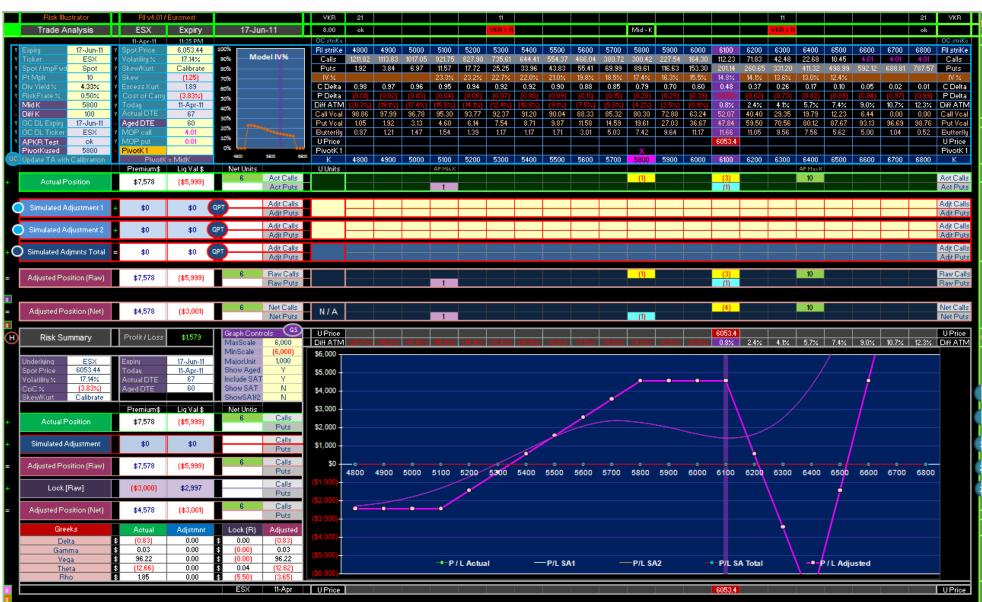
 $FTSE \mid June\ 2011 \mid Trade\#8 \mid Short\ ATM\ Call\ * \mid AgedPL\ T+0 \mid Market\ up\ /\ sell\ call\ premium\ \mid Note\ risk\ hole\ to\ upside > 6200$ 

Risk Illustrator	RI v4.017	Euronext	TrackBack File	VKB	21					11										11					21	VKR
Trade Analysis	ESX	Expiry	17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR > 1					ok	
				OC striKe																						OC striKe
Y Expiry 17-Jun-11	Spot Price	5,997.00	90% Model IV%	RI striKe		4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600		6800	
Y Ticker ESX Y Spot / ImpFwd Spot	<ul> <li>Volatility %</li> <li>Skew/Kurt</li> </ul>	16.76% Index	90% Model IV%	Calls Puts		1061.73 6.51	966.11	871.96 10.50		687.66	597.31 41.57	508.56 52.70	422.41	34U.55	100 92	198.13	141.34 184.96	239.09	60.72 304.13	35.78	19.15 462.35		3.27	0.55 743.44	0.00	Calls Puts
Y Pt Mplr 10	× Skew	(1.20)	70%	IV %	3.61	6.51	22.6%	22.5%	22.1%	21.5%	20.6%	19.5%	18.4%	17.4%	16.4%	15.5%		14.2%	13.7%	13.2%	12.7%	12.2%	646.20	145.44	042.33	IV %
Y Div Yield % 3.73%	× Excess Kurt	1.80	50%	C Delta	0.97	0.96	0.95	0.94	0.93	0.92	0.91	0.89	0.86	0.81	0.74	0.64	0.54		0.32			0.08	0.04	0.02	0.01	C Delta
RiskFrate % 0.50%	Cost of Carry	(3.23%)	50%	P Delta	(0.02)	(0.03)	(0.04)	(0.05)	(0.06)	(0.07)	(0.09)	(0.10)	(0.13)	(0.18)	(0.26)	(0.35)		(0.57)	(0.68)	(0.77)	(0.85)	(0.91)	(0.95)	(0.97)	(0.99)	P Delta
* Mid K 5800	TrokBok Date		40%	Diff ATM	(20.0%)	(18.3%)	(16.6%)	(15.0%)	(13.3%)	(11.6%)	(10.0%)	(8.3%)	(6.6%)	(5.0%)	(3.3%)	(1.6%)	0.1%	1.7%		5.1%						Diff ATM
* Diff K 100 Y OC DL Expiry 17-Jun-11	Actual DTE  V Aged DTE	77 77	30%	Call Voal Put Voal	98.11 1.78	96.99 2.90	4.27	94.15 5.74	92.76 7.13	91.54 8.35	90.35 9.55	88.76 11.14	86.15 13.75	81.86 18.04	75.47 24.43	66.96 32.94	56.79 43.11	45.77 54.13	34.86 65.04	24.94 74.96	16.63 83.26	10.22 89.68	5.66 94.23	2.71 97.18	98.90	Call Voal Put Voal
Y OC DL Ticker ESX	MOP call		20%	Butterfly	1.12	1.37	1.47	1.39	1.22	1.19	1.59	2.61	4.29		8.51	10.17	11.02	10.91	9.92	8.31	6.41	4.55	2.95	0.00	0.00	Butterfly
Y APKR Test ok	MOP put		10%	U Price													5997									U Price
PivotKused 5800	≈ PivotK1		0% 4900 5900 69	PivotK1											X											PivotK1
UC Update TA with Calibration	PivotK			K	4800	4900	5000	5100 AP Min K	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400 APMaxK	6500	6600	6700	6800	K
	Premium\$		Net Units 7 Act Calls	U Units				AP Min K							m			(2)			AP Max K					Act Calls
+ Actual Position	\$6,671	(\$4,873)	Act Puts					1							(1)			(1)			10	_				Act Puts
Simulated Adjustment 1	\$956	(\$956)	QPT (1) \$956		<u> </u>													(1)								Adjt Call:
			Adjt Puts																							Adjt Puts
Simulated Adjustment 2	\$0	\$0	Adjt Calls Adjt Puts																							Adjt Calls Adjt Puts
			400																							
<ul> <li>Simulated Adjmnts Total</li> </ul>	\$956	(\$956)	OPT (1) \$956 Adjt Puts															(1)								Adjt Calls Adjt Puts
			Adjt Puts																							Adjo Puts
= Adjusted Position (Raw)	\$7,627	(\$5,829)	6 Raw Calls												(1)			(3)			10					Raw Call
- Adjusted Fosition (Flaw)	\$1,021	(\$0,020)	Raw Puts					1										m								Raw Put:
2																										
= Adjusted Position (Net)	\$4,627	(\$2,832)	6 Net Calls	N/A														(4)			10					Net Calls
Adjusted Colifor (reet)	φ+,021	(42,002)	Net Puts	N/A				1							m											Net Puts
51.0	5 0 11	44.700	Graph Controls GS	UPrice													5997									U Price
H Risk Summary	Profit / Loss	\$1,798	MaxScale 10,000	Diff ATM	(20.0%)	(18.3%)	(16.6%)	(15.0%)	(13.3%)	(11.6%)	(10.0%)	(8.3%)	(6.6%)	(5.0%)	(3.3%)	(1.6%)		1.7%	3.4%	5.1%	6.7%	8.4%	10.1%	11.7%	13.4%	
			MinScale (10,000)	\$10,000 -													_					,	, ,			
Underlying ESX Spot Price 5997.00	Expiry TrokBok Date	17-Jun-11	MajorUnit 2,000 Show Aged Y																							
Spot Price 5997.00 Volatility 16.76%	Actual DTE	01-Apr-11 77	Show Aged Y Include SAT Y	\$8,000 -																			— <u> </u>			
CoC% (3.23%)	Aged DTE	77	Show SAT N																					/		
Skew/Kurt Index			ShowSA1/2 N	\$6,000 -																			/ /			
	Premium\$	Liq Val \$	Net Untis																				/ 🔏			
+ Actual Position	\$6,671	(\$4,873)	7 Calls	\$4,000 -										_	$\sim$	-:	-						_ <i>[</i>			
			Puts										_					- 7	<u> </u>							
<ul> <li>Simulated Adjustment</li> </ul>	\$956	(\$956)	(1) Calls Puts	\$2,000 -								_	$\leftarrow$				_		*							
																			\ <u>\</u>			//				
= Adjusted Position (Raw)	\$7,627	(\$5,829)	6 Calls Puts	\$0 -	4000	4000	E000	E100	5200		5400	5500	5500	£700	E000	5000	6000	6400	5200	5000	6400	/ = /	5500	6700	5000	
					4800	4900	5000	5100	5200	5300	5400	5500	5600	5/00	5800	5900	6000	6100	6200	6300	6400	0500	0000	6700	0800	
+ Lock [Raw]	(\$3,000)	\$2,997	Calls Puts	(\$2,000)	-		•													1						
					•	•	•	-•												1						
= Adjusted Position (Net)	\$4,627	(\$2,832)	6 Calls Puts	(\$4,000)-																_ \						
																					\ \ \ /					
Greeks	Actual	Adjstmnt	Lock (R) Adjusted	(56,000)																	$\setminus$					
Delta Gamma	\$ 3.59 \$ 0.03	(4.25) (0.01)	\$ (0.00) (0.66) \$ 0.00 0.02																		¥					
Vega	\$ 148.10	(90.66)	\$ 0.00 57.44	(\$8,000)											D# 5						_					
Theta	\$ (14.08)	7.61	\$ 0.04 (6.43)					-•-P/	L Actua	1		-P/L SA	11		−P/L SA	12		P/L S	A Total			' L Adjı	usted			
Rho	\$ 55.80	(51.75)	\$ (6.32) (2.27)	(\$10,000)																						
X			ESX 01-Apr	UPrice													5997									UPrice
R.																										

<sup>\*</sup> Adjustments shown at RI model prices for purposes of illustration

## **Current Position**

FTSE | June 2011 | Post Trade #8 | Current Position | AgedPL at T+7



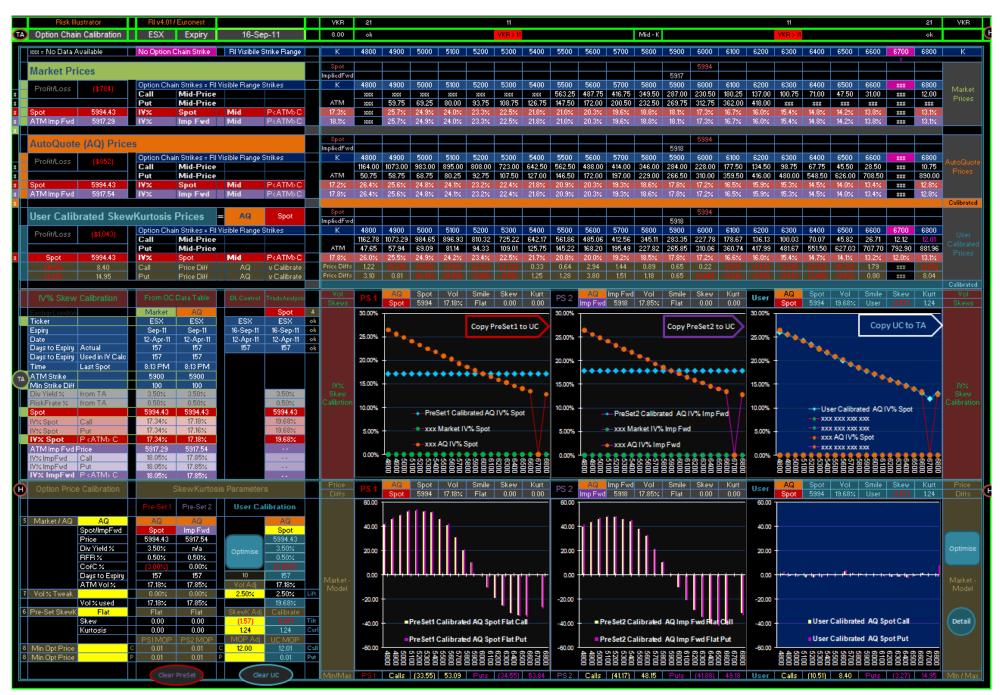
<sup>\*</sup> Note Graph Scale changed from TrackBack Graphs

FTSE | June 2011 | Post Trade #8 | Possible Adjustment #1 at Target Price +\$5,300 (current price +\$5,091) | AgedPL at T+7

Risk Illustrator		Euronext			VKB	21					11										11					21	Vk
Trade Analysis	ESX	Expiry	17-Jı	ın-11	8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
F	11-Apr-11	11:35 PM	100%		OC striKe	4000	4000	F000	E400	F000	FOOO	E400	FFOO	FOOO	F700	FOOO	E000	0000	0400	0000	0000	0400	OFOO	0000	0700	0000	0C s
Expiry 17-Jun-11 Y Ticker ESX Y	Spot Price Volatility %	6,053.44 17.14%		odel IV%	RI striKe		4900 1113.83	5000 1017.05	5100 921.75	5200 927 98	5300 735.61	5400 644.41	5500 554.37	5600 466.04	5700 380.72	5800 300.42	5900 227.54	164.30	6100 112.23	6200 71.83	6300 42.48	6400 22.68	6500 10.45	6600 4.01	6700 4.01	6800	RI st Ca
Spot / ImpFwd Spot	Skew/Kurt	Calibrate	80%				3.84							55.41				153.30	201.14	260.65				592.12	688.81	787.57	Pu
Pt Mplr 10	Skew	(1.25)	70%		IV %				23.3%	23.2%	22.7%	22.0%	21.0%		18.5%	17.4%		15.5%	14.8%	14.1%	13.6%	13.0%	12.4%				IV
Div Yield % 4.33%	Excess Kurt	1.89	60%		C Delta	0.98	0.97	0.96	0.95	0.94	0.92	0.92	0.90	0.88	0.85	0.79	0.70	0.60	0.48	0.37	0.26	0.17	0.10	0.05	0.02	0.01	CD
RiskFrate % 0.50%	Cost of Carry	(3.83%)	50%		P Delta	(0.01)	(0.02)	(0.03)	(0.04)	(0.06)	(0.07)	(80.0)	(0.09)	(0.11)	(0.15)	(0.20)	(0.29)	(0.39)	(0.51)	(0.62)	(0.73)	(0.82)	(0.89)	(0.94)	(0.97)	(0.99)	PD
Mid K 5800 Y	Today Actual DTE	11-Apr-11 67	40%		Diff ATM		[19.1%]	00.70	[15.8%] OF 20	[14.1%]	02.4%]	(10.8%)	90.04	[7.5%]	[5.8%] OF 22	[4.2%]	[2.5%]	(0.9%)	0.8% 52.07	2.4% 40.40	4.1% 29.35	5.7% 19.79	7.4%	9.0% 6.44	10.7% 0.00	12.3%	
OC DL Expire 17-Jun-11 ×	Aged DTE	60	30%		Put Voal		97.99 1.92	3,13	95.30 4.60	93.77 6.14	92.37 7.54	91.20 8.71	9.87	88.33 11.58	85.32 14.59	80.30 19.61		63.24 36.67	47.84	59.50	70.56	80.12	87.67	93.13	96.69	98.76	Call1
OCIDL Ticker ESX Y	MOP call	4.01	20%		Butterfly	0.87	1.21	1.47	1.54	1.39	1.17	1.17	1.71	3.01	5.03	7.42	9.64		11.66	11.05	9.56	7.56	5.62	5.00	1.04	0.52	Butt
APKR Test Ok	MOP put	0.01	10%		U Price														6053.4								UP
PivotKused 5800 ×	PivotK1		4900	5900 690	PivotK1											X											Pivo
Update TA with Calibration	PivotK				K	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400 AP May K	6500	6600	6700	6800	k
	Premium\$		Net Units	Act Calls	U Units				AP Min K							m			(2)			AP Max K					Act 0
Actual Position	\$7,578	(\$5,999)		Act Puts	┨				1							(1)			(1)			10	_				Acti
				11011 010															- 10								
Simulated Adjustment 1	\$5,091	(\$5,091)	QPT 1	\$5,091					(1)							1			1								Adjt (
		(1.1.1.5)		Adjt Puts																							Adjt
Simulated Adjustment 2	\$0	\$0	QPT	Adjt Calls																							Adjt (
	**			Adjt Puts																							Adjt
Simulated Adjmnts Total =	\$5,091	(\$5,09f) <b>(</b>	QPT 1	\$5,091					(1)							1			1								Adjt 0
	40,000	(**,***)		Adjt Puts																							Adjt
			7	Raw Calls					m										(2)			10					Raw
Adjusted Position (Raw)	\$12,669	(\$11,089)		Raw Puts					1										(0)			10					Raw
			_																								
			7	Net Calls															(3)			10					Net 0
Adjusted Position (Net)	\$2,669	(\$1,099)	•	Net Puts	N/A	<del>                                     </del>													(9)			10					Net F
			===																								
Risk Summary	Profit / Loss	\$1,579	Graph Con		UPrice	400 m. a	440.41.11			44.4 45.3	***	440.00.0	10.10.0			44.00.0		10.000	6053.4		1.00	ļ			40.5	40.00	UP
,			MaxScale MinScale	6,000	Diff ATM	[20.7%]	[19,1%]	[17.4%]	[15.8%]	[14,1%]	[12.4%]	[10.8%]	[9,1%]	[7.5%]	[5.8%]	[4.2%]	[2.5%]	[0.9%]	0.8%	2.4%	4.1%	5.7%	7.4%	9.0%	10.7%	12.3%	Diff /
Underlying ESX	Expiry	17-Jun-11	MajorUnit	(6,000) 1,000	\$6,000																	7	/				
Spot Price 6053.44	Today	11-Apr-11	Show Aged		\$5,000																						
Volatility % 17.14%	Actual DTE	67	Include SA		\$0,000												•	•						1 4			
CoC% (3.83%)	Aged DTE	60	Show SAT		\$4,000																			$\vdash \vdash$			
Skew/Kurt Calibrate			ShowSA1/2												•				<b>■</b> \								
	Premium\$	Liq Val \$	Net Untis		\$3,000 -	-													-								
Actual Position	\$7,578	(\$5,999)	6	Calls	\$2,000														N,								
				Puts	\$2,000															1							
Simulated Adjustment	\$5,091	(\$5,091)	1	Calls	\$1,000																						
				Puts								1								<b>\</b> •			- † /				
Adjusted Position (Raw)	\$12,669	(\$11,089)	7	Calls	\$0 -	•		-	•		<u> </u>	•	•		•			•		<del>\</del>	-	•	- <u>-</u>	•	•	-	
				Puts	/84 0000	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
Lock [Raw]	(\$10,000)	\$9,991		Calls	(\$1,000)-					•										- //			1.				
				Puts	(\$2,000)-																<b>\</b>						
Adjusted Position (Net)	\$2,669	(\$1,099)	7	Calls	,,,,,,,	•	•	•	-•												1						
		, /		Puts	(\$3,000)-																-		H =				
Greeks	Actual	Adjstmnt	Lock (R)	Adjusted																	3						
Delta	(0.83)	3.23	\$ 0.00	2.40	(\$4,000)-																1						
Gamma	0.03	0.02	\$ (0.00)	0.05	(\$5,000)																	\ /					
Vega	96.22	132.77	\$ (0.00)	228.99	(80,000)				-0-P/	L Actua	ı		-P/L SA	1		P/L SA	12	-0	P/L S/	A Total		\\_• <u>-</u>	/ L Adjı	usted			
Theta Pho	(12.66)	(15.04) 45.23	\$ 0.14	(27.56) 28.74	(\$6,000)																	$\Delta M$					
Rho	1.85	90.23	\$ (18.34)																								
			ESX	11.0 pr	UPrice														6053.4								UP

<sup>\*</sup> Note Graph Scale changed from TrackBack Graphs

## FTSE | June 2011 | Option Chain Calibration



### **James Parker**

Re: Fancy FTSE

« Reply #1 on: April 15, 2011, 02:22:37 AM »

FTSE100: Sep11 Expiry: 63 DTE

Trade #9: Sold 1 x 5100/5800/6100 call ladder\* today for 530p on a GTC order. Current Position (Synthetically): -3c 6100 /

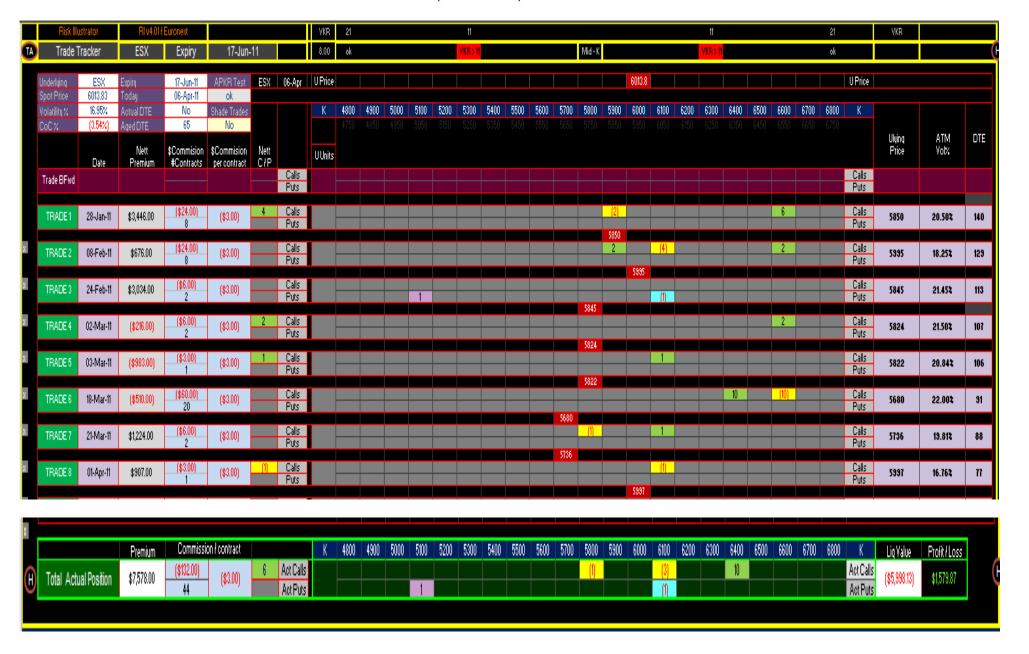
+10c 6400 : Net Credit 286.9p. TrackBack Analysis

Cheers James

FTSE | Daily Price Movement from 27 January – 11 April 2011 | Range 5500 - 6100

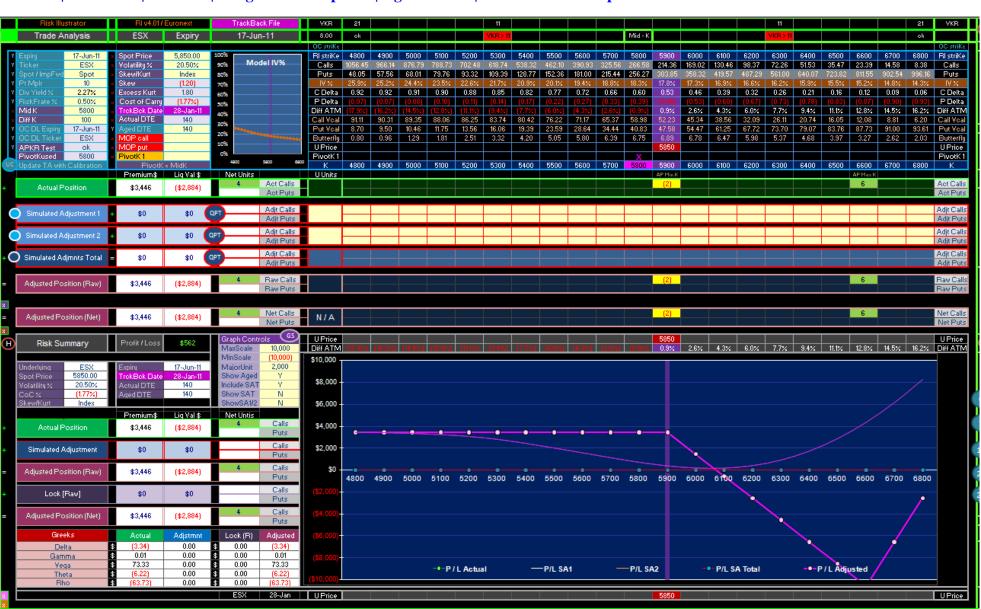


## FTSE | June 2011 | Trade Tracker



## TrackBack Trades 1 - 8

## FTSE | June 2011 | Trade#1 | Long Call Backspread | AgedPL T+0 | Note risk hole to upside > 6100



 $FTSE \mid June\ 2011 \mid Trade\#2 \mid Long\ Call\ Broken\ Wing\ Butterfly* \mid AgedPL\ T+0 \mid Roll\ risk\ up \mid Note\ risk\ hole\ to\ upside > 6200$ 

Risk Illustrator	RI v4.017	Euronext	TrackBack F	File	VKR	21					11										11					21	VKR
Trade Analysis	ESX	Expiry	17-Jun-11	1	8.00	ok					VKR > 11					Mid - K					VKR > 1	1				ok	
				_	OC striKe																						OC striKe
Y Expiry 17-Jun-11 Y Ticker ESX	Spot Price	5,995.00 18.25%	90% Model I	IV%	RI striKe Calls	4800 1175-21	4900	5000	5100	5200	721.02	5400	5500 550.55	5600	5700	5800	5900	6000 205.31	6100 157.44	6200 117.40	6300	6400 59.18	6500 39.59	6600 25.10	6700 14.96		RI striKe
Y Spot / ImpFwd Spot	<ul> <li>Volatility %</li> <li>Skew/Kurt</li> </ul>	Index	80%		Puts											324.18 170.10						504.04			759.30		
Y Pt Mplr 10	* Skew	(1.20)	70%		IV %		24.0%	23.5%	22.9%	22.1%	21.3%	20.4%	19.5%	18.7%		17.2%	16.6%	16.1%			14.8%				13.3%		IV %
Y Div Yield % 2.43%	Excess Kurt	1.80	60%		C Delta	0.94	0.93	0.93	0.92	0.91	0.90	0.88	0.85	0.81	0.76	0.70	0.63	0.55	0.47	0.39	0.32	0.25	0.19	0.14	0.10	0.06	C Delta
Y RiskFrate % 0.50% × Mid K 5800	<ul> <li>Cost of Carry</li> <li>TrokBok Date</li> </ul>		50%		P Delta Diff ATM	(19.9%)	(0.06)	(0.06)	(0.07)	(13.3%)	(11.6%)	(9.9%)	(9.3%)	(8.6%)	(4.9%)	(3.3%)	(1.8%)	0.1%	1.8%	3.4%	5.1%	6.8%	8.4%	10.1%	[0.90] 11.9%	12.4%	P Delta Diff ATM
■ Diff K 100	Actual DTE	129	40%		Call Voal	93,65	92.62	91.70	90.83	89.89	88.65	86.85	84.22	80.58	75.82	69.97	63.17	55,69	47.87				19.59	14.42	10.20		Call Voal
Y OC DL Expiry 17-Jun-11	Y Aged DTE	129	20%		Put Voal		7.20	8.12	8.99	9.93	11.18	12.98	15.60	19.24			36.65	44.13	51.96	59.78	67.27		80.23			92.94	
Y OC DL Ticker ESX	MOP call		10%	*****	Butterfly	1.03	0.92	0.86	0.94	1.24	1.80	2.62	3.64	4.76	5.86	6.80	7.48	7.83	7.82	7.49	6.88	6.08	5.16	4.22	3.32	2.50	
APKR Test ok PivotKused 5800	<ul> <li>MOP put</li> <li>PivotK1</li> </ul>		0%		U Price PivotK 1													5995									U Price PivotK 1
UC Update TA with Calibration	PivotK	= MidK	4900 5900	6900	K	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	K
	Premium\$	Liq Val \$	Net Units		U Units												AP Min K							AP Max K			
<ul> <li>Actual Position</li> </ul>	\$3,446	(\$3,710)		ot Calls													(2)							6			Act Calls
			Ac	et Puts																							Act Puts
Simulated Adjustment 1	\$574	(\$574)	QPT	\$574													2		(4)					2			Adjt Calls
Simulated Adjustment (	\$014	(4014)	Ad	djt Puts																							Adjt Puts
Simulated Adjustment 2	÷ \$0	\$0		djt Calls																							Adjt Calls
Olimaiatea Majastinelit 2	ΨΟ	**	Ad	djt Puts																							Adjt Puts
- O Simulated Adjmnts Total	\$574	(\$574)		\$574													2		(4)					2			Adjt Calls
9	<b>V</b>	(441.5)	Ac	djt Puts																							Adjt Puts
Advand Bankley (Bank)	44.000	(#4.00E)	4 Ra	aw Calls															(4)					8			Raw Calls
= Adjusted Position (Raw)	\$4,020	(\$4,285)		aw Puts																							Raw Puts
-																											
= Adjusted Position (Net)	\$4,020	(\$4,285)	4 Ne	et Calls	N/A														(4)					8			Net Calls
= Adjusted Position (Net)	\$4,020	(\$4,200)	Ne	let Puts	N/A																						Net Puts
*			Graph Controls	GS	UPrice													5995								_	UPrice
Risk Summary	Profit / Loss	(\$264)			Diff ATM		(18.3%)	(16.6%)	(14.9%)	(13.3%)		(9.9%)	(8.3%)		(4.9%)	(3.3%)	(1.6%)	0.1%	1.8%	3.4%	5.1%	6.8%	8.4%	10.1%	11.8%	13.4%	Diff ATM
				10,000)	\$10,000 -													_									
Underlying ESX Spot Price 5995.00	Expiru	17-Jun-11		2,000 Y																							
Spot Price 5995.00 Volatility 18.25%	TrokBok Date Actual DTE	08-Feb-11 129	Show Aged Include SAT	Y	\$8,000 -																						
CoC% (1.93%)	Aged DTE	129	Show SAT	N																							
Skew/Kurt Index			ShowSA1/2	N	\$6,000 -																						
	Premium\$	Liq Val \$	Net Untis																								
<ul> <li>Actual Position</li> </ul>	\$3,446	(\$3,710)		Calls Puts	\$4,000 -	:	-:-	-:-	-:-	=:-	÷	=:-	_:_	-:-	_:_	_:-	-:-		<b>─</b> ₹								
						•	•	· ·				<u> </u>	_	<u> </u>	_ •	•	•										
<ul> <li>Simulated Adjustment</li> </ul>	\$574	(\$574)		Calls Puts	\$2,000 -															$\setminus$							
= Adjusted Position (Raw)	\$4,020	(\$4,285)		Calls Puts	\$0 -	4900	4900	5000	5100	5200	5200	5400	5500	5600	5700	5900	5900	6000	6100	6200	6200	6400	6500	6600	6700	6900	
				Calls	/P3 5500	1000	1500	5000	5100	3200	0500	3400	5500	5000	3700	3000	5500	0000	0100	0200	0300	0400	0300	-0000	0700	0000	
+ Lock [Raw]	\$0	\$0		Puts	(\$2,000)-															•	$\overline{}$						
				Calls	(84,000)																						
= Adjusted Position (Net)	\$4,020	(\$4,285)		Puts	(44,000)																N.						
Greeks	Actual	Adjstmnt		djusted	/S6 000\																						
Delta	\$ (4.30)	(3.58)		(7.89)	(40,000)																	10			•		
Gamma	\$ 0.02	(0.01)		0.01	(\$8,000)																	<u> </u>					
Veqa	\$ 108.78	(119.30)	\$ 0.00 (	(10.52)	(40,000)				-0-P/	L Actua	ı		-P/L SA	1		-P/L SA	2		P/L S	A Total		-7	/ L Adju	isted			
Theta	\$ (8.98) • (77.95)	7.31		(1.67)	(\$10,000)					- Total			7.2 3/1			. , 2 0,				- Total				\			
Rho	\$ (77.95)	(73.85)		151.80)																							
X			ESX 0	J8-Heb	UPrice													5995									UPrice
-																											

st Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#3 | Short Put Spread\* | AgedPL T+0 | Market Down / Sell some put premium | Note risk hole to upside > 6300

Risk Illustrator	RI v4.017	Euronext	TrackBack File	VKR	21					11										11					21	VKF
Trade Analysis	ESX	Expiry	17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
				OC striKe																						OC str
Expiry 17-Jun-11 ×	Spot Price	5,845.00	100%	RI striKe	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	RI stri
	Volatility %	21.45%	90% Model IV%	Calls	1044.99	954.21	864.35	775.65	688.63		522.62	445.48	373.56	307.73	248.66	196.78	152.23	114.89	84.34	60.02	41.19	27.04	16.78	9.62	4.86	Call
	Skew/Kurt	Index	30%	Puts	41.18	50.25	60.23	71.38	84.21	99.41		140.59		202.53	243.30	291.27	346.57	409.07	478.37	553.89	634.90	720.61	810.19	902.87	997.96	Puts
	Skew	(1.20)	70%	IV %	27.5%	26.8%	25.9%	25.0%	24.0%	23.0%	22.1%	21.2%	20.4%	19.7%	19.1%	18.6%	18.1%	17.7%	17.3%	16.9%	16.5%	16.1%	15.7%	15.2%		IV >
	Excess Kurt	1.80	60%		0.93	0.92	0.91	0.90	0.88	0.86	0.82	0.78	0.73	0.66	0.59	0.52	0.45	0.37	0.30	0.24	0.19	0.14	0.10	0.07	0.04	
	Cost of Carry		50%	P Delta	(0.06)	(0.07)	(0.08)	(0.09)	(0.11)	(0.13)	(0.17)	(0.21)	(0.27)	(0.33)	(0.40)	(0.47)	(0.55)	(0.62)	(0.69)	(0.75)	(0.81)	(0.85)	(0.89)	(0.92)	(0.95)	P De
* Mid K 5800 *	TrokBok Date	24-Feb-11	40%	Diff ATM	[17.9%]	[16.2%]	[14.5%]	[12.7%]	[11.0%]	[9.3%]	[7.6%]	[5.9%]	[4.2%]	[2.5%]	[0.8%]	0.9%	2.7%	4.4%	6.1%	7.8%	9.5%	11.2%	12.9%	14.6%		
	Actual DTE	113	30%	Call Voal Put Voal			9.98		87.02	84.64 15.21		77.14		65.84	59.07 40.77	51.88 47.97	44.54 55.30	37.35	30.54	24.32 75.52	18.83 81.01	14.14 85.70	10.26 89.58	7.16	4.76	Put V
Y OC DL Expiry 17-Jun-11 Y OC DL Ticker ESX ×	Aged DTE	113	20%					11.15		3.26		22.71 5.21		34.01 6.77	7.19		7.20	62.50	69.30	75.52 5.49	4.69	3.88	3.10	92.69	95.08	_
Y APKR Test ok *	MOP call MOP put		10%	Butterfly U Price	0.82	0.91	1.18	1.67	2.30	3.26	4.24	9.21	6.09	0.77	5845	1.33	7.20	6.81	6.22	9.43	4.63	3.00	3.10	2.40	1.78	Butte U Pri
PivotKused 6100 Y	PivotK1	6100	0%	PivotK1											3043			v								Pivot
Update TA with Calibration	I II OAK	0100	4900 5900 590	K	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
opasie III III III oaiibiaiioii	Premium\$	Liq Val \$	Net Units	U Units				0.00	0200	-	0.00			0.00	0000			AP Min K	0200		0.00		AP Max K	0.00		
Assurt Decision			4 Act Calls															(4)					8			Act C
Actual Position	\$4,122	(\$3,253)	Act Puts																							Act P
																										_
Simulated Adjustment 1 🕝	\$3,377	(\$3,377)	OPT Adjt Calls															445								Adjt C
			\$3,377					1										[1]								Adjt F
Simulated Adjustment 2 🕒	\$0	\$0	PT Adjt Calls																							Adjt C
Simulated FidjaStriefit 2	Ψ	40	Adjt Puts																							Adjt P
Simulated Adjmnts Total =	\$3,377	(40.077)	Adjt Calls																							Adjt C
Simulated Adjmnts Lotal =	\$3,377	(\$3,377)	\$3,377					1										m								Adjt P
																							_			
Adjusted Position (Raw)	\$7,499	(\$6,630)	4 Raw Calls															(4)					8			Raw C
1 1	1.1	V	Raw Puts					1										m								Raw F
A division of the cities (Aller)	47.400	(40,000)	4 Net Calls	21.64														(4)					8			Net C
Adjusted Position (Net)	\$7,499	(\$6,630)	Net Puts	N/A				1										m								Net P
			Graph Controls (GS)																							_
Risk Summary	Profit / Loss	\$869	Graph Controls	UPrice		l									5845			<u> </u>	ļ.,	<u> </u>	ļ. <u>.                                   </u>		<b></b>			UPri
· L			MaxScale 10,000	Diff ATM	[17.9%]	16.2%	[14.5%]	[12.7%]	[11.0%]	[9,3%]	[7.6%]	[5,9%]	4.2%	2.5%	[0.8%]	0.9%	2.7%	4.4%	6.1%	7.8%	9.5%	11.2%	12.9%	14.6%	16.3%	DIFF A
Hadadiiaa Eey	Fim	17-Jun-11	MinScale (10,000) MajorUnit 2,000	\$10,000 -																						
Underlying ESX Spot Price 5845.00	Expiry TrokBok Date		Show Aged Y																							
Volatility % 21.45%	Actual DTE	113	Include SAT Y	\$8,000 -																						
CoC / (2.20%)	Aged DTE	113	Show SAT N															_								
Skew/Kurt Index	. iqea D i E		ShowSA1/2 N	\$6,000 -														\								
	Premium\$	Lig Val \$	Net Untis	***												_			\							
1 10 20			4 Calls	\$4,000 -																						
Actual Position	\$4,122	(\$3,253)	Puts	\$4,000															•							
			Calls	20.000																						
Simulated Adjustment	\$3,377	(\$3,377)	Puts	\$2,000 -																						
																				+						
Adjusted Position (Raw)	\$7,499	(\$6,630)	4 Calls	\$0 -	-	•	•	•			<b>~</b>	•	•	•		•	•	•		\ <u>*</u>	•		•	•		
			Puts		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6340	6400	6500	6600	6700	6800	
Lock [Raw]	\$0	\$0	Calls	(\$2,000)-																$\overline{}$						
zook (r. idin)	•	**	Puts		•-	-•-	•	_•																		
Adjusted Resition (Not)	\$7,499	(40,000)	4 Calls	(\$4,000)-																						
Adjusted Position (Net)	фr, <del>4</del> 88	(\$6,630)	Puts	,,																	•				•	
Greeks	Actual	Adjotmet	Lock (R) Adjusted	(SE 000)																	\ \				/	
	(6.93)	Adjstmnt		(40,000)																		\			/	
Delta \$	0.00	5.27 (0.01)	\$ 0.00 (1.66) \$ 0.00 (0.00)																					/		
Gamma S	(69.23)	(35.25)	\$ 0.00 (0.00)	(\$8,000)																	_•	<b>\</b>		/		
Veqa \$ Theta \$	4.28	5.12	\$ 0.00 (104.46)					-•-P/	L Actua	l e		-P/L SA	11		−P/L SA	2	-(	P/L S/	A Total		-•-\F	/ L Ādj	usted			
			M	(\$10,000)																		\			/	
	[115.361	105.83	88 U.UU I 131.0ZI I																							
Rho \$	(115,36)	105.83	\$ 0.00 (9.52) ESX 24-Feb	Lupi											5845	_										UPri

st Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#4 | Long OTM Calls\* | AgedPL T+0 | Market Down / buy extra long units | Note risk hole to upside > 6300

Risk Illustrator	RI v4.017	Euronext	TrackBack File	VKR	21					11										11					21	VKR
Trade Analysis	ESX	Expiry	17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
				OC striKe																						OC stri
Expiry 17-Jun-11 *	Spot Price	5,824.00	90% Model IV%	RI striKe		4900	5000	5100	5200	5300	5400	5500	5600	5700		5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	RI stril
Ticker ESX *	Volatility %	21.50%		Calls	1022.84	000.01	842.11	753.42	666.44	581.95		424.23	353.07	288.28	230.54	180.26				51.15			12.81	6.85	3.04	Calls
Spot / ImpFwd Spot *	Skew/Kurt	Index	80%	Puts	39.77	48.80	58.76		82.79			140.14				295.59		417.13	488.43		648.74		827.11	921.00	1017.05	Puts
Pt Mplr 10 * Div Yield % 2.82% *	Skew Europe Kust	(1.20) 1.80	70%	C Delta	0.93	26.9%	26.0%	25.0%	24.0%	23.0%	22.1%	21.2%		19.7%	19.1% 0.58	18.5% 0.50	18.0%	17.6%	17.2%	16.8%	16.4%	16.0%	15.5% 0.08	14.9% 0.06	0.02	C Deli
BiskFrate % 0.50% **	Excess Kurt Cost of Carry		50%	P Delta	(0.00)	0.92	(0.09)	0.90	0.88	0.85	(0.17)	0.77	(0.72	(0.24)	(0.41)	(0.49)	(0.57)	(0.35	0.28	(0.77)	(0.92)	(0.97)	0.08	(0.94)	0.03	P Del
Mid K 5800 ×	TrokBok Date		50%	Diff ATM	(17.6%)	(15.9%)	(14.1%)	(12.4%)	(10.7%)	(9.0%)	(7.3%)	(5.6%)	(3.8%)	(2.1%)		1.3%	3.0%	4.7%	6.5%	8.2%	9.9%	11.6%	13.3%	15.0%	16.8%	
Diff K 100	Actual DTE	107	40%	Call Voal		90.82	89,90	88.70	86.97	84.50	81.08	76.63	71.16	64.79	57.74	50.28					17.01		8.83	5.97		Call Vo
OC DL Expiry 17-Jun-11	Aged DTE	107	30%	Put Voal			9.95	11.16	12.88	15.36	18.77	23.22	28.69	35.06	42.12	49.57				77.47	82.84		91.02	93.89		Put Vo
OC DL Ticker ESX ×	MOP call		20%	Butterfly			1.20	1.72	2.48	3.41	4.45	5.47			7.45	7.54			6.18	5.37	4.52		2.87	2.16	1.56	Butter
APKR Test ok «	MOP put		10%	UPrice											5824											U Pric
PivotKused 6100	PivotK1	6100	0%	PivotK1														X								Pivoth
Update TA with Calibration				K	4800	4900	5000		5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400			6700	6800	K
	Premium\$	Liq Val \$	Net Units	U Units				AP Min K															AP Max K			
Actual Position	\$7,150	(\$6,531)	4 Act Calls Act Puts					1										(4)					8			Act Ca
			Act Puts															m								Actif
Circulated Adjustment 1	(\$256)	\$256	QPT 2 (\$256)																				2			Adjt C
Simulated Adjustment 1	(\$206)	\$200	Adjt Puts																							Adjt P
		/	Adjt Calls																							Adjt Ca
Simulated Adjustment 2	\$0	\$0	Adit Puts																							Adit P
			2 (\$256)																				2			Adjt Ca
Simulated Adjmnts Total =	(\$256)	\$256	OPT 2  \$256  Adjt Puts																							Adjt P
			110/1 00																							11011
Adjusted Position (Raw)	\$6,894	(\$6,275)	6 Raw Calls															(4)					10			Raw C
ridjasta i oskieri (ridir)	40,001	(\$0,2.0)	Raw Puts					1										m								Raw P
Adjusted Decision (News)	40.004	(#0.07F)	6 Net Calls	NICA														(4)					10			Net Ca
Adjusted Position (Net)	\$6,894	(\$6,275)	Net Puts					1										m								Net Pr
			Graph Controls GS																							
Risk Summary	Profit / Loss	\$619	on april controls	UPrice	47.044	ALC ON A	211.10.0	40.440	40.700	/0.0x.0		/E 0+ 0		70 to 0	5824	4004	0.004	4.70	0.51	0.004	0.004	44.00.4	40.014	45.004	40.004	UPric
			MaxScale 10,000 MinScale (10,000)	Diff ATM	[17.5%]	[15.8%]	[19.124]	[14.9%]	[10,7%]	[8,0%]	17.3%	0.5%	[3.8%]	[2.1%]	[0.4%]	1.3%	3.0%	4.7%	6.5%	8.2%	9.9%	11.6%	13.3%	15.0%	16.8%	DIFFA
Underlying ESX	Expiry	17-Jun-11	MajorUnit 2,000	\$10,000 -																						
Spot Price 5824.00	TrokBok Date		Show Aged Y																							
Volatility % 21.50%	Actual DTE	107	Include SAT Y	\$8,000 -																						
CoC% (2.32%)	Aged DTE	107	Show SAT N	ll e														-8								
Skew/Kurt Index			ShowSA1/2 N	\$6,000 -																						
	Premium\$	Lig Val \$	Net Untis													-8-		•								
Actual Position	\$7,150	(\$6,531)	4 Calls	\$4,000 -															<b>\</b>							
Actual Costion	\$1,100	(\$0,001)	Puts											-8					\ <u>\</u>							
Circulate d & Contract	(4050)	4050	2 Calls	\$2,000 -									-0						_ \							
Simulated Adjustment	(\$256)	\$256	Puts	\$2,000								_8							_							
			6 Calls	\$0 -								<del>-</del>														
Adjusted Position (Raw)	\$6,894	(\$6,275)	Puts	<b>3</b> 0 -	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
			Calls	/PO 0000	.000	.000					0.00	0000	0000	0.00	-5555	0000	5550	0.00	0200		0.00	3550	3350	0.00	7	
Lock [Raw]	\$0	\$0	Puts	(\$2,000)-	=															- 1						
								-8																		
Adjusted Position (Net)	\$6,894	(\$6,275)	6 Calls Puts	(\$4,000)-																					/	
		1																			•			/	•	
Greeks	Actual	Adjstmnt	Lock (R) Adjusted	(\$6,000)-																						
Delta \$	(1.81)	1.69	\$ 0.00 (0.12)																					, j		
Gamma \$	(0.01)	0.01	\$ 0.00 0.00	(\$8,000)																						
Veqa \$	(128.42)	69.73	\$ 0.00 (58.69)					-0-P/	L Actua	I	_	-P/L SA	1		-P/L SA	2		P/L S	A Total			/ L Adju	ısted	1,5		
Theta S	12.31	(6.31)	\$ 0.00 6.00 \$ 0.00 16.40	(\$10,000)-																				1/		
Hno	(11.76)	28.16																								
			ESX 02-Mar	UPrice											5824											UPri
			LON 0244III	OFfice											0021											

st Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#5 | Long OTM Call\* | AgedPL T+0 | Market Down / buy in upside risk | Note risk hole to upside > 6300

Risk Illustrator	RI v4.017	Euronext	TrackBac	k File	VKR	21					11										11					21	VKR
Trade Analysis	ESX	Expiry	17-Jun-	-11	8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
Y Expiry 17-Jun-11	× Spot Price	5,822.00	100%		OC striKe RI striKe	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	00 striKe RlistriKe
Y Ticker ESX	Volatility %	20.84%	90% Mod	el IV%				835.93		659.51	574.51	492.87	415.69		279.02		171.21	128.98	94.33			29.47	18.02	10.15	5.01		Calls
Y Spot / ImpFwd Spot	× Skew/Kurt	Index	80%					54.54 25.4%	65.37 24.5%	77.83	92.69		133.58	161.83	196.62		288.52	346.15 17.5%	411.35	483.59 16.6%		646.05	734.46	826.44 14.9%	921.16	1017.88	Puts
Y Pt Mplr 10 Y Div Yield % 2.84%	<ul> <li>Skew</li> <li>Excess Kurt</li> </ul>	(1.20) 1.80	70% 60%		11.74	27.0% 0.93		0.91	E 1.074	0.88	0.86	21.5%	20.07		19.1%	18.5% 0.58	18.0%		17.0% 0.34	10.071	16.2%	15.8% 0.15	15.4% 0.11	0.07	0.05	0.03	IV % C Delta
RiskFrate % 0.50%	Cost of Carry	(2.34%)	30%		P Delta	(0.06)	(0.07)	(80.0)	(0.09)	(0.11)	(0.13)	(0.17)	(0.22)	(0.27)	(0.34)	(0.42)	(0.50)	(0.57)	(0.65)	(0.72)	(0.78)	(0.84)	(0.88)	(0.92)	(0.94)	(0.96)	P Delta
<ul> <li>Mid K 5800</li> <li>Diff K 100</li> </ul>	<ul> <li>TrokBok Date</li> <li>Actual DTE</li> </ul>	03-Mar-11 106	40%		Diff ATM Call Voal	(17.6%)	(15.8%) 91.08	(14.1%) 90.17	(12.4%)	(10.7%) 87.39	(9.0%) 85.00	(7.2%) 81.64	(5.5%) 77.18	(3.8%) 71.61	(2.1%) 65.06	(0.4%)	1.3% 50.04	3.1%		6.5% 27.62	8.2% 21.33	9.9%	11.6%	13.4% 7.87	15.1% 5.14		Diff ATM Call Voal
Y OC DL Expiry 17-Jun-11	Y Aged DTE	106	20%		Put Voal		8.77	9.68			14.85		22.68				49.81			72.24		83.93		91.98		96.72	Put Voal
Y OC DL Ticker ESX	MOP call		10%	*********	Butterfly	0.87	0.91	1.15	1.64	2.39	3.36	4.46	5.57	6.55	7.29	7.73	7.82	7.57	7.04	6.29	5.41	4.48	3.57	2.73	2.01	1.40	Butterfly
APKR Test ok PivotKused 6100	MOP put PivotK1	6100	0%	<b></b>	U Price PivotK 1											5822			X								U Price PivotK 1
UC Update TA with Calibration				5800 6800	K	4800	4900	5000		5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500		6700	6800	K
	Premium\$	Liq Val \$	Net Units	Act Calls	U Units				AP Min K										(4)					AP Max K			Act Calls
+ Actual Position	\$6,940	(\$6,218)		Act Puts					1										(1)					10			Act Puts
			1	(\$943)															1								Adit Calls
Simulated Adjustment 1	(\$943)	\$943		Adjt Puts																							Adjt Puts
Simulated Adjustment 2	<b>\$</b> 0	\$0		Adjt Calls																							Adjt Calls
Oirnalated Aujustinent 2	φυ	\$0		Adjt Puts																							Adjt Puts
O Simulated Adjmnts Total	(\$943)	\$943		(\$943) Adit Puts															1								Adjt Calls
		`		Adjt Puts																							Adjt Puts
= Adjusted Position (Raw)	\$5,997	(\$5,275)		Raw Calls															(3)					10			Raw Calls
				Raw Puts					1										m								Raw Puts
×			7	Net Calls															(3)					10			Net Calls
= Adjusted Position (Net)	\$5,997	(\$5,275)		Net Puts	N/A				1										m					10			Net Puts
			Graph Contro	ols G5	UPrice											5822											U Price
H Risk Summary	Profit / Loss	\$722	MaxScale	10,000	Diff ATM	(17.8%)	(15.8%)	(14.1%)	(12.4%)	(10.7%)	(9.0%)	(7.2%)	(5.5%)	(3.8%)	(2.1%)	(0.4%)	1.3%	3.1%	4.8%	6.5%	8.2%	9.9%	11.6%	13.4%	15.1%		Diff ATM
Underlying ESX	Fi	17-Jun-11	MinScale MajorUnit	(10,000) 2,000	\$10,000											_							,	/			
Underlying ESX Spot Price 5822.00	Expiry TrokBok Date		Show Aged	Υ Υ	***																						
Volatility % 20.84%	Actual DTE	106	Include SAT	Y	\$8,000 -																						
CoC % (2.34%) Skew/Kurt Index	Aged DTE	106	ShowSAT ShowSA1/2	N N	\$6,000 -														$\leq \lambda$								
	Premium\$	Lig Val \$	Net Untis		40,000												_•_										
- Actual Position	\$6,940	(\$6,218)	6	Calls	\$4,000 -												_•_			ackslash							
				Puts Calls											_•_					X							
+ Simulated Adjustment	(\$943)	\$943		Puts	\$2,000 -										_•												
= Adjusted Position (Raw)	\$5,997	(\$5,275)	7	Calls	\$0 -							_	4		÷			-				-			/		
- Adjusted Position (Haw)	\$0,007	(\$0,270)		Puts		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
+ Lock [Raw]	\$0	\$0		Calls	(\$2,000)-					-															<b>-</b>		
				Puts		•	_•	•	-•													11					
= Adjusted Position (Net)	\$5,997	(\$5,275)	/	Calls Puts	(\$4,000)	•	•	•	-																		
Greeks	Actual	Adistmnt	Lock (R)	Adjusted	(\$6,000)																						
Delta	\$ (0.64)	3.41	\$ 0.00	2.77	(00,000)																		\ \				
Gamma	\$ (0.00)	0.01	\$ 0.00	0.01	(\$8,000)																			$\setminus I$			
Veqa Theta	\$ (89.28) \$ 8.68	92.37 (7.78)	\$ 0.00 \$ 0.00	3.10 0.90					-0-P/	L Actua	ıl	_	-P/L SA	1		-P/L SA	2	-	P/L S/	A Total		-•-F	/L Adju	ıste			
Rho	\$ 7.28	54.96	\$ 0.00	62.24	(\$10,000)																						
<u> </u>			ESX	03-Mar	UPrice											5822											U Price
X																											

st Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#6 | Long OTM Call Spreads\* | AgedPL T+0 | Market Down / buy in upside risk | Note risk hole to upside > 6300

		ator	RI v4.017	Euronext	- 11	ackBack File	VKR	21															11					21	VKE
	Trade Anal	ysis	ESX	Expiry	1	17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR > 1	1				ok	
							OC striK	:																					OC str
<b>У</b> Ехрі	piry 1	17-Jun-11 ×	Spot Price	5,680.00	100%		RI striKe	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000		6200		6400			6700	6800	RI stri
	ker	ESX *	Volatility %	22.00%	90%	Model IV%	Calls	883.62	793,47	704.54	617.39	532.89	452.12	376.31	306.64	244.12		142.97				32.46			5.46			5.00	
	ot / ImpFwd	Spot ×	Skew/Kurt	Index	80%		Puts	43.19	52.91	63.85	76.58	91,95	111.06	135.13	165.33						508.11	590.28	677.46	768.65	862.91	959.39	1057.42	1156.46	Put
	Mplr	10 ×	Skew	(1.20)	70%		O Dalas	27.7%	26.8%	25.8%	24.7%	23.6%	22.5%	21.5%	20.7%	19.9%	19.3%	18.7%	18.2%	17.7%	17.3%	16.8%	16.3%	15.8%	0.05	0.00	0.01	0.01	IV:
	v Yield % skFrate %	3.23% × 0.50% ×	Excess Kurt Cost of Carry	1.80 (2.73%)	60%		C Delta P Delta		0.91	0.90	0.88	0.85	(0.19)	0.76	(0.70	(0.62	0.54	0.46	(0.82)	(0.30	0.23	0.17	(0.97)	0.08	0.05	0.03	0.01	0.01	C De
Mid ×		5800	TrokBok Date		30%		Diff ATN		(13.7%)	(12.0%)	(10.25)	(8.5%)	(6.7%)	(4.9%)	(3.2%)	(14%)	0.4%	2.1%	3.9%	5.6%	7.4%	9.2%	10.9%	12.7%	14.4%	16.2%	18.0%	19.7%	
Diff		100	Actual DTE	91	40%			91.10	90.15	88.93	87.15	84.50	80.77	75.81	69.67	62.52	54.66	46.48	38.37	30.69	23.74		12.69						Call V
		17-Jun-11	Aged DTE	91	30%		Put Voa				12.73	15.37	19.11	24.06			45.21	53,39		69.18	76.13		87.19						
	DL Ticker	ESX ×	MOP call	5.00	20%		Butterfl			1.78		3.74	4.95	6.14			8.18	8.11	7.68	6.95	6.03	5.02	4.00						
Y API	PKR Test	ok ×	MOP put		10%		UPrice										5680												UPri
	votKused	6100	PivotK1	6100	0%		PivotK														X								Pivol
Upd	date TA with Ca	alibration			4900		6400 K	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	K
			Premium\$	Liq Val \$	Net		U Units				AP Min K															AP Max K			
	Actual Posit	tion	\$5,957	(\$5,320)	- 7	1101 0 0110		<u> </u>													(3)					10	L		Act C
				11 1		Act Puts					1										m								Act F
						(\$608)																		10		(10)			Adjt 0
y s	Simulated Adjus	stment 1	(\$608)	\$608	QPT	Adit Puts																				()	_		Adit F
						Adjt Calls	_	_																			$\leftarrow$	-	Adjt C
<b>)</b> Si	Simulated Adjus	stment 2	\$0	\$0 🕻	QРТ <b>)</b> —	Adjt Puts		$\vdash$																		_	-	_	Adjt F
_					_		_	_																				_	
) Si	Simulated Adjmr	nts Total =	(\$608)	\$608	QРТ <b>)</b> —	(\$608)																		10		(10)			Adjt C
				_		Adjt Puts																							Adjt F
·		(D)	45.040	(44.740)	7	7 Raw Calls		T													(3)			10					Raw C
A	Adjusted Positic	on (Haw)	\$5,349	(\$4,712)		Raw Puts					1										m								Raw F
						No. Calle		_													(2)			10			_	_	Net C
A	Adjusted Position	on (Net)	\$5,349	(\$4,712)		Net Calls Net Puts		<b>—</b>													(3)			10					Net P
					_			_																			_	_	ruecr
	Risk Summ	2004	Profit / Loss	\$637	Graph	Controls GS	UPrice		$\overline{}$								5680					$\overline{}$	$\overline{}$	$\overline{}$	$\overline{}$	$\overline{}$			UPri
<u>1</u>	RISK SUIIIII	lary	FIORCILOSS	\$651	MaxS	icale 10,000	Diff ATN	(15.5%)	(13.7%)	(12.0%)	(10.2%)	(8.5%)	(6.7%)	(4.9%)	(3.2%)	(1.4%)	0.4%	2.1%	3.9%	5.6%	7.4%	9.2%	10.9%	12.7%	14.4%	16.2%	18.0%	19.7%	Diff A
					MinSe		\$10,000										_						_			7	_		
	derlying	ESX	Expiry	17-Jun-11	Major																								
		00.088	TrokBok Date	18-Mar-11		Aged Y le SAT Y	\$8,000																						
		(2,73%)	Actual DTE	91 91	Show																								
		Index	Aged DTE	31		SA1/2 N	\$6,000														_/								
ORC	emillar	muen					\$0,000																						
			Premium\$	Liq Val \$	Net l																							,	
	Actual Posi	ition	\$5,957	(\$5,320)		Puts	\$4,000															#							
_					_	Calls	-											_•				<u> </u>							
8	Simulated Adju	istment	(\$608)	\$608	_	Puts	\$2,000																						
_							-									<u>_!_</u>													
Ad	Adjusted Positio	on (Raw)	\$5,349	(\$4,712)	7	Calls	<b>\$0</b>		•	•			•	•				•				•	1			•	<del>/</del>		-
						Puts	-	4800			5100			5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
	Lock [Rav	w1	\$0	\$0	_	Calls	(\$2,000)	-			-																		
_				**		Puts						_•_																	
	Adjusted Positio	on (Net)	\$5,349	(\$4,712)	7	' Calls	(\$4,000)					_																	
ഥ	najastea i Ositii	Off (ruet)	\$5,545	(\$\psi_1112)		Puts		•—	<del>-</del> -	<del>-</del> -	:-																		
	Greeks		Actual	Adjstmnt	Lock	(R) Adjusted	(\$6,000)																						
	Delta	4	2.58	5.13		.00 7.71	- ,,,,,,,,,																						
	Gamma	3	(0.01)	0.02		.00 7.71	(80.000																						
	Vega	3	(78.19)	177.51		.00 99.32	(\$6,000)																						
	Theta	\$	10.73	(19.28)		.00 (8.55)					-•-P/	L Actua	11		-P/L SA	11		-P/L SA	12		P/L S	A lotal			P/L Adj	usted			
	Rho	\$	50.60	70.38		.00 120.98	(\$10,000)										_												
					E	SX 18-Mar	UPrice										5680												UPri

<sup>\*</sup> Adjustments shown at RI model prices for purposes of illustration

FTSE | June 2011 | Trade#7 | Short ATM Call Spread\* | AgedPL T+0 | Market up / sell call premium | Note risk hole to upside > 6200

Risk Illustrator	RI v4.017	Euronext	TrackBack File	VKR	21					11										11		T			21	VKR
Trade Analysis			17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR>1	1				ok	
				OC striKe																						OC str
Y Expiry 17-Jun-11	Spot Price	5,736.00	100% Model IV/94	RI striKe	4800			5100				5500	5600	5700			6000	6100	6200				6600	6700	6800	Rlstri
Y Ticker ESX	Volatility %	19.81%	90% Model IV%	Calls	923.71		741.61		564.72			324.15	256.11	196.30	145.47 248.24	103.81 306.46	70.97 373.50	46.15 448.56		15.96				0.00	0.00	Calls
Y Spot / ImpFwd Spot Y Pt MpIr 10	Skew/Kurt Skew	Index (1.20)	30% 70%	Puts IV %	26.0%	36.02 25.4%	24.5%	23.5%	22.4%	21.3%	20.3%	19.3%	18.5%	17.7%	17.1%	16.6%	16.1%	15.6%	15.2%	14.7%	14.1%	000.24	902.57	1001.23	1100.63	IV %
V Div Yield % 3.32%	<ul> <li>Excess Kurt</li> </ul>	1.80	60%	C Delta	0.93	0.92	0.91	0.90	0.88	0.85	0.81	0.74			0.49				0.17	0.11		0.04	0.02	0.01	0.00	C Del
Y RiskFrate % 0.50%	Cost of Carry		30%	P Delta	(0.06)	(0.07)	(80.0)	(0.09)	(0.11)	(0.14)	(0.19)	(0.25)	(0.32)	(0.41)	(0.50)	(0.59)	(83.0)	(0.76)	(0.83)	(88.0)	(0.92)	(0.95)	(0.97)	(0.98)	(0.99)	P Del
<ul><li>Mid K 5800</li><li>Diff K 100</li></ul>	<ul> <li>TrokBok Date</li> <li>Actual DTE</li> </ul>	21-Mar-11 88	40%	Diff ATM Call Voal		[14.6%] 91.55	90.55	99.24	(9.3%) 97.66	(7.6%)	90.00	(4.1%) 75.10	[2.4%] cons	[0.6%] 59.81	1.1% 50.83	2.9% 41.66		6.3% 24.82	8.1% 17.91	9.8%		13.3%		16.8%		Diff A1
Y OC DL Expiry 17-Jun-11	Aged DTE	88	30%	Put Voal		8.33	9.33	10.54	12.33	15.10		24.78		40.07			67.04			87.60			97.33	98.73		Put V
Y OC DL Ticker ESX	MOP call		20%	Butterfly	1.04	1.00	1.21	1.79	2.77	4.09	5.59	7.05	8.24				8.02	6.91	5.64	4.36	3.18			0.00	0.00	
Y APKR Test Ok PivotKused 5800	MOP put PivotK1		0%	U Price PivotK 1							-			5736	v					-			<del>                                     </del>			U Pri Pivot
PivotKused 5800 Update TA with Calibration	Pivotk I Pivotk	( = MidK	4900 5900 69	FIVOR I	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	X 5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
	Premium\$		Net Units	U Units				AP Min K													AP Max H					
Actual Position	\$5,447	(\$4,507)	7 Act Calls															(3)			10	_				Act C
			Act Puts					1										m								Act F
Simulated Adjustment 1	\$993	(\$993)	QPT \$993												(1)			1								Adjt 0
		11.00	Adjt Puts	_																						Adjt F
Simulated Adjustment 2	<b>+</b> \$0	\$0	OPT Adjt Calls Adjt Puts																							Adjt C
			4000												(4)											
Simulated Adjmnts Total	\$993	(\$993)	\$993 Adjt Puts												(1)			1								Adjt 0
														_			_					_	_			
Adjusted Position (Raw)	\$6,440	(\$5,500)	7 Raw Calls Raw Puts		<u> </u>										(1)			(2)			10	_				Raw 6
			naw ruts															111								■ maw n
			7 Net Calls															(3)			10					Net C
Adjusted Position (Net)	\$3,440	(\$2,503)	Net Puts	N/A	<u> </u>			1							m			(3)			10	•				Net P
			Graph Controls GS	UPrice										5736								$\overline{}$				Lup
Risk Summary	Profit / Loss	\$940	MaxScale 10,000	Diff ATM	(16.3%)	(14,6%)		(11.1%)	(9.3%)	(7.8%)	(5.9%)	(4.1%)	(2.4%)	(0.6%)	1.1%	2.9%	4.6%	6.3%	8.1%	9.8%	11.6%	13.3%	15.1%	16.8%	18.5%	UPr Diff A
			MinScale (10,000)	\$10,000 -																						
Underlying ESX	Expiru	17-Jun-11	MajorUnit 2,000 Show Aged Y																							
Spot Price 5736.00 Volatility % 19.81%	TrokBok Date Actual DTE	21-Mar-11 88	Show Aged Y Include SAT Y	\$8,000 -																			-/ <b>;</b> -			
CoC / (2.82%)	Aged DTE	88	Show SAT N																							
Skew/Kurt Index	<del></del>		ShowSA1/2 N	\$6,000 -																						
	Premium\$	Liq Val \$	Net Untis 7 Calls															<								
Actual Position	\$5,447	(\$4,507)	7 Calls Puts	\$4,000 -														4				•				
S. 1. 18 S.	4000	(4000)	Calls	\$2,000 -										_												
Simulated Adjustment	\$993	(\$993)	Puts	\$2,000										•					//			//				
Adjusted Position (Raw)	\$6,440	(\$5,500)	7 Calls	\$0 -								_=							-			//.				
riajastea roskiori (i law)	φο,110	(40,000)	Puts		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
Lock [Raw]	(\$3,000)	\$2,996	Calls	(\$2,000)							_•															
	** *		Puts							_										`\						
Adjusted Position (Net)	\$3,440	(\$2,503)	7 Calls Puts	(\$4,000)																	$\setminus$ /					
Genelia				/=====																	V					
Greeks	Actual \$ 6,69	Adjstmnt (2.60)	Lock (R) Adjusted \$ 0.00 4.09	(\$0,000)																						
Delta Gamma	\$ 0.01	(0.00)	\$ 0.00 4.03	(60 000)																						
Vega	\$ 56.15	(28.61)	\$ 0.00 27.54	(40,000)				-0-P/	L Actua	ı	_	-P/L SA	11		−P/L S#	12		P/L S	A Total		-0-	P/L Adj	usted			
Theta	\$ (3.18)	2.08	\$ 0.04 (1.07)	(\$10,000)-				- 17	- Autua			1 12 34			17237			1723	A TOTAL			, L Auj	asteu			
Rho	\$ 103.37	(33.52)	\$ (7.22) 62.62	Name of the last										F706												Luc
			ESX 21-Mar	U Price										5736												UPr

st Adjustments shown at RI model prices for purposes of illustration

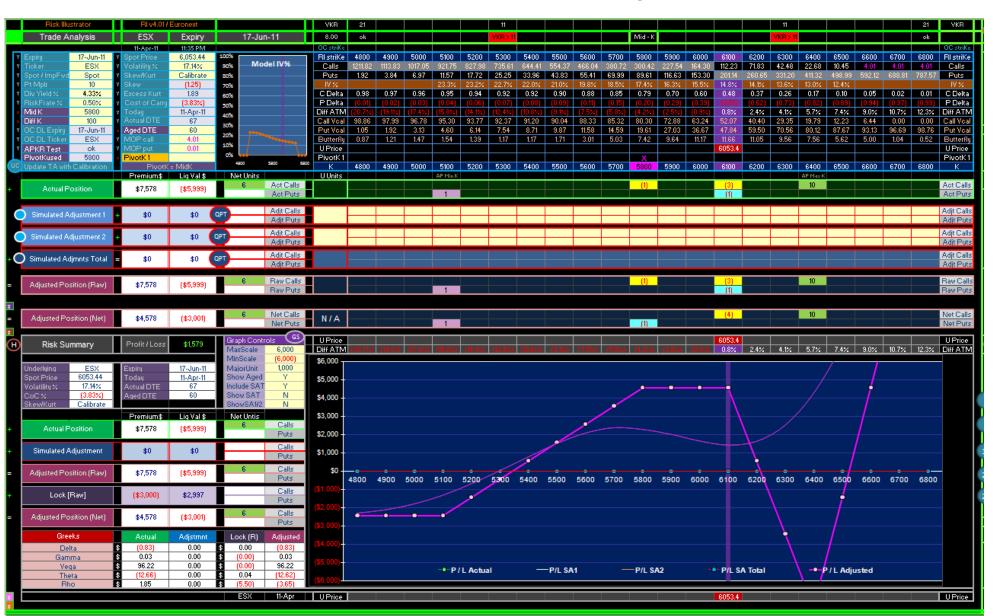
 $FTSE \mid June\ 2011 \mid Trade\#8 \mid Short\ ATM\ Call\ * \mid AgedPL\ T+0 \mid Market\ up\ /\ sell\ call\ premium\ \mid Note\ risk\ hole\ to\ upside > 6200$ 

Risk Illustrator	RI v4.017	Euronext	TrackBack File	VKR	21					11										11					21	VKR
Trade Analysis	ESX	Expiry	17-Jun-11	8.00	ok					VKR > 11					Mid - K					VKR > 11	1				ok	
				OC striKe																						OC striKe
Y Expiry 17-Jun-11	Spot Price	5,997.00	100%	RI striKe		4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600		6800	
Y Ticker ESX	Volatility %	16.76%	90% Model IV%	Calls			966.11	871.96	779.20	687.66	597.31	508.56	422.41		265.09	198.13	141.34		60.72	35.78			3.27		0.00	Calls
Y Spot / ImpFwd Spot Y Pt MpIr 10	× Skew/Kurt × Skew	Index (1.20)	30%	Puts	3.61	6.51	22.6%	16.53 22.5%	23.66	32.02 21.5*/	20.6%	19.5%	18.4%	17.4%	108.92	15.5%	184.96 14.8%	239.09	304.13	13.2%	462.35 12.7%		646.25	743.44	842.33	Puts IV %
Y Div Yield % 3.73%	Excess Kurt	1.80	70%	C Delta	0.97	0.96	0.95	0.94	0.93	0.92	0.91				0.74		0.54				0.14		0.04	0.02	0.01	C Delta
Y RiskFrate % 0.50%	Cost of Carry	(3.23%)	50%	P Delta	(0.02)	(0.03)	(0.04)	(0.05)	(0.06)	(0.07)	(0.09)	(0.10)	(0.13)	(0.18)	(0.26)	(0.35)		(0.57)	(0.68)	(0.77)	(0.85)	(0.91)	(0.95)	(0.97)	(0.99)	P Delta
Mid K 5800	TrokBok Date		40%	Diff ATM	(20.0%)	(18.3%)	(16.6%)	(15.0%)	(13.3%)	(11.6%)	(10.0%)	(8.3%)	(6.6%)	(5.0%)	(3.3%)	(1.6%)	0.1%	1.7%		5.1%						Diff ATM
≈ Diff K 100	Actual DTE	77	30%	Call Voal		96.99		94.15	92.76	91.54	90.35	88.76	86.15	81.86	75.47		56.79	45.77		24.94		10.22	5.66	2.71		Call Voal
Y OC DL Expiry 17-Jun-11 Y OC DL Ticker ESX	Y Aged DTE MOP call	77	20%	Put Voal Butterfly	1.78 1.12	2.90 1.37	4.27 1.47	5.74 1.39	7.13 1.22	8.35 1.19	9.55 1.59	11.14 2.61	13.75 4.29	18.04 6.39	24.43 8.51	32.94 10.17	43.11 11.02	54.13 10.91	65.04 9.92	74.96 8.31	83.26 6.41	89.68 4.55	94.23 2.95	97.18 0.00	98.90	Put Voal Butterfly
Y APKR Test ok	MOP put		10%	UPrice	1.12	1.01	1.71	1.00	1.22	1.10	1.00	2.01	4.20	0.00	0.01	10.11	5997	10.01	0.02	0.01	0.11	7.00	2.00	0.00	0.00	UPrice
PivotKused 5800	PivotK1		0%	PivotK1											X											PivotK1
UC Update TA with Calibration	PivotK		4900 5900 59	K	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300		6500	6600	6700	6800	K
	Premium\$	Liq Val \$	Net Units 7 Act Calls	U Units				AP Min K							(4)			(0)			AP Max k					Act Calls
Actual Position	\$6,671	(\$4,873)	Act Calls Act Puts					1							(1)			(1)			10	•				Act Puts
			Hot I dis															- 111								Hott dt
Simulated Adjustment 1	\$956	(\$956)	QPT (1) \$956															(1)								Adjt Call
		11.000	Adjt Puts																							Adjt Put:
Simulated Adjustment 2	<b>\$</b> 0	\$0	OPT Adjt Calls																							Adjt Calls
			Adjt Puts																							Adjt Puts
<ul> <li>Simulated Adjmnts Total</li> </ul>	\$956	(\$956)	QPT (1) \$956															(1)								Adjt Call:
			Adjt Puts																							Adjt Puts
Advend Decision (Dec)	47.007	(AE 020)	6 Raw Calls												(1)			(3)			10					Raw Call:
= Adjusted Position (Raw)	\$7,627	(\$5,829)	Raw Puts					1										m								Raw Puts
A Support Describes (Alax)	44.007	(40.000)	6 Net Calls	11.7.4														(4)			10					Net Calls
= Adjusted Position (Net)	\$4,627	(\$2,832)	Net Puts	N/A				1							(1)											Net Puts
×			Graph Controls G5	UPrice													5997									U Price
(H) Risk Summary	Profit / Loss	\$1,798	MaxScale 10,000	Diff ATM	(20.0%)	(18.3%)	(16.6%)	(15.0%)	(13.3%)		(10.0%)	(8.3%)	(6.6%)	(5.0%)	(3.3%)			1.7%	3.4%	5.1%	6.7%	8.4%	10.1%	11.7%	13.4%	
			MinScale (10,000)	\$10,000		1		1	11212121	,	, , , , , , , , ,	,,,,,,	12,2,2,	1,0,0,0,0	,	1,000.01										
Underlying ESX	Expiry	17-Jun-11	MajorUnit 2,000	710,000																						
Spot Price 5997.00 Volatilitu % 16.76%	TrokBok Date	01-Apr-11 77	Show Aged Y Include SAT Y	\$8,000 -																						
Volatility % 16.76% (3.23%)	Actual DTE Aged DTE	77	Include SAT Y Show SAT N																					/		
Skew/Kurt Index	Indea D I E		ShowSA1/2 N	\$6,000 -																			_/_/			
	Premium\$	Lig Val \$	Net Untis																				//L			
+ Actual Position	\$6,671	(\$4,873)	7 Calls	\$4,000 -														_\					<u> </u>			
TIONS OF THE PROPERTY OF THE P	**,***	(+1,0.0)	Puts												_	•	, i	1								
+ Simulated Adjustment	\$956	(\$956)	(1) Calls	\$2,000															+							
		(*****/	Puts								_								1			1				
= Adjusted Position (Raw)	\$7,627	(\$5,829)	6 Calls	\$0 -						-		<u> </u>										<del>-/-/</del>				$\blacksquare$
, , , , , ,		,,	Puts		4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
+ Lock [Raw]	(\$3,000)	\$2,997	Calls	(\$2,000)	_				-											1		II				
, ,	** ** *		Puts			_:-														1						
= Adjusted Position (Net)	\$4,627	(\$2,832)	6 Calls	(\$4,000)																_ \						
			Puts																		<b>\</b> \	/				
Greeks	Actual	Adjstmnt	Lock (R) Adjusted	(\$6,000)																	$\setminus$ /					
Delta	\$ 3.59	(4.25)	\$ (0.00) (0.66)																		V					
Gamma	\$ 0.03 \$ 148,10	(0.01)	\$ 0.00 0.02 \$ 0.00 57.44	(\$8,000)																						
Vega Theta	\$ (14.08)	(90.66) 7.61	\$ 0.00 57.44 \$ 0.04 (6.43)					-•-P/	L Actua	I	_	-P/L SA	11		-P/L SA	12		P/L S	A Total			/ L Adj	usted			
Rho	\$ 55.80		\$ (6.32) (2.27)	(\$10,000)													_									
N N				UPrice													5997									U Price
×																										

<sup>\*</sup> Adjustments shown at RI model prices for purposes of illustration

# **Current Position**

FTSE | June 2011 | Post Trade #8 | Current Position | AgedPL at T+7



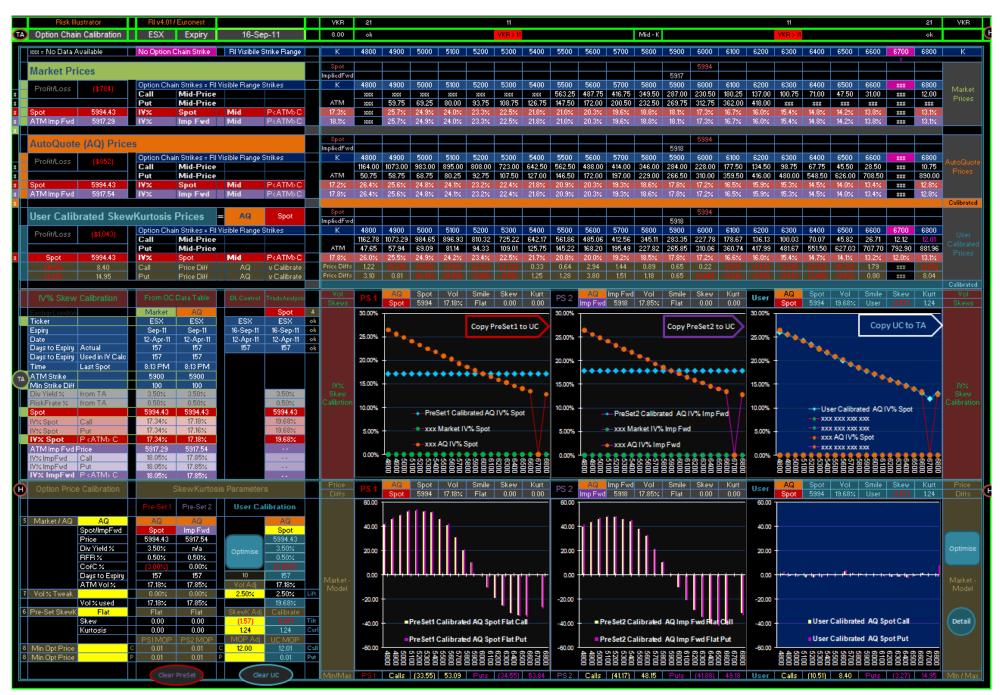
<sup>\*</sup> Note Graph Scale changed from TrackBack Graphs

FTSE | June 2011 | Post Trade #8 | Possible Adjustment #1 at Target Price +\$5,300 (current price +\$5,091) | AgedPL at T+7

Risk Illustrator		Euronext			VKR	21					11										11					21	VKI
Trade Analysis	ESX	Expiry	17-Jui	n-11	8.00	ok					VKR > 11					Mid - K					VKR > 11					ok	
F	11-Apr-11	11:35 PM	100%		OC strike	4000	4000	FOOO	E400	F000	FOOO	E400	FFOO	FOOO	F700	FOOO	E000	0000	0400	0000	0000	0400	OFOO	0000	0700	0000	00 s
Expiry 17-Jun-11 Y Ticker ESX Y	Spot Price Volatility %	6,053.44 17.14%		del IV%	RI striKe		4900 1113.83	5000 1017.05	5100 921.75	5200 927 98	5300 735.61	5400 644.41	5500 554.37	5600 466.04	5700 380.72	5800 300.42	5900 227.54	164.30	6100 112.23	6200 71.83	6300 42.48	6400 22.68	6500 10.45	6600 4.01	6700 4.01	6800 4.01	Rist
Spot / ImpFwd Spot	Skew/Kurt	Calibrate	80%							17.72				55.41				153.30	201.14	260.65			498.99	592.12	688.81	787.57	Pu
Pt Mplr 10	Skew	(1.25)	70%		IV %				23.3%	23.2%	22.7%	22.0%	21.0%		18.5%	17.4%		15.5%	14.8%	14.1%	13.6%	13.0%	12.4%				IV:
Div Yield % 4.33%	Excess Kurt	1.89	60%		C Delta	0.98	0.97	0.96	0.95	0.94	0.92	0.92	0.90	0.88	0.85	0.79	0.70	0.60	0.48	0.37	0.26	0.17	0.10	0.05	0.02	0.01	CD
RiskFrate % 0.50%	Cost of Carry	(3.83%)	50%	_	P Delta	(0.01)	(0.02)	(0.03)	(0.04)	(0.06)	(0.07)	(80.0)	(0.09)	(0.11)	(0.15)	(0.20)	(0.29)	(0.39)	(0.51)	(0.62)	(0.73)	(0.82)	(0.89)	(0.94)	(0.97)	(0.99)	PD
Mid K 5800 Y	Today Actual DTE	11-Apr-11 67	40%	_	Diff ATM	_	[19.1%]	[17.4%]	[15.8%] OF 20	[14.1%]	02.4%]	(10.8%)	90.04	[7.5%]	[5.8%] OF 22	[4.2%]	[2.5%]	(0.9%)	0.8% 52.07	2.4% 40.40	4.1% 29.35	5.7% 19.79	7.4%	9.0% 6.44	10.7% 0.00	12.3%	
OC DL Expire 17-Jun-11 ×	Aged DTE	60	30%		Call Voal Put Voal			3,13	95.30 4.60	93.77 6.14	92.37 7.54	91.20 8.71	9.87	88.33 11.58	85.32 14.59	80.30 19.61		63.24 36.67	47.84	59.50	70.56	80.12	87.67	93.13	96.69	98.76	Call1
OCIDL Ticker ESX Y	MOP call	4.01	20%	The Parket of th	Butterfly		1.21	1.47	1.54	1.39	1.17	1.17	1.71	3.01	5.03	7.42	9.64		11.66	11.05	9.56	7.56	5.62	5.00	1.04		Butt
APKR Test Ok	MOP put	0.01	10%		U Price														6053.4								UP
PivotKused 5800 ×	PivotK1		4900	5900 5900	PivotK1											X											Pivo
Update TA with Calibration	PivotK				K	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400 AP May K	6500	6600	6700	6800	k
	Premium\$		Net Units	Act Calls	U Units				AP Min K							m			(2)			AP Max K					Act 0
Actual Position	\$7,578	(\$5,999)		Act Puts	1	<b>—</b>			1							(1)			(1)			10					Acti
				11011 010															- 10								
Simulated Adjustment 1	\$5,091	(\$5,091)		\$5,091					(1)							1			1								Adjt (
		(1.1.1.5)		Adjt Puts																							Adjt
Simulated Adjustment 2	\$0	\$0	ОРТ	Adjt Calls																							Adjt 0
	**			Adjt Puts																							Adjt
Simulated Adjmnts Total =	\$5,091	(\$5,09f) <b>(</b>	QPT 1	\$5,091					(1)							1			1								Adjt 0
	40,000	(**,***)		Adjt Puts																							Adjt
			7	Raw Calls					m										(2)			10					Raw
Adjusted Position (Raw)	\$12,669	(\$11,089)		Raw Puts	1				1										(0)			10					Raw
			7	Net Calls															(3)			10					Net 0
Adjusted Position (Net)	\$2,669	(\$1,099)		Net Puts	N/A	<b>-</b>													(9)			10					Net F
			=																								
Risk Summary	Profit / Loss	\$1,579	Graph Conti		UPrice	100 De 10	440.40.10			44.4 45.3	***	440.00.0	10.10.0			44.00.0		10.000	6053.4		1.00				40.50	40.0	UPr
,			MaxScale MinScale	6,000	Diff ATM	[20.7%]	[19,1%]	[17.4%]	[15.8%]	[14,1%]	[12.4%]	[10.8%]	[9,1%]	[7.5%]	[5.8%]	[4.2%]	[2.5%]	[0.9%]	0.8%	2.4%	4.1%	5.7%	7.4%	9.0%	10.7%	12.3%	Diff /
Underlying ESX	Expiry	17-Jun-11	MajorUnit	(6,000) 1,000	\$6,000																	1	/				
Spot Price 6053.44	Today	11-Apr-11	Show Aged		\$5,000																						
Volatility % 17.14%	Actual DTE	67	Include SAT		\$0,000												•	•						1 4			
CoC% (3.83%)	Aged DTE	60	Show SAT	N	\$4,000																			$\vdash \vdash$			
Skew/Kurt Calibrate	<u> </u>		ShowSA1/2	N											•				<b>■</b> \								
	Premium\$	Liq Val \$	Net Untis		\$3,000	_													-								
Actual Position	\$7,578	(\$5,999)	6	Calls	\$2,000	_													N,								
				Puts	\$2,000															1							
Simulated Adjustment	\$5,091	(\$5,091)	1	Calls	\$1,000														\ \								
				Puts								•								\ <b>\</b> •			· 🛉 /				
Adjusted Position (Raw)	\$12,669	(\$11,089)	7	Calls	\$0	-		•	•		<u> </u>	•	•		•					<del>\</del>	-	•	- <u>-</u>	•	•	•	
				Puts	/84 DDM	4800	4900	5000	5100	5200	5300	5400	5500	5600	5700	5800	5900	6000	6100	6200	6300	6400	6500	6600	6700	6800	
Lock [Raw]	(\$10,000)	\$9,991		Calls	(\$1,000)-					•										- //			14				
				Puts	(\$2,000)																<b>\</b>						
Adjusted Position (Net)	\$2,669	(\$1,099)	7	Calls		•	•	•	-•												1						
, , ,		, /		Puts	(\$3,000)-																-		H =				
Greeks	Actual	Adjstmnt	Lock (R)	Adjusted																	3						
Delta	(0.83)	3.23	\$ 0.00	2.40	(\$4,000)-																1	/					
Gamma	0.03	0.02	\$ (0.00)	0.05	/\$5.000\																	\ /					
Vega	96.22	132.77	\$ (0.00)	228.99	(30,000)-				-0-P/	L Actua	ı		-P/L SA	1		P/L SA	12	-0	P/L S/	A Total		\\-•-	/ L Adju	ısted			
Theta Pho	(12.66)	(15.04) 45.23	\$ 0.14	(27.56) 28.74	(\$6,000)																	$\Delta M$	]				
Rho	1.85	90.23	\$ (18.34)																								
			ESX	11-Anr	UPrice														6053.4								UP

<sup>\*</sup> Note Graph Scale changed from TrackBack Graphs

# FTSE | June 2011 | Option Chain Calibration





RJS NIFTY June'11

« on: April 11, 2011, 01:24:46 AM »

Nifty June series : observations are: Current Nifty SPOT at 5800 ish

ATM iv: 21 ish
(1) Trade Idea 1:
Sell 4x 5900 C At 183
Buy 6x 6300 C at 48.35
Net inflow: 442

Theta: (0.08)....because of theta, not sure whether to take this trade or no?

(2) Trade Idea 2: Buy 4x 5100 P at 50.20 Sell 4x 5500 P at 116 Net Inflow: 263

Theta: 2.16 ...because of IV, paying more implied for long put then short put..should i consider this as a trade?

Ri\$k Doctor Re: NIFTY June'11

« Reply #1 on: April 13, 2011, 05:16:16 PM »

Sorry, I am not a big fan of Back Spreads and trading in illiquid inefficient markets like the NIFTY so I wll refrain from suggesting anything.



RJS Short Strangle and Wings

« on: January 27, 2011, 08:58:49 AM »

Hi Charles,

Currently Nifty (indian index) is displaying excessive volatility.

To take advantage of high volatility, i am thinking of trading this way:

Currently Nifty at 5700,

trading volatile between 5625 and 5800

Trade 1:

Create Short Strangle: 5500p, 5900c for a total of 85

Trade 2

Buy 5400p when nifty trades near the upper end of the range

Trade 3:

Buy 6000c when nifty trades near the lower end of the range

StopLoss (enforced if Trade 2 / Trade 3 are not executed):

Buy 6000c, if Nifty trades above 5800 Buy 5500p, if Nifty trades below 5600

Strategy Advantage:

1) Reduce cost of buying wings

Strategy DisAdvantages:

- 1) Position will be naked short, till wings are bought
- 2) If Stop Loss level is hit before wings are bought, then it shall result in Higher cost of the wing

Please share your views on the above.

A question :

What % of Short Strangle should be spent on Wings, which can result in a Zero Risk Position, both sides?

Thanks Rakesh

Ri\$k Doctor Re: Short Strangle and Wings

« Reply #1 on: January 27, 2011, 09:17:38 AM »

Good Plan but you still have Gap Risk, so keep the size down until wings in place. Obviously, the smaller percentage the better but I don't have any particular amount for the wings as a percentage of the short strangle. No matter what the percentage it can still be a winner or loser.

**Re: Short Strangle and Wings** 

« Reply #2 on: January 27, 2011, 09:22:58 AM »

Yes i will be running Gap risk. Hence will keep size down.

thanks

### **Ri\$k Doctor**

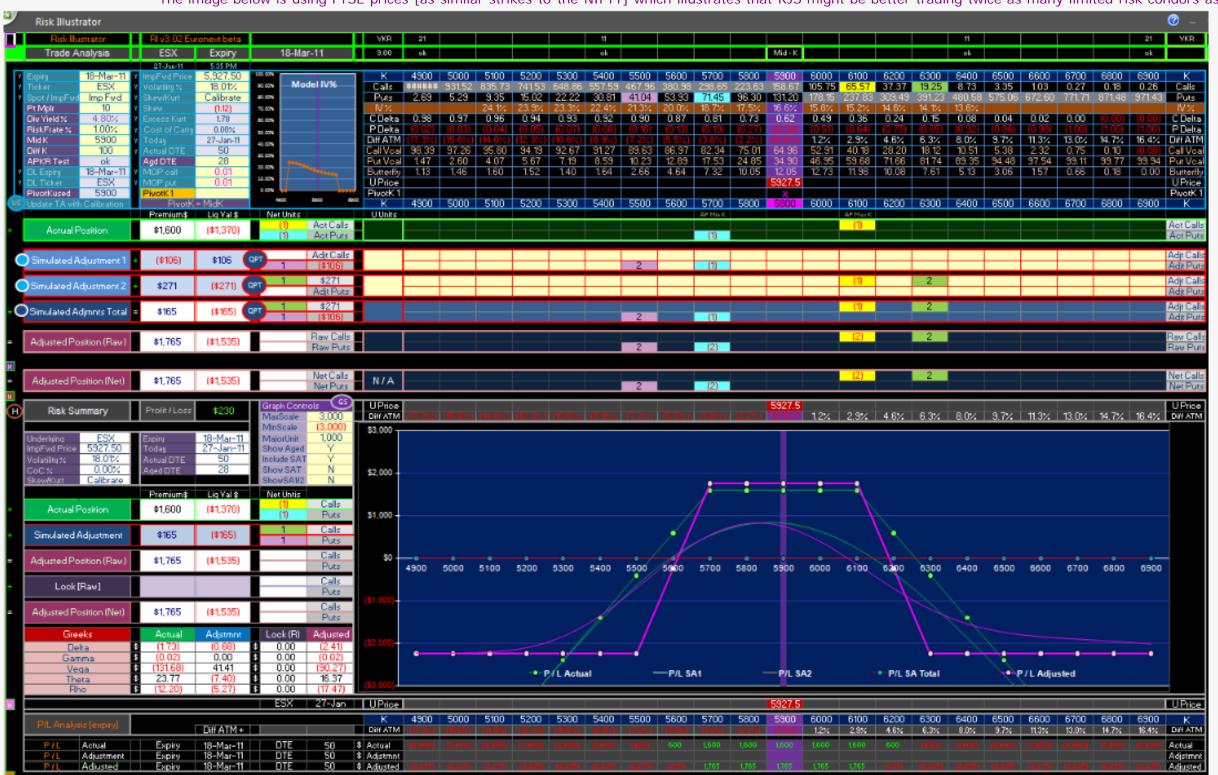
# Re: Short Strangle and Wings

« Reply #3 on: January 27, 2011, 10:46:03 AM »

James chimes in with:

"To avoid Gap Risk, convert Short Strangles to Limited Risk Condors. RJS can only do well with naked short strangles if the market cooperates.

The image below is using FTSE prices [as similar strikes to the NIFTY] which illustrates that RJS might be better trading twice as many limited risk condors as strangles for a similar pay-off.":



I agree with James but your commissions and bid/ask cost structure, in India, are pretty prohibitive.

RJS	Re: Short Strangle and Wings « Reply #4 on: January 28, 2011, 09:25:07 AM »
	I agree with the suggestion by James, but how do I take advantage of the volatility (within the range)?
	Square (cover or get flat) the opposite leg? i.e. When market reaches lower end of the range, square the bear call spread, and square bull put spread when market reaches higher end of the range?
	Or? rakesh
Ri\$k Doctor	Re: Short Strangle and Wings « Reply #5 on: January 28, 2011, 10:14:46 AM »
	You can still do those interim scalps. James's suggestion was to eliminate the naked exposure and offer a similer P&L profile with limited risk. There is noting preventing you from  Quage market reaches lower end of the range, square the bear call spread
	covering (squaring) the call spread and even doubling up on the put spread if your bullish.
RJS	Re: Short Strangle and Wings « Reply #6 on: January 29, 2011, 06:45:51 AM »
	Its any day better to create a position with limited risk profile, as suggested by James (with the same Profitable range). what i suggested/asking was how to scalp volatility?
	rakesh
Ri\$k Doctor	Re: Short Strangle and Wings « Reply #7 on: January 29, 2011, 05:59:25 PM »
	Sorry for the confusion, I messed up my last post and corrected it. This is from James: As Rakesh is developing some thoughts on trading / managing positions with wings, I have attached TradeEvolution PDF, of a position that I have on the FTSE for March 2011 expiry, which may be of interest to him. Started back in Nov10 as pretty big -8c / +16c backspread, with a smaller number of short put verticals, playing for a pull back [right?] but overnight risk constrained as plenty of time to expiry. As time moved on and risk exposure increased, continually increased the number of upside call wings and tightened the risk exposure. Position now wants a decent sized move next week in either direction could be interesting!
RJS	Re: Short Strangle and Wings « Reply #8 on: January 29, 2011, 10:11:11 PM »
	A very interesting and an unusual type of trade position. It would be of great help if James can share his thoughts/reasoning for each trade.
	My observations/questions on his position are:
	<ol> <li>All across he is delta short. So ideally he would like market to trade lower</li> <li>Its only after 20 Jan, that the position is showing positive returns.</li> <li>James is looking at what sort of strategy to evolve? (I would wish it to be all above the zero line, let market be anywhere !!!)</li> <li>Any particular reason / benefit of getting into this so early (with 129 DTE)?</li> </ol>
	Thanks Rakesh
James Parker	Re: Short Strangle and Wings « Reply #9 on: January 30, 2011, 12:19:46 AM »
	Rakesh In response to your questions;
	<ol> <li>Yes, position is net short delta ATM, and is principally playing for a pull back; but with excess longs to the usside would flip to being long delta on a melt up.</li> <li>I tend to play a different game to most; starting 60-120 days from expiry; closing 15-30 days to expiry</li> <li>I like strategies that have decent risk/reward ratios; and that can be managed with sensible defensive adjustments if the market doesn't cooperate</li> <li>One of my 'strategies' is to play the 'Quarterly' expiries.</li> </ol>

Hope this helps James

# **RJS James Parker RJS James Parker**

**Re: Short Strangle and Wings** 

« Reply #10 on: January 30, 2011, 09:45:54 AM »

Thanks James for sharing your thoughts.

Will appreciate if you also share:

- 1. if its D Grid behind selection of strikes? or any other reason/method?
- 2. reasons behind timing of your adjustments
- 3. what will lead to wind up of positions, particularly when deep in favor (i mean if you are getting 0.5x of potential max profit, would you wind up? or any other number)

rakesh

# Re: Short Strangle and Wings

« Reply #11 on: January 30, 2011, 10:10:55 AM »

### Rakesh

I only use these as an example of how a position can evolve; better to focus on general principles than specific trade details.

I don't use any form of technical analysis; and assume that the market will move up/down; and present opportunities to adjust.

The type of adjustment is a combination of factors such as Time to expiry; Market Direction; Size of Market move; IV/Skew.

For instance; if you take the last adjustment; -8c/+16c backspread; market had moved down sharply on Friday; IV was not particularily elevated; negative skew on Index Options; could trade the backspread for a decent credit; significantly reduced upside risk; ticked a lot of boxes.

Most of the adjustments flow directly from position dissection; and looking to buy in any risk [usually shown as Remnants] or liquidate embedded flies.

When looking to liquidate embedded flies; I always consider whether to liquidate whole or part fly; by part fly, I mean by trading call/put backspreads [if the FOTM wing is too cheap to sell] or by buying the straddle body only [leaving the OTM wings on as kickers].

From this you might see that the last adjustment -8c/+16c backspread was really nothing more than a liquidation of part fly.

Hope this helps

James

# Re: Short Strangle and Wings

« Reply #12 on: January 30, 2011, 10:02:22 PM »

Thanks James

Please keep me in the loop till expiry of the current position

rakesh

# Re: Short Strangle and Wings

« Reply #13 on: January 31, 2011, 05:38:57 AM »

Rakesh

I have attached a PDF with Screenshots to illustrate how I am looking at the current position; and what potential adjustments I might make.

- 1. The position can be viewed either as
- \* 4 put verticals v 16 call verticals + call kickers or
- \* 4 SkipStrikeFlies [+4/--/--/-20/+16] + call kickers
- 2. Negative Skew indicates that OTM Puts will be more expensive than OTM Calls; and that IV will probably rise as market falls; and IV will fall if market rises. This has implications for the accuracy of the Aged Analysis in the RiskGraph.
- 3. Butterfly Dissection indicates SkipStrikeFly can be dissected into a series of smaller flies; BD 6/5/4/3 = Flies x4/8/12/16 respectively.
- 4. BD3 is nearest ATM; possibly a candidate for liquidation; current value \$7,329

5 Possible Adjustments include \* Liquidate 16 x5600/5800/6000 flies \* Buy 16 \* 5800/6000 Call verticals / + Buy 4 x 5800 puts \* Buy 8x 5800 calls / 4 x 5800 puts I will be interesting to see how geo-political events play out over the next few days ... Cheers James **RJS Re: Short Strangle and Wings** « Reply #14 on: February 20, 2011, 11:15:53 PM » Hi James, Can you update on the position you have built, (under current discussion) whats the P/L right now? any adjustments done/planned? thanks rakesh **James Parker Re: Short Strangle and Wings** « Reply #15 on: February 20, 2011, 11:41:30 PM » Rakesh Apologies for not updating ... bought 16 x 5800/6100 call verticals .... bought 4 x 5800 puts .... leaving +4 5000p / +16 6400c / +16 6600c .... all far OTM at the moment and of little value .... net credit \$4k+ ..... have to dash, but will update with screenshots in due course ... James **RJS Re: Short Strangle and Wings** « Reply #16 on: March 02, 2011, 06:06:06 AM » Hi James, Seems you are tied up with something. Please spare some time for forum/topic thanks rakesh

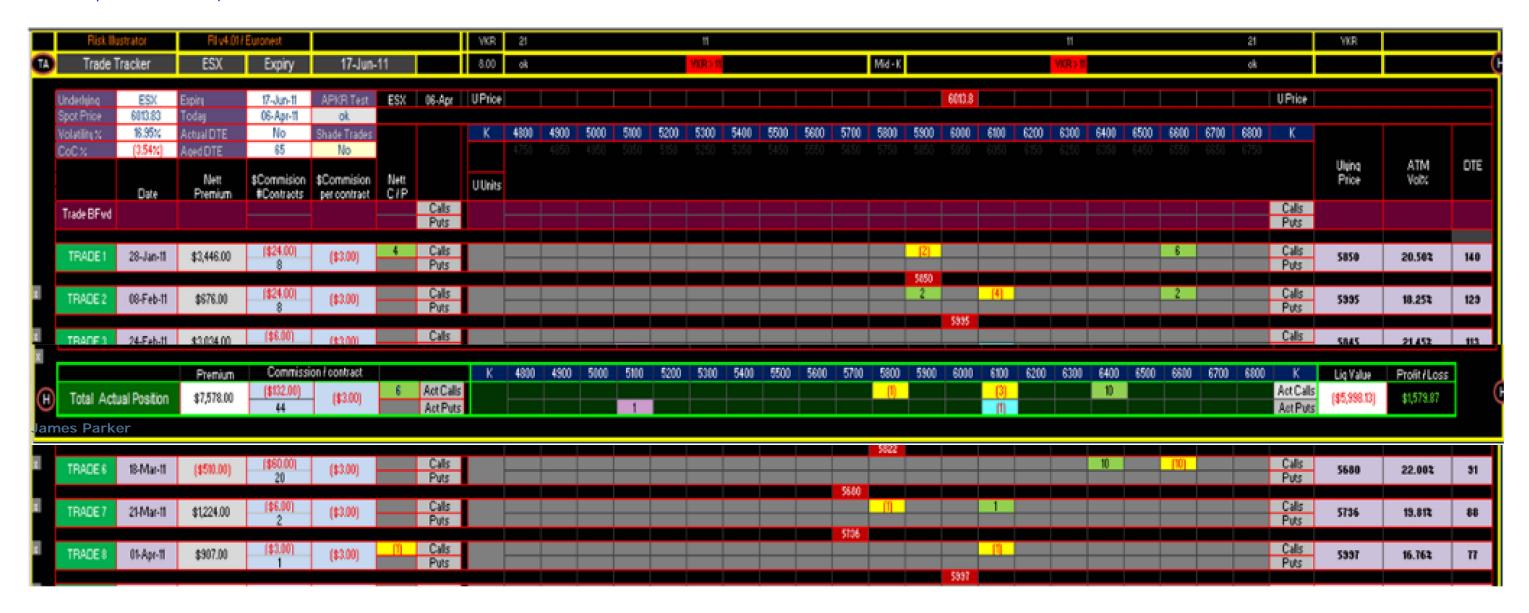
**Re: Short Strangle and Wings** 

« Reply #17 on: April 06, 2011, 01:02:23 AM »

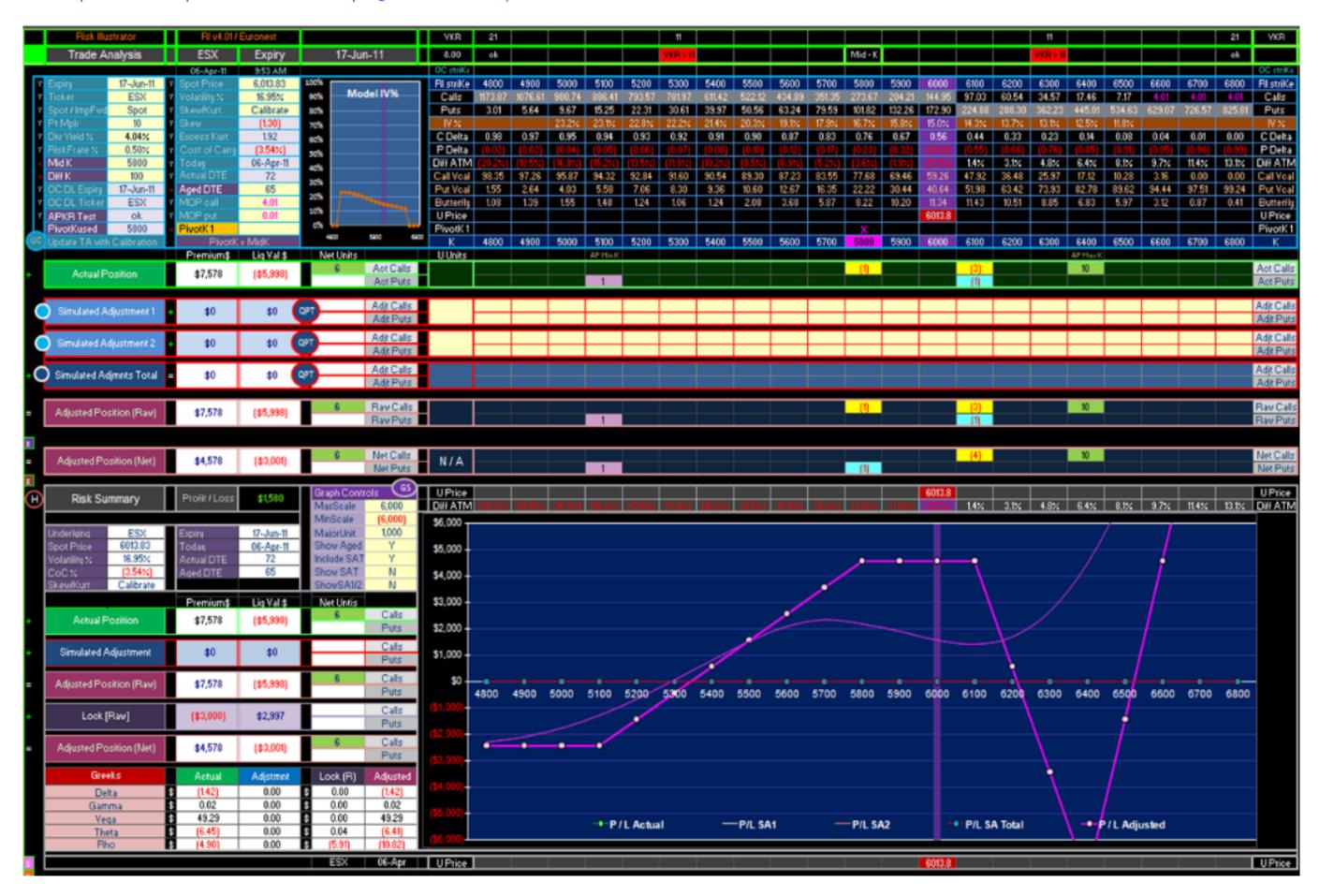
Rakesh

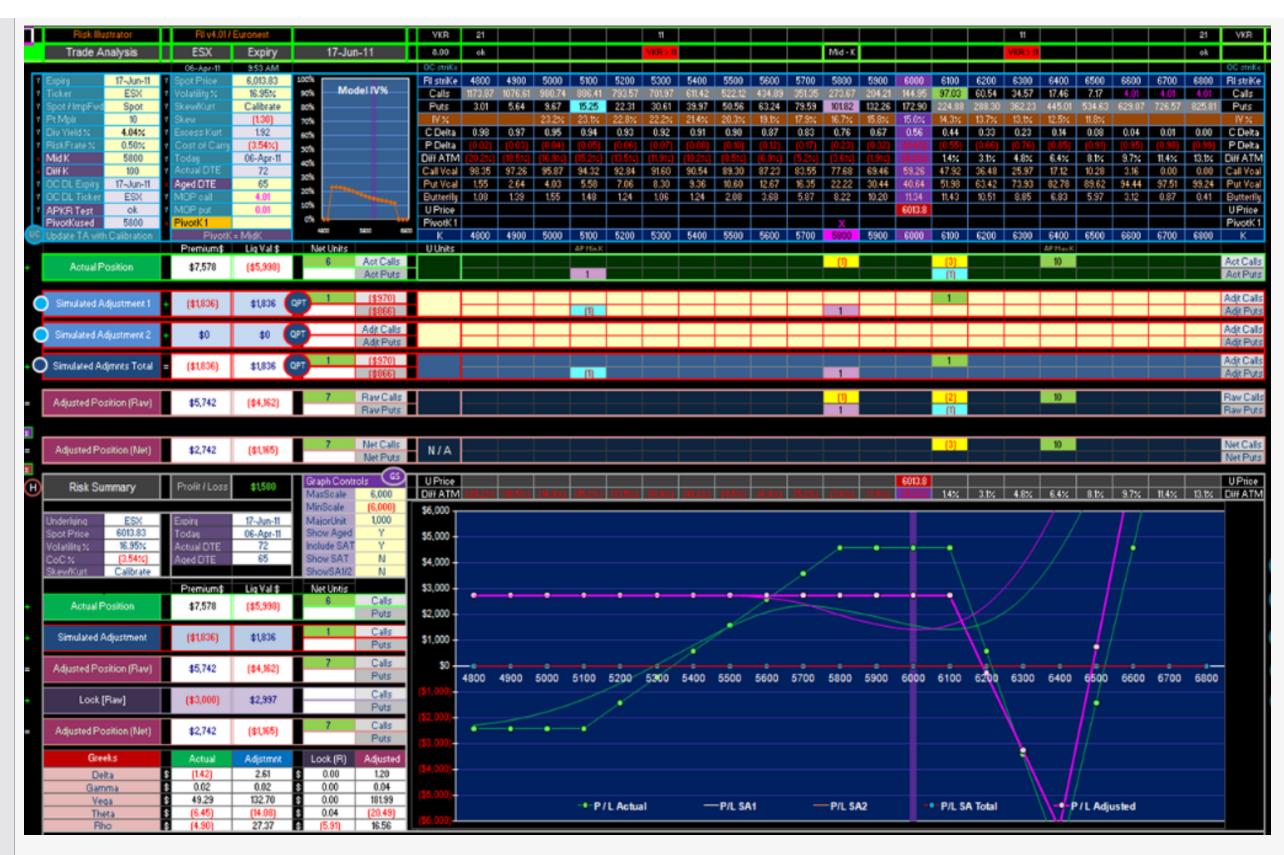
Starting below are the latest FTSE Index position for expiry June 2011, along with TradeTracker and PossibleAdjustment#1, which may be of interest as you trade the Nifty Index.

# FTSE | June 2011 | Ti- de Trackei



FTSE | June 2011 | Current Position | AgedPL at T+7 | Post Trade #8





Cheers James

RJS Re: Short Strangle and Wings
« Reply #18 on: April 06, 2011, 02:22:52 AM »

Good that you are back, James, Thanks.

rakesh



### **James Parker**

**Risk Graphs - Synthetic Equivalents** 

« on: March 30, 2011, 04:55:40 AM »

Charles

I was discussing synthetic equivalents with Alan the other day; which raised an interesting question.

It appears that the standard method of presenting Risk Graphs for synthetically equivalent Stock+Options and OptionsOnly strategies does not result in the same Risk Graph for each strategy.

If we take an oversimplified example:

Underlying Price = 100

Strike = 100

Call Price = 6

Put Price = 11

Dividend = 5

Strategy 1: Covered Call: +1u -1c: Max Profit shown in Risk Graph = +6 at Strike 100+

Strategy 2: Short Put : -1p : Max Profit shown in Risk Graph = +11 at Strike 100+

Any thoughts?

Cheers

James

# **Ri\$k Doctor**

Re: Risk Graphs - Synthetic Equivalents

« Reply #1 on: March 30, 2011, 06:59:11 AM »

Strategy 1: Earns the \$5 Dividend, so add that to the \$6 profit on the Calls and it equals the Strategy 2 profit of \$11.

# **James Parker**

Re: Risk Graphs - Synthetic Equivalents

« Reply #2 on: March 30, 2011, 07:31:03 AM »

Quote from: Ri\$k Doctor on March 30, 2011, 06:59:11 AM

Strategy 1: Earns the \$5 Dividend, so add that to the \$6 profit on the Calls and it equals the Strategy 2 profit of \$11.

Charles

I understand that the 'profits' are equivalent when the dividend is included in the Covered Call; but the standard Risk Graph omits the Dividend and shows significantly different P/L when compared side by side.

The question really was; why do standard Risk Graphs 'exclude' dividends from the analysis; and more importantly, do you think they should somehow include dividends?

Cheers

James

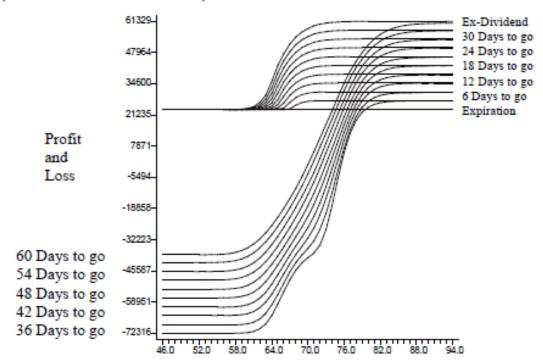
I think the graphs should reflect Dividends. The software that used for the book does:

# EXHIBIT 8-2

Equity Reversal with \$1.00 Quarterly Dividend payable in 30 Days

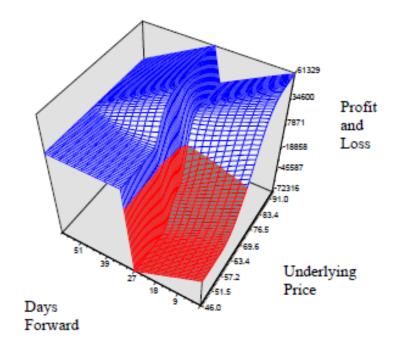
(+1000\*70C/-1000\*70P/-1000ooU) Binomial Model.

208



# Underlying Price

					, ,				
Price:	46.0	520	58.0	64.0	70.0	75.0	82.0	88.0	940
P&L Deta	-38671	-38664 7	-37637 590	-26180 3147	0 4996	34832 5159	55756 1666	60153 192	60555 10
Gamma	2222	1968	2032	1810	1222	-143	-437	-79	-5
Theta	-629	-630	-707	-975	-998 -54	-519	-420	-586	-614
Vega	U	9	364	989	-54	-1910	-1411	-252	-22



I am not a programmer, a coder or a mathematician so I cannot be of much help to you. Perhaps if you post the formula that you are using, one of the readers who is a math whiz can help you out.



Chabrel Selling ATM calls on owned stock

« on: March 26, 2011, 05:04:52 PM »

I am reading "Options Trading: The Hidden Reality" and have a question:

Is it better to sell ATM calls (singles or twice as many verticals) on stock that I own, capturing the most premium or is better to sell OTM calls (again -- single or twice as many verticals) capturing less premium but having a chance to pick up more profit on the stock?

My thinking is that selling ATM is better because you have 100% chance of capturing the greatest extrinsic premium. With OTM your chances of capturing the premium and the stock gain is less.

Ri\$k Doctor Re: Selling ATM calls on owned stock

« Reply #1 on: March 27, 2011, 10:35:50 AM »

This is great question and warranted the kind of an explanation that was best be served in a little series of videos. 3 videos:

**10 Steps to Trading Success** 

**Covered Call Conundrum** 

**Market Maker Mindset** 



torodemi Trading Index Weeklies

« on: March 06, 2011, 10:32:44 AM »

Hi.

I was wondering what your thoughts were for any strategies trading the weeklies. I've been paper trading the SPX weeklies buying unbalanced condors or just verticals, but only initiating on the Thursday before expiration. Any thoughts/comments?

Thanks,

Andy

\$eaTrader Re: Trading Index Weeklies

« Reply #1 on: March 06, 2011, 04:04:38 PM »

Hi Andy,

So you are doing these strategies on the SPX for 1\_day? I trade in the weeklies especially for hedging longer term plays. Weeklies are great for offensive plays, except on days the market decides to move big. With weeklies there is very little time for adjusting, so size control is very important. If your looking to do verticals and condors on the SPX on a "one day" trade, you are probably looking to put on huge size, and I would caution against that.

Just my thoughts

Ronnie

Dan Re: Trading Index Weeklies

« Reply #2 on: March 13, 2011, 03:30:09 PM »

Andy,

Just in case you didn't know, SPX options expire @ 1pm EST the Thursday **before** expiration Friday. The settlement price of the index is based on the opening average price of the index the following day, expiry Friday. That being said, what seemed to be a winning trade on Thursday may turn out to be a loser on Friday depending on where the index opens and you will be unable to close the position or make any adjustments.

Dan

torodemi Re: Trading Index Weeklies

« Reply #3 on: March 13, 2011, 09:04:01 PM »

First, the SPX weeklies expire on friday at 3:00 pm (except for normal expirations when there is no weekly). Next, I was looking at getting long ITM vertical where if I am correct on the directional move for Thursday into Friday morning I will collect theta on the trade. If they make a big move Thursday, Thursday night or Friday in my direction then I will profit on the move. I will also buy cheap protection for a move in the opposite direction on the close Thursday. I am only playing the last two days because the time decay and implied vol drop really accelerates in the last two days. The other possibility is buying the ATM straddle on friday morning and scalp the gamma. Its normally pretty cheap in relation to the size of the moves the futures have been making lately. In my opinion it isn't really a vol play but more of a directional/movement play. Any thoughts?

Andy

### James Parker

Re: Trading Index Weeklies

« Reply #4 on: March 14, 2011, 01:01:13 AM »

Quote from: Dan on March 13, 2011, 03:30:09 PM

Andy

Just in case you didn't know, SPX options expire @ 1pm EST the Thursday **before** expiration Friday. The settlement price of the index is based on the opening average price of the index the following day, expiry Friday. That being said, what seemed to be a winning trade on Thursday may turn out to be a loser on Friday depending on where the index opens and you will be unable to close the position or make any adjustments.

Dan

Looks like CBOE are introducing Friday 'p.m.' settled Index Options.

### Dan

Re: Trading Index Weeklies

« Reply #5 on: March 15, 2011, 10:54:20 PM »

James,

Thanks for the link. I was wondering when the monthly SPX would expire on a 'regular' Friday expiration?

Andy,

Yes, you are correct about the weeklies. I should have been more specific. Regarding the Thursday/Friday trades. Again correct, the vegas are so small that vol is a non-factor and such trades are directional plays. In addition, there will be no vol 'to carry'. At the end of the day the options will either expire ITM or worthless. ITM spreads are priced fairly close to their strike differential by Thursday afternoon. If you buy a 5-point spread for 4 and it goes in your favor you profit by 1 point which is fine but you are risking 4-points to make 1-point. How far above/below your ITM spread you buy your cheap protection will determine whether it has a chance of hedging your ITM spread. What vehicle would you use to scalp gammas if you bought the ATM straddle, E-minis? To the best of my knowledge S&P futures are not traded electronically. Granted, the SPX has been crazy volatile lately so your proposed trades have a good chance of being profitable but in a stagnant market you might breakeven on the spread but the straddle will be destroyed in no time.

Dan

# torodemi

Re: Trading Index Weeklies

« Reply #6 on: March 16, 2011, 05:42:34 PM »

March 14, 2011, 07:00:37 AM

"actually the pm settled spx will be offered on the C2 platform"

and:

Dan,

I could actually do these trades in the e-mini market. Their weeklies don't quite have the same volume and liquidity as the spx but the bid/ask spread is basically the same. For the last 6-8 weeks i could have bought the atm straddle for approximately 7-8 bucks on friday morning and scalped the gamma in what have been on average about 18 dollar ranges in the futures. Now obviously today the atm straddle in the minis went out at about 24 bucks, so tomorrow morning it will probably be worth approximately 22 bucks, which in less we have a big range tomorrow (50 dollars) it probably wouldn't be worth it. Plus, I'd have to wait overnight (which might not be a bad thing considering i'd be long the straddle) for the opening print and settle. Thanks for your input, just tossing around some ideas with the weeklies.

Andy



# bbrooker81 Trading Vehicle vs Positioning Vehicle

« on: February 16, 2011, 01:41:22 PM »

Hi Charles – I am sure you are aware that Anthony Saliba has mentioned your name in an interview in his book "Option Strategies for Directionless Markets." That interview included a discussion about butterflies & it appears that Saliba is distinguishing two kinds of uses for the Bfly. One use is as a trading vehicle whereas another use is as a positioning vehicle. Could you clarify the difference? I subscribe to RD3 and I am going through that material with an ear about the differences between the two uses of the Bfly. Thanks for your time.

Brian

# Ri\$k Doctor Re: Trading Vehicle vs Positioning Vehicle

« Reply #1 on: February 17, 2011, 07:07:31 AM »

Positioning -- Would be a bet - you know, play for that specific range.

Trading Vehicle – That would be a Market Maker Construct, basically having a Limited Risk Inventory of long and short options with a positive Theta stance, however having lots of long wings.

The 3rd would be to use Butterflies for Position Dissection.



Qoff When to enter trades

« on: February 07, 2011, 07:06:19 AM »

Hi, Charles, et al.,

When trading spreads, butterflies, etc., when is your "sweet spot" for entering trades? A few weeks before the nearest expiration date? The second expiration date out? When your charts are showing prices bumping up against a WickZone in Diamonetrics? What are your other triggers to enter a trade?

Thanks for your input.

Regina

Ri\$k Doctor Re: When to enter trades

« Reply #1 on: February 14, 2011, 11:27:18 AM »

Quote

When trading spreads, butterflies, etc., when is your "sweet spot" for entering trades?

With most underlyings, depending on distances between strikes, Butterflies generally blossom in the last 14 days before expiry. They gain value even from The second expiration date out?[/quote] but really gain momentum closer to expiry.

Quote

When your charts are showing prices bumping up against a WickZone in Diamonetrics? What are your other triggers to enter a trade?

This is where there may be an opportunity to leg the bear spread portion of a lower strikes butterfly or some other bearish type position.



RJS Vertical Spread Behavior

« **on:** February 09, 2011, 08:44:39 AM »

From Rekesh:

Hi all,

In a normal market condition, a vertical should trade at 50% of the difference between strike when the underlying is trading around middle of 2 strikes.

That is:

Underlying at 95:

90/100 Vertical should trade at/around 5.

But, what consider following facts when:

Today: 9th Feb 2011 Expiry: 24 Feb 2011 Nifty Underlying at 5315

Futures at 5325

5300/5400 Vertical (Puts) trading at 50.70 (135.4-84.70) 5300/5400 Call Vertical trading at 46.35 (102.4-56.05)

(1) What should one derive from the above?

(2) How can one take advantage of the above behavior

NIFTY Underlying Value As on 09-FEB-2011 13:00:48 Hours IST: 5315.45

**Futures contracts** 

Expiry Dates: 24FEB2011 | 31MAR2011 | 28APR2011 | 30JUN2011 | 29SEP2011 | 29DEC2011 |

28JUN2012 | 27DEC2012 | 27JUN2013 | 26DEC2013 | 24DEC2014 | 25JUN2015 | 31DEC2015 |

REFRESH PAGE For an underlying :

Ca
Gu

							Puts													
Quote	Open Interest	Change in Open Interest	LTP	Net Change	Volume	Bid Qty	Bid Price	Offer Price	Offer Qty	Strike Price	Bid Qty	Bid Price	Offer Price	Offer Qty	Volume	Net Change	LTP	Open Interest	Change in Open Interest	Quote
Quote	14	-	-	-	-	1,000	1,203.25	1,233.75	1,000	4100.00	8,950	0.70	3.00	5,000	-	0.45	0.50	1,050	1,050	Quote
Quote	100		1,674.00	-		1,000	1,102.50	1,142.70	1,000	4200.00	5,000	0.75	1.50	2,000			0.05			Quote
Quote		10	0	2	21	1,000	1,006.00	1,036.40	1,000	4300.00	50	1.05	1.75	2,000	1	1.15	1.80	450	50	Quote
Quote	50	19	1,317.00	-		1,000	902.50	942.70	1,000	4400.00	5,000	1.00	1.70	2,450	2	-0.35	1.60	3,100	50	Quote
Quote	19,400	-1,150	810.00	3.60	176	1,000	805.05	830.00	1,000	4500.00	50	1.55	2.10	2,450	176	-0.15	2.00	40,000	550	Quote
Quote	50	-	900.00	-	4	1,000	709.00	736.40	1,000	4600.00	300	2.65	2.85	350	2,169	-0.15	2.85	182,850	22,100	Quote
Quote	1,300		675.00	-0.95		1,000	609.00	636.40	1,000	4700.00	150	3.60	3.65	700	2,103	-0.40	3.60	363,950	30,250	Quote
Quote	11,550	-50	530.00	18.50	36	550	521.10	539.50	50	4800.00	10,100	5.35	5.50	2,500	7,690	-0.70	5.25	670,650	121,900	Quote
Quote	500	1-	470.00	-		700	417.00	460.00	1,000	4900.00	1,050	9.05	9.30	300	17,989	-0.50	9.10	1,064,450	152,150	Quote
Quote	153,400	-900	334.00	9.15	364	500	333.00	339.35	6,800	5000.00	1,900	15.90	16.10	50	68,318	-0.80	15.95	3,561,650	425,050	Quote
Quote	89,700	50,750	249.00	12.05	3,077	100	244.10	246.85	200	5100.00	550	28.20	28.30	1,000	111,297	-1.80	28.20	6,586,850	558,600	Quote
Quote	605,500	26,100	167.50	5.45	22,739	250	167.15	168.00	100	5200.00	850	50.20	50.40	100	166,587	-3.90	50.25	6,652,350	703,950	Quote
Quote	3,511,200	936,800	102.40	3.00	200,111	200	102.20	102.40	1,400	5300.00	1,000	84.35	84.70	350	222,827	-5.55	84.70	6,207,250	301,750	Quote
Quote	7,465,450	-261,150	56.05	1.50	255,982	10,000	56.05	56.30	50	5400.00	1,800	135.00	135.45	100	97,190	-7.45	135.40	7,460,750	-425,450	Quote
Quote	6,462,550	-26,750	27.30	0.15	172,209	100	27.30	27.50	400	5500.00	300	202.15	203.50	300	18,558	-8.30	203.35	3,810,450	-21,900	Quote
Quote	5,541,450	-28,200	12.70	0.20	100,738	200	12.65	12,75	1,450	5600.00	50	286.25	287.00	100	6,329	-10.25	284.75	2,693,000	-38,400	Quote

James Parker	Re: Vertical Spread Behavior  « Reply #1 on: February 09, 2011, 08:45:37 AM »  Rakesh  The 'rule of thumb' only applies if the Vol Smile is flat, and OTM puts / OTM calls trade at same the same Vol; which has the effect of an equal and opposite offset of intrinsic premium in the vertical.  The vertical prices you are getting could be right; caused by the effect of skew; or could be wrong; caused by bad data.  It would be unusual for index verticals with negative skew to trade for more than 50% of the spread difference when the future is below the spread mid-price.  Cheers  James
Ri\$k Doctor	Re: Vertical Spread Behavior « Reply #2 on: February 09, 2011, 08:50:59 AM »  Seems pretty in line to me: Call Spread is marked at 46.13 (102.30-56.17) with about a .20 delta so if NIFTY Futures rally to 5350 (25 more) the Call Spread should increase another 5.00ish to 51.13ish (pumped up abit because of the lower strike skew as James suggests.
RJS	Re: Vertical Spread Behavior « Reply #3 on: February 09, 2011, 09:09:21 AM »  Ok. Thanks. I thought prices were indicative of market direction?
James Parker	Re: Vertical Spread Behavior « Reply #4 on: February 09, 2011, 10:56:49 AM »  Option prices not really predictive of direction, unless some insider action going on, the skew is more indicative of 'speed' of movement, James
RJS	Re: Vertical Spread Behavior « Reply #5 on: February 09, 2011, 08:44:17 PM »  James, i believe, that stock prices always lead the event. Whether you term this as insider trading or informed circles or smart people. This i feel is true across the globe. So my question in earlier post was with this perspective in mind rakesh
RJS	Re: Vertical Spread Behavior « Reply #6 on: February 09, 2011, 09:43:19 PM »  Also, can you elaborate on your post about: skew indicative of "speed" of the movement?  rakesh
James Parker	Re: Vertical Spread Behavior « Reply #7 on: February 09, 2011, 10:51:22 PM »  What I mean by 'Skew indicative of speed' is for example if you take stock index options such as SPY, FTSE, Nifty they usually have negative skew, with otm puts trading at higher vol than otm calls which indicates, amongst other things, how the market may behave in the event of a directional move in this case of indices they tend to fall faster with vol increasing [hence otm puts trade at higher vols] and rise slower with falling vol [hence otm calls trade at lower vols] James



# RJS Nifty Feb'11

« on: February 03, 2011, 08:52:24 AM »

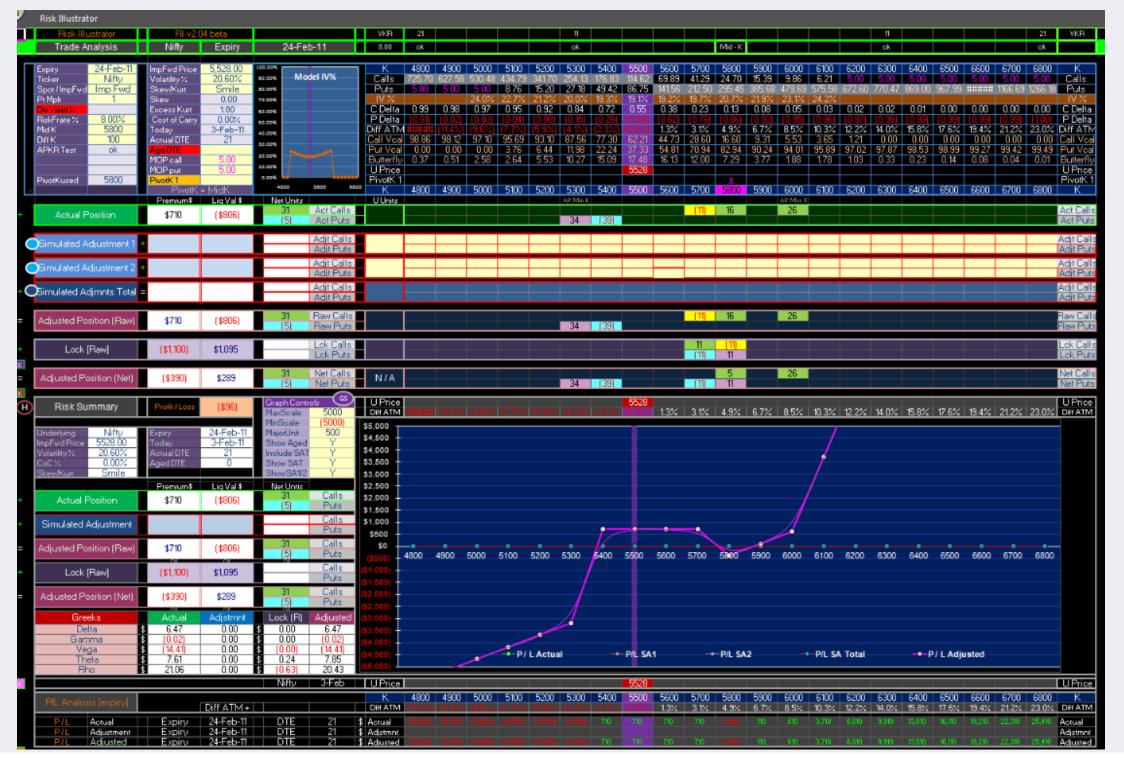
hi.

Nifty Future at 5528 as on 3rd Feb close of the day. Formed a low at 5405 on 1st Feb.

I have created following position in nifty feb series.

(Please note that the entire position has been created on various days, and not on a single day)

+34 5300p -39 5400p -11 5700C +16 5800C +26 6000C



Thoughts / Reasons for building above position:

- -> As per D-Grid, expected Nifty to find support at 5400 levels (rising WickZone), and it did so nicely and bounced back.
- -> Expecting this bounce to be quite a laborious effort (time consuming)
- -> Seeing upside resistance in the vicinity of 5650 5700 (as per traditional technicals)
- -> Have an important event coming up on Feb 11... declaration if Industrial Production Nos (known as IIP nos). This announcement is expected to decide further direction
- -> I have bought kickers (during current decline, in phased manner) in case there is positive surprise in IIP nos
- -> Now i want to buy puts , during current bounce to :
  - a. protect short 5 5400put, and
  - b. Buy kickers, in case IIP nos bring sharp downside

25JUN2015 | 31DEC2015 |

# Option chain:

Home > F&O > Option Chain > Strike Price

				Calls	\$						Puts											
Quote	Open Interest	Change in Open Interest	LTP	Net Change	Volume	Bid Qty	Bid Price	Offer Price	Offer Qty	Strike Price	Bid Qty	Bid Price	Offer Price	Offer Qty	Volume	Net Change	LTP	Open Interest	Change in Open Interest	Quote		
Quote	50	-	900.00	-	-	1,000	917.00	951.95	1,000	4600.00	150	1.60	1.90	450	460	-1.50	1.90	45,150	13,600	Quote		
Quote	1,450	-	752.00	-	-	1,000	817.00	851.95	1,000	4700.00	600	2.40	2.75	1,000	891	-1.25	2.50	222,250	2,500	Quote		
Quote	14,900	700	735.90	95.35	26	200	723.50	741.00	50	4800.00	50	3.75	4.00	9,650	8,764	-1.70	4.00	363,750	96,850	Quote		
Quote	250	150	550.00	-38.00	5	1,000	613.15	648.05	50	4900.00	350	5.50	5.90	250	12,482	-3.25	5.90	630,600	-30,100	Quote		
Quote	141,550	2,150	541.00	88.15	296	100	536.00	550.05	1,400	5000.00	500	8.05	8.85	100	44,172	-5.90	8.85	2,290,400	352,650	Quote		
Quote	20,250	4,200	445.00	80.35	122	50	442.25	450.00	50	5100.00	2,600	13.40	13.45	500	73,479	-9.85	13.40	2,767,850	-354,000	Quote		
Quote	271,200	-11,500	352.25	77.25	1,378	150	352.25	354.35	50	5200.00	200	20.05	20.50	50	143,059	-17.15	20.45	4,835,250	359,600	Quote		
Quote	216,750	-78,100	265.75	70.65	6,829	550	265.15	268.00	100	5300.00	8,000	33.60	34.40	650	194,910	-26.30	33.60	4,929,800	699,250	Quote		
Quote	2,020,200	-305,500	188.00	59.10	89,203	400	188.00	189.00	200	5400.00	9,450	54.60	55.00	3,250	347,294	-38.50	54.60	9,338,750	1,121,100	Quote		
Quote	4,773,550	-1,434,250	121.10	42.95	388,409	50	121.10	122.00	1,450	5500.00	250	86.50	87.35	50	282,960	-52.20	87.30	6,589,300	1,264,650	Quote		
Quote	4,673,000	-120,150	71.00	28.60	327,287	250	70.50	71.00	10,450	5600.00	900	132.35	135.55	100	46,129	-70.60	133.00	3,279,950	-67,550	Quote		
Quote	6,355,200	180,600	37.65	16.70	224,059	2,400	37.55	37.60	100	5700.00	500	196.55	198.85	750	16,775	-80.30	198.00	1,661,250	-229,200	Quote		
Quote	4,600,450	-209,850	18.10	7.80	109,428	200	18.15	18.25	2,250	5800.00	700	278.00	279.70	100	3,456	-89.35	278.25	1,288,200	-6,900	Quote		
Quote	3,941,350	-50,800	8.25	3.05	43,388	11,100	8.25	8.50	10,000	5900.00	3,700	359.85	368.45	200	1,329	-100.10	354.25	606,800	-15,500	Quote		
Quote	4,186,800	55,900	4.50	1.05	32,135	9,100	4.50	4.55	1,400	6000.00	950	456.65	462.45	450	1,162	-91.20	458.45	804,150	-33,100	Quote		
Quote	1,683,500	29,800	3.00	0.45	14,389	6,650	2.90	3.00	1,850	6100.00	500	554.00	559.50	200	472	-100.80	554.50	315,100	-8,200	Quote		
Quote	1,777,800	-58,150	2.20	-	3,800	6,800	2.20	2.35	2,450	6200.00	500	652.85	660.40	200	315	-100.25	650.80	189,900	-7,000	Quote		
Quote	907,400	-18,200	1.85	-0.10	1,157	3,100	1.85	2.00	7,200	6300.00	800	750.05	757.75	500	98	-88.30	752.00	195,250	-3,400	Quote		
Quote	818,600	-2,050	1.85	-0.05	986	3,000	1.80	1.85	3,750	6400.00	100	853.00	860.95	1,800	35	-89.95	855.15	68,450	-1,750	Quote		
Quote	471,150	-11,900	1.35	-0.20	626	3,500	1.35	1.50	350	6500.00	1,000	943.15	960.00	350	69	-110.40	950.00	71,500	400	Quote		

Please have a look at the attached RI.

I shall eagerly wait for comments/suggestions from CC, James and other participants.

Thanks,

Rakesh

I am looking forward to your guidance on:

- a) achieving goals mentioned (in the post)
- b) harvesting
- c) taking off risks
- d) innovative position dissection.

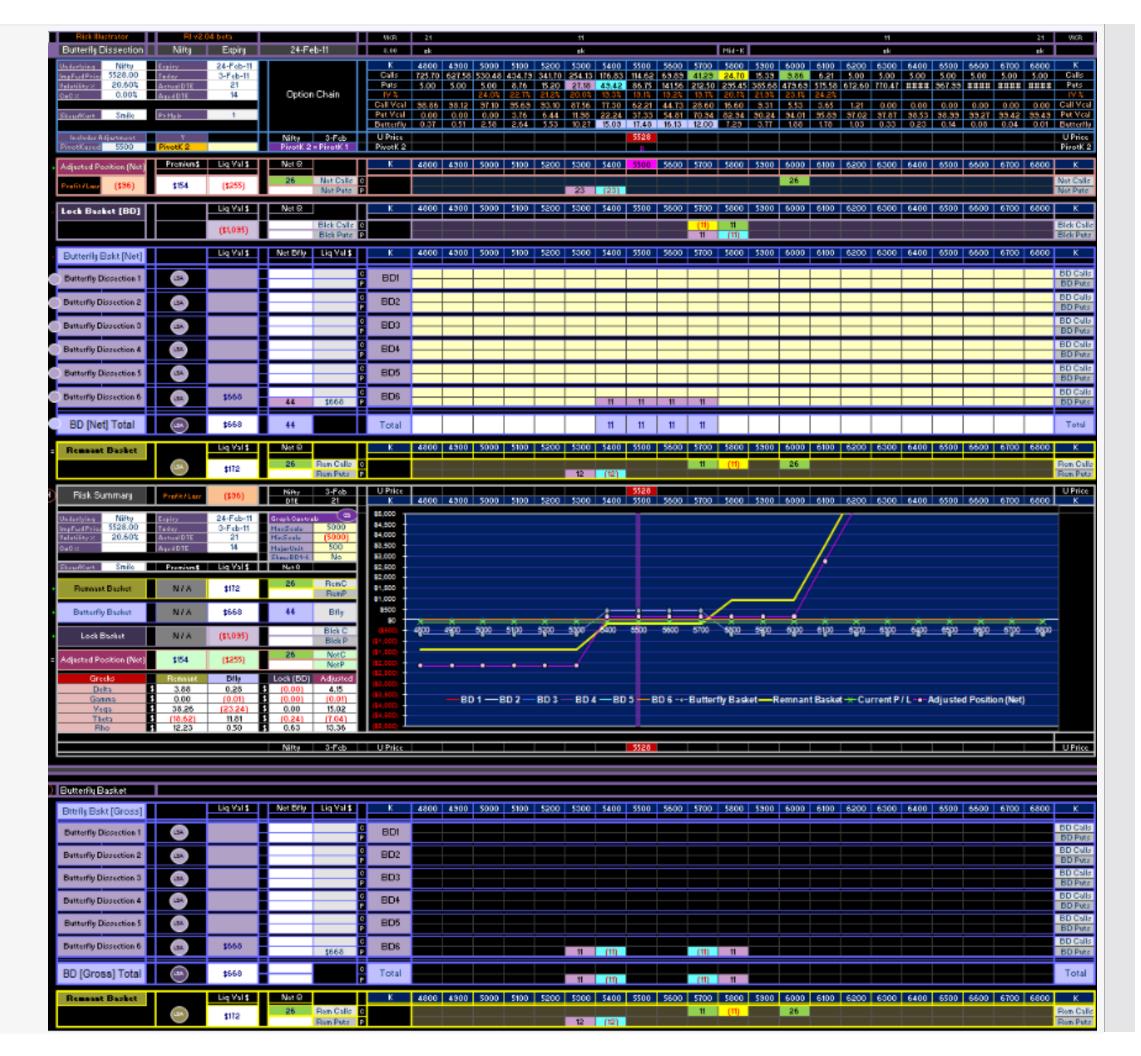
# James Parker Re: Nifty Feb'11

« Reply #1 on: February 03, 2011, 10:44:06 AM »

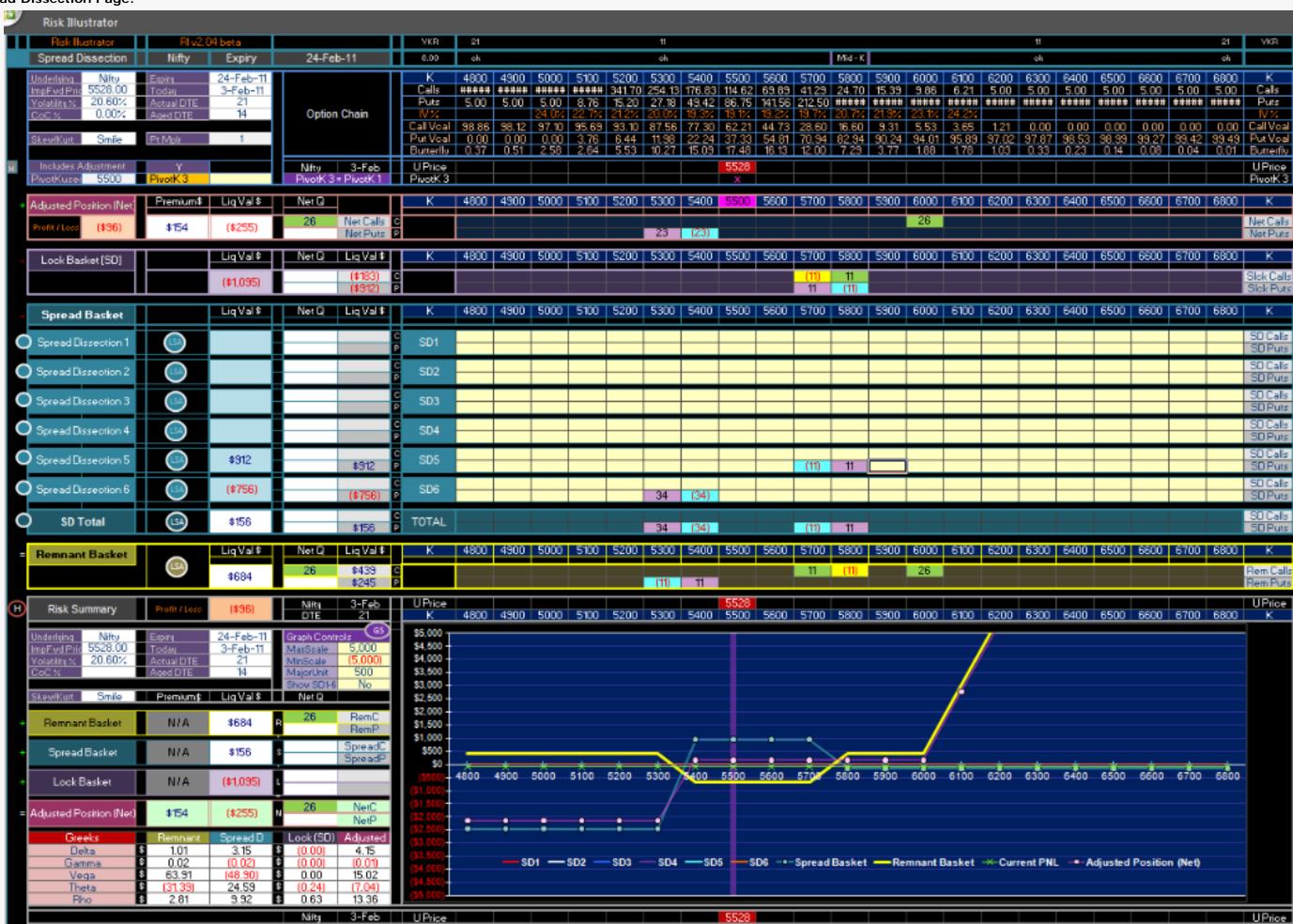
# Rakesh

The trade doesn't really seem to make sense .. at least to me ..... you could achieve much the same risk profile with a much simpler position .... and eliminate the naked downside exposure.

Butterfly dissection reveals 11 x 53/54/57/58 condors which you could liquidate now ... see Below. Equally, you could buy 5x 5400 puts / Sell 5x 5800 calls to tidy up the remnants ... see SA2 Below. **Butterfly Dissection Page:** 



# **Spread Dissection Page:**



### **Trade Analysis Page:** Risk Illustrator MKR Risk Illustrator 21 21 VKB Trade Analysis Nifty Expiry 24-Feb-11 9.00 4800 4900 5000 5100 5200 5300 5400 5500 5600 5700 5800 5900 6000 6100 6200 6300 6400 6500 6600 6700 6800 Model IV% 90.00% Nifty 20.60% Volatility 🛠 20.00% Imp Fwd Skew/Kurt Smile 0.00 10.00% Skew CDelta 0.99 0.98 0.97 0.95 0.92 0.84 0.72 0.55 0.38 0.23 0.13 0.08 0.05 0.03 0.02 0.02 0.01 0.00 0.00 0.00 0.00 CDelta Excess Kurt 1.80 P Delta 8.00% 0.00% P Delta BiskFrate % Cost of Carry 90.00% 5800 1.3% 3.1% 4.9% 6.7% 8.5% 10.3% 12.2% 14.0% 15.8% 17.6% 19.4% 21.2% 23.0% Diff ATM Diff ATM MidK 3-Feb-11 40.00% 44.73 28.60 16.60 9.31 5.53 3.65 1.21 0.00 0.00 0.00 0.00 0.00 0.00 Call Voal 54.81 70.94 82.94 90.24 94.01 95.89 97.02 97.87 98.53 98.99 99.27 99.42 99.49 Put Voal 100 Actual DTE Call Voal 98.86 98.12 97.10 95.69 93.10 87.56 77.30 DMK 20.00% 99.27 99.42 99.49 Put Voal Put Voal 0.00 0.00 0.00 3.76 6.44 11.98 22.24 APKR Test ok Agd DTE 20.00% MOP call Butterfly 0.37 0.51 2.58 2.64 5.53 10.27 15.09 16.13 12.00 7.29 3.77 1.88 1.78 1.03 0.33 0.23 0.14 0.08 0.04 0.01 Butterfly 10.00% MOP put UPrice | 5500 5500 PivotK1 PivotK1 PivotKused PivotK1 0.00 2000 2 K 4800 4900 5000 5100 5200 5300 5400 5500 5600 5700 5800 5900 6000 6100 6200 6300 6400 6500 6600 6700 6800 K Premium\$ Lig Val \$ Net Units U Units (11) 16 26 Act Calls Actual Position \$710 (\$806)Act Puts 34 (39) Act Puts Adjt Call Simulated Adjustment 1 \$668 (\$668) (11) 11 11 (11) Adit Pu \$123 Adjt Call Simulated Adjustment 2 \$124 (\$124) Adit Put \$123 OSimulated Adjmnts Total \$544 (\$544)11 (11) 16 26 \$1,254 Adjusted Position (Raw) (\$1,350) 23 (23) Lok Call Lok Calls Look [Raw] (\$1,100) \$1,095 Lok Puts 26 Net Calls Adjusted Position (Net) \$154 N/A (\$255)23 (23) U Price UPrice Risk Summary 1.3% | 3.1% | 4.9% | 6.7% | 8.5% | 10.3% | 12.2% | 14.0% | 15.8% | 17.6% | 19.4% | 21.2% | 23.0% | DPFATM Diff ATM MinScale. \$5,000 -500 Nifty 24-Feb-1 MajorUnit \$4,500 Show Aged ImpFwd Pr 3-Feb-11 \$4,000 nclude SA1 0.00% 14 how SAT \$3,500 \$3,000 -\$2,500 -Premium\$ Lig Val \$ Net Untis \$2,000 -\$710 (\$806)Actual Position Puts (5) \$1,500 Calls \$1,000 -Simulated Adjustment \$544 (\$544)Puts \$500 \$1,254 (\$1,350)Adjusted Position (Raw) Puts 4800 4900 5000 5100 5200 5<u>300</u> \$400 6500 5600 5700 5800 5900 6000 6100 6200 6300 6400 6500 6600 6700 6800 Calls Puts Lock (Raw) (\$1,100) \$1,095 Calls Adjusted Position (Net) \$154 (\$255)Adjstmnt Lock (R) Adjusted 6.47 0.00 4.15 Delta 0.01 0.00 Gamma 15.02 Vega F14, 411 29.42 -P/L SA2 - P/L Actual - P/L SA Total ---P/L Adjusted P/L SA1 0.24 Theta 21.06 13.36 Nifty 3-Feb UPrice UPrice 4800 4900 5000 5100 5200 5300 5400 5500 5600 5700 5800 5900 6000 6100 6200 6300 6400 6500 6600 6700 6800 Diff ATM+ Diff ATM 1.3% 3.1% 4.9% 6.7% 8.5% 10.3% 12.2% 14.0% 15.8% 17.6% 19.4% 21.2% 23.0% DPFATM Expiry Expiry 24-Feb-11 24-Feb-11 DTE 21 21 Actual Actual \$ Adjstmn/ Adjustment Adjstmnt Expiry 24-Feb-11 DTE Adjusted 21 \$ Adjusted Adjusted

Hope this helps, James

**RJS** Re: Nifty Feb'11 « Reply #2 on: February 03, 2011, 07:44:14 PM » superb. unwinding condor will mean: --> i will be taking off almost 650 off table ---> 5300p/5400p vertical is trading at 21 ----> 5700c/5800c vertical is trading at 19 --> reduce downside exposure --> have almost the same risk profile. Should i wait for few more days running in to the event, to get more of theta? before unwinding this position Please correct me if i am missing any thing here rakesh **Ri\$k Doctor** Re: Nifty Feb'11 « Reply #3 on: February 03, 2011, 08:35:23 PM » Quote Should I wait for few more days running in to the event, to get more of theta, before unwinding this position? Call 1-800 ALL MIGHTY. From India you may have to Dial 011 first. **RJS** Re: Nifty Feb'11 « Reply #4 on: February 03, 2011, 08:55:20 PM » i am in queue !!! We are trading with probabilities. It seems highly probable that market will stabilize here / spend some time / consolidate. Hence staying with the position for some more time in to the event. However, in case market does not behave as expected, there are always stop losses to take care of the adverse . In the current position, i simply have to unwind verticals. So better not to disturb HIM, what say? rakesh **Ri\$k Doctor** Re: Nifty Feb'11 « Reply #5 on: February 03, 2011, 09:56:21 PM » James has pointed out some very good stuff that you gravitate to. You may not be at the point where you say, "Absolutely, I like James's positioning better." Because if you did....If you really really truely did, you would not hesitate. You would go down to the exchange this night, bang down the door and demand to change the position, immediately, even if the exchange is closed. It would not matter theta this or gamma that -- 3 days...one more day..."NO...NOW!!!!!!!!!!!!!" That could be a bit over reactive, don't you think? **RJS** Re: Nifty Feb'11 « Reply #6 on: February 03, 2011, 10:41:55 PM » agree.