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Alpha-Generating Strategies for Today's Market Environment

By
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CFA Institute
Underlying Theme for the Session

- Owning Stock has +’s and – ‘s
  - Plus – stock goes up you make money
  - Minus – stock goes down you lose money

- Utilizing Options has +’s and –’s
  - Plus – leverage, time decay, limited risk...
  - Minus – leverage, time decay, unlimited risk

Key to Successfully Utilizing Options

Make sure the plus is more valuable to you than the minus is detrimental to you
Differences in Stocks and Options

- **Stock** positions basically *remain the same*
- **Option** positions *will change* based upon:
  - Passage of Time
  - Changes in Stock Price
  - Changes in Volatility Levels

Stocks = Linear
Options = Non-linear

Are linear risk measures accurate in a non-linear world? (Leyland / Stutzer)
Option Issues

- Some still feel option use is risky!
- Questions about short-term or long-term strategy?
- Some uncomfortable because they never used options!
- Despite these issues option volume has surged... now? (2007 Average daily volume 11.4 million vs. 14.8 million contracts average in 2008 – so far 14.5 million contracts in 2009)

Source: Options Clearing Corp. and Option Industry Council

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Structure of US Options Market

Option Volume by Exchange

- Chicago Board Options Exchange, 33.94%
- NASDAQ, 3.14%
- Boston Option Exchange, 4.71%
- International Securities Exchange, 28.24%
- Philadelphia Stock Exchange, 15.28%
- American Stock Exchange, 4.95%
- NYSE - Arca, 9.74%

*Total Option Volume August 13, 2009

Source: Option Clearing Corporation
Option Basics

- Calls give you the right to buy the stock
- Puts give you the right to sell the stock
- Both at a certain price (the strike price)
- And for a certain period of time (the expiration date)
- Options usually represent 100 shares of stock

Source: Options Clearing Corp. and Option Industry Council
Option Basics

• **Option Info** – 200 XYZ July 40 calls for 1.55

1. Number of contracts
2. Underlying Security
3. Expiration Date
4. Strike price
5. Call / Put
6. Premium

• In-the-Money (ITM)/Out-of-the-Money (OTM)
  with stock at 45 = ITM (strike price below stock price)
  with stock at 35 = OTM (strike price above stock price)

• One or more can be combined with a stock
• Two or more can be combined in a spread
Option Basics

Option Terms to Know

• **Premium** – price paid for the option

• **Intrinsic Value** – Parity value of option
  - Call Strike (40) Stock (45) Option (7) Parity (5)

• **Time Premium** – Premium minus parity
  - Call Strike (40) Stock (35) Option (1) TP (1)

• **Volatility** – Annualized Standard Deviations
  - **Historical Volatility** – past movements
  - **Implied Volatility** – anticipated movements in the future
Why is Volatility Important?

5% OTM Put – 25 Days – 16 Vol – $1.51
5% OTM Put – 25 Days – 32 Vol – $10.73
5% OTM Put – 25 Days – 48 Vol – $23.29
5% OTM Put – 25 Days – 64 Vol – $35.93
5% OTM Put – 25 Days – 80 Vol – $49.86
## Impacts on Option Pricing

<table>
<thead>
<tr>
<th>Increase in:</th>
<th>Calls</th>
<th>Puts</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Stock Price</td>
<td>+ (direct)</td>
<td>- (inverse)</td>
</tr>
<tr>
<td>- Interest Rates</td>
<td>+ (direct)</td>
<td>- (inverse)</td>
</tr>
<tr>
<td>- Strike Price</td>
<td>- (inverse)</td>
<td>+ (direct)</td>
</tr>
<tr>
<td>- Dividends</td>
<td>- (inverse)</td>
<td>+ (direct)</td>
</tr>
<tr>
<td>- Time to Expiration*</td>
<td>+ (direct)</td>
<td>+ (direct)</td>
</tr>
<tr>
<td>- Volatility</td>
<td>+ (direct)</td>
<td>+ (direct)</td>
</tr>
</tbody>
</table>

* For all scenarios except deep in-the-money European style puts
<table>
<thead>
<tr>
<th>Decrease in:</th>
<th>Calls</th>
<th>Puts</th>
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<tr>
<td>Stock Price</td>
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<td>+(inverse)</td>
</tr>
<tr>
<td>Interest Rates</td>
<td>-(direct)</td>
<td>+(inverse)</td>
</tr>
<tr>
<td>Strike Price</td>
<td>+(inverse)</td>
<td>-(direct)</td>
</tr>
<tr>
<td>Dividends</td>
<td>+(inverse)</td>
<td>-(direct)</td>
</tr>
<tr>
<td>Time to Expiration*</td>
<td>-(direct)</td>
<td>-(direct)</td>
</tr>
<tr>
<td>Volatility</td>
<td>-(direct)</td>
<td>-(direct)</td>
</tr>
</tbody>
</table>

* For all scenarios except deep in-the-money European style puts
Foundation for Option Analysis

• Option “Greeks”
  - **Delta** – change in value based on stock
  - **Gamma** – change in delta based on stock
  - **Theta** – change in value based on time
  - **Vega** – change in value based on volatility
**Delta Very Important**

- **Delta** – price movement in the option based on a small movement in the stock

  - THINK OF **DELTA** AS PERCENTAGE CHANCE THE OPTION WILL FINISH **IN-THE-MONEY**

**Stock = 41**

*Chance of stock closing above 40 greater than 50%*

*Chance of stock closing above 45 less than 50%*

- Delta ranges from **0 to 100** (**.00 to 1.00**) 
- Represents Equivalent Number of Shares
- At-the-money has around a **50 delta**
- Calls positive delta - Puts **negative** delta
Gamma Important Too

- **Gamma** – change in option’s delta based upon movement in the stock
  - The **Delta** of the **Delta**
  - Similar to a bond’s **convexity**
  - **Highest** before expiration for at-the-money
  - **Lower** away from the strike price
  - **Lower** more time until expiration
  - Gamma tied to **time decay** and **volatility**
  - **Long** an option (Put or Call) = **Long** Gamma
  - **Short** an option (Put or Call) = **Short** Gamma
What Gamma Looks Like

Delta Changes as Stock Price Changes

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Theta and Vega are Greeks Too

- **Theta** – time decay in the option
  - Options are wasting assets
  - Gradually lose their time premium
  - Long options = long theta (negative decay)
  - Short options = short theta (positive decay)

- **Vega** – change in option’s price based on change in volatility
  - Long options = Long Vega
  - Short Option = Short Vega
How Greeks Work In Practice

*Extremely Useful Exercise…*

Use OIC’s Position Simulator to Determine:

- What is the delta?
- How does the delta change (gamma)?
- Is that the only time the deltas change?
- What is the theta and does it change?
- What is the vega and does it change?

What is the Key to all of this… Changes!
• Summary
  – Know your option terms
  – Know your inputs
  – Know your “Greeks”
  – Understand the moving parts
  – Don’t confuse things:
Option Strategies – Many Types

1. Call Purchase
2. Put Purchase
3. Bull Call Spread
4. Bear Put Spread
5. Covered Call (stock)
6. Protective Put (stock)
7. Collar (stock)
8. Long Straddle (combine)
9. Long Strangle (combine)
Bullish Strategies

Buy July 100 Calls for 8.50
Sell July 120 Calls for 1.50

Cost: 7.00 (8.50 – 1.50)
Maximum Profit: 13
([120-100] – 7)

Why would they do this?

Source: Options Industry Council
Buy July 105 Puts for 7.50
Sell July 95 Calls for 3.00

Cost: 4.50 (7.50 – 3.00)
Maximum Profit: 5.50
([105-95] – 4.50)

Why would they do this?

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Source: Options Industry Council
Hedging Strategies

- lack of upside movement (CC)
- Preparing for short term weakness (PP and Collar)

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Source: Options Industry Council
 Covered Call Option Writing

- Long stock position
- Sell call option
  - Plus - Collect premium
  - Minus - Limits upside (Cap)

- Position has **time decay**
- Position **capped** at strike price + premium
- **Break even** at stock price – premium
- **Downside risk** similar to stock less premium
- May **add alpha** when needed most
- **Is not** a free lunch – get value / give value

Source: Option Industry Council
Selecting the Stock and Option to Sell

Option Selection Checklist

• What are the prospects/events for stock?
• Are you already long the stock?
• % of position written?
• OK to be called away?
• Can you babysit a position?
• Current and anticipated volatility level?
• Is upside or downside more important?
• Additional requirements or constraints…
Selecting the Option to Sell

Scenario

• *Be aware of the position dynamics*
• *Chance of trading ITM and Finishing ITM*

<table>
<thead>
<tr>
<th>Strike</th>
<th>Price</th>
<th>Delta</th>
<th>% ITM-Trade</th>
<th>% ITM-Close</th>
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<tbody>
<tr>
<td>50</td>
<td>2.45</td>
<td>46</td>
<td>87.6/(63.4)</td>
<td>48.2/(36.1)</td>
</tr>
<tr>
<td>52.5</td>
<td>1.45</td>
<td>33</td>
<td>62.8/(50.5)</td>
<td>35.9/(29.5)</td>
</tr>
<tr>
<td>55</td>
<td>.75</td>
<td>21</td>
<td>42.7/(37.8)</td>
<td>25.3/(22.6)</td>
</tr>
</tbody>
</table>

() - Strike price plus premium sold
Profitability %

• *Which one is best for you?*
• *Common Misconception – Higher is Better*
• *Common Misconception – Longer is Better*
Not Always…
Selecting the Option to Sell - Returns

- **Return if Unchanged** - Premium/Stock Price
  - Period vs. annualized dilemma
- **Return if Called** - Appreciation + Premium/Stock Price
  - Big Assumption... Appreciation in Stock
- **Upside Cap**
- **Downside protection**

*Annualized

<table>
<thead>
<tr>
<th>Option</th>
<th>Unchanged</th>
<th>Unchanged*</th>
<th>Called</th>
<th>Called*</th>
</tr>
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<tbody>
<tr>
<td>Aug 50</td>
<td>3.04%</td>
<td>34.20%</td>
<td>4.40%</td>
<td>49.50%</td>
</tr>
<tr>
<td>Aug 52.5</td>
<td>1.21%</td>
<td>13.61%</td>
<td>7.64%</td>
<td>85.95%</td>
</tr>
<tr>
<td>Oct 50</td>
<td>4.97%</td>
<td>18.89%</td>
<td>6.33%</td>
<td>24.05%</td>
</tr>
<tr>
<td>Oct 52.5</td>
<td>2.94%</td>
<td>11.17%</td>
<td>9.37%</td>
<td>36.07%</td>
</tr>
<tr>
<td>Oct 55</td>
<td>1.52%</td>
<td>5.78%</td>
<td>13.01%</td>
<td>49.44%</td>
</tr>
</tbody>
</table>
Adjusting The Position

- Be patient (sometimes), time is on your side
- Adjust in-the-money options when necessary
  - **Roll-up** – Vertical
  - **Roll-out** – Calendar (Time)
  - **Roll-up and out** – Diagonal
  - **Buy-back/Cap** – Cover/Limit
- Don’t try to *squeeze out* the last of premium
- Recognize the potential for early *exercise risk*
Early Exercise / Assignment

In-the-Money ≠ Early Exercise!!!

Early Exercise Checklist

• Is the option ITM?
• Is there ex-date for a deal?
• When is the ex-dividend date?
• What is the size of the dividend?
• How much of option is time premium?
• What is the tax consequences?
Early Exercise / Assignment

**Early Exercise = Selling a Put**

- Compare put vs. dividend
- Roll if appropriate
- Sub-optimal exercise
- Relax

**Two Day stock settlement!**

The X-axis (horizontal) represents the price level of an underlying stock. The Y-axis (vertical) represents profit and loss, above and below the X-axis intersection respectively.
Differences in Covered Call and Short Put

Covered Call

The X-axis (horizontal) represents the price level of an underlying stock. The Y-axis (vertical) represents profit and loss, above and below the X-axis intersection respectively.

Cash Secured Put

The X-axis (horizontal) represents the price level of an underlying stock. The Y-axis (vertical) represents profit and loss, above and below the X-axis intersection respectively.

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**Benchmark Methodology**

- **Passive** Covered Call Strategy on Index
- Sell slightly *out-of-the-money* option
- **Next expiration** month (4 or 5 weeks)
- Wait until option expires
- **Sell another** 1 month option

<table>
<thead>
<tr>
<th>Index</th>
<th>Name</th>
<th>New Strike Price</th>
<th>New VWAP Price</th>
<th>Underlying Index VWAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>BXM</td>
<td>CBOE S&amp;P 500 BuyWrite Index</td>
<td>950</td>
<td>66.77122</td>
<td>943.75</td>
</tr>
<tr>
<td>BXD</td>
<td>CBOE Dow Jones BuyWrite Index</td>
<td>90</td>
<td>5.75588</td>
<td>89.26873</td>
</tr>
<tr>
<td>BXN</td>
<td>CBOE Nasdaq-100 BuyWrite Index</td>
<td>1325</td>
<td>99.32143</td>
<td>1314.94</td>
</tr>
<tr>
<td>BXY</td>
<td>CBOE S&amp;P 500 2% OTM BuyWrite Index</td>
<td>970</td>
<td>53.50</td>
<td>944.82</td>
</tr>
<tr>
<td>BXR</td>
<td>CBOE Russell 2000 BuyWrite Index</td>
<td>540</td>
<td>36.40</td>
<td>528.61</td>
</tr>
</tbody>
</table>
Income from BXM Option Premiums

BXM Index - Monthly Premiums

Gross amount* received as a % of the underlying
Average was about 1.8% per month

(June 1988 - May 2009). Source: CBOE.

* Please note that these are gross amounts, and the net return often will be less with a buywrite strategy. www.cboe.com/BXM

Source: CBOE S&P 500 BuyWrite Index (BXM)
Option Premiums Depend Upon Volatility


<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P 500 (SPX)</td>
<td>12.8</td>
<td>12.8</td>
<td>17.5</td>
</tr>
</tbody>
</table>

| Correlation of Daily Returns for VIX and S&P 500 | -0.83 | -0.82 | -0.85 |

| Historic Volatility of Daily Returns of VIX Index | 83.3% | 94.2% | 132.0% |

| Historic Volatility of Daily Returns of VIX Near-term Futures | 45.8% | 56.0% | 78.5% |

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### Call Writing Outperformed 9 Out of 19 Years

<table>
<thead>
<tr>
<th>Year</th>
<th>Call Writing</th>
<th>S+P 500 (TR)</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>4.0%</td>
<td>-3.1%</td>
<td>7.1%</td>
</tr>
<tr>
<td>1992</td>
<td>11.5%</td>
<td>7.6%</td>
<td>3.9%</td>
</tr>
<tr>
<td>1993</td>
<td>14.1%</td>
<td>10.1%</td>
<td>4.0%</td>
</tr>
<tr>
<td>1994</td>
<td>4.5%</td>
<td>1.3%</td>
<td>3.2%</td>
</tr>
<tr>
<td>1999</td>
<td>21.2%</td>
<td>21.1%</td>
<td>.1%</td>
</tr>
<tr>
<td>2000</td>
<td>7.4%</td>
<td>-9.1%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2001</td>
<td>-10.9%</td>
<td>-11.9%</td>
<td>1.0%</td>
</tr>
<tr>
<td>2002</td>
<td>-7.6%</td>
<td>-22.1%</td>
<td>14.5%</td>
</tr>
<tr>
<td>2007</td>
<td>6.6%</td>
<td>5.5%</td>
<td>1.1%</td>
</tr>
<tr>
<td>2008*</td>
<td>-25.79%</td>
<td>-35.95%</td>
<td>10.1%</td>
</tr>
</tbody>
</table>

*AS OF October 17, 2008

Source: CBOE S&P 500 BuyWrite Index (BXM)
Usually High Returns When Underperforming

<table>
<thead>
<tr>
<th>Year</th>
<th>Call Writing</th>
<th>S+P 500 (TR)</th>
<th>Alpha</th>
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</thead>
<tbody>
<tr>
<td>1989</td>
<td>25.0%</td>
<td>31.7%</td>
<td>-6.7%</td>
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<tr>
<td>1991</td>
<td>24.4%</td>
<td>30.5%</td>
<td>-6.1%</td>
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<tr>
<td>1995</td>
<td>21.0%</td>
<td>37.6%</td>
<td>-16.6%</td>
</tr>
<tr>
<td>1996</td>
<td>15.5%</td>
<td>23.0%</td>
<td>-7.5%</td>
</tr>
<tr>
<td>1997</td>
<td>26.6%</td>
<td>33.4%</td>
<td>-6.8%</td>
</tr>
<tr>
<td>1998</td>
<td>18.9%</td>
<td>28.6%</td>
<td>-9.7%</td>
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<tr>
<td>2003</td>
<td>19.4%</td>
<td>28.7%</td>
<td>-9.3%</td>
</tr>
<tr>
<td>2004</td>
<td>8.3%</td>
<td>10.9%</td>
<td>-2.6%</td>
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<tr>
<td>2005</td>
<td>4.2%</td>
<td>4.9%</td>
<td>-.7%</td>
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<tr>
<td>2006</td>
<td>13.3%</td>
<td>15.8%</td>
<td>-2.5%</td>
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Source: CBOE S&P 500 BuyWrite Index (BXM)
## Tale of Two Years

<table>
<thead>
<tr>
<th>Year</th>
<th>BXM</th>
<th>S&amp;P (TR)</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>21.2%</td>
<td>21.1%</td>
<td>.1%</td>
</tr>
<tr>
<td>2004</td>
<td>8.3%</td>
<td>10.9%</td>
<td>-2.6%</td>
</tr>
</tbody>
</table>

### What Caused this Difference?

1. 24.36 Average VIX in 1999 ($29.96 option price)
2. 15.48 Average VIX in 2004 ($18.03 option price)
3. $11.93 monthly difference = 12% annually
4. Interest Rates 4.5% (in 1999) - 2.5% (in 2004)
5. $.90 monthly difference = 1% annually
6. Explains roughly 13% of difference (21.2 – 8.3)
Many Investable Products

Over $30 Billion in More Than 40 Products

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Investment Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>BWC</td>
<td>BlackRock World Investment Trust</td>
</tr>
<tr>
<td>PBN</td>
<td>Citigroup Funding PISTONS linked to BXM Index</td>
</tr>
<tr>
<td>DPD</td>
<td>Dow 30 Premium &amp; Dividend Income Fund Inc</td>
</tr>
<tr>
<td>ETW</td>
<td>Eaton Vance Tax-MgdGlobal Buy-Write Opportunity Fund</td>
</tr>
<tr>
<td>BEO</td>
<td>Enhanced S&amp;P 500 Covered Call Fund</td>
</tr>
<tr>
<td>GATEX</td>
<td>Gateway Fund</td>
</tr>
<tr>
<td>GSPAX</td>
<td>Goldman Sachs U.S. Equity Dividend and Premium Fund</td>
</tr>
<tr>
<td>IGA</td>
<td>ING Global Advantage and Premium Opportunity Fd</td>
</tr>
<tr>
<td>MCN</td>
<td>Madison/Claymore Covered Call Fund</td>
</tr>
<tr>
<td>BXU</td>
<td>Merrill Lynch 8% Return Notes Linked to BXM Index</td>
</tr>
<tr>
<td>MBS</td>
<td>Morgan Stanley Strategic Total Return Securities (STARS) linked to BXM Index</td>
</tr>
<tr>
<td>NFJ</td>
<td>NFJ Dividend Interest &amp; Premium Strategy Fund</td>
</tr>
<tr>
<td>NAI</td>
<td>Nicholas-Applegate International &amp; Premium Strategy Fund</td>
</tr>
<tr>
<td>JPZ</td>
<td>Nuveen Equity Premium Income Fund</td>
</tr>
<tr>
<td>PGP</td>
<td>PIMCO Global StocksPLUS &amp; Income Fund</td>
</tr>
<tr>
<td>BEP</td>
<td>S&amp;P 500 Covered Call Fund Inc. (IQ Inv. Adv., Merrill Lynch)</td>
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<tr>
<td>VEPBX</td>
<td>Van Kampen Equity Premium Income Fund</td>
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<tr>
<td>BWV</td>
<td>Barclays iPath CBOE S&amp;P 500 BuyWrite Index (ETN based on BXM Index)</td>
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<tr>
<td>PBP</td>
<td>PowerShares S&amp;P 500 BuyWrite Portfolio (ETF based on BXM Index)</td>
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</tbody>
</table>

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Studies on Covered Call Writing


www.cboe.com/BXM
Returns Dependent Upon…

BXM (Passive)
- Option *premium levels*
- *Timing* of the returns
- *Distribution* of returns

Active Management
- All factors listed above plus…
  - *Selecting* proper strike price and expiration date
  - *Monitoring* to assure position meets objectives
  - *Adjusting* to maximize enhancement benefits

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### Screening / Scanning

<table>
<thead>
<tr>
<th>Stock Symbol</th>
<th>Option Ticker</th>
<th>Expiration Month (Year)</th>
<th>Strike Price</th>
<th>Last Price</th>
<th>Call Bid</th>
<th>Return if Called</th>
<th>Annualized Return (percent)*</th>
<th>Return if Unchanged</th>
<th>Annualized Break Even (percent)</th>
<th>Downside Protection (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AJG</td>
<td>AJGDE</td>
<td>Apr08</td>
<td>25</td>
<td></td>
<td>$23.97</td>
<td>$0.85</td>
<td>9.47%</td>
<td>34.10%</td>
<td>5.02%</td>
<td>18.06%</td>
</tr>
<tr>
<td>BAC</td>
<td>BACA</td>
<td>Jan08</td>
<td>40</td>
<td></td>
<td>$39.30</td>
<td>$0.65</td>
<td>3.49%</td>
<td>139.72%</td>
<td>1.68%</td>
<td>67.27%</td>
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<tr>
<td>BAC</td>
<td>BACBH</td>
<td>Feb08</td>
<td>40</td>
<td></td>
<td>$39.30</td>
<td>$1.75</td>
<td>6.52%</td>
<td>63.48%</td>
<td>4.66%</td>
<td>45.34%</td>
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<td>BAC</td>
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<td>Feb08</td>
<td>42 1/2</td>
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<td>$39.30</td>
<td>$0.70</td>
<td>10.10%</td>
<td>98.31%</td>
<td>1.81%</td>
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<td>BBTBF</td>
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<td>$27.61</td>
<td>$0.60</td>
<td>11.07%</td>
<td>107.71%</td>
<td>2.22%</td>
<td>21.61%</td>
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<td>$1.00</td>
<td>12.74%</td>
<td>63.70%</td>
<td>3.76%</td>
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<td>110</td>
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<td>7.89%</td>
<td>76.72%</td>
<td>3.92%</td>
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<td>BEN</td>
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<td>12.04%</td>
<td>43.33%</td>
<td>7.93%</td>
<td>28.55%</td>
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<tr>
<td>BEN</td>
<td>BENDC</td>
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<td>115</td>
<td></td>
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<td>$5.50</td>
<td>14.67%</td>
<td>52.82%</td>
<td>5.67%</td>
<td>20.43%</td>
</tr>
</tbody>
</table>

1. Scan massive trading data for valuable insights
2. Very powerful when combined with backtesting
3. Don’t confuse macro issues as micro opportunities
4. Understand what the numbers are telling you and the interaction between factors

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Volatility Exposure

Buy July 100 Calls
Buy July 100 Puts
Expecting a big move in either direction

Buy July 90 Puts
Buy July 110 Calls
Expecting a big move – cheaper cost/less impact

Indian Association of Investment Professionals

Source: Options Industry Council
In the Future

Volatility More Important

Read the UMass Study!
Option Information Sources:

- **Options Industry Council**  
  (optionseducation.org)

- **Equity Option Exchanges**
  - Chicago Board Options Exchange (cboe.com)
  - International Securities Exchange (iseoptions.com)
  - Philadelphia Stock Exchange (phlx.com)
  - American Stock Exchange (amex.com)
  - NYSE-Arca (arcaex.com)
  - Boston Options Exchange (bostonoptions.com)
  - NASDAQ (nasdaqtrader.com)

- **Options Clearing Corp.**  
  (optionsclearing.com)

- **I-Volatility**  
  (ivolatility.com)
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