

This training course is designed to introduce delegates to option strategies.

Learning objectives

Acquiring insight and knowledge of:

- Option strategies & combinations
- Trading options strategies
- Analyzing complex option positions
- Valuation of option combinations

Target group

Mercurious' Options courses are particularly suitable for compliant financial and commodity community, including:

- Traders
- Analysts
- Risk managers
- Executives
- Back office staff
- Asset managers
- Investment managers
- Portfolio managers
- Financial consultants

Training

The training course will provide delegates knowledge and skills with respect to combinations of options, their features and applications. Delegates will get a real feel for the effects of options contracts by following their proceeds using real world examples.

The training sessions have a strong interactive character whereby the involvement of participants is of utmost importance. A clear overall picture of the working of options, their markets, relevant developments, risks and other relevant issues is provided during the training sessions by means of exercises, calculations and theory.

Content

This training course covers one full day. While dealing with each subject, attention is given to the various characteristics, aspects, opportunities and risks attached to that subject. We can tailor the course to match your specific requirements. For example, the course can be split into specific sections or used as a building block for an extended course.

Options – Trading Strategies

Options as position building blocks

- Types & categories
- When to use?
- Advantages and disadvantages
- Profit & loss characteristics
- Premium decay
- Options in combination with futures or spot products

General combination building techniques

- Working with delta lines
- Drawing techniques
- Fast deriving of break-even and P&L potentials

Option strategies

- Use of single options
 - Long call
 - Short call
 - Long put
 - Short put
- Arbitrage positions
 - Reversal
 - Conversion
 - Box
- Basic options combinations
 - Bull spread
 - Bear spread
 - Long straddle
 - Short straddle
 - Long strangle
 - Short strangle
- More complex combinations
 - Long butterfly
 - Short butterfly
 - Long condor
 - Short condor
 - Ratio call-spread
 - Ratio put-spread
 - Ratio call back-spread
 - Ratio put back-spread

Commonly used combinations

- Cap
- Floor
- Collar

