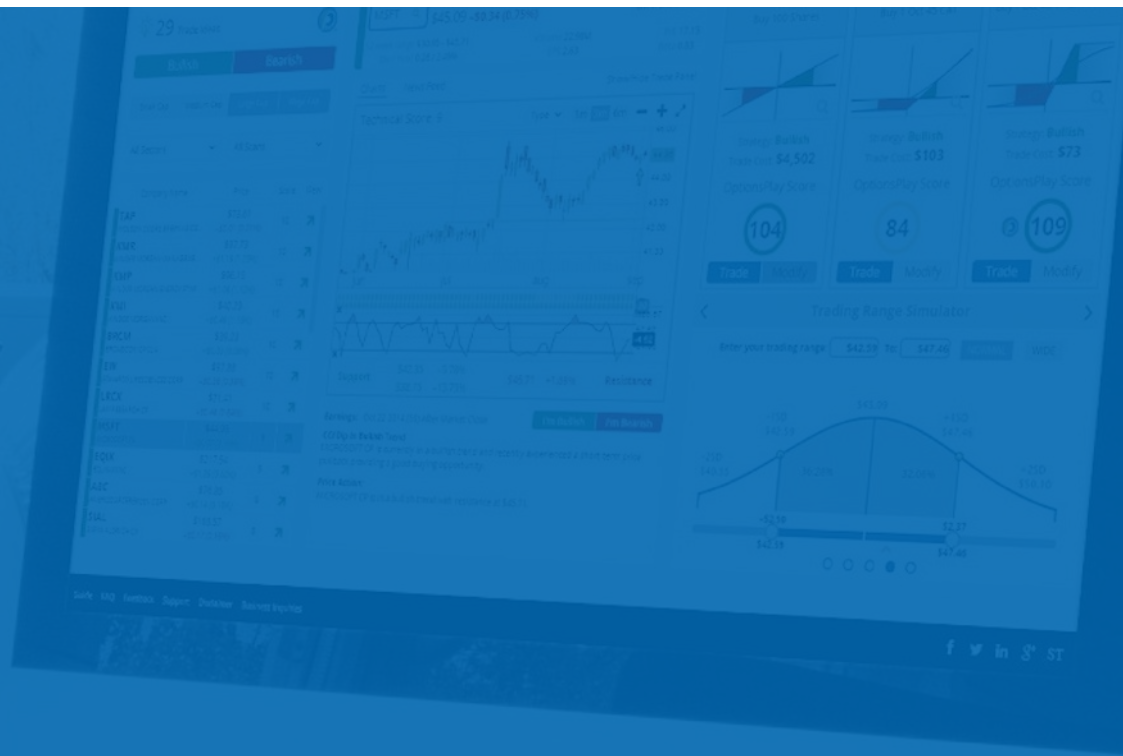




Enhancing Your Equity Positions with Options

June 3rd, 2020 @ 2:45 PM CET

Tony Zhang, Chief Strategist @ OptionsPlay



Disclaimer



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Weekly Covered Call & Short Put Reports

Today's Overview

- **How to buy stocks at a discount**
- **How to generate income from your stocks**
- **Optimal Options Strategies**
- **Covered Call & Short Put Reports**
- **Automate with OptionsPlay**
- **OptionsPlay Demo**
- **Questions & Answers**



Learn to Trade Options



Tony Zhang

Chief Strategist



Derivatives | Technical Analysis | Equities | Economics | Market Strategy
Options Action on CNBC – Fridays @ 5:30PM EST

Buying a Stock – H&M (157 SEK)

Stock Investor – Bullish on H&M

- Purchase using a limit order @ 150 SEK
- Obligation to buy H&M @ 150 SEK
- Requires 15,000 SEK Cash or Margin to place the order
- Executes when H&M declines to 150 SEK

Outcomes

1. H&M stays above 150 SEK: No execution, no gain or loss
2. H&M moves below 150 SEK: Own H&M @ 150 SEK

What is a Short Put?

Options Investor - Sell 1 Month 150 SEK Put for 5 SEK

- Obligation to buy stock @ 150 SEK upon expiration
- Each contract delivers 100 Shares
- Requires 14,500 SEK to sell puts
- Strategy to acquire shares at 3.33% discount (per month)

Outcomes

1. H&M stays above 150 SEK: Sell another put for more income
2. H&M moves below 150 SEK: Own H&M @ 145 SEK (5 SEK Discount)

Owning a Stock

 **Stock Investor** – Owns H&M at 150 SEK, target of 180 SEK

- Holds H&M until it reaches target, or stop loss
- Places a limit order to sell at 180 SEK, obligates to sell
- Collects dividend until exit, if applicable

Outcomes

1. H&M stays below 180 SEK: Owns H&M and collects dividends
2. H&M rallies above 180 SEK Price: Sells H&M for 30 SEK profit

What is a Covered Call?

Sell Covered Call @ 180 SEK for 2 SEK

- Obligation to sell stock @ 180 SEK upon expiration
- Requires at least 100 Shares
- Strategy to take profit as stock rallies significantly

Outcomes

1. H&M above 180 SEK @ expiration: Sell stock for 182 SEK
2. H&M below 180 SEK: Sell another Covered Call for more income

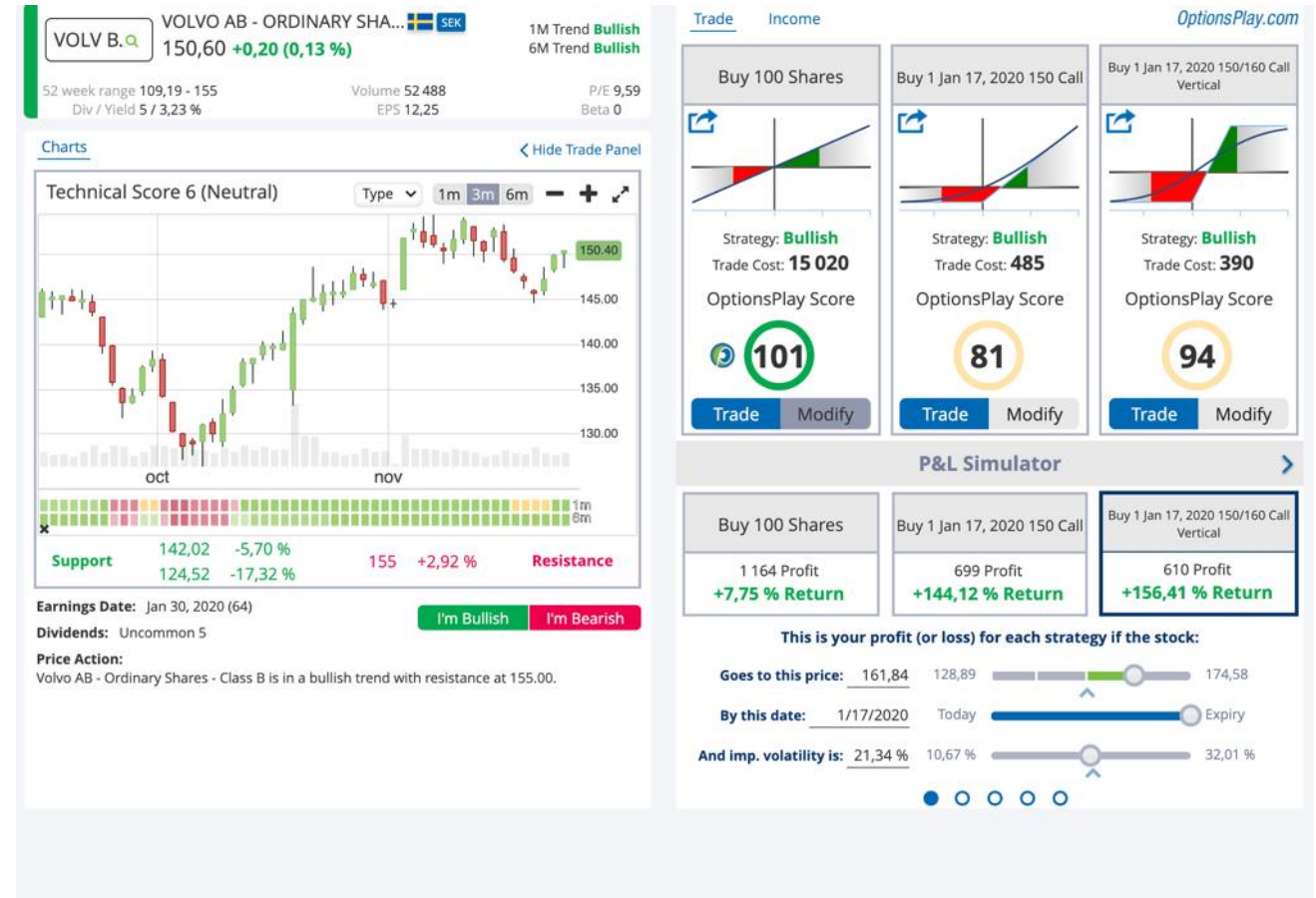
Total Discount (5 SEK) + Income (2 SEK) = 7 SEK more in profits (4.6%)

Income Generating Tips

- Acquire shares at **discount** with cash secured puts
- Start Covered Calls **immediately** after acquiring shares
- **Shorter-dated** options maximize time decay
- Short Puts @ Strike Prices **near** Stock Price
- Covered Calls @ Strike prices **further away** from Stock Price
- **Avoid** selling covered calls going into earning

OptionsPlay Live Examples

- **Instant Bullish & Bearish Strategies**
- **P&L Simulator**
- **Breakeven Analysis of Strategies**
- **Covered Call Ideas & Analysis**
- **Trading Checklists for Beginners**





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Covered Call & Short Puts Reports



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OptionsPlay Platform - English & Swedish

STOCKHOLM 30 INDEX 1743.94
+2,95 (0,17 %)

1M Trend **Neutral**
6M Trend **Bullish**

Real-Time Market Data

Questions? [Ask us!](#)

🇸🇪 Nordic Test

Trade Ideas Watchlists

28 Nordic Watchlist

Company Name	Price	Score	1M
ABB ABB LTD.	212 +0,50 (0,24 %)	8	↗
ASSA B ASSA ABLOY AB - ORDINARY SHA...	229,50 +0,50 (0,22 %)	8	↗
AZN ASTRAZENECA PLC	933,60 -5 (0,53 %)	8	↗
ALIV SDB AUTOLIV INC. - SEDR	798 +3,40 (0,43 %)	9	↗
BETS B BETSSON AB - ORDINARY SHARE...	44,95 -0,50 (1,10 %)		↘
BOL BOLIDEN AB	258,75 -2,30 (0,88 %)		→
ELUX B ELECTROLUX AB - ORDINARY SHA...	243 +0,80 (0,33 %)	6	↘
DANSKE DANSKE BANK AS	91,02 -0,98 (1,07 %)	2	↘
ESSITY B ESSITY AKTIEBOLAG (PUBL) - ORD...	305 +2,90 (0,96 %)	6	↗
FING B FINGERPRINT CARDS AB - ORDIN...	14,17 +0,20 (1,40 %)	1	↘
HM B HENNES & MAURITZ AB - ORDIN...	183,12 -1,38 (0,75 %)	8	↘
HEXA B HEXAGON AB - ORDINARY SHARE...	536,40 +5,40 (1,02 %)	8	↗
LUMI LUNDIN MINING CORP.	53,20 -0,60 (1,12 %)		↗

VOLV B.Q VOLVO AB - ORDINARY SHA...

150,80 **+0,40 (0,27 %)**

52 week range 109,19 - 155
Div / Yield 5 / 3,23 %

Volume 14 062
EPS 12,25

1M Trend **Bullish**
6M Trend **Bullish**

P/E 9,59
Beta 0

Charts

Technical Score 6 (Neutral)

Type

Support 142,02 -5,82 %
124,52 -17,43 %

Resistance 155 +2,79 %

Earnings Date: Jan 30, 2020 (64)

Dividends: Uncommon 5

Price Action:
Volvo AB - Ordinary Shares - Class B is in a bullish trend with resistance at 155.00.

Trade Income

OptionsPlay.com

Buy 100 Shares

Strategy: **Bullish**
Trade Cost: **15 020**

OptionsPlay Score

101

Buy 1 Jan 17, 2020 150 Call

Strategy: **Bullish**
Trade Cost: **485**

OptionsPlay Score

81

Buy 1 Jan 17, 2020 150/160 Call Vertical

Strategy: **Bullish**
Trade Cost: **390**

OptionsPlay Score

94

P&L Simulator

Buy 100 Shares

1 164 Profit
+7,75 % Return

Buy 1 Jan 17, 2020 150 Call

699 Profit
+144,12 % Return

Buy 1 Jan 17, 2020 150/160 Call Vertical

610 Profit
+156,41 % Return

This is your profit (or loss) for each strategy if the stock:

Goes to this price: 161,84 128,89 174,58

By this date: 1/17/2020 Today Expiry

And imp. volatility is: 21,34 % 10,67 % 32,01 %



THANK YOU

