EQDerivatives – Structured Solutions Using NDX Options

Russell Rhoads, CFA
Head Research and Consulting
EQDerivatives

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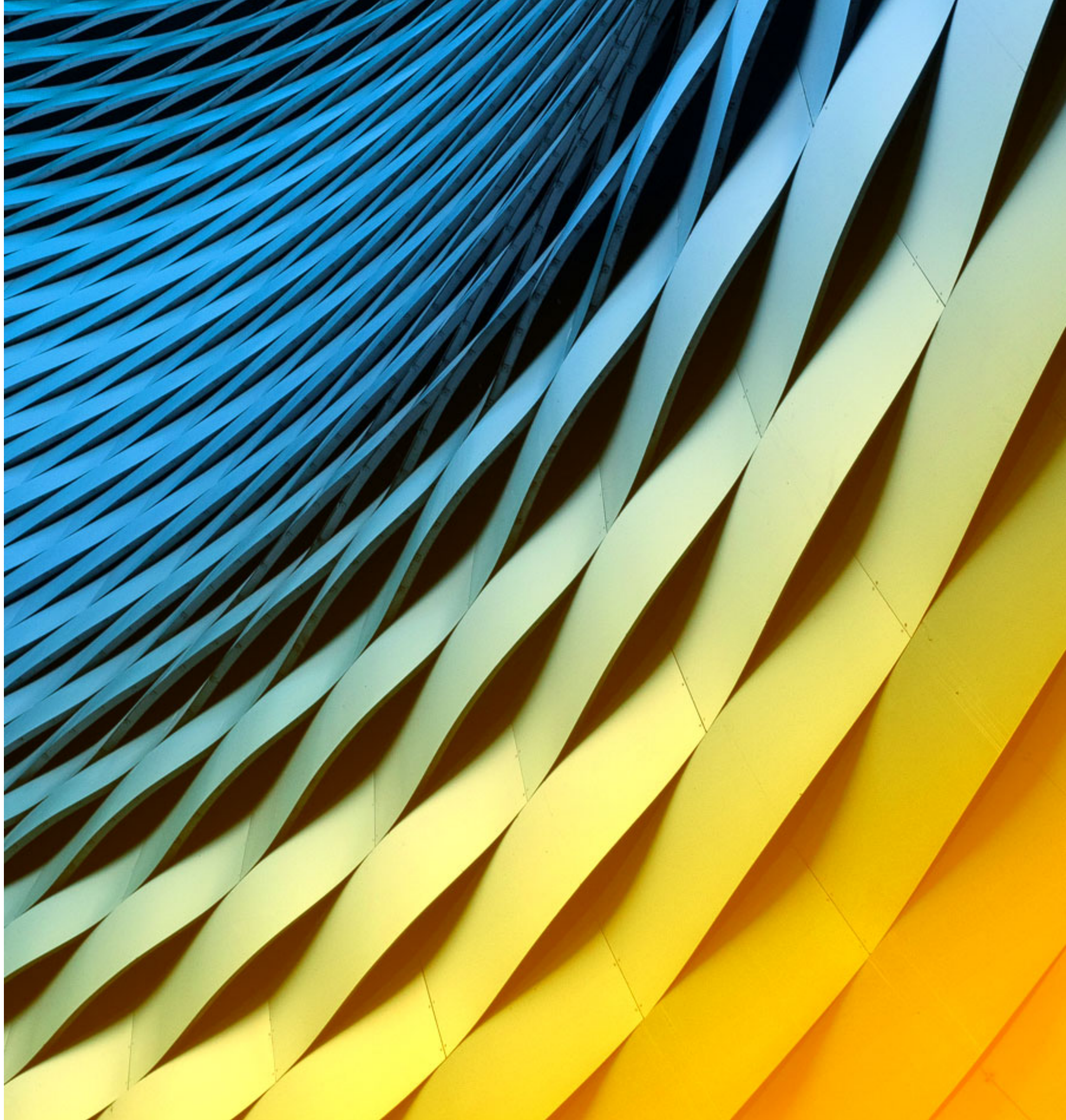

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Outline

- Introduction / Methodology
- Bull Put Spread
- Bear Call Spread
- Iron Condor
- Short Straddle
- Short Strangle

Introduction / Methodology

- Various strategies were analyzed using NDX options expiring each Friday
- The time frame covered started with the first expiration in January 2019 through April 1, 2021
- Five different strategies were consistently traded

Introduction / Methodology

- Each put and call with deltas nearest 25 and 50 were utilized in each strategy
- The results were a bit surprising as to what works and what did not appear to work over this time period
- A short term trend indicator was added to determine if the market environment influenced the outcome

Bull Put Spread

December 31, 2020 Trade

NDX @ 12888.28

Sell Jan 8th 12890 Put @ 163.20

Buy Jan 8th 12575 Put @ 76.50

Net Credit 86.70

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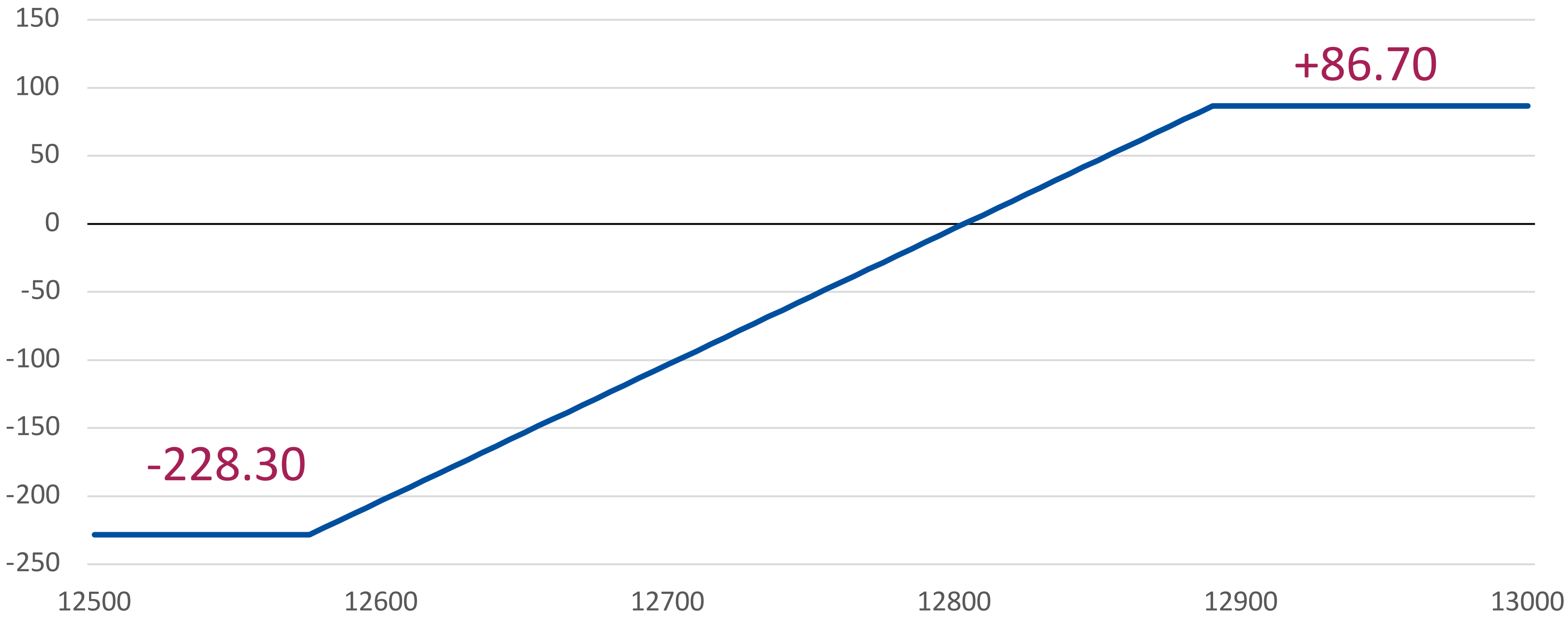
Bull Put Spread

Payoff Diagram



Bull Put Spread

Consistent Results

	All	MA > 10	MA < 10
Total PL	1092.63	1193.02	(100.39)
Avg. Trade	9.34	14.91	(2.71)
Max	166.50	116.55	166.50
Min	(338.25)	(208.00)	(338.25)

Bear Call Spread

December 31, 2020 Trade

NDX @ 12888.28

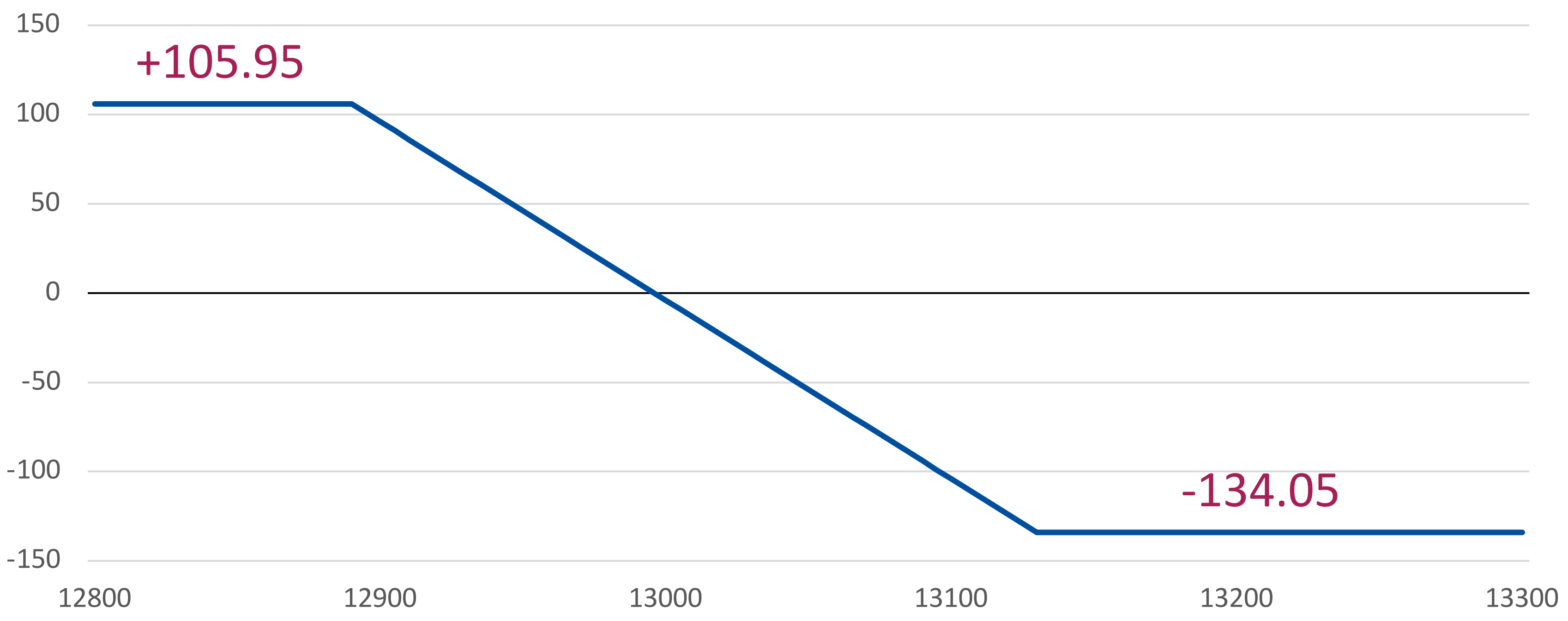
Sell Jan 8th 12890 Call @ 157.25

Buy Jan 8th 13130 Call @ 51.30

Net Credit 105.95

Bear Call Spread

Payoff Diagram



Bear Call Spread

Consistent Results

	All	MA > 10	MA < 10
Total PL	(1582.09)	(614.21)	(967.88)
Avg Trade	(13.52)	(7.68)	(26.16)
Max	187.60	187.60	158.05
Min	(293.10)	(168.15)	(293.10)

Iron Butterfly

December 31, 2020 Trade

NDX @ 12888.28

Buy Jan 8th 12575 Put @ 76.50

Sell Jan 8th 12890 Put @ 163.20

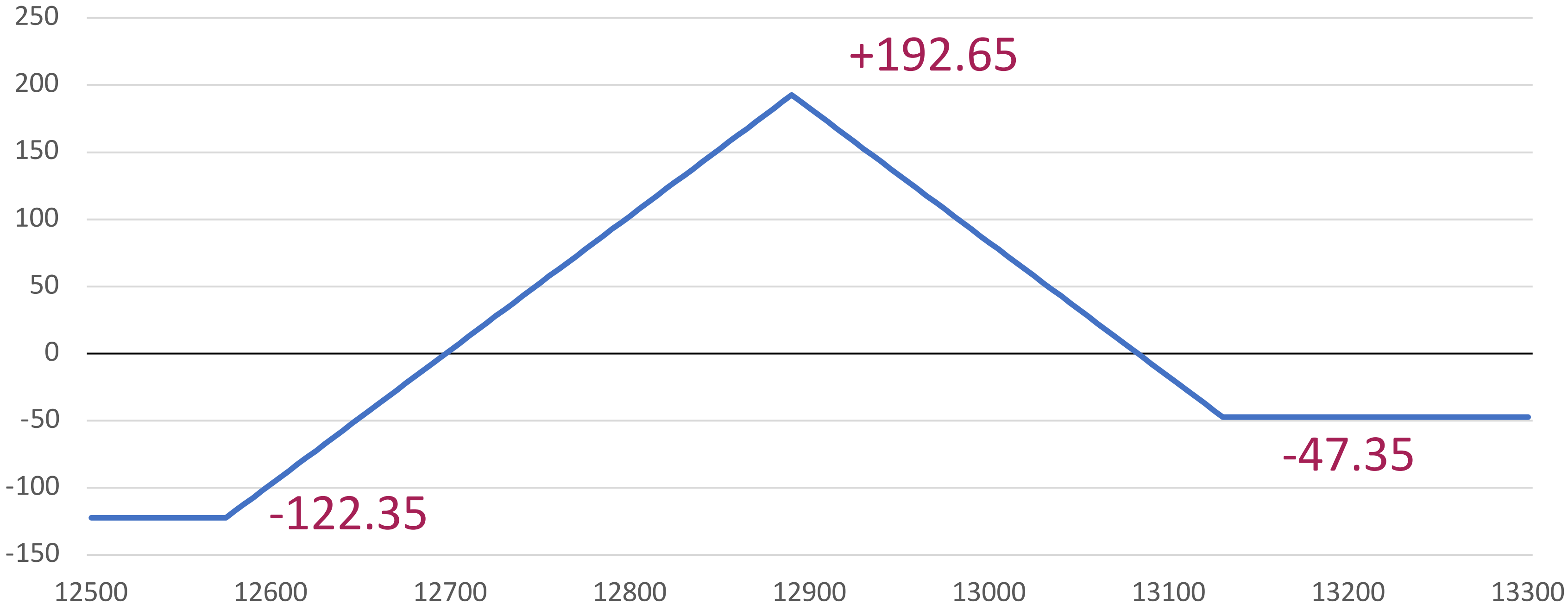
Sell Jan 8th 12890 Call @ 157.25

Buy Jan 8th 13130 Call @ 51.30

Net Credit = 192.65

Iron Butterfly

Payoff Diagram



Iron Butterfly

Consistent Results

	All	MA > 10	MA < 10
Total PL	(489.46)	578.81	(1068.27)
Avg. Trade	(4.18)	7.24	(28.87)
Max	291.86	291.86	250.56
Min	(201.05)	(112.30)	(201.05)

Short Straddle

December 31, 2020 Trade

NDX @ 12888.28

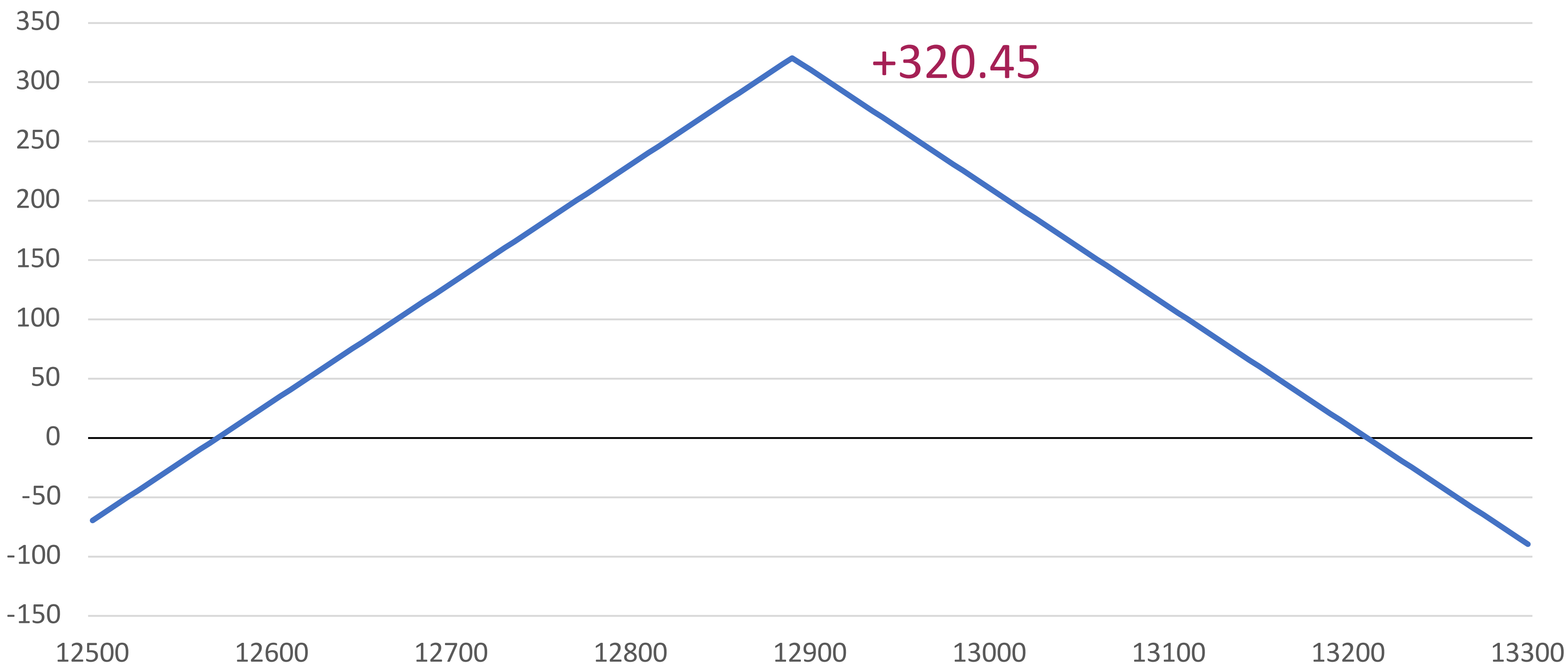
Sell Jan 8th 12890 Put @ 163.20

Sell Jan 8th 12890 Call @ 157.25

Net Credit = 320.45

Short Straddle

Payoff Diagram



Short Straddle

Consistent Results

	All	MA > 10	MA < 10
Total PL	862.78	3259.39	(2396.61)
Avg. Trade	7.37	40.74	(64.77)
Max	511.41	511.41	455.26
Min	(775.92)	(253.28)	(775.92)

Short Strangle

December 31, 2020 Trade

NDX @ 12888.28

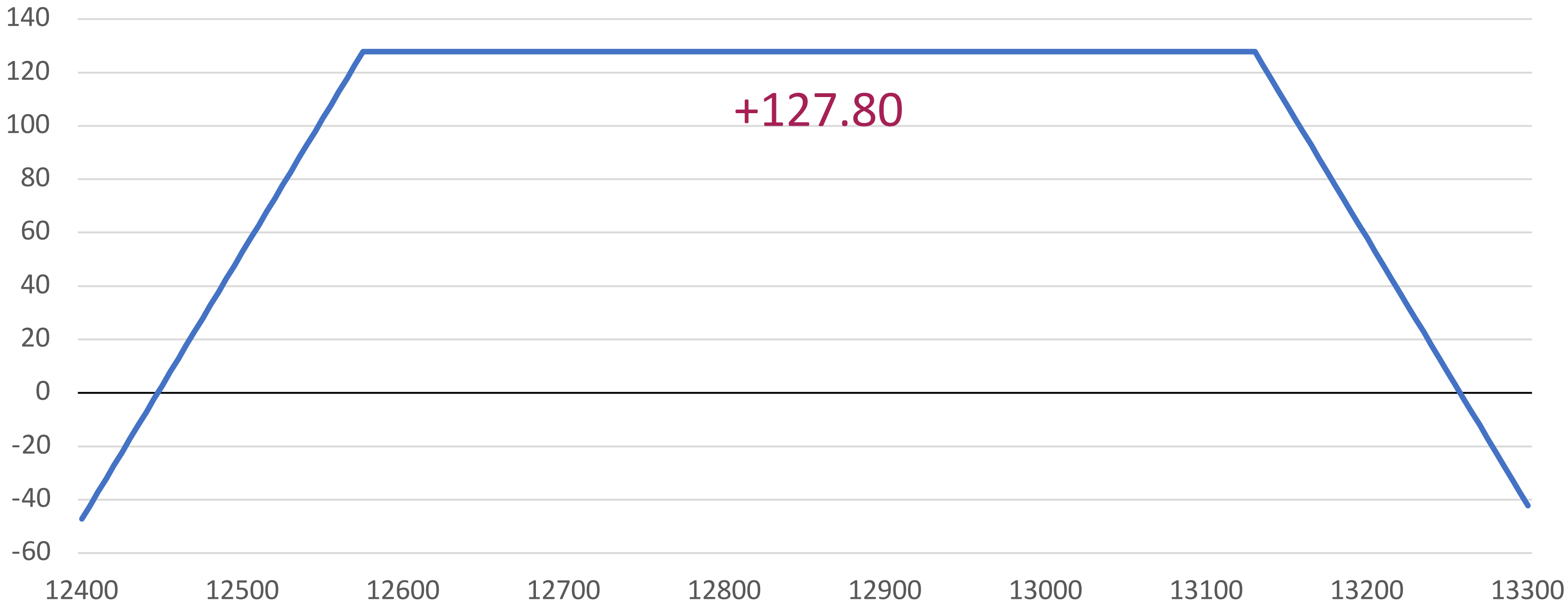
Sell Jan 8th 12575 Put @ 76.50

Sell Jan 8th 13130 Call @ 51.30

Net Credit = 127.80

Short Strangle

Payoff Diagram



Short Strangle

Consistent Results

	All	MA > 10	MA < 10
Total PL	1352.24	2680.58	(1328.34)
Avg Trade	11.56	33.51	(35.90)
Max	219.55	219.55	204.70
Min	(708.67)	(197.48)	(708.67)

Questions / Contact

Questions?

Contact Info

rhoads@eqderivatives.com

Twitter - @RussellRhoads

Website

www.eqderivatives.com