



**Sheridan Options Mentoring
Presents
~ Weekly RUT Calendars ~
with Dan Sheridan**

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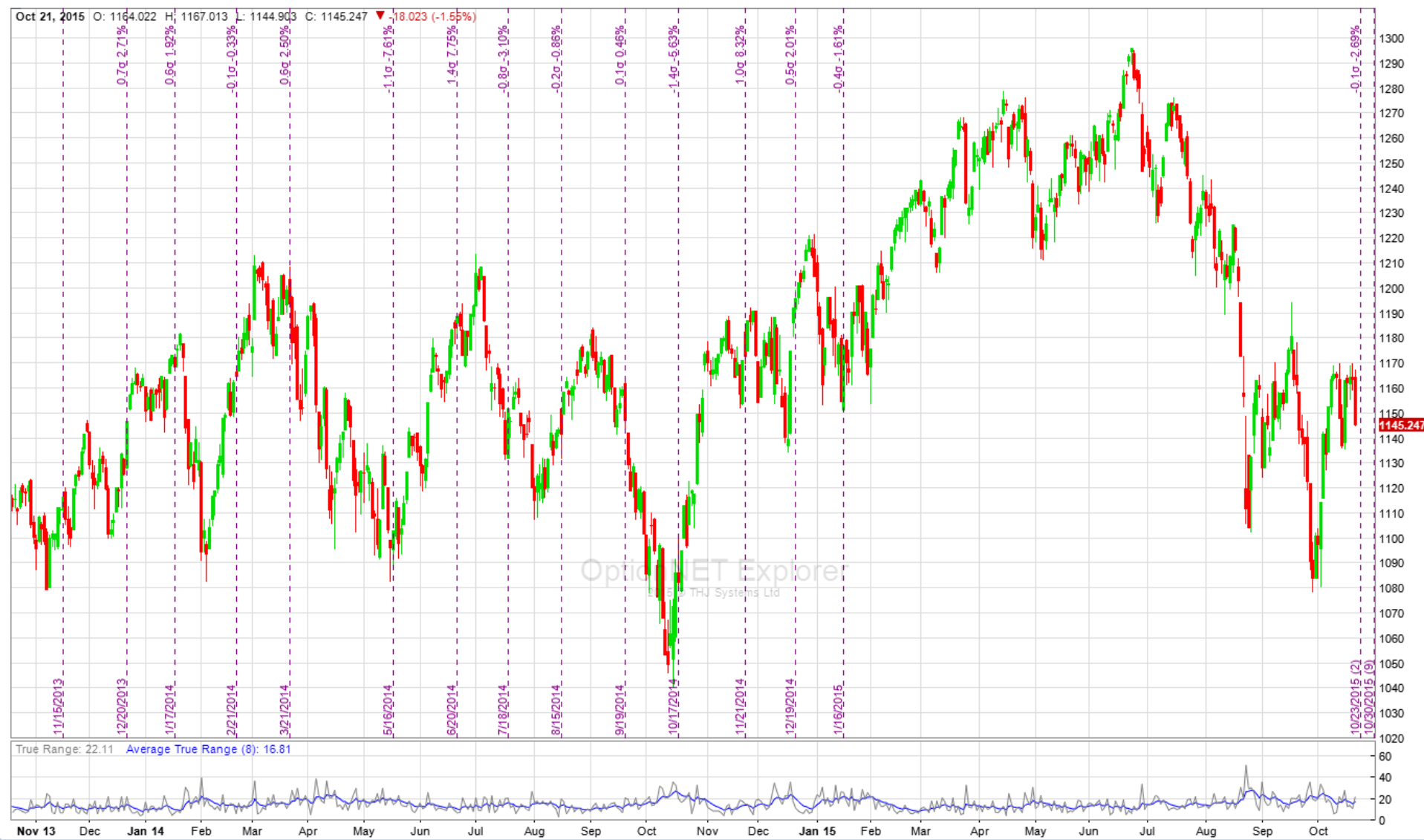
Outline

- Greeks of Weekly Calendars and how they make money
- Case Study in RUT Calendar

RUT 6 mo Price Chart 10-21



2 Year RUT Price Chart as of 10-21



RUT Weekly Calendar

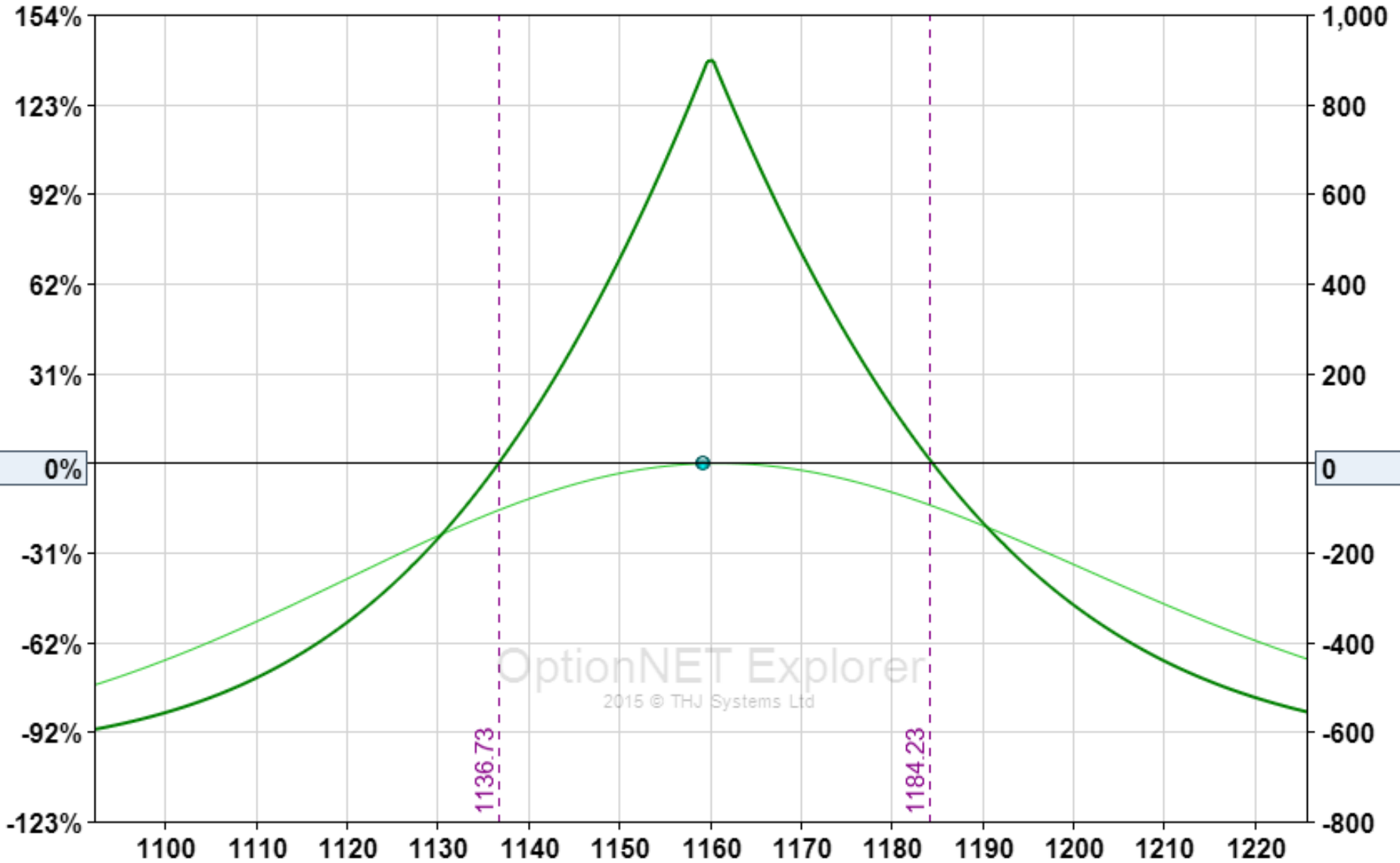
RUT \$1159.10 -4.17 -0.36%

Date: 10/21/2015 at 10:30 AM

Options	30 Oct 15 (9)				13 Nov 15 (23)			
	Mid	IV	Delta	Adjust	Mid	IV	Delta	Adjust
1160 Calls	\$13.05	18.5%	49.6	-1	\$19.55	17.2%	50.3	+1

Before Adjustment	
Delta	0.7
Gamma	-0.4
Theta	31.5
Vega	43.5
Margin	\$650
Cost	-\$650

Expiration Breakeven Points



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Case Study Rut Weekly Calendar

RUT \$1140.50 -7.34 -0.64%

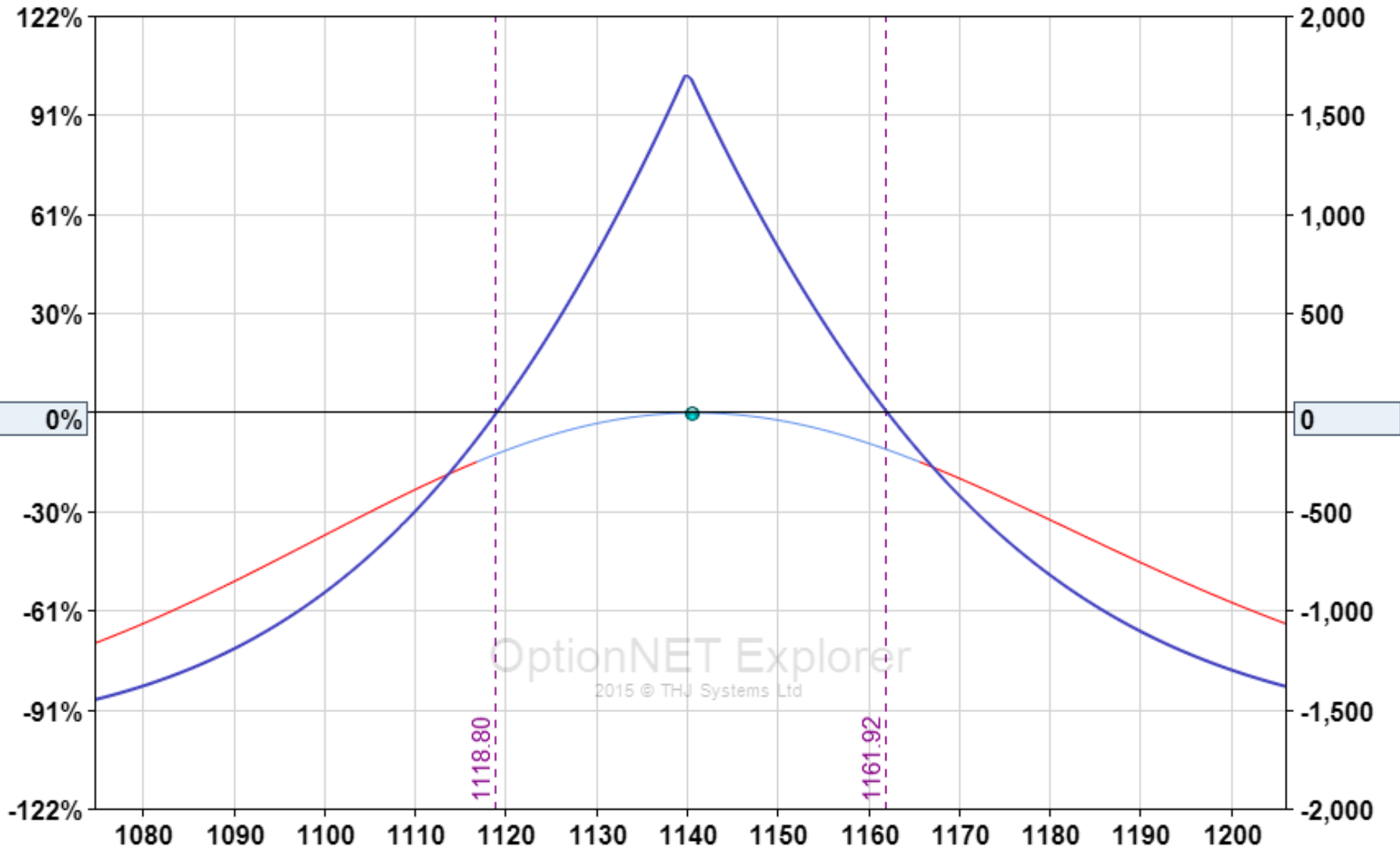
Date: 10/14/2015 at 10:30 AM

Options	23 Oct 15 (9)				06 Nov 15 (23)			
	Mid	IV	Delta	Trade	Mid	IV	Delta	Trade
1140 Calls	\$13.60	18.6%	51.3	-2	\$21.80	18.8%	51.4	+2

What time and day do I put this trade on each week?

Before Adjustment	
Delta	0.4
Gamma	-0.9
Theta	54.7
Vega	85.4
Margin	\$1,640
Cost	-\$1,640

Game Plan?



Down 10%? What to do?

RUT \$1156.08 +19.11 +1.68%

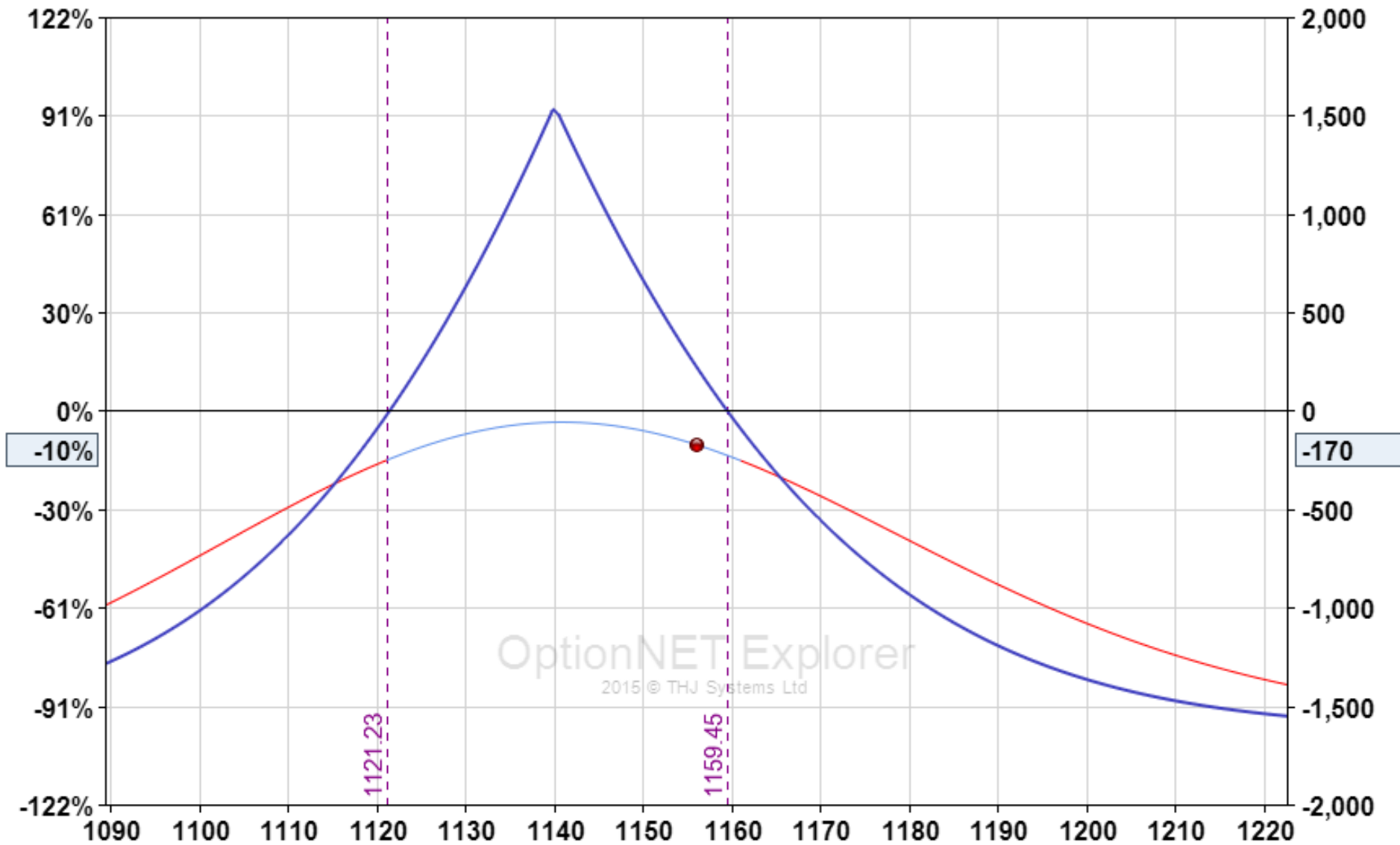
Date: 10/15/2015 at 1:55 PM

Options	23 Oct 15 (8)				06 Nov 15 (22)			
	Mid	IV	Delta	Trade	Mid	IV	Delta	Trade
1140 Calls	\$21.85	17.9%	70.7	-2	\$29.20	17.8%	63.5	+2

Before Adjustment	
Delta	-14.4
Gamma	-0.8
Theta	45.1
Vega	95.6
Margin	\$1,640
Cost	-\$1,640

Position Analysis	
Profit/Loss	-\$170
Profit/Loss %	-10.37%
Days In Trade	1
Std Dev	1.36

Problem? Solution?



How to get us more room?

RUT \$1156.08 +19.11 +1.68%

Date: 10/15/2015 at 1:55 PM

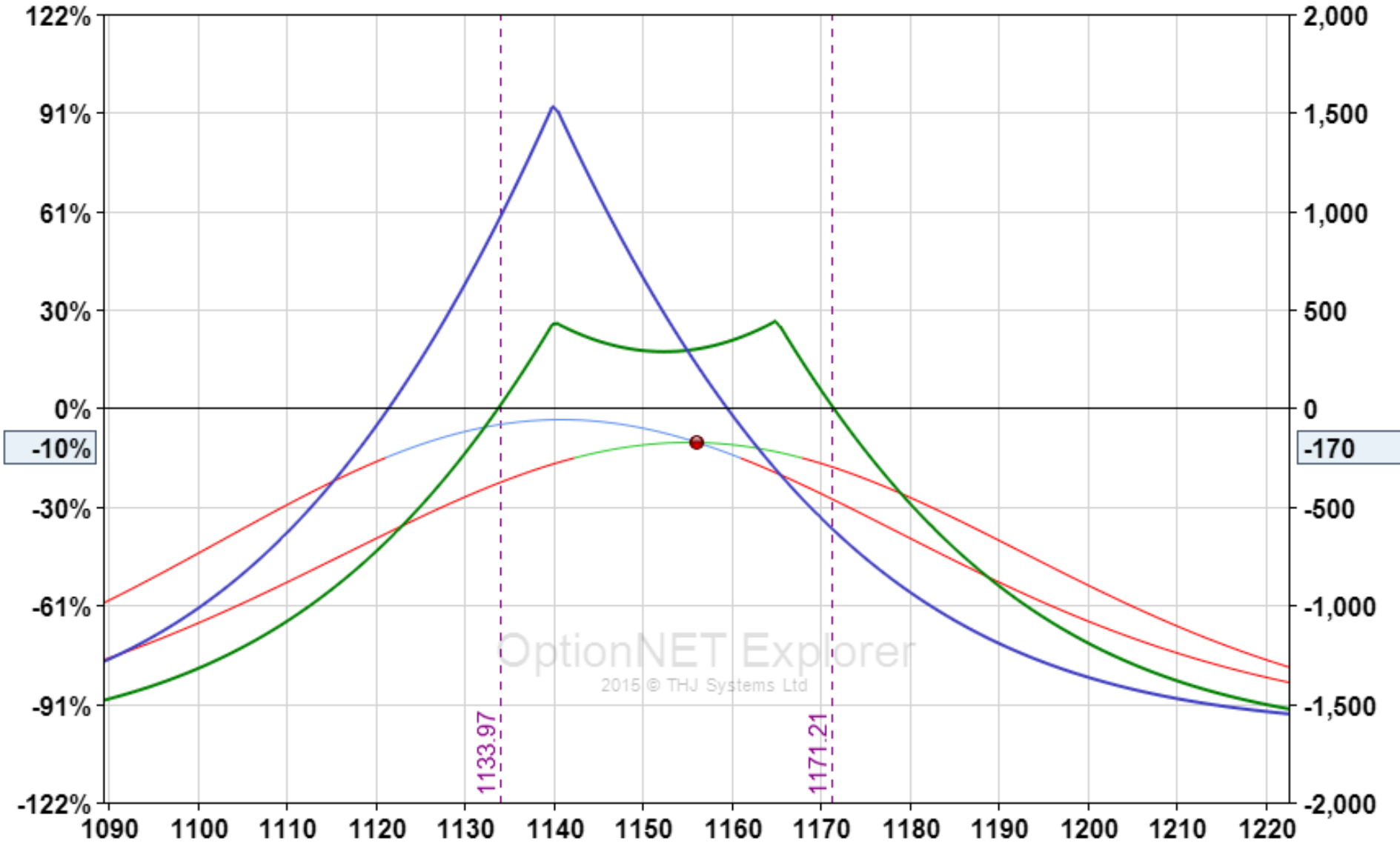
Options	23 Oct 15 (8)						06 Nov 15 (22)					
	Mid	IV	Delta	Trade	Adjust	Net	Mid	IV	Delta	Trade	Adjust	Net
1165 Calls	\$6.40	14.9%	36.9		-1	-1	\$14.15	16.0%	43.2		+1	+1
1140 Calls	\$21.85	17.9%	70.7	-2	+1	-1	\$29.20	17.8%	63.5	+2	-1	+1

Before Adjustment	
Delta	-14.4
Gamma	-0.8
Theta	45.1
Vega	95.6
Margin	\$1,640
Cost	-\$1,640

After Adjustment	
Delta	-0.9
Gamma	-1.0
Theta	42.1
Vega	94.8
Margin	\$1,680
Cost	-\$1,680

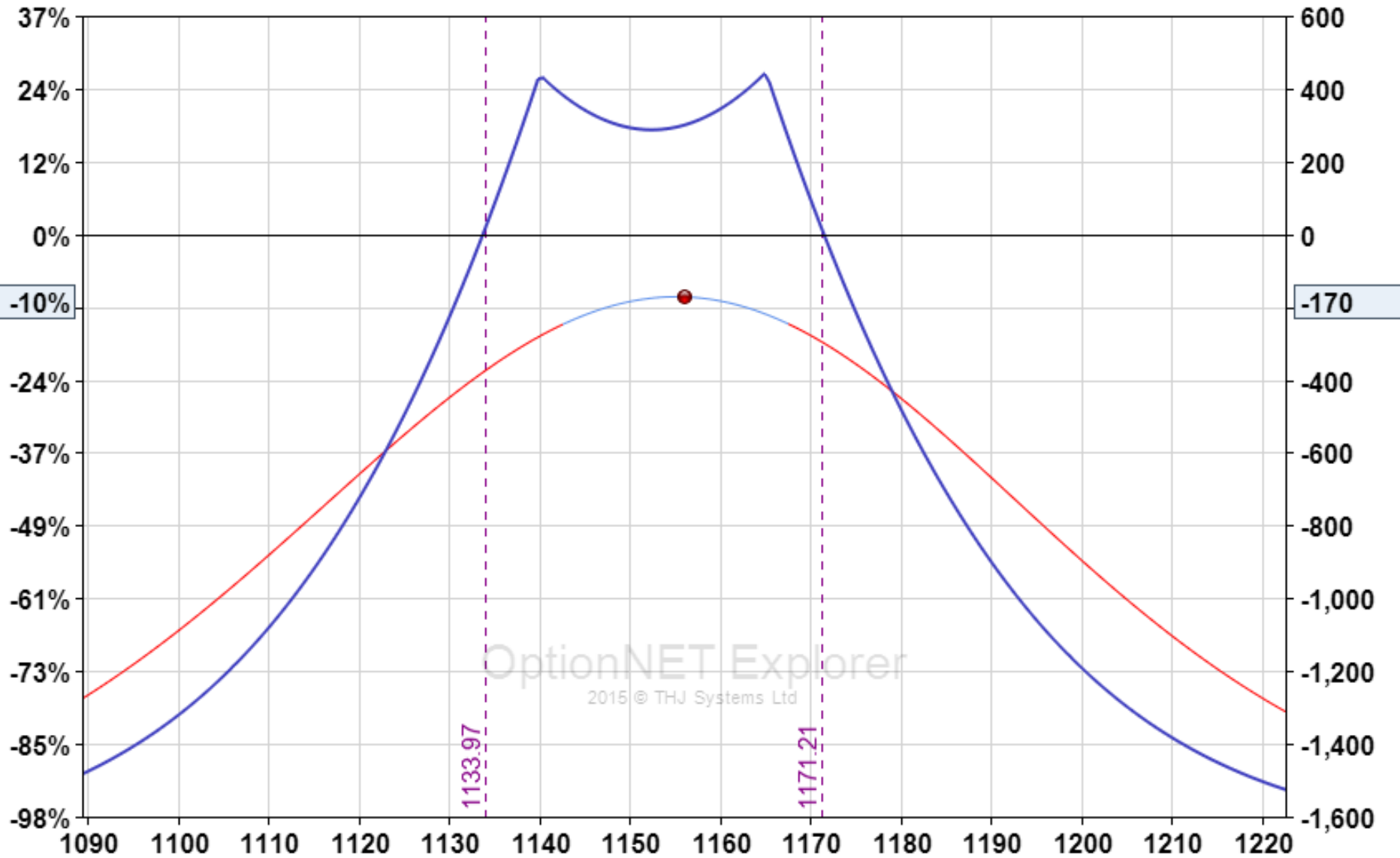
Position Analysis	
Profit/Loss	-\$170
Profit/Loss %	-10.12%
Days In Trade	1
Std Dev	1.36

What does adjustment achieve?



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New Position



Friday - 2 Days into the trade

RUT \$1161.59 -1.18 -0.10%

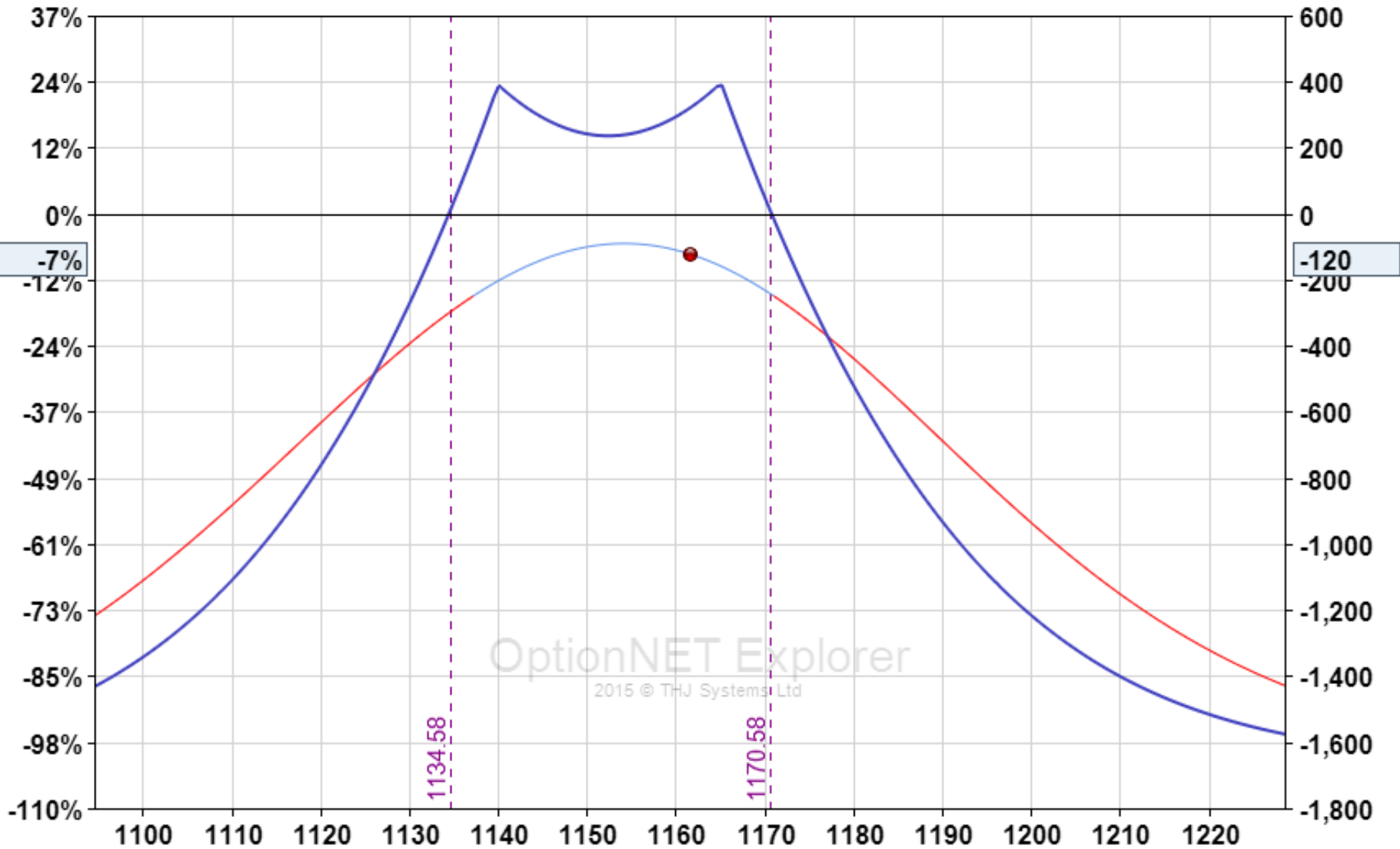
Date: 10/16/2015 at 1:55 PM

Options	23 Oct 15 (7)				06 Nov 15 (21)			
	Mid	IV	Delta	Trade	Mid	IV	Delta	Trade
1165 Calls	\$7.75	14.5%	44.7	-1	\$15.95	15.7%	47.8	+1
1140 Calls	\$24.65	16.4%	79.9	-1	\$32.05	17.5%	68.1	+1

Before Adjustment	
Delta	-8.6
Gamma	-1.1
Theta	36.1
Vega	101.6
Margin	\$1,680
Cost	-\$1,680

Position Analysis	
Profit/Loss	-\$120
Profit/Loss %	-7.14%
Days In Trade	2
Std Dev	1.30

What if we go up more?



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Monday - Where's the profits?

RUT \$1161.39 -0.92 -0.08%

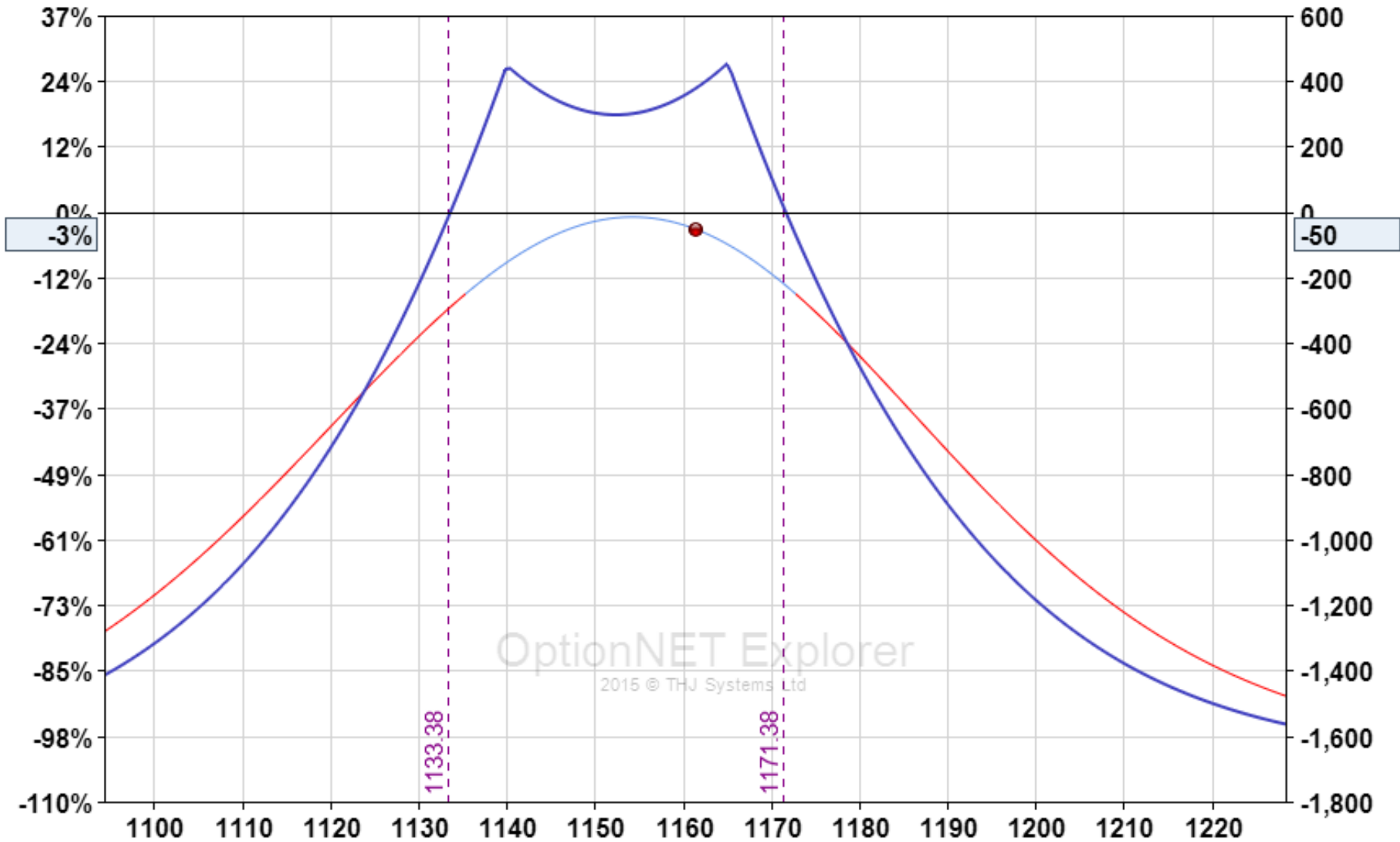
Date: 10/19/2015 at 1:55 PM

Options	23 Oct 15 (4)				06 Nov 15 (18)			
	Mid	IV	Delta	Trade	Mid	IV	Delta	Trade
1165 Calls	\$6.15	16.1%	43.1	-1	\$14.90	16.1%	47.4	+1
1140 Calls	\$23.40	18.5%	83.5	-1	\$30.95	17.9%	68.9	+1

Before Adjustment	
Delta	-10.3
Gamma	-1.4
Theta	74.7
Vega	115.8
Margin	\$1,680
Cost	-\$1,680

Position Analysis	
Profit/Loss	-\$50
Profit/Loss %	-2.98%
Days In Trade	5
Std Dev	0.81

Decay is slow here



Tuesday

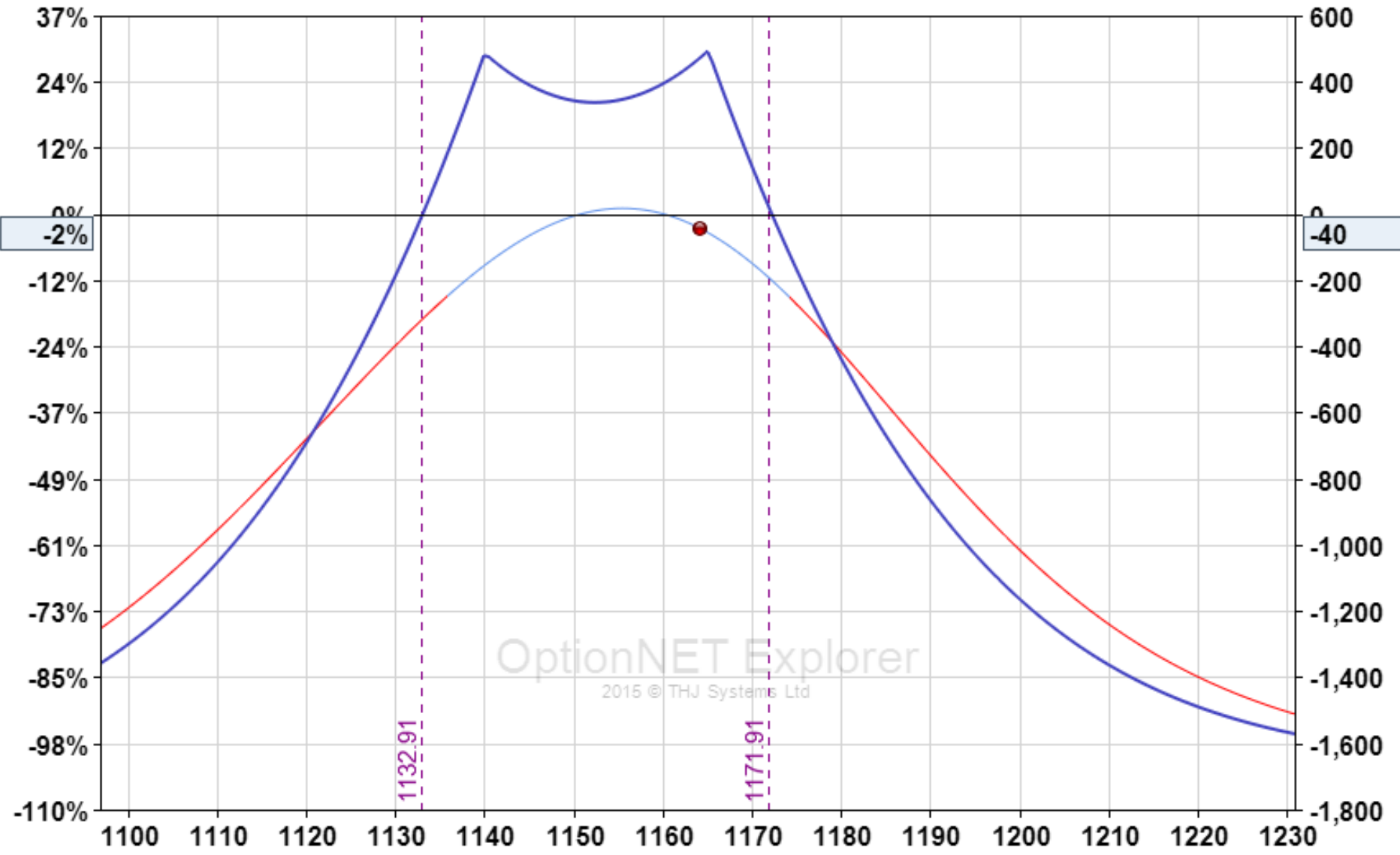
RUT \$1164.07 -0.23 -0.02%

Date: 10/20/2015 at 1:55 PM

Options	23 Oct 15 (3)				06 Nov 15 (17)			
	Mid	IV	Delta	Trade	Mid	IV	Delta	Trade
1165 Calls	\$6.55	16.6%	48.2	-1	\$15.95	16.3%	49.9	+1
1140 Calls	\$25.60	21.0%	86.6	-1	\$32.60	18.1%	71.1	+1

Before Adjustment	
Delta	-13.8
Gamma	-1.5
Theta	102.5
Vega	121.2
Margin	\$1,680
Cost	-\$1,680

Position Analysis	
Profit/Loss	-\$40
Profit/Loss %	-2.38%
Days In Trade	6
Std Dev	0.84



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Time to get out?

RUT \$1152.87 -10.40 -0.89%

Date: 10/21/2015 at 1:55 PM

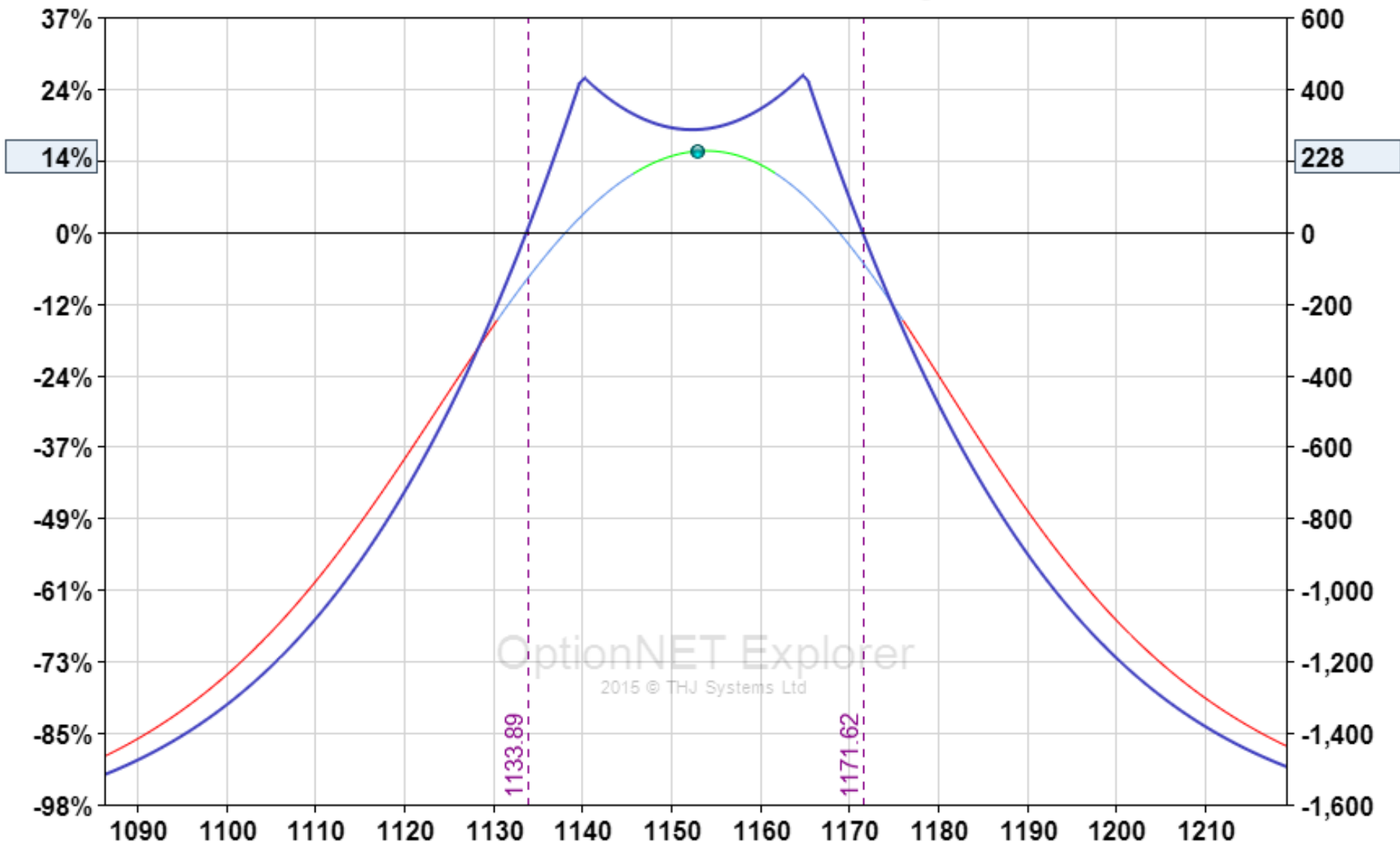
Options	23 Oct 15 (2)				06 Nov 15 (16)			
	Mid	IV	Delta	Trade	Mid	IV	Delta	Trade
1165 Calls	\$1.175	14.9%	17.3	-1	\$10.25	16.0%	38.5	+1
1140 Calls	\$14.30	16.8%	81.9	-1	\$24.30	17.8%	62.7	+1

How to exit the trade?

Before Adjustment	
Delta	2.0
Gamma	-2.0
Theta	78.4
Vega	139.3
Margin	\$1,680
Cost	-\$1,680

Position Analysis	
Profit/Loss	\$228
Profit/Loss %	13.54%
Days In Trade	7
Std Dev	0.41

Should we have stayed in?



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