IBKRCampus

IBKRWebinars



www.ibkr.com/campus/webinars

www.ibkr.eu/campus/webinars

October 13, 2026

The Story Behind Options Open Interest: From Trades to Positions

Dmitry Pargamanik
Co-founder
Market Chameleon

Will McBride
Co-founder
Market Chameleon

Exchange and Industry Sponsored Webinars are presented by unaffiliated third parties. IBKR is not responsible for the content of these presentations. You should review the contents of each presentation and make your own judgment as to whether the content is appropriate for you. IBKR does not provide recommendations or advice. This presentation is not an advertisement or solicitation for new customers. It is intended only as an educational presentation.

IBKRCampus

IBKRWebinars



www.ibkr.com/campus/webinars

www.ibkr.eu/campus/webinars

Disclosure:

Options involve risk and are not suitable for all investors. For information on the uses and risks of options, you can obtain a copy of the Options Clearing Corporation risk disclosure document titled Characteristics and Risks of Standardized Options by going to the following link ibkr.com/occ. Multiple leg strategies, including spreads, will incur multiple transaction costs.

Futures are not suitable for all investors. The amount you may lose may be greater than your initial investment. Before trading futures, please read the CFTC Risk Disclosure. For a copy visit your local Interactive Brokers Website.

Security futures involve a high degree of risk and are not suitable for all investors. The amount you may lose may be greater than your initial investment. Before trading security futures, please read the Security Futures Risk Disclosure Statement. For a visit copy your local Interactive Brokers Website.

There is a substantial risk of loss in foreign exchange trading. The settlement date of foreign exchange trades can vary due to time zone differences and bank holidays. When trading across foreign exchange markets, this may necessitate borrowing funds to settle foreign exchange trades. The interest rate on borrowed funds must be considered when computing the cost of trades across multiple markets.

The Order types available through Interactive Brokers Trader Workstation are designed to help you limit your loss and/or lock in a profit. Market conditions and other factors may affect execution. In general, orders guarantee a fill or guarantee a price, but not both. In extreme market conditions, an order may either be executed at a different price than anticipated or may not be filled in the marketplace.

There is a substantial risk of loss in trading futures and options. Past performance is not indicative of future results.

Any stock, options or futures symbols displayed are for illustrative purposes only and are not intended to portray recommendations.

IRS Circular 230 Notice: These statements are provided for information purposes only, are not intended to constitute tax advice which may be relied upon to avoid penalties under any federal, state, local or other tax statutes or regulations, and do not resolve any tax issues in your favor.

Complex or Leveraged Exchange-Traded Products are complicated instruments that should only be used by sophisticated investors who fully understand the

terms, investment strategy, and risks associated with the products.

As with all investments, your capital is at risk

IBKRCampus

IBKRWebinars



www.ibkr.com/campus/webinars

www.ibkr.eu/campus/webinars

Disclosure:

Connections offers a comprehensive view of the investment landscape surrounding stocks, enabling investors to explore related instruments and strategies; however, users should conduct their own research and consider market risks before making investment decisions.

Futures, event contracts and forecast contracts are not suitable for all investors. Before trading these products, please read the CFTC Risk Disclosure. For a copy visit our Warnings and Disclosures Page.

Interactive Brokers LLC is a CFTC-registered Futures Commission Merchant and a clearing member and affiliate ofForecastEx LLC ("ForecastEx"). ForecastEx is a CFTC-registered Designated Contract Market and Derivatives ClearingOrganization. Interactive Brokers LLC provides access to ForecastEx forecast contracts for eligible customers. InteractiveBrokers LLC does not make recommendations with respect to any products available on its platform, including thoseoffered by ForecastEx.

Forecast Contracts are only available to eligible clients of Interactive Brokers LLC, Interactive Brokers Canada Inc.,Interactive Brokers Hong Kong Limited, Interactive Brokers Ireland Limited and Interactive Brokers Singapore Pte. Ltd.Forecast Contracts on US election results are only available to eligible US residents.

Interactive Brokers does not provide tax advice, does not make representations regarding the particular tax consequences of any investments, and cannot assist clients with tax filings. Investors should consult with their tax professional about the tax implications of any investment.

Trading in digital assets, including cryptocurrencies, is especially risky and is only for individuals with a high risk tolerance and the financial ability to sustain losses. Eligibility to trade in digital asset products may vary based on jurisdiction.

U.S. Spot Gold trading through IB LLC accounts is only available to legal residents of the United States that do not reside in Arizona, Montana, New Hampshire, and Rhode Island.

Investments in certain commodities (precious metals) may be subject to significant price volatility and often involve risks related to market fluctuations, liquidity constraints, geopolitical events, and changes in global economic conditions that could adversely affect their value.

Interactive Brokers LLC is a member of NYSE FINRA SIPC

Interactive Brokers Canada Inc - Is a member of the Canadian Investment Regulatory Organization (CIRO) and Member - Canadian Investor Protection Fund

Interactive Brokers (U.K.) Limited is authorized and regulated by the Financial Conduct Authority. FCA Register Entry Number 208159

Interactive Brokers Ireland Limited is regulated by the Central Bank of Ireland. CBI, reference number C423427

Interactive Brokers Australia Pty. Ltd. - ABN 98 166 929 568 is licensed and regulated by the Australian Securities and Investments Commission AFSL: 453554

Interactive Brokers Singapore Pte. Ltd. - Is licensed and regulated by the Monetary Authority of Singapore. MAS, License No. CMS100917

Interactive Brokers Hong Kong Limited is regulated by the Hong Kong Securities and Futures Commission, and is a member of the SEHK and the HKFE

As with all investments, your capital is at risk

The Story Behind Options Open Interest

From trading activity to positioning, spreads and strike clusters

ACTIVITY

NET CHANGE

STRUCTURE

DEVELOPMENT

Dmitry | MarketChameleon

Educational only · Hypothetical examples

Four questions behind the number

01

What remains open?

Separate outstanding contracts from trading activity.

02

What changed?

Connect each open-interest update to the matching session.

03

How do the legs fit?

Look beyond puts and calls to possible strategy structures.

04

What is developing?

Track buildup, contraction and movement across clusters.

Read the activity, the structure and the development together.

Multiple leg strategies including spreads will incur multiple transaction costs.

Open interest counts outstanding contracts

An option series is identified by its underlying, call/put type, strike and expiration.

LONG SIDE		SHORT SIDE		OPEN INTEREST
100 contracts	+	100 contracts	=	100—not 200

Open interest is not a count of traders or a label for their market outlook.

100 long contracts + 100 matching short contracts = 100 open interest.

Sources: OIC · Options Glossary | FINRA · Options | OIC · General Information FAQ

Volume records trading. OI records what is open.

OPTION VOLUME

Activity during a period

Counts contracts traded.

Builds during the session.

Can include opening, closing and repeated turnover.

OPEN INTEREST

Outstanding contracts at a snapshot

Counts contracts still outstanding.

Updated after end-of-day clearing.

Reflects the net result of position activity.

A busy trading day does not necessarily leave a large open position.

Sources: OIC · General Information FAQ | OIC · Options Glossary

Not every trade changes open interest

Buyer	Seller	Trade volume	OI change
Opening long	Opening short	100	+100
Opening long	Closing long	100	0
Closing short	Opening short	100	0
Closing short	Closing long	100	−100

Isolated trade examples. Exercise/assignment and expiration can also remove outstanding contracts.

The opening/closing status of both sides determines the trade's OI effect.

Sources: OIC · General Information FAQ | FINRA · Understanding Assignment

Line up the dates before drawing conclusions

DAY 0 CLOSE

Starting OI

The position snapshot before the session

→

DAY 1 SESSION

Option volume

The trading activity you are investigating

→

DAY 1 CLOSE

Updated OI

Available after clearing, typically by the next session

Change in OI = Day 1 ending OI − Day 0 ending OI

Compare that change with Day 1 volume—not with a different session's volume.

Sources: OIC · General Information FAQ | OCC · Open Interest

The same volume can leave different footprints

Starting OI	Session volume	Updated OI	Net change	What changed?
10,000	8,000	16,500	+6,500	Large net expansion
10,000	8,000	10,100	+100	Little net change
10,000	8,000	4,500	−5,500	Net contraction

Three hypothetical outcomes for one non-expiring series; no exercise or other adjustments.

Use the next cleared snapshot to test what the volume left behind.

Hypothetical calculations; accounting framework: OIC · General Information FAQ

Net change is not a trade-by-trade opening label

Starting OI: 5,000 Updated OI: 9,000 Session volume: 6,000

66.7%

Net OI change
÷ session volume

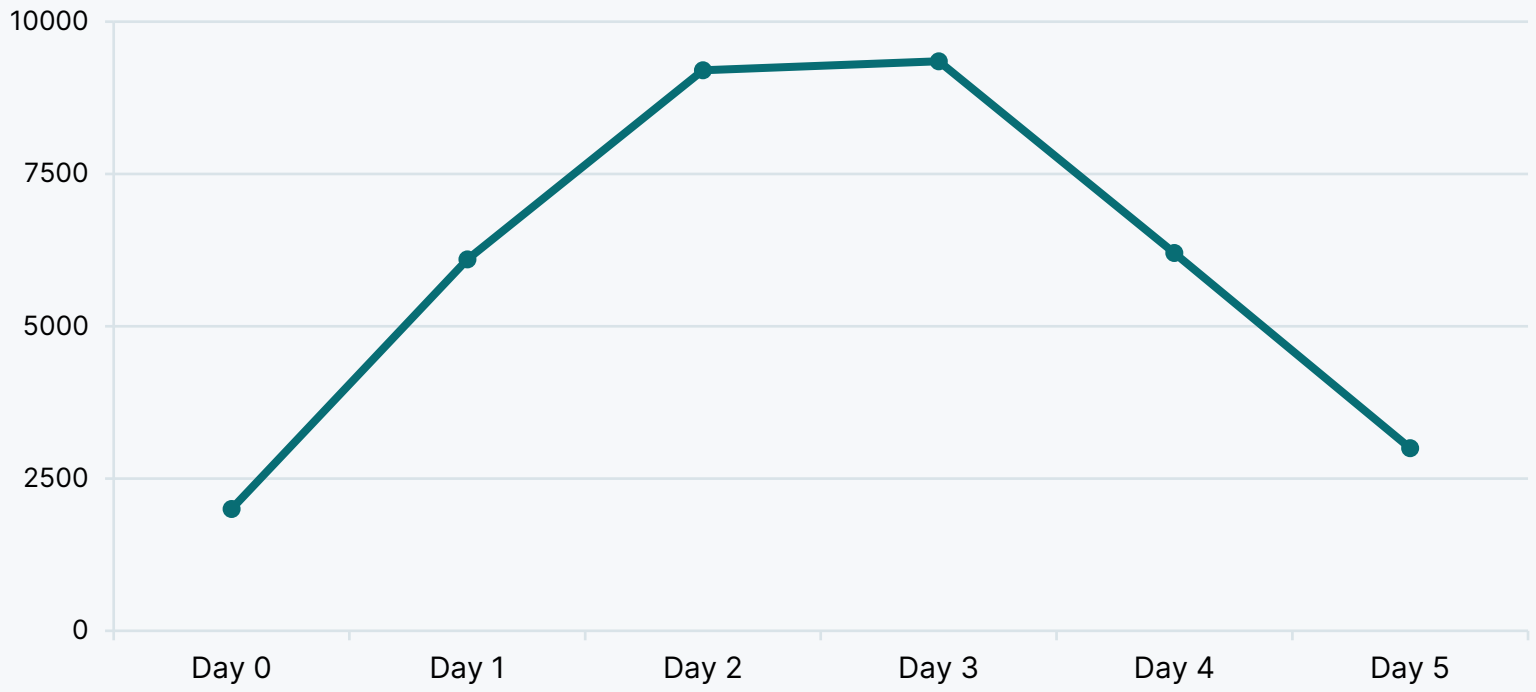
Possible activity mix	Both-opening	Both-closing	One side opening
Path A	4,000	0	2,000
Path B	5,000	1,000	0

The 66.7% figure is a net-change comparison—not the exact share of trades that opened or stayed open.

Both paths produce the same +4,000 OI and 6,000 volume.

Hypothetical accounting paths. Assumes no exercise, expiration or adjustments.

Track development, not just a snapshot



BUILDUP

Repeated net increases

PERSISTENCE

The total remains elevated

CONTRACTION

Outstanding contracts decline

Track the aggregate footprint—not an assumed original owner.

Hypothetical illustration; OI tracks outstanding contracts, not owner identity.

Look for a theme across the option chain

STRIKE

Where is interest building relative to the underlying price?

EXPIRATION

Which time horizons are attracting outstanding contracts?

STRUCTURE

Which option series show related activity or OI changes?

CONTEXT

What changed in price, implied volatility or the event calendar?

Ask whether an isolated change is part of a broader positioning pattern.

Sources: CME Group · Open Interest Heatmap | FINRA · Options

Revisit the activity behind the change

1	**Find the buildup dates**	Locate the sessions with meaningful OI increases.
2	**Inspect the executions**	Review contract size, timing and available trade context.
3	**Compare related legs**	Look at same-day activity in other strikes and expirations.
4	**Check the follow-through**	See how the following cleared snapshots developed.

Use trade evidence to test a structure—not to force one onto the data.

Sources: OIC · General Information FAQ

A put/call ratio is a summary—not a strategy

OPEN-INTEREST RATIO

Total put OI ÷ total call OI

VOLUME RATIO

Put volume ÷ call volume

- Keep the underlying universe, snapshot and expiration scope consistent.
- Contract counts do not reveal initiating side, linked stock hedges or net portfolio risk.
- Multi-leg positions can contribute several contracts to one trading idea.

More put OI is not the same thing as more outright bearish put demand.

Sources: Cboe · Put/Call Ratio Interpretation | FINRA · Options

Multiple leg strategies including spreads will incur multiple transaction costs.

One put structure has two sides

SIDE A · BEAR PUT SPREAD

Buy 1,000 of the 100 put

Sell 1,000 of the 95 put

A bearish standalone spread

SIDE B · BULL PUT SPREAD

Sell 1,000 of the 100 put

Buy 1,000 of the 95 put

A bullish / neutral standalone spread

Same expiration; both sides opening. OI rises 1,000 at each strike: +2,000 total put contracts.

Same observed put OI. Opposite directional positions.

Sources: OIC · Bear Put Spread | OIC · Bull Put Spread

Multiple leg strategies including spreads will incur multiple transaction costs.

Calls have the same interpretation problem

SIDE A · BULL CALL SPREAD

Buy 1,000 of the 100 call

Sell 1,000 of the 105 call

A bullish standalone spread

SIDE B · BEAR CALL SPREAD

Sell 1,000 of the 100 call

Buy 1,000 of the 105 call

A bearish / neutral standalone spread

Same expiration; both sides opening. OI rises 1,000 at each strike: +2,000 total call contracts.

Call OI does not reveal which side initiated the structure.

Sources: OIC · Bull Call Spread | OIC · Bear Call Spread | OIC · Options Glossary

Multiple leg strategies including spreads will incur multiple transaction costs.

A strategy can span strikes and expirations

Structure	Strike relationship	Expiration relationship
Vertical spread	Different strikes	Same expiration
Calendar spread	Same strike	Different expirations
Diagonal spread	Different strikes	Different expirations
Put/call combination	May use both option types	Depends on the strategy

Calendar and diagonal structures can use calls or puts. Stock-linked hedges may be outside the option chain.

Review the relationship between contracts—not only their put/call labels.

Sources: OIC · Call Calendar Spread | OIC · Put Calendar Spread | FINRA · Options

Multiple leg strategies including spreads will incur multiple transaction costs.

Positioning can migrate while total OI barely moves

100-strike call	Prior OI	Updated OI	Change
Near expiration	4,000	1,000	−3,000
Later expiration	1,000	3,900	+2,900
Combined	**5,000**	**4,900**	**−100**

Hypothetical example. Examine matching volume, trade timing and lifecycle events before inferring a roll.

A possible roll pattern—not proof of a linked transaction or the same trader.

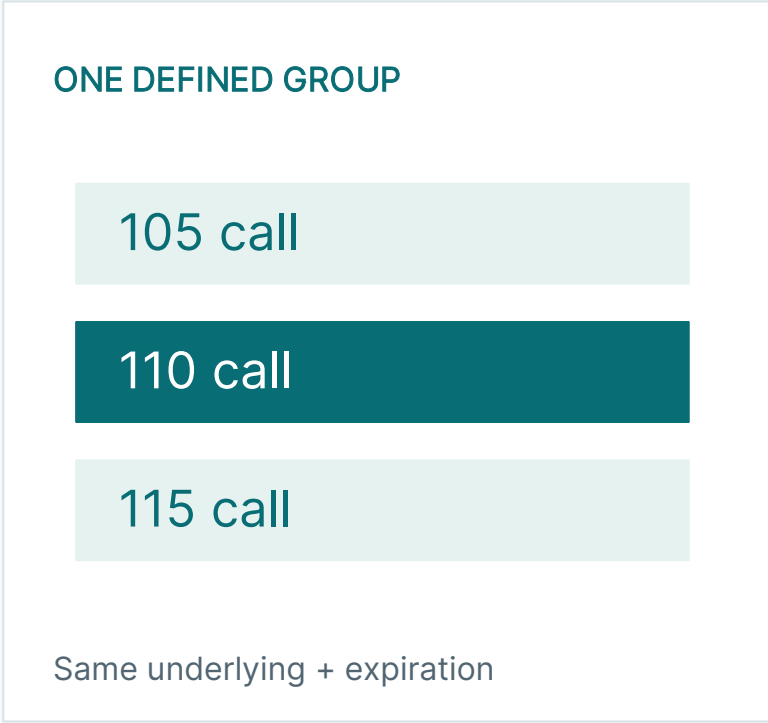
Hypothetical migration example; matching changes alone do not establish a linked roll.

Related positioning may sit across nearby strikes

01 Start with one underlying and a defined option type and expiration window.

02 Group nearby strikes or a consistent range relative to the stock price.

03 Track the same group through time, alongside each individual series.



A cluster is an analytical grouping—not proof of one trader or one strategy.

Sources: CME Group · Open Interest Heatmap

Three option series can reveal a broader buildup

Call strike	Prior OI	Session volume	Updated OI	Change
105	1,500	3,200	4,200	+2,700
110	1,000	2,600	3,000	+2,000
115	800	1,500	1,800	+1,000

3 Distinct option series

9,000 Combined updated OI

+5,700 Net OI change

The group adds 5,700 outstanding contracts across three distinct option series.

Hypothetical stock at $100; same expiration. Prior combined OI: 3,300. Session volume: 7,300.

What makes a cluster worth investigating?

SIZE IN CONTEXT

Absolute OI growth
Percentage growth and starting base
Share of the relevant expiration

RELATED ACTIVITY

Compatible sizes and timing
Possible multi-leg connections
Activity across nearby expirations

DEVELOPMENT

Repeated buildup across sessions
Persistence or contraction
Movement into other strikes

Use these as research priorities—not as automatic trade signals.

Sources: CME Group · Open Interest Heatmap

Bring price and implied volatility into the picture

UNDERLYING PRICE

What moved in the stock while OI was building?

IMPLIED VOLATILITY

Was IV rising or falling in the relevant options?

RELATIVE PRICING

Did skew or pricing across expirations change?

EVENTS & TIME

Is the concentration near a catalyst or expiration?

Context helps evaluate a hypothesis. It does not turn OI into a directional verdict.

Sources: FINRA · Options | OIC · General Information FAQ

Live walkthrough: follow one positioning story

1 **Start with the chain**

Compare OI across strikes and expirations.

2 **Select a meaningful change**

Review its size and starting base.

3 **Match the volume**

Use the trading session behind the update.

4 **Inspect possible structures**

Compare single-leg and multi-leg activity.

5 **Expand to nearby series**

Look for a cluster or possible migration.

6 **Track what happens next**

Separate confirmed observations from hypotheses.

MarketChameleon demonstration: move from one number to a testable positioning narrative.

Describe the evidence before the interpretation

OBSERVED IN OUR EXAMPLE

Three call series gained 5,700 OI.
All three had matched-session volume.
The buildup spans strikes 105–115.

POSSIBLE INTERPRETATION

Related positioning may be developing.
Some activity may be part of spreads.
Trade-level evidence can test the link.

Not established: the same owner, the initiating side, a directional thesis or the next stock move.

Sources: OIC · Options Glossary | OIC · General Information FAQ

Five habits for better open-interest analysis

1. Separate volume from outstanding contracts.
2. Match OI changes to the correct trading session.
3. Check the legs before labeling puts or calls.
4. Follow buildups, contractions and strike clusters.
5. Add price, volatility and event context.

Follow the activity. Test the structure. Track the development.

Open interest is a starting point—not the whole story.

What activity built it?

What might link these contracts?

What would change your interpretation?

Important limitations and risk context

PURPOSE	This session is educational, not a recommendation or personalized investment advice. Options can produce substantial losses and are not appropriate for every investor.
DATA	OI is a cleared snapshot. Exercise, expiration, corrections and contract adjustments can affect comparisons. Missing data is not zero.
INFERENCE	Trade groupings and clusters do not establish account identity, initiating side, portfolio intent or future price behavior. OI is not a liquidity guarantee.
EXAMPLES	All numerical examples are hypothetical. They simplify clearing activity and exclude fees and other costs. Review the standardized options risk disclosure before trading.

Use the examples to learn the process—not as performance evidence or trade recommendations.

Sources: FINRA · Options | OIC · General Information FAQ | FINRA · Understanding Assignment

Reference material

FOUNDATIONS

OIC · General Information FAQ
OIC · Options Glossary
FINRA · Options

CLEARING & LIFECYCLE

OCC · Open Interest
FINRA · Understanding Assignment

PUT & CALL SPREADS

OIC · Bull Put Spread
OIC · Bear Put Spread
OIC · Bull Call Spread
OIC · Bear Call Spread

CROSS-EXPIRATION & CONTEXT

OIC · Call Calendar Spread
OIC · Put Calendar Spread
Cboe · Put/Call Ratio Interpretation
CME Group · Open Interest Heatmap

Examples, calculations and the proposed research workflow are original illustrations.

Source pages checked September 30, 2026. Full references and caveats are included in slide notes.