





實踐期權教室

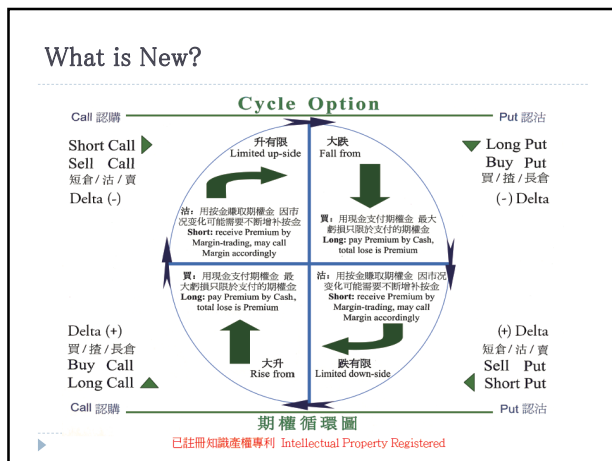
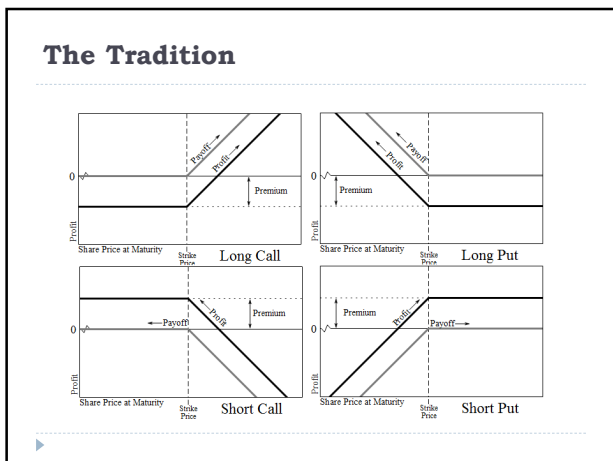
New Concept of Option Trading

Organizer :	The University of Hong Kong, ISHKU
Speaker :	Freeman SH To/杜嘯鴻
Venue :	Room 121, Main Building, HKU
Time :	13 th April 2012, 19:00 - 20:30

www.practicaloption.com.hk

The essence of Option trade is Strategy with Hedge

- ▶ Option Strategy is made by who you are!
- ▶ You are an Option trader not investor.
- ▶ You are looking for enhancement yield on your holding.
- ▶ You are willing to take the risk you can bear.
- ▶ (Tradition and New)



The Tradition

- ▶ The 4 linear charts mainly focused on P/L calculation.
- ▶ Mostly the combined or synthetic strategies are to be done at the same time called static.
- ▶ The job is replaced by computer.

(Practical option → option express, Delta acc)

What's New

- ▶ Cycle option is mainly focused on opportunity and risk.
- ▶ Navy movement arrow and Dark Green strategy arrow.
- ▶ Mostly the combined or synthetic strategies are Not to be done at the same time which called dynamic.
- ▶ Delta (illustration)

The 4 major strategies of Cycle option

- ▶ **Long Call** : rise from means quickly rise, if slowly rise, you should apply Short Put.
- ▶ **Short Call** : limited up-side means rising trend almost finished.
- ▶ **Long Put** : fall from means quickly fall, if slowly fall, you should apply Short Call.
- ▶ **Short Put** : limited down-side means falling trend almost finished.
- ▶ Combined or Synthetic are being made naturally.

Options in HK

- ▶ Index Option
- ▶ → HSI / HSI(mini) and HHI
- ▶ Stocks Option
- ▶ About over 50 stocks, but active just under 15.
- ▶ What's the Core of Option?

Hedge

Hedge and Strategy

- ▶ Index hedge:

Long and Short as well as Futures

- ▶ Stocks hedge:

Stock Shares and Cash

Hedge differ strategy differ too!

Row and Raw as well as Volatility

What is Row data:

- ▶ MACD, SMA, Bollinger, STC, RSI, etc

What is Raw data:

- ▶ Candle Sticks, Volume, Open interest (Call movement)

What is Volatility data:

- ▶ IV (Implied Volatility), ATRN (Average True Range) ,
VHSI (market panic and euphonic).

The Option Market in Hong Kong

The market liquidity is not enough yet, but still is a potential and growing market under development.

Hong Kong is a Volatile market with Volatile emotion offering varying opportunities for doing Option trade.

End with one word

Ingenious

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