



**BigPictureTrading**  
macro . technicals . options

# S&P500, Junk Bonds and more

December 19<sup>th</sup>, 2019



# S&P500 Daily Chart

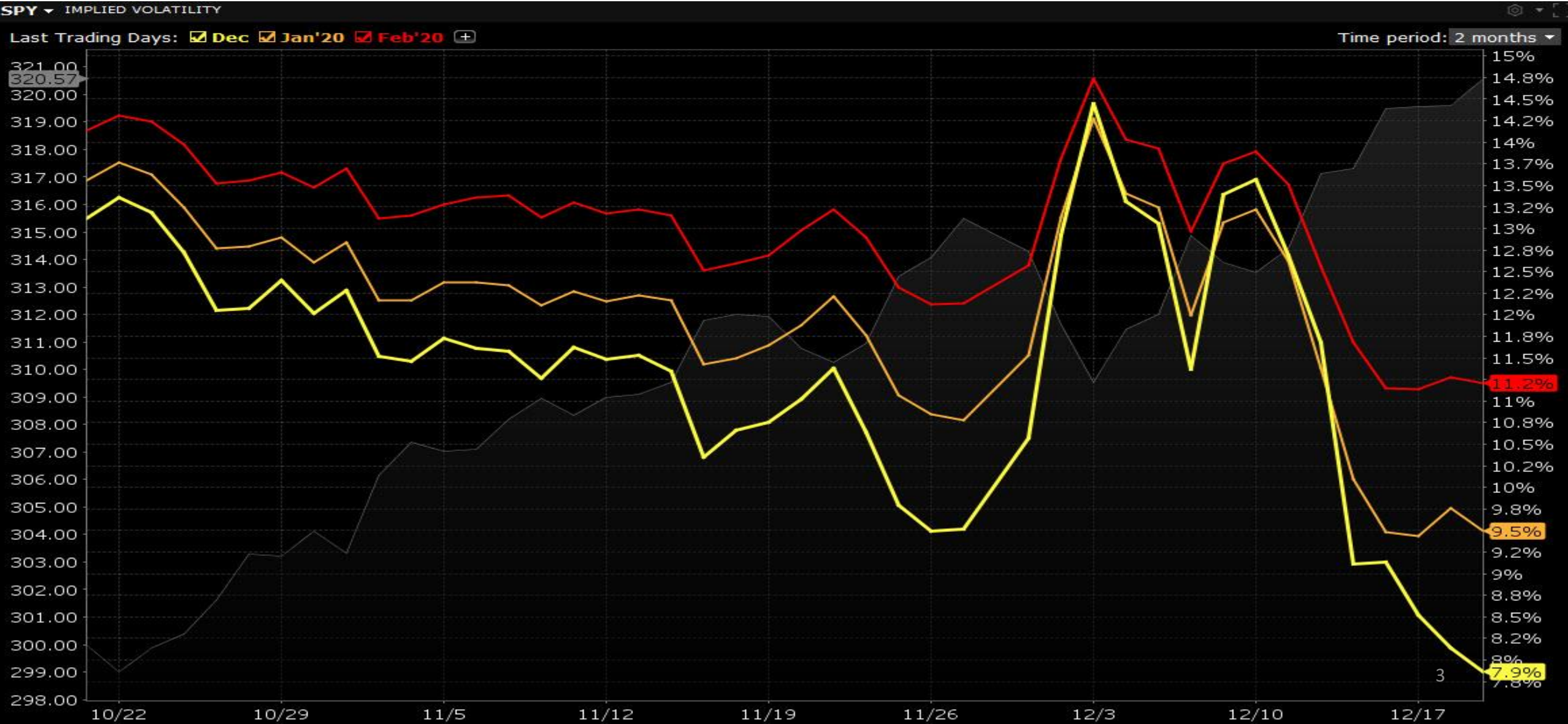
December 19<sup>th</sup>, 2019

S&P 500 E-mini Futures - 1D - CME\_MINI O3199.50 H3207.25 L3194.50 C3206.75 +7.50 (+0.23%)



# S&P500 Implied Vol

December 19<sup>th</sup>, 2019



# SPY Options – Ratio Combo

December 19<sup>th</sup>, 2019



Quote Panel

Financial Instrument

Bid Size

Bid

Ask

Ask Size

Last

Position

SPY

2

320.74

320.75

138

320.75

Statistics

Financial Instrument

Opt. Volume

Put/Call Volume

Opt. Vlm Chng %

Hist. Vol. Close %

IV Last

IV Change

Put/Call Interest

IV Close

Hist. Vol. %

Hist. Vol. Change

SPY

1.88M

0.94

66.700%

7.747%

9.5%

-0.097

1.88

9.6%

7.654%

-0.092

JAN 13 '20  
25 DAYS

JAN 15 '20  
27 DAYS

JAN 17 '20  
29 DAYS

JAN 21 '20  
33 DAYS

MORE

TABBED VIEW

STRIKES

SMART

SPY

100

Load My Chains

CALLS

PUTS

BID x ASK

LAST CHANGE

IMPLD V...

OPTN OP...

DELTA

GAMMA

VEGA

THETA

STRIKE

BID x ASK

LAST CHANGE

IMPLD V...

OPTN OP...

DELTA

GAMMA

VEGA

THETA

0.65 x 0.70

0.66 +0.08

8.1%

26.6K

0.159

0.034

0.232

-0.033

327

7.94 x 8.02

8.03 -0.74

7.8%

768

-0.863

0.036

0.209

-0.020

6.97 x 7.01

7.02 +0.62

11.2%

67.8K

0.683

0.035

0.324

-0.072

315

2.04 x 2.05

2.02 -0.28

11.2%

47.9K

-0.320

0.036

0.325

-0.058

Roughly 2% OTM – you can finance 3 calls for every 1 put sold

Investor has \$1,000,000 in cash and looking for an asymmetric way to be long the market

- |   |                   |
|---|-------------------|
| 1. Sells 10 contracts of the January 315 puts (\$315,000 downside exposure) | \$2,040.00 credit |
| 2. Buy 30 contracts of the January 327 calls (\$981,000 upside exposure)    | \$2,100.00 debit  |

# SPY Options – Ratio Call Spread

December 19<sup>th</sup>, 2019



Quote Panel

Financial Instrument

Bid Size

Bid

Ask

Ask Size

Last

Position

SPY

2

320.74

320.75

138

320.75

Statistics

Financial Instrument

Opt. Volume

Put/Call Volume

Opt. Vlm Chng %

Hist. Vol. Close %

IV Last

IV Change

Put/Call Interest

IV Close

Hist. Vol. %

Hist. Vol. Change

SPY

1.88M

0.94

66.700%

7.747%

9.5%

-0.097

1.88

9.6%

7.654%

-0.092

JAN 24 '20<sup>W</sup>

JAN 31 '20<sup>W</sup>

FEB 21 '20

MAR 20 '20

MORE

36 DAYS

43 DAYS

64 DAYS

92 DAYS

CALLS

BID x ASK

LASTCHANGE

IMPLD ...

OPTN O...

DELTA

GAMMA

VEGA

THETA

STRIKE

1.68 x 1.70

1.70 +0.19

9.2%

37.7K

0.219

0.024

0.395

-0.032

330

6.24 x 6.28

6.23 +0.44

11%

19.5K

0.513

0.027

0.530

-0.053

320

You can buy almost 4 calls 3% OTM for every 1 call sold ATM

1. Sells **10** contracts of the February \$320 calls
2. Buy **36** contracts of the February \$330 calls

\$6,240.00 credit  
\$6,120.00 debit



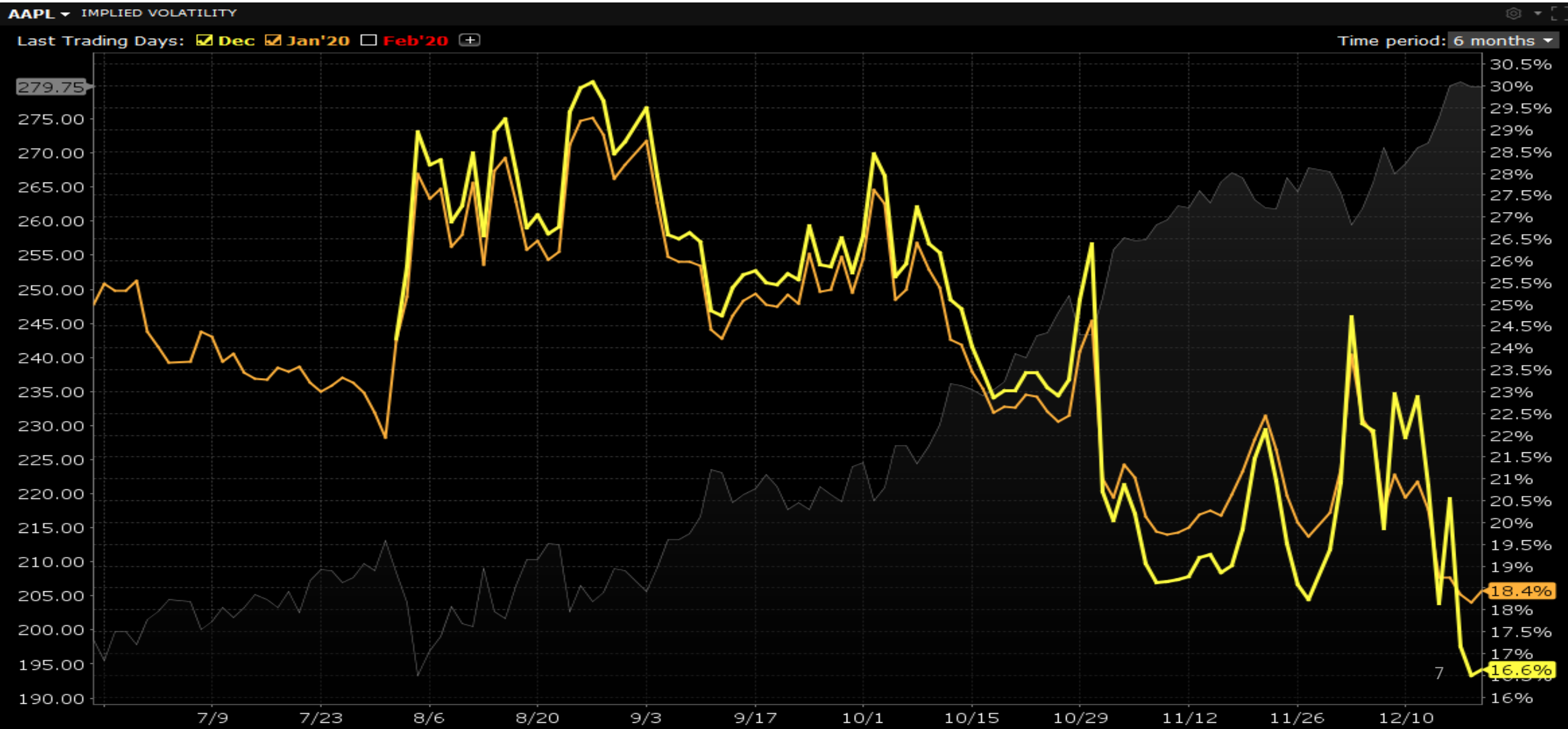
# Apple Daily Chart

December 19<sup>th</sup>, 2019



# AAPL Implied Volatility

December 19<sup>th</sup>, 2019



# iShares IBOXX US High Yield Bond ETF

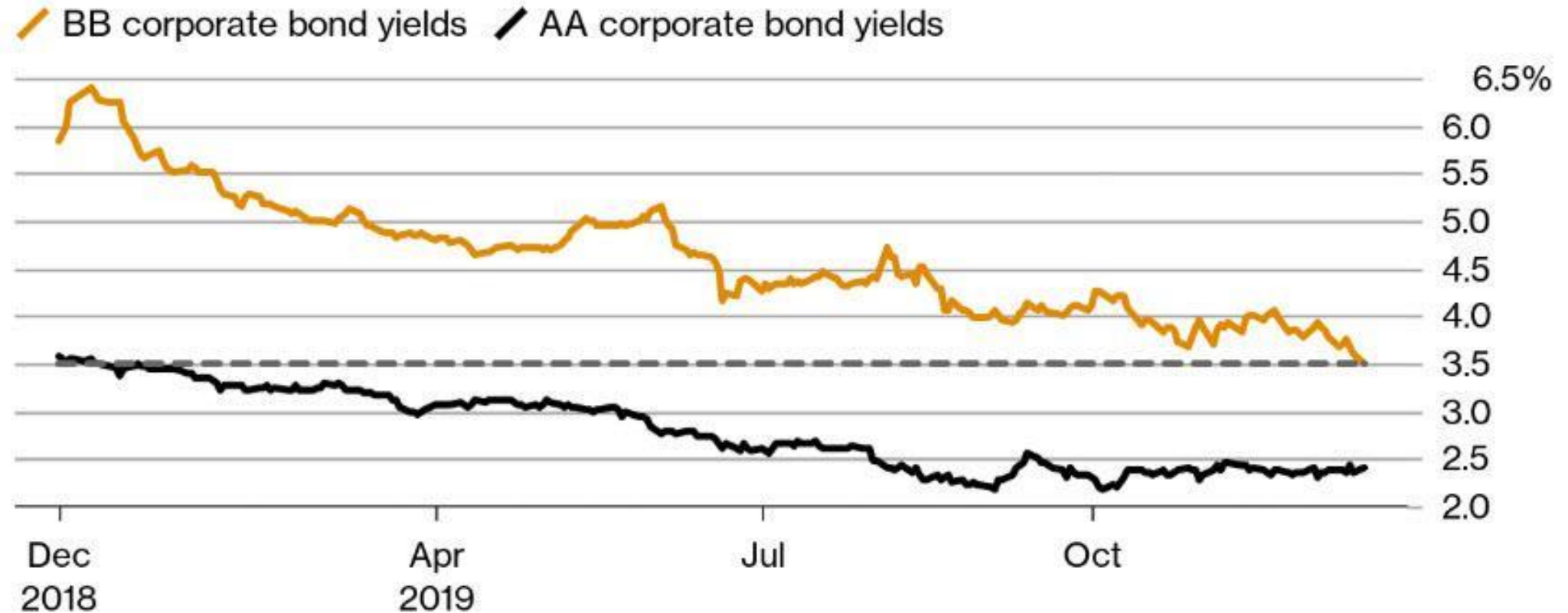
December 19<sup>th</sup>, 2019





## What a Difference

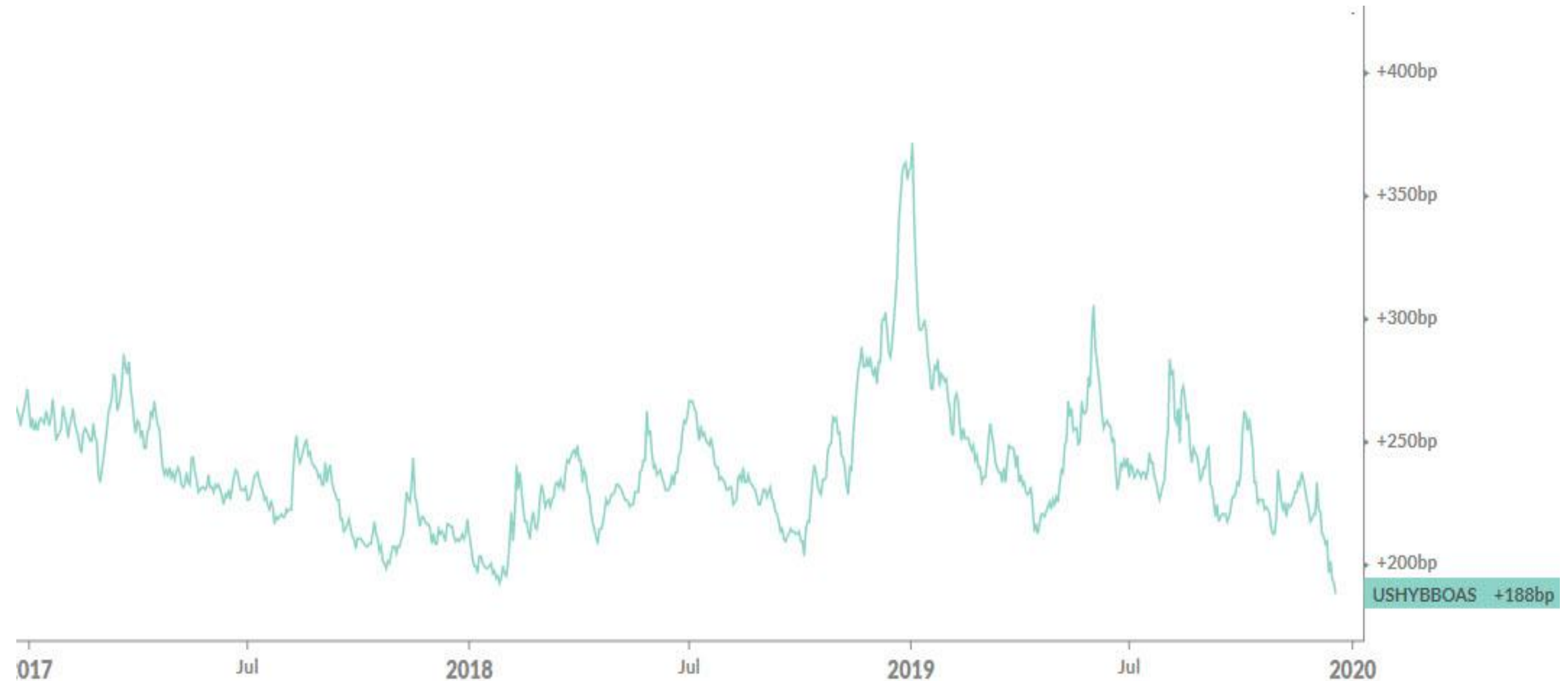
A year ago, double-A rated bonds yielded what double-B bonds yield today



Source: Bloomberg Barclays

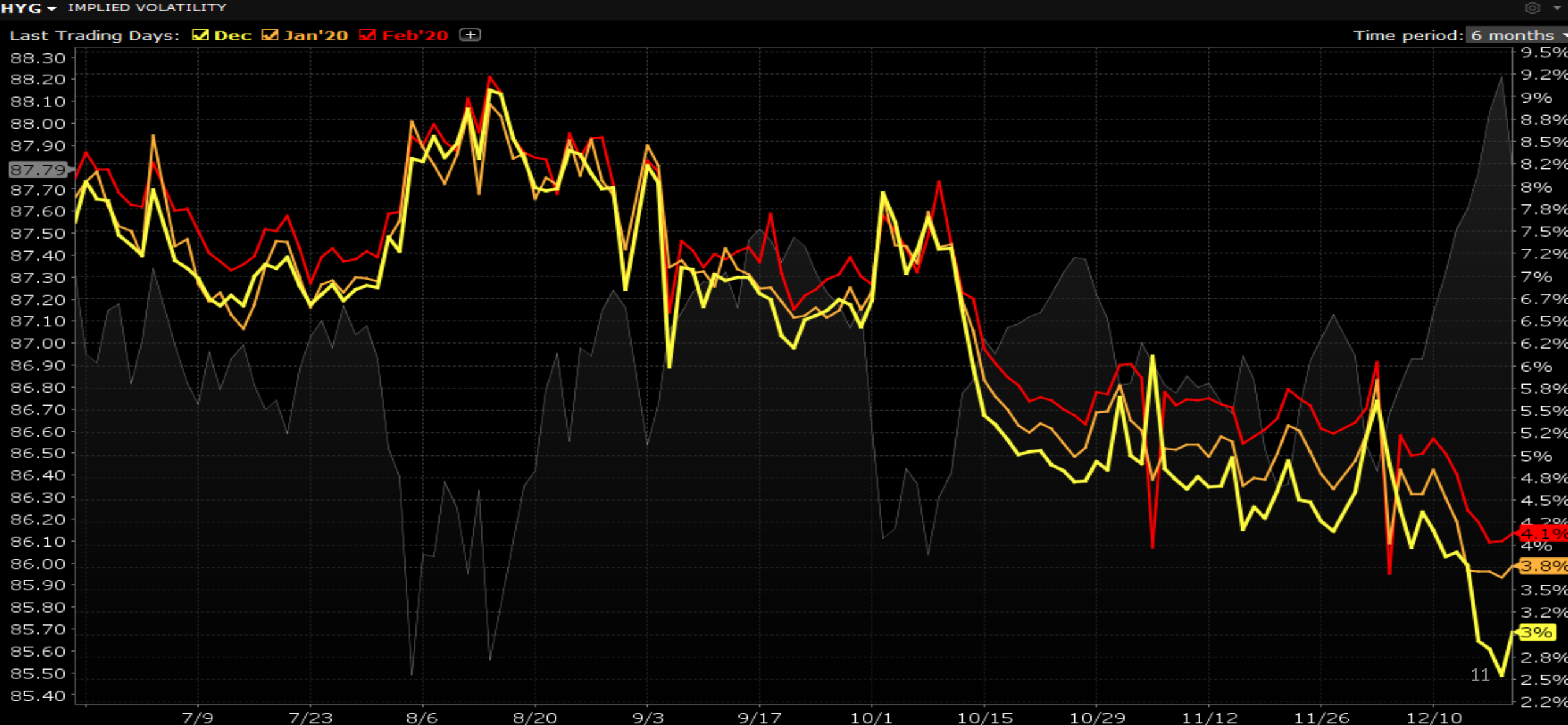
**Bloomberg**Opinion

# US High Yield BB OAS Spread



# HYG Implied Volatility

December 19<sup>th</sup>, 2019



## Bootcamp recording: **How To Find Asymmetry On Your Favorite Commodity Stocks, Using Options The Right Way**

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