

Checklist

Finding an Option Contract

- ☐ Your research pointed you toward a stock.
- ☐ You looked at an option chain with an expiration date determined by your investing strategy.
- ☐ You checked the bid, ask, and mark to approximate the premium of each option in the chain.
- ☐ You considered the implied volatility to gauge the potential fluctuation in price by expiration day.
- ☐ You estimated the rough probability of your contract expiring in-the-money with delta.
- ☐ You further manage your risk by checking the contract's probability out-of-the-money.
- ☐ You assessed the market's enthusiasm for the contract with extrinsic value.
- ☐ You determined the odds of your trade going through with open interest.

Notes