USER GUIDE

POWEROptions®

http://www.poweropt.com/

Free Support and Help:
(877) 992-7971 (toll free in the USA)
(302) 992-7972 (international)

Email: support@poweropt.com

The Best Way to Find, Compare, Analyze and Make Money on Option Investments

Table of Contents

What is PowerOptions?

PowerOptions is an on-line service that self-directed investors can use to quickly find the best stock and index option investment opportunities available. We provide you, the investor, with:

- Current pricing and other data on the approximately 180,000+ options on the 2,900+ optionable stocks and indexes on the six exchanges, including the CBOE, Philadelphia and Pacific stock exchanges. Prices and data are updated every twenty minutes for our standard service and real time is available at extra cost with the **PowerOptionsRT** level of service.
- On-line software tools that allow you to quickly search all options for those few that promise the greatest returns and which fit your personal investing style and risk tolerance.
- On-line software tools and links that you can use to research individual stocks and options.
- On-line software tools that help you decide what to do *after* you have entered a position.
- On-line options education resources.

Our tools can be used to search for investment opportunities in the following strategies:

Writes:	*Buys:*	*Spreads:*	
Covered Calls	**Long Calls**	**Bear-Call Credit**	**Straddles**
Covered Puts	**Long Puts**	**Bull-Call Debit**	**Strangles**
Naked Calls		**Bull-Put Credit**	**Iron Condors**
Naked Puts		**Bear-Put Debit**	**Iron Butterflies**
Collars		**Calendar Calls**	**Calendar Puts**
Covered Combos			

Unlike most other options-related web sites, we do not make specific investment recommendations. For one thing, market conditions and option prices change so quickly that the best option investment opportunities may be long gone by the time you see them in a recommendation. For another, each investor has his/her own investment style and risk tolerance so no investment recommendation can fit all, or even most, investor's needs. Finally, recommendations can influence the prices of options (usually to the detriment of the investor) if a large number of investors act on the recommendation at the same time. PowerOptions provides patented tools which enable you to find unique opportunities by searching the entire market with your customized criteria.

Getting Started

Home Page:

www.poweropt.com

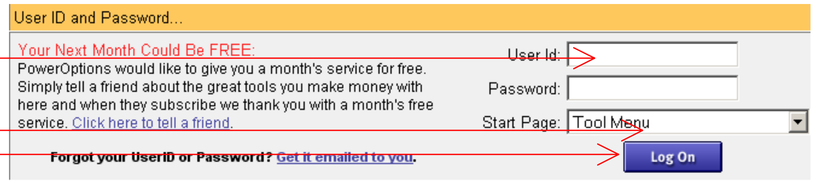
Click Here to Begin:

Log-On Page:

Fill in UserID and Password:

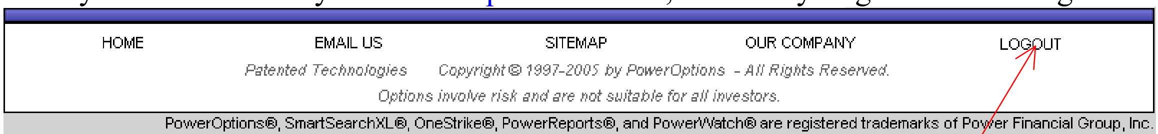
Select Destination Page:

Click to Log On:



Logging-Off:

After you have finished your PowerOptions session, it is always a good idea to Log-Off:



A 'LOGOUT' link is available at the bottom of every page. Use this link to terminate your PowerOptions session.

Tool Menu

Once you have entered in your UserID and Password, you will be directed to the Tool Menu (unless you had selected a different Destination Screen). To get started, simply select one of the search or analysis tools that are available. Once you select a tool, you may be directed to a strategy page. This helps you to link directly into the specific options strategy that you wish to research. The PowerOptions patented tools are designed to help you find the perfect trade based on your individual Risk / Reward ratios. You can search across the universe of options by strategy or search by strategy one stock at a time. You can also research the stock or the option, compare a trade to other strategies on the underlying security, paper trade the position, analyze possible outcomes of the position based on speculated price movements and view the profit and loss charts for each position.

Navigation:

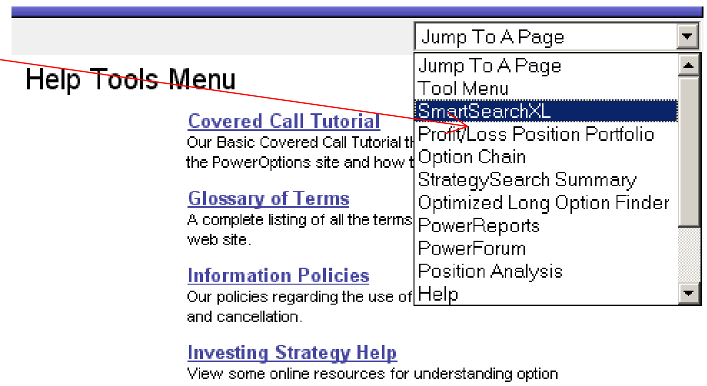
Navigation on PowerOptions is made easy using the links that are available. There are three basic means of navigation:

1). Use the hot links to return to a previous page or menu.

The hot links are located below the PowerOptions Logo on all pages. These links allow you to go back to the previous page, to the Tool Menu or back to the Home Page.

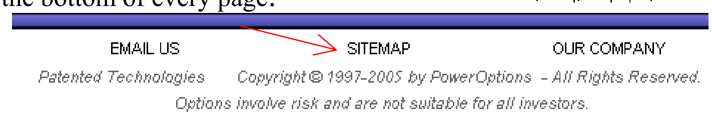
2). Use the 'Jump To a Page' Drop Down.

The 'Jump To A Page' menu allows you to quickly link from one tool to another. This menu is also available on all pages except the Tool Menu.



3). Use the 'Sitemap' link

Subscribers can also utilize the **SITEMAP** to quickly link to the various search and analysis tools available on PowerOptions. This link can be found at the bottom of every page:



Introductory Tools:

Here is a listing of some of the tools that will help you get started on PowerOptions:

My Account: The **My Account** tool allows you to make changes to your account and subscription information. When you click the **My Account** tool you will be able to select:

Personal Information: Make changes to your billing address, telephone number, email address, or change your UserID and Password.

Credit Card Information: This will direct you to a secure, SSL encrypted page so you can change credit cards or update the expiration date without concern.

PriorityOne Email Subscriptions: Select to Opt In or Opt Out of the following emails:

- Morning Update
- PriceWatch Alerts
- Friday Updates
- OptionScan Report

Subscription Level Information: Not an active tool but lists the PowerOptions toll free Telephone number and email address so you can Contact the PowerOptions staff and make any requests or inquiries to change your subscription level or payment schedule.

Help: The **Help** tool provides many useful links, definitions, and write ups to assist trial members and subscribers learn about the tools and parameters on PowerOptions.

Easy Startup Guide: A quick walk through of the different levels of service and

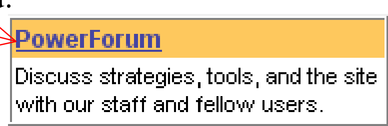
Real Covered Call Example: An example of covered call trading for down-side protection.

Covered Call Tutorial: Brief walk through of using PowerOptions for Covered Calls.
Glossary of Terms: A complete listing of all the terms used on PowerOptions.
Sign-Up Bonuses: Click here to sign up for the bonuses that are offered to new trial subscribers.
Symbol Lookup Help: Use this tool to find stock or index symbols by name.
Options Education: Listing of free educational resources.
TradeLink Instructions: Link trades found on PowerOptions into your trading account.
Strategy Tipsheets: An archive of the Tipsheets that are sent out during the trial
PriorityOne Email Archive: An archive of the morning emails that are sent out.
PriceWatch Alerts Explanation: An explanation on how to analyze and use the morning emails.
PowerOptions Bookstore: Quick link to books on options education and options strategies.

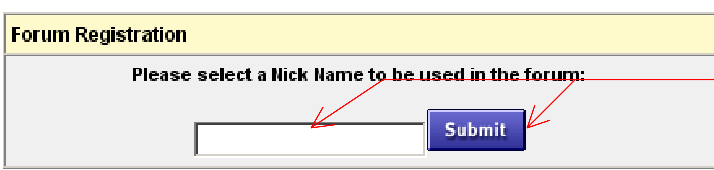
The **Help** tool also provides links to the PowerOptions policies, monitor resolution settings and links for browser upgrades. NOTE: PowerOptions was designed for screen resolutions of 1024 X 768 or better. Use the Monitor Resolution Settings in the **Help** tool to adjust your settings if necessary.

Investing Strategy Help Tool: The **Investing Strategy Help** tool contains write-ups on each strategy that PowerOptions supports. On these pages you can read about the pros and cons of the strategy, the calculations used on PowerOptions for the risk and return percentages and information on what the strategy entails. These tips are useful for the novice, intermediate and experienced options traders.

PowerForum: This is an open discussion forum for PowerOptions Trial and Subscriber members. The **PowerForum** is designed for subscribers to assist one another in using the tools on PowerOptions and to promote healthy discussions on options strategies. To access the **PowerForum**, simply click the **PowerForum** link in the upper right hand corner of the tool menu:



If it is your first time accessing the **PowerForum** you will be prompted to create a Nick Name that will be your alias when you post. Simply type in your preferred Nick Name into the field and click the Submit button.



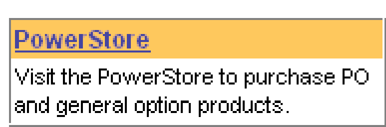
Type in Nick Name and Click Submit:

Once you have created a Nick Name you may read, reply or post new topics in the PowerForum. Some of the topics you will find in the **PowerForum** are: Forum Rules, Recent Site Updates, Options Specifics, Site Suggestions, FAQ, Discussions on the various options strategies and discussions on the search and analysis tools on PowerOptions.

If you have questions on a certain tool or options strategy, use the email link to contact the PowerOptions staff directly, rather than using the **PowerForum**.

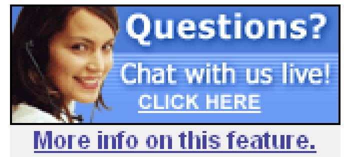
Please read the 'Forum Rules' section before you begin posting on the PowerForum

PowerStore: You can link to the **PowerStore** directly from the Tool Menu. From here you can purchase PowerOptions products as well as general option products.



PowerOptionsWeBlog: These are industry related articles written by the PowerOptions staff. You can find useful information on strategy concepts, trading approaches, and current news in the market.

Live Help: On most pages, you will see a Live Help image. Click this to instantly chat with one of the PowerOptions support representatives who will help you with any questions or problems that you have.



Searching For Option Positions Across the Universe of Options:

SmartSearchXL

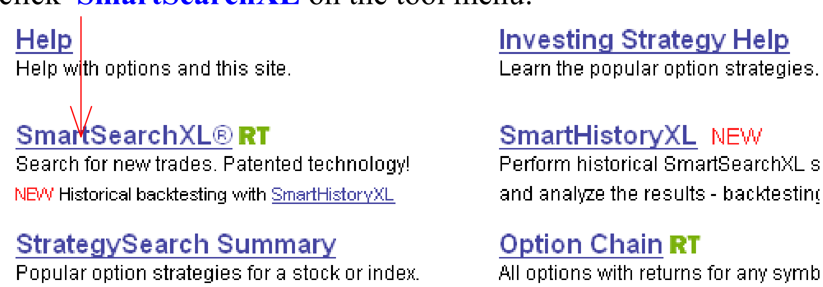
Use the **SmartSearchXL** tool to scan across the universe of options, by strategy, using the PowerOptions default settings or your own parameters to find the best trades. The **SmartSearchXL** tool uses patented technology to search through the 180,000+ options on the six exchanges to find only those possible trades that match your specific parameters. These parameters include:

- Underlying stock fundamentals such as company size, PE Ratio, %EPSG and more!
- Underlying stock price trends such as moving average relationships.
- Raw option data including expiration date, prices, and the greeks.
- Investment risk and probability percentages.
- Expected returns on all strategies.

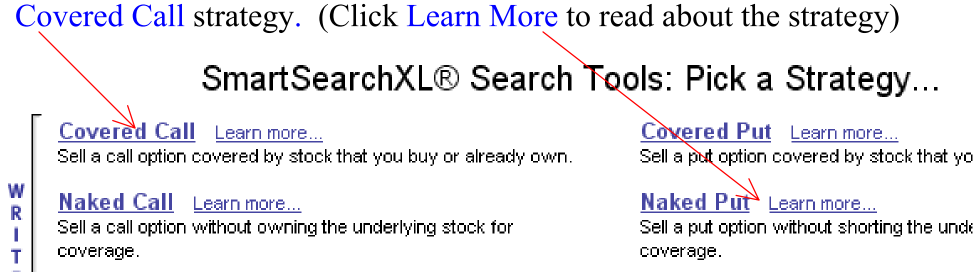
You can customize the search parameters and the view of the Results Table to make your searches specific to your individual investment methods.

Let's walk through an example of using the SmartSearchXL tool:

1. After logging on, click **SmartSearchXL** on the tool menu:



2. Select a strategy from the Strategy Menu. For this example, let's select the Covered Call strategy. (Click Learn More to read about the strategy)



The strategies available in the SmartSearchXL are listed on page 3.

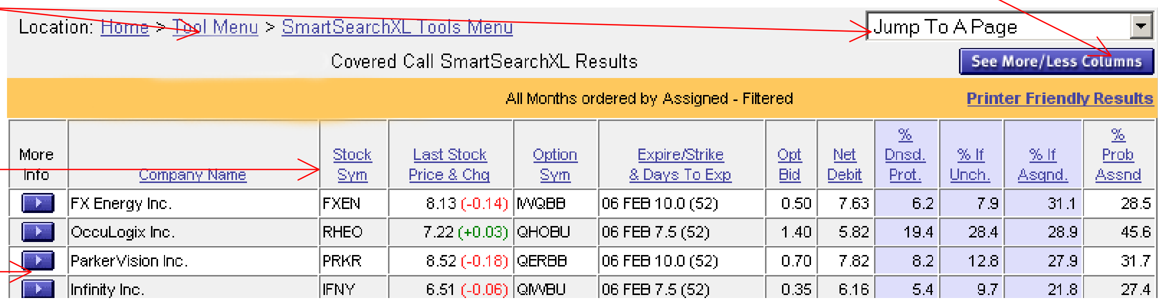
3. Once you select a strategy the Results Table will appear with possible trades for that strategy. As well as providing valuable data, the Results Table also has several functions to help the investor customize the page and do further research on the trades that are displayed:

Click 'See More/Less Columns' button to customize the columns viewed:

Use hot links or Jump To A Page for navigation:

Customized Columns:

More Info Buttons:



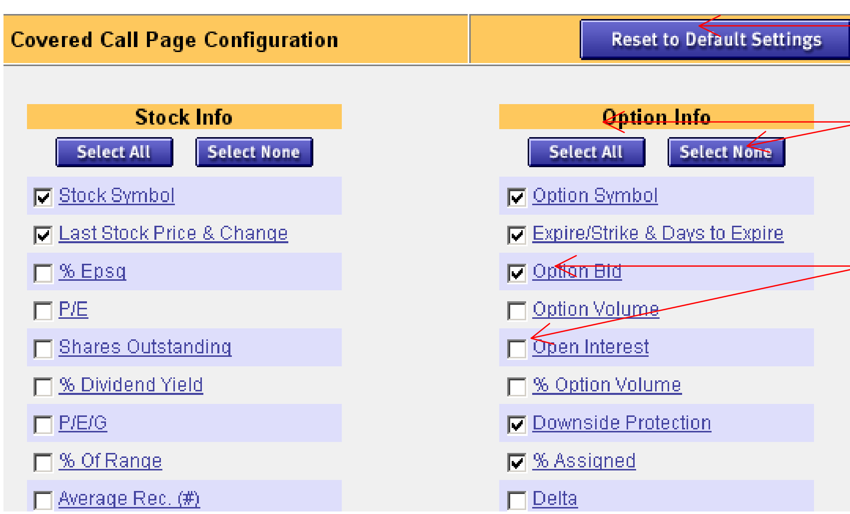
More Info	Company Name	Stock Sym	Last Stock Price & Chg	Option Sym	Expire/Strike & Days To Exp	Opt Bid	Net Debit	% Dnsd. Prot.	% If Unch.	% If Asgnd.	% Prob Assnd
	FX Energy Inc.	FXEN	8.13 (-0.14)	MQBB	06 FEB 10.0 (52)	0.50	7.63	6.2	7.9	31.1	28.5
	OccuLogix Inc.	RHEO	7.22 (+0.03)	QHOBU	06 FEB 7.5 (52)	1.40	5.82	19.4	28.4	28.9	45.6
	ParkerVision Inc.	PRKR	8.52 (-0.18)	QERBB	06 FEB 10.0 (52)	0.70	7.82	8.2	12.8	27.9	31.7
	Infinity Inc.	IFNY	6.51 (-0.06)	QIWBU	06 FEB 7.5 (52)	0.35	6.16	5.4	9.7	21.8	27.4

Let's take a closer look at the customize and analysis functions on the Results Table:

See More/Less Columns: This function allows you to select and order the columns in the different strategies on the **SmartSearchXL** page. To access the Configuration Page click the See More/Less Columns button located underneath the Jump To A Page function in the upper right hand corner. This will take you to the Configuration Page.

Configuration Page: To select the parameters you wish to view in the Results Table simply check the box next to the field you wish to view.

Once you have selected all of the fields you wish to view, click the Save and Return button to go back to the **SmartSearchXL** strategy page you were on, or click the Re-Order Columns button to customize the order of the Results Table.



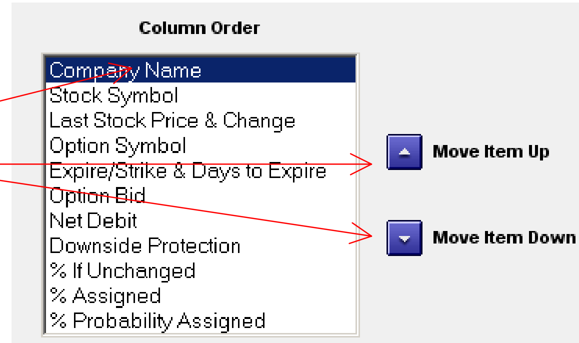
Reset table to Default Settings:

Select All columns or None:

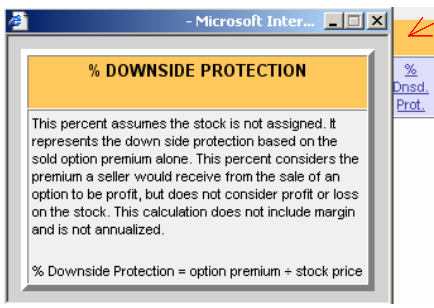
Simply check or uncheck the boxes of the columns you wish to view:

Re-Order Columns:

1. **Click Re-order.**
2. **Highlight the parameter you wish to Re-order.**
3. **Move parameter up and down using arrows.**

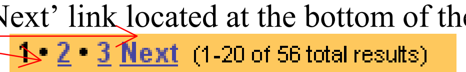


Pop-Up Definitions: Each one of the column headings in the Results Table has a pop-up definition. If you are unsure of the meaning of a particular column, simply hover the cursor over the column heading and the pop-up definition will appear. If you click directly on the column heading text, it will bring up the full glossary that is located in the **Help** tool. If you do not see a pop-up definition on the various search pages, you may need to disable any pop-up blockers that your browser or anti-virus is running.

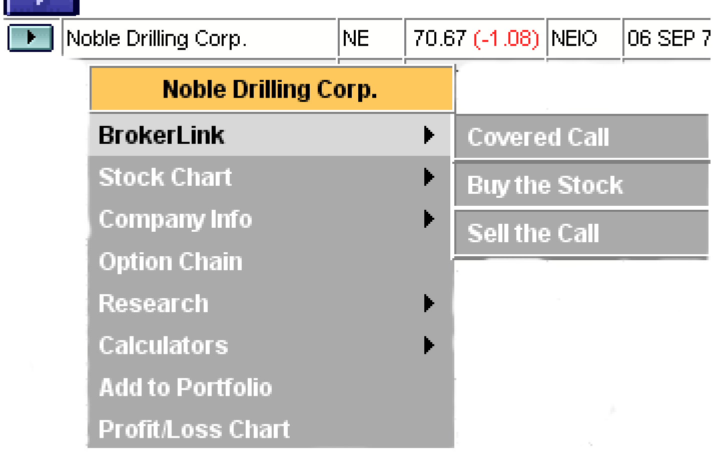


Printer Friendly Version: Since the Results Table can be customized many different ways a standard printer may not be able to print all of the selected fields on one page. The Printer Friendly Version will place the data from the **SmartSearchXL** tool into a formatted table so you can print all of the data fields on one sheet. The Printer Friendly Version on the **SmartSearchXL** is located in the upper right hand corner of the Results Table under the See More/Less Columns button.

Multiple Results: Some searches may provide many potential results in the **SmartSearchXL** field. To scroll through the different pages of results, simply click the next page number or the 'Next' link located at the bottom of the Results Table.



More Information Buttons: Use the More Information Buttons (little blue arrows) next to the listed trades to access BrokerLink, Stock Chart, Company Info, **Option Chain**, the **Research** tool for stocks or options, the **Calculator**. You can also link the trade directly into the **My Portfolio** tool to paper trade the position, view the **Profit/Loss Chart** for any listed trade or link the position into your trading account if you have the BrokerLink activated. The More Information Buttons



allow you to quickly link to other tools to help you analyze the whole position. Let's review the functionality of the More Information Buttons:

BrokerLink: You can set up your account to be linked to your broker. When you click BrokerLink the stock symbol and option symbol(s) will be transferred over to an activation page. This saves you the time of logging into your brokerage account and typing in the information manually (Go to the **Help Tool** for instructions on setting up the BrokerLink and available Brokers).

Stock Chart: Quickly link to the One Year Snapshot or BigCharts to evaluate the stocks movements.

Company Info: Link to the Company Information, Earnings and Events, and recent News.

Option Chain: Links you to the PowerOptions Option Chain so you can compare the prices and returns of other strikes on the underlying security. (see page XX for further info on the Option Chain).

Research: Link to the Stock Detail or Option Detail. The Research tools will show you all the fundamental data for the stock or option. You can also view historical charts in the Option Researcher (for more information see page XX).

Calculators: Adjust the values using the Strategy Calculator to reflect your returns or use the Black-Scholes Calculator to estimate the value of your option (for more information see page XX).

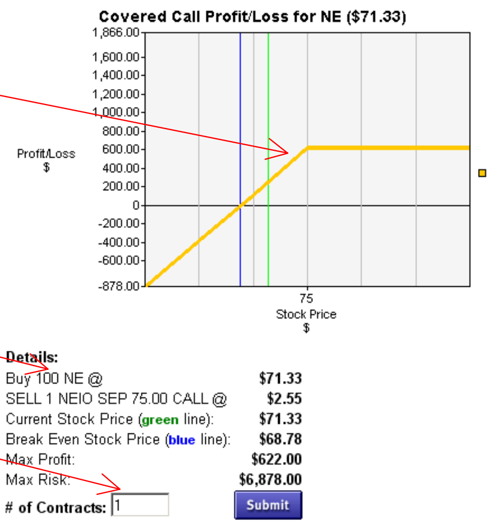
Add to Portfolio: Quickly link the position into the My Portfolio tool to start paper trading the position (see page XX to read about the functionality of the My Portfolio tools).

Profit/Loss Chart: This will show you the graphical form of the potential trade based on expiration values. Example:

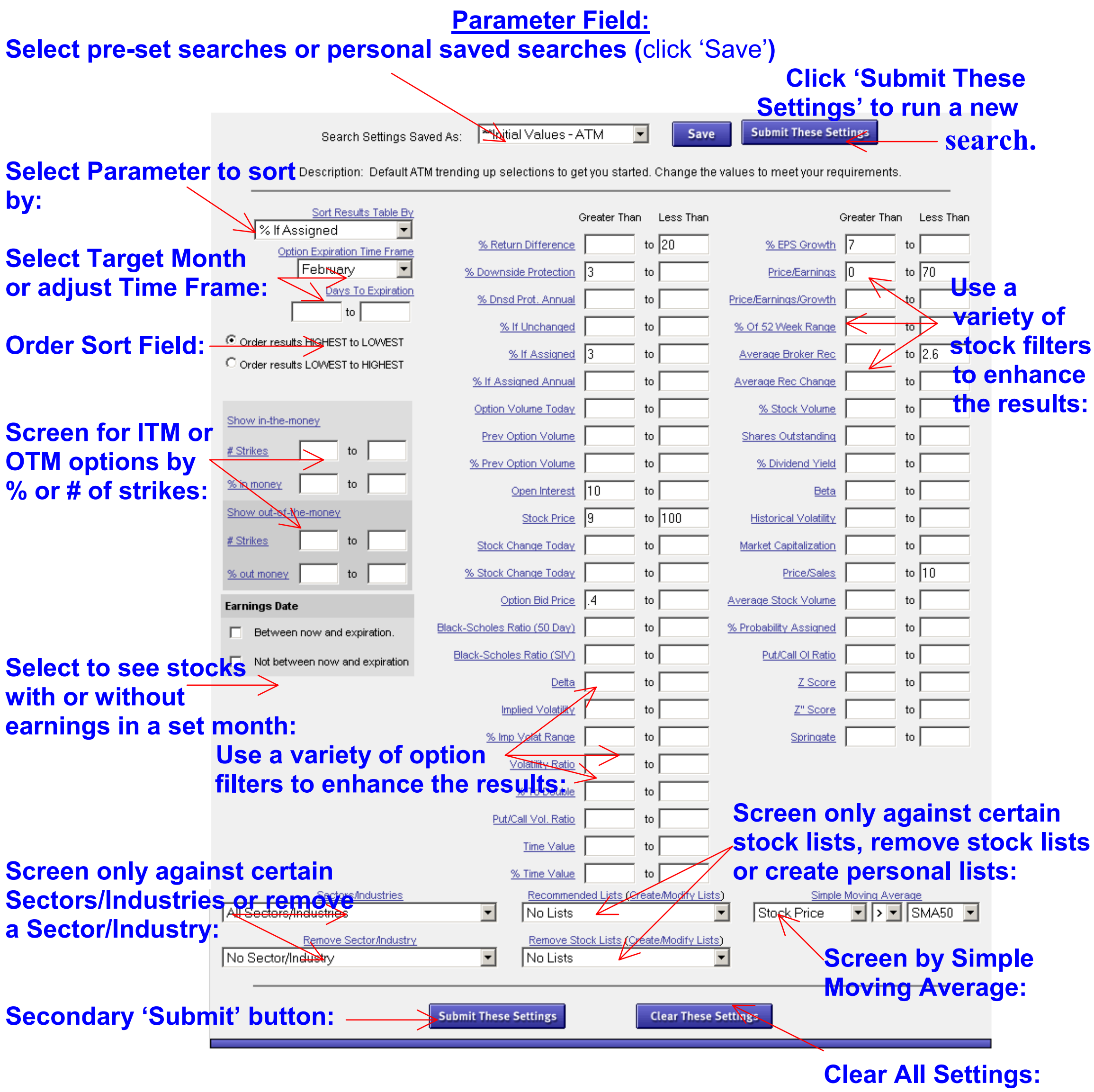
P&L Chart:

Trade Details:

Adjust # of Contracts:



The Parameter Field: The Parameter Field is the powerful engine that drives the patented technology of the **SmartSearchXL** tool. On any given strategy that you can search by in the **SmartSearchXL** tool there may be over 20 different option related parameters you can screen by and over 20 different stock parameters as well. Although there are several default searches listed in the different strategies, the power of the Parameter Field is that each investor can create their own specific search based on their individual risk/reward ratios. Using the Parameter Field an investor can also adjust the *Sorting of the* Results Table, *the Expiration Time Frame,* and select to screen against specific *Industry Sectors* or screen only against *Recommended Stock Lists* or an investors *Personal Stock List.*

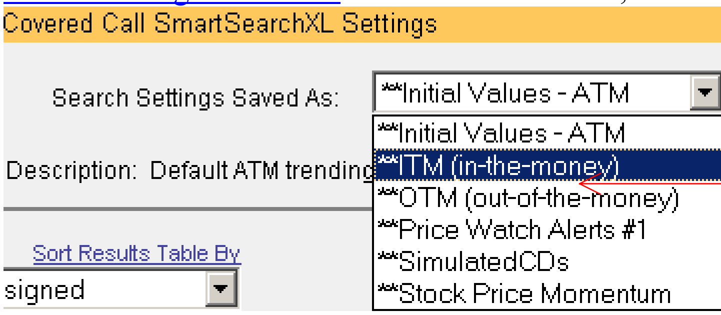


Using the **Parameter Field**: Mastery of the Parameter Field is essential to finding the option trades that match your individual investing ideas. Although the field may seem imposing, adjusting the filters and personalizing the search criteria is fairly simple.

If this is the first time you have used the SmartSearchXL, be aware that the *****Initial Values* **search settings merely provide a starting point. The pre-set criteria lists should not be considered to be the 'Best' values, nor should they be taken as recommendations or suggestions on which options to buy or sell. The power of the SmartSearchXL is your ability to change these settings to suit your personal investing style and risk-reward tolerances.**

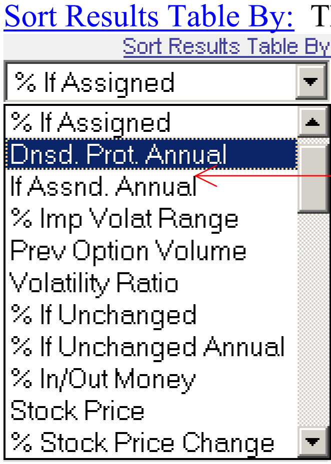
Let's take a look at adjusting the parameters:

Search Settings Saved As: As mentioned above, if this is your first time using a specific strategy the default search ***Initial Values* will be used to compile the trades displayed in the Results Table. To change from the ***Initial Values* search to one of the other defaults searches simply click the drop down menu and select a different pre-set search list.

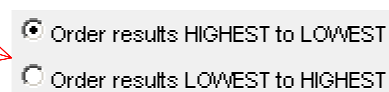


Once you select a different search the tool will automatically run the new parameters. The new trades that match the selected search will appear in the Results Table. Once you create and save your own personal search, your search name will appear in the drop down menu with the other pre-set criteria lists. The **SmartSearchXL** tool will always default to the last saved search you were viewing when you were previously on the site. Search settings with the double asterisk (**) were set up by PowerOptions and cannot be deleted.

Sort Results Table By: This function allows you to change the order of the trades displayed in the Results Table. The Sort Results Table By field is located in the upper left hand corner of the Parameter Field. To change the results order simply click the Sort Results Table By drop down menu and select the parameter you wish to sort by. Once you have selected the parameter you wish to sort by, you must click the Submit button to run the search and reorder the Results Table.

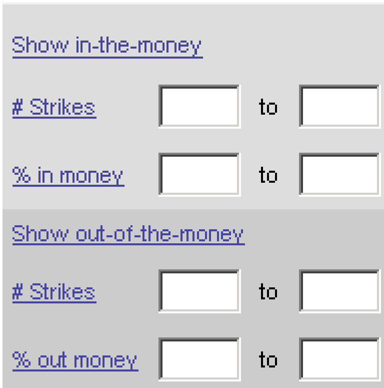


You can also select to sort the results from 'Highest to Lowest' value or from 'Lowest to Highest' value.

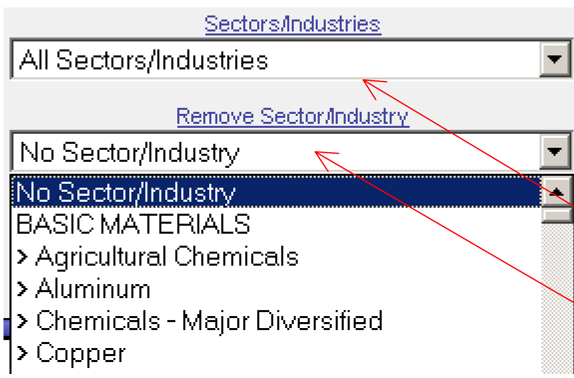


Option Expiration Time Frame / Days to Expiration: This function allows you to select the exact target month that you wish to screen by. The field will automatically default to the next full target month after the last expiration date (on the Monday after December exp, the field will default to February). To change the month, simply click the drop down menu and select the month you wish to see the results for. Once you have selected the new month, click the Submit button to re-run the search. To view several months at a time, select the 'All Months' expiration time frame and adjust the Days to Expiration boxes as necessary. So, if you wished to view trades that were 15, 45, and 75 days out in time, you would select 'All Months' and then type in the Days to Expiration fields '15' to '75'.

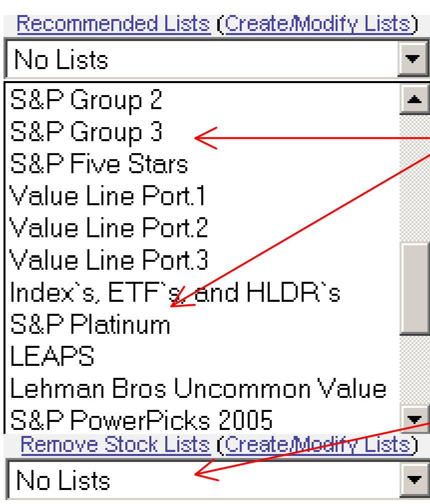
Show # Strikes/ % In- or Out-of-the-Money: This function will help you filter the results so that you are only viewing those options that match your desired range. The # Strikes refers to the steps away from the stock price. If a stock was trading at $21, the 20 strike would be One Strike In-the-Money and the 22.5 strike would be one Strike Out-of-the-Money. The percentage ITM or OTM refers to the percentage that the strike is away from the stock price. For the Spread strategies, this field only applies to the sold option. If you wanted to view options that were at least one Strike ITM or more, we would enter a parameter of 1 to __ in the # Strikes field under 'Show in-the-money'. If we only wanted to see OTM options, then we would put in the same parameter in the 'Show out-of-the-money' field.



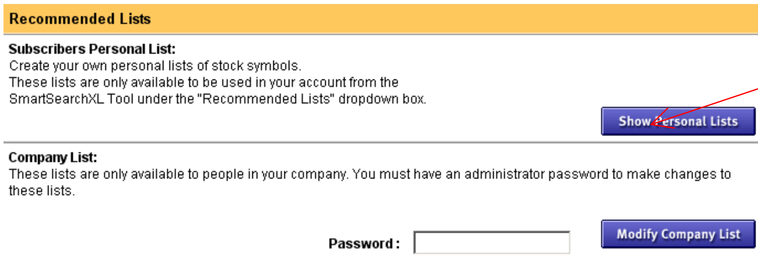
Industry/Sectors: You can use this field to scan only against a particular Industry or Sector, or to remove a particular Industry or Sector from your search. If All Sectors and No Sector/Industry is selected in the Remove field, then the **SmartSearchXL** tool will scan against all Sectors and Industries. To screen against only one Sector or Industry simply select your choice from the upper drop down menu. To remove a specific Sector or Industry, simply select your choice from the Remove field.



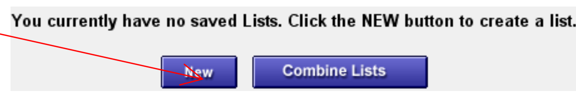
Recommended Lists (Create/Modify Lists): This field will allow you to scan against only those companies that are listed in a given list (S&P lists, IBD 100, etc). If 'No Lists' is selected the system will scan the entire universe of optionable stocks. You can also select to remove a specific list of stocks from your search. If you did not want to see the Index's, ETF's and HLDR's in your search, simply select that list from the Remove field. This will also allow you to remove a bearish stock list (S&P One Star Sells) if you are screening a bullish strategy or remove a bullish list (S&P PowerPicks) if you are doing a bearish search. After you select a specific list to screen against or you select a list to be removed from your search, you must click the 'Submit These Settings' button to re-run the search using your selected criteria.



Create/Modify Lists: Although you cannot change the pre-set Recommended Lists, you can create your own personal stock list to screen against. If you have a set list of 5, 15, 50, 100, or 500 stocks that you follow and wish to view option trades against, simply click the text link for (Create/Modify Lists) at the top of the Recommended Lists drop down menu. You will then see a page that will ask you to 'Show Personal Lists' or 'Modify Company Lists'. To create a new list click 'Show Personal Lists'.



Once you click 'Show Personal Lists' you will be given a choice to create a 'New' list or 'Combine' previously Saved lists. Click 'New' to create a new stock list:

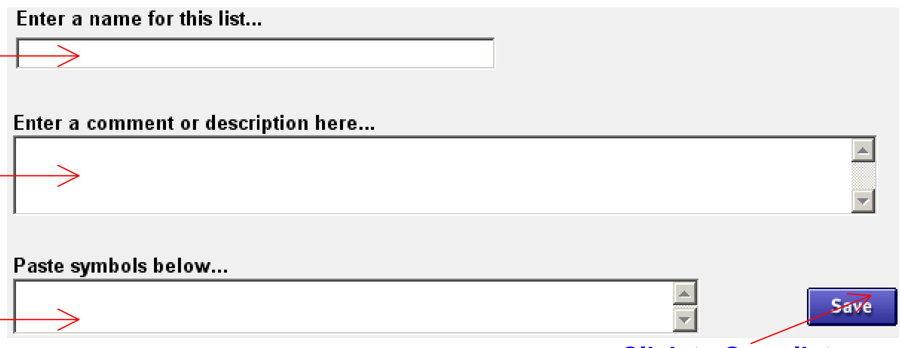


Once you click 'New', you will be prompted to enter in a name for your Personal Stock List and the stock symbols in your list:

Enter a Name for your list:

Type in a Description for your list:

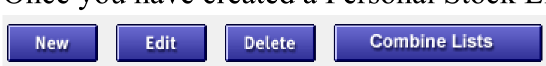
Enter or Paste stock symbols from your list:



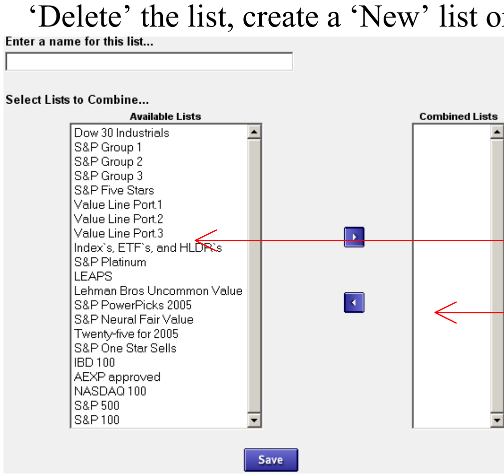
Click to Save list:

A private company, investing group, or organization list can be created through the Modify Company List link. To create a group list, contact the PowerOptions support staff.

Once you have created a Personal Stock List, you will have new choices when you link to the (Create/Modify Lists) function.

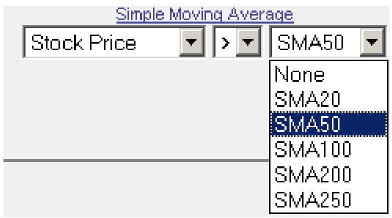


You can now 'Edit' your created list, 'Delete' the list, create a 'New' list or 'Combine Lists'. The 'Combine Lists' function allows you to add two or more lists together from the Recommended Lists to create one single list. You can combine 2 or 3 of the company stock lists, or combine one of your personal lists with the company stock lists. To combine the different Stock lists simply select a list from the Available List section and click the arrow to move it into the Combined Lists field. Once you have selected all of the lists you want to combine, enter a name for your list and click the Save button at the bottom of the page. Your combined list will now be available in Recommended List section.



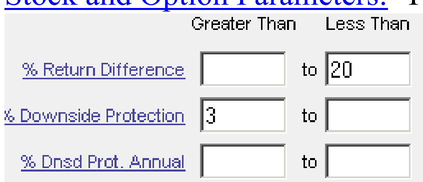
Export to Excel: Once you have created a personal stock list, you can export it to Excel if you wished to have the symbols in that format. To do so, simply click:

Simple Moving Average: The Simple Moving Average parameter allows you to screen



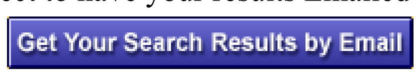
only for stocks that are currently trading above a certain moving average (for Bullish Strategies) or below a certain moving average (for Bearish Strategies). A typical PowerOptions default parameter in a Bullish Strategy is to look for 'Stock Price > SMA50'. You can adjust the parameter by clicking the drop down menus on either field and selecting which two values you wish to compare, or use the middle drop down to change between 'Greater Than - >' or 'Less Than - <'. To open up the search and search using no comparison for Simple Moving Average, simply select 'None' vs. 'None' in the drop down menus.

Stock and Option Parameters: To change or adjust the various stock or option parameters



In the **SmartSearchXL** tool simply click in the boxes, delete any numbers that may be in the fields, and type in your own values. If you are unclear on a specific meaning of a parameter, simply hover your cursor over the text in the field and a pop-up definition will explain that particular parameter. You can also click directly on the text and read the definition in the glossary pages. It is important to make sure that the parameters you input into the field agree with one another. Example: You will rarely see a near term Covered Call trade that is at least 5 strikes or more out-of-the-money with a downside protection of greater than 10%. If you have conflicting parameters, you may see an error that states: "No stock/option combinations match your search criteria…" This means that the fields are too restrictive and you may need to open them up a bit.

NEW FEATURE! Once you have mastered the Parameter Field and set up a few of your own personal searches, you can select to have your results Emailed to you! At the top of the Parameter Field you will see:

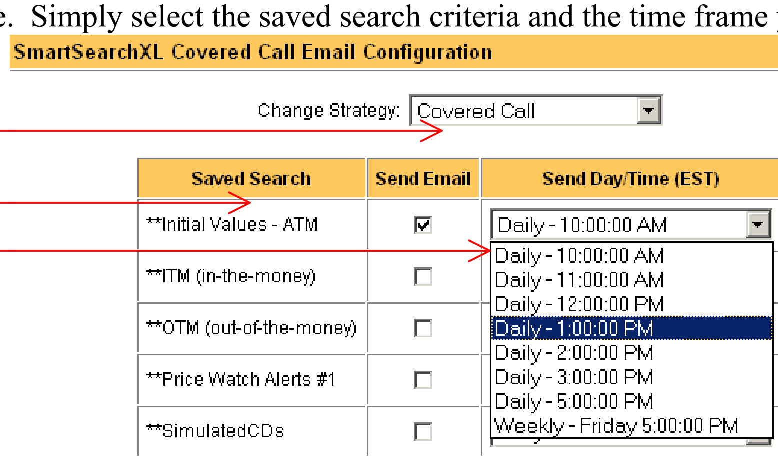


When you click this button you will be taken to the Email Configuration page. Simply select the saved search criteria and the time frame you want the results of that search emailed directly to you!

Select Strategy:

Select Search Settings:

Select Email Time:



Tips on Using the Parameter Field:

There are two possible scenarios that you may encounter after you put in your personal criteria. One scenario is that there are too many choices and your parameters were not effective in reducing the number of possibilities. Ideally you want to set up a search that limits the results to the 10 or 20 possible trades that best fit your criteria. If you have 200 pages of possible trades that you have to go through, you are not really saving yourself valuable research time. The second scenario is that your search criteria are too restricted. In this case, you may see a message that states… "*No stock/option combinations meet your search criteria. Please re-submit less restrictive values and try again*." This simply means that there are no trades in the database that match your various criteria.

The best way to maximize the value of your trades is to review the Parameter Field for the strategy you are using. From the Parameter Field select the top ten parameters that are the most important to *You.* If you are looking to be more conservative, you might want to focus on *Downside Protection, Max. Risk* or a specific range *In-* or *Out-of the-Money*. If you are looking to be more aggressive, you may want to focus on *% Return, % Naked Yield,* or *% Probability*.

Based on the specific strategy, you may also want to focus on Bullish or Bearish stock parameters *(%EPSG, Broker Rec, Simple Moving Average, etc*). Combining option parameters and stock parameters in your search will help you find only those trades that best match your specific investing ideas.

Using SmartSearchXL - Example:

Let's say you wanted to trade Covered Calls. After you log on to your account, you go into the **SmartSearchXL** tool and select Covered Calls from the Strategy Menu.

You will immediately see several possible trades listed in the Results Table. These are the trades that match the pre-set search criteria that are listed in the Parameter Field. If you look at the top of the Parameter Field you will see a drop down menu called '*Search Settings Saved As…'*. In the Covered Call search drop down menu you will see several pre-set searches such as *Initial Values, ITM(in-the-money), OTM(out-of-the-money), etc.* You can use these criteria as a stepping-stone to create your own, personal search criteria.

The pre-set searches are not recommendations or suggestions on which stocks or options to trade. They are merely conservative search criteria to help our subscribers formulate their own private searches.

Now, review the listed parameters on the strategy you selected. Go through the parameters and pick those ten that best apply to your investing method. Rank your selected parameters from 1 to 10 (1 being the most important). Once you have ranked your ten parameters put in a range you would like to see for each. Now that you have your ranked list, go back into the **SmartSearchXL** and click the Clear These Settings button. Then, put in your settings for parameter #1 and click Submit These Settings. The results that are returned may be from 'Page 1 to 437'. Our search is obviously too broad. Enter in your #2 parameter range and hit the Submit button again. Continue this method through your Top Ten parameters until you reach only 10 to 20 possible trades. If the page returns no results, simply backtrack one parameter and rerun your search.

On the following page is an example of a Covered Call Worksheet for the Parameter Field.

Covered Call Parameter WorkSheet:

Options:

Returns:
% If Assigned
% If Assigned Annual
% Downside Protection
% Downside Annual
% If Unchanged
% Return Difference

Contrarian:
Put/Call Volume Ratio
Put/Call OI Ratio

Risk:*
% Probability
% In / Out of Money
Days to Expiration
Net Debit*

Movement:
Delta
Implied Volatility
% Implied Vol. Range
Volatility Ratio
% To Double

Liquidity:
Open Interest
Option Volume Today
Previous Option Volume
% Previous Option Volume

Cost:
Stock Price
Option Bid
BS Ratio (50 day)
BS Ratio (SIV)

Stock:

Fundamentals:
% EPS Growth
Price / Earnings
P/E/G
Price / Sales
Sectors*

Stock Size:
% Stock Volume
Avg. Stock Volume
Shares Outstanding
Market Cap.
Dividend Yield *
Z, Z", Springate*

Stock Movement:
% 52 Week Range
Historical Volatility
Beta
Simple Moving Average
Stock Change Today
% Stock Change Today

Select 10 Parameters from the Lists Above:

____________ ____________ ____________ ____________

____________ ____________ ____________ ____________

____________ ____________

Rank Your Ten Parameters and Create Ranges for the Filters:

(Highest Importance = 1; Lowest Importance = 10)

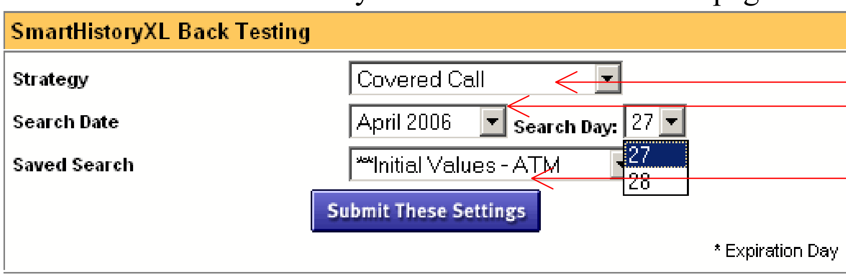
1. ____________ ____ **to** ____
2. ____________ ____ **to** ____
3. ____________ ____ **to** ____
4. ____________ ____ **to** ____
5. ____________ ____ **to** ____
6. ____________ ____ **to** ____
7. ____________ ____ **to** ____
8. ____________ ____ **to** ____
9. ____________ ____ **to** ____
10. ____________ ____ **to** ____

NEW FEATURE!

SmartHistoryXL:

The **SmartHistoryXL** tool allows you to backtest stock/option searches on data and search settings from the past. From the search results, you can evaluate the returns that would have been possible if you traded those positions on that date and held until the present, expiration or any day in between. The purpose of this tool is to help you develop search settings based on back-testing with the hope that those search settings used today will produce option positions that will perform in a similar fashion in the future. Past results are no guarantee of future results, but you certainly have more knowledge about your choice of settings if you know how they would have performed in the past.

To begin, once you have ordered the **SmartHistoryXL** tool, select the tool from the main Tool Menu. This will take you to the Search Selection page:



Select Strategy:
Select Date to Run Search:
Select Search Criteria:

Once you have selected your strategy, the search date and the initial settings, click the Submit These Settings button. The results are displayed as if the screen was actually performed on the date you selected. Also shown are the screening parameters used in the search that you back tested:

Total Results: **Search Date:** **Ordered by:**

Top 20 of 379 results for Covered Call search on April 27, 2006 ordered by Assigned

More Info	Company Name	Stock Sym	Last Stock Price & Chg	Option Sym	Expire/Strike & Days To Exp	Opt Bid	Net Debit	% Dnsd. Prot.	% If Unch.	% If Asgnd.	% Prob Assnd
	Ezcorp Inc.	EZPW	30.24 (-0.37)	ULPFG	06 JUN 35.0 (51)	1.00	29.24	3.3	3.4	19.7	23.2
	Encore Wire Corp.	WIRE	40.00 (-2.33)	EJOFI	06 JUN 45.0 (51)	1.40	38.60	3.5	3.6	16.6	27.9
	R	RES	26.61 (-0.29)	RESFF	06 JUN 30.0 (51)	0.85	25.76	3.2	3.3	16.5	28.1
	E	EXP	66.72 (-1.48)	EXPFO	06 JUN 75.0 (51)	2.25	64.47	3.4	3.5	16.3	30.9
	J	JOYG	63.02 (-7.49)	JQYFN	06 JUN 70.0 (51)	2.30	60.72	3.6	3.8	15.3	28.0
	In	DCC	27.01 (+4.56)	DAQFF	06 JUN 30.0 (51)	0.95	26.06	3.5	3.6	15.1	22.2

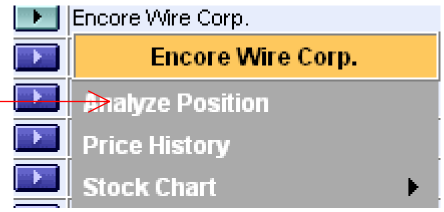
More Information:

Just like the regular **SmartSearchXL** tool, once the initial search is run you will be able to adjust the parameters to refine your search parameters. You will then be able to save your search in the **SmartHistoryXL** and pull up those settings at any time. You will also be able to customize the columns by clicking the See More/Less Columns button at the top of the Resutls Field.

SmartHistoryXL Individual Position Analysis:

Now that you have found the potential trades that would have matched your search criteria you can analyze the positions to see if they were profitable over the selected time

1. From the Results Field click the More Information Button. Then select Analyze Position:



Part I: Numeric and Return Values:

Encore Wire Corp. (WIRE) Covered Call Analysis for search on April 27, 2006

Symbol	Description	Price on 4/27/2006	Price on 6/16/2006	Change	% Change
WIRE	Encore Wire Corp.	$40.00	$31.17	-8.83	-22.1%
EJQFI	06 JUN 45 CALL	$1.40	$0.00	1.40	100.0%
	Cost Basis	$38.60	Position Change	-7.43	

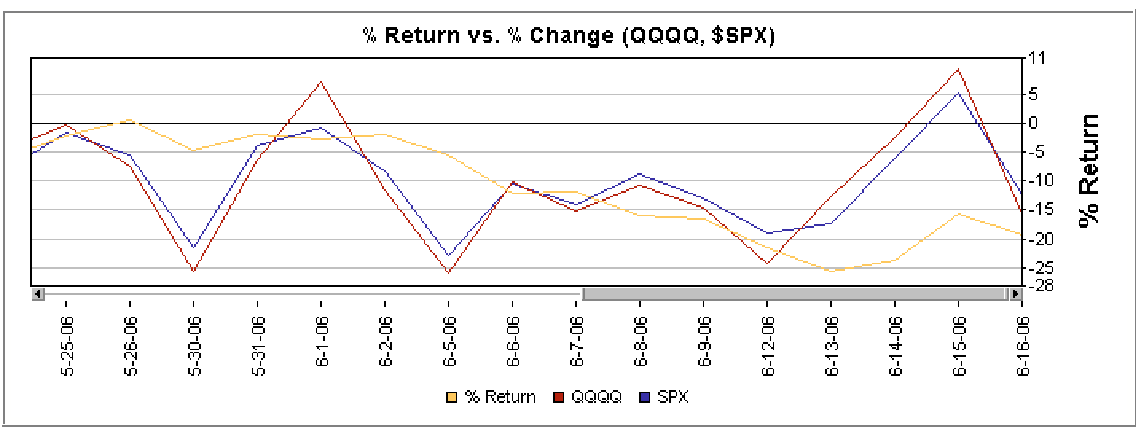
% Return: -19.2% on 6/16/2006 (Expiration)
Max % Return: 10.2% on 5/9/2006
Min % Return: -25.5% on 6/13/2006

Original Position: Symbols and Numbers

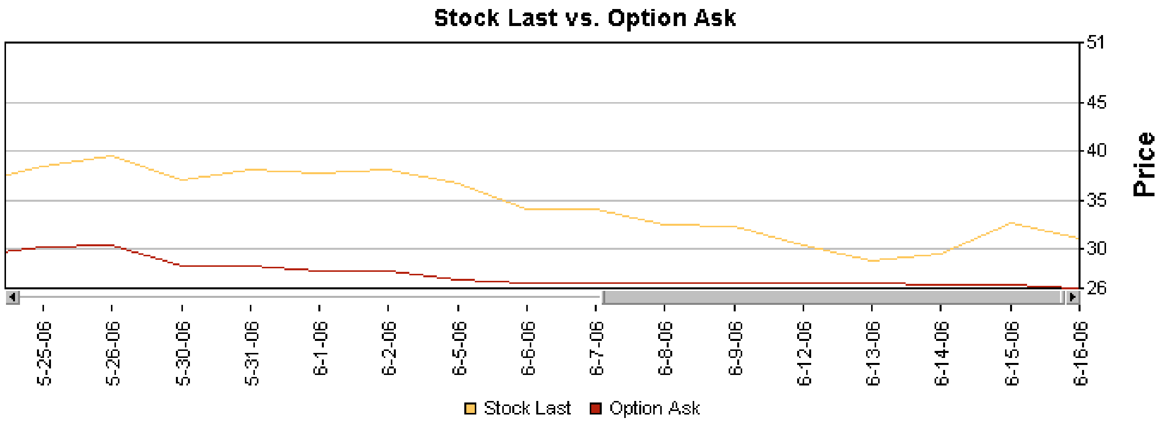
Ending, Max and Minimum Return over selected time:

Ending Values and Position Return:

Part II: Return and Market Comparison Graphs:



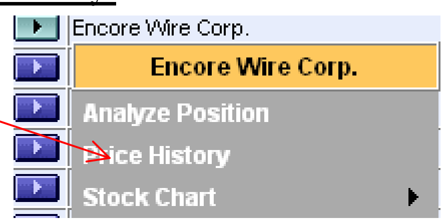
The first graph in the individual position analysis compares the position return (yellow line) against the performance of the SPX (blue) and QQQQ (red) over the same time period. If you had a Bullish strategy selected that had a negative overall return, you could compare it to the general market conditions over that time period to see if the market was negative or if it was simply the position.



The second individual analysis chart shows the change in stock price over the selected time period compared to the change in the option ask price (for a covered call. The ask is used in a covered call because it shows you how much it would have cost you to buy the option back in order to close the obligation). For multi-legged strategies, the other legs will be shown as well graphed by their liquidation price (long options will show the bid, short options will show the ask).

SmartHistoryXL Individual Position Price History:

1. From the Results Field click the More Information Button. Then select Price History:



This will allow you to view the Price History for the stock and option(s) on the trade you selected. The values that are shown are the close prices on the listed date.

Price History for Encore Wire Corp. (WIRE) Covered Call

Date:

Closing Price (stock):

Closing Price (option bid and ask):

WIRE		EJOFI 06 JUN 45 CALL	
Date	Last	Bid	Ask
4/27/2006	40.00	1.40	1.45
4/28/2006	41.93	1.90	2.05
5/1/2006	41.80	1.80	2.00
5/2/2006	42.22	1.95	2.10
5/3/2006	42.40	1.90	2.05
5/4/2006	43.69	2.35	2.50
5/5/2006	44.30	2.60	2.75
5/8/2006	46.47	3.80	4.10
5/9/2006	46.53	3.80	4.00
5/10/2006	46.48	3.80	4.00
5/11/2006	45.48	3.20	3.40
5/12/2006	42.32	1.90	2.00

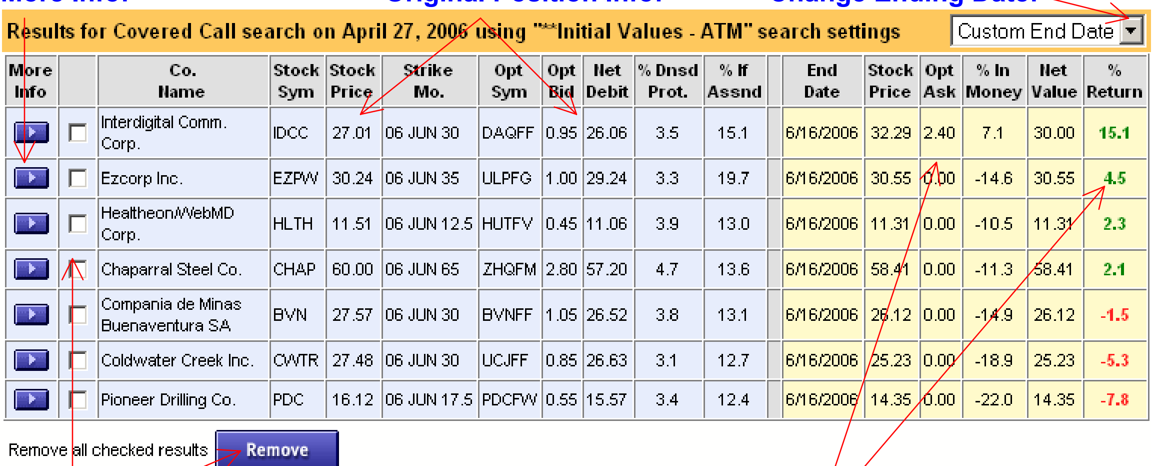
The Stock Chart link on the **More Information Button** will link you to the 1 Year Snapshot or to BigCharts, just like the same link in the **SmartSearchXL** tool.

SmartHistoryXL Group Analysis:

Whether you initially ran a PowerOptions pre-set scan, one of your personal saved searches or just created a new search, you will see a Calculate Group Results button at the bottom of the **SmartHistoryXL** Results Field. This function allows you to view the performance of the top 20 results over the time period you selected:

Group Results Table:

More Info: **Original Position Info:** **Change Ending Date:**



Results for Covered Call search on April 27, 2006 using "**Initial Values - ATM" search settings — Custom End Date

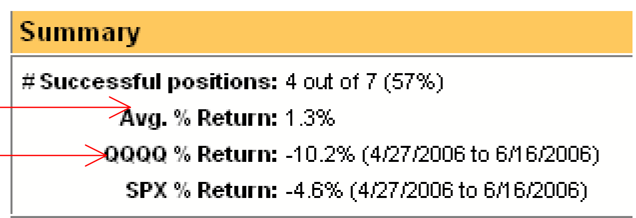
More Info		Co. Name	Stock Sym	Stock Price	Strike Mo.	Opt Sym	Opt Bid	Net Debit	% Dnsd Prot.	% If Assnd	End Date	Stock Price	Opt Ask	% In Money	Net Value	% Return
		Interdigital Comm. Corp.	IDCC	27.01	06 JUN 30	DAQFF	0.95	26.06	3.5	15.1	6/16/2006	32.29	2.40	7.1	30.00	15.1
		Ezcorp Inc.	EZPW	30.24	06 JUN 35	ULPFG	1.00	29.24	3.3	19.7	6/16/2006	30.55	0.00	-14.6	30.55	4.5
		Heatheon/WebMD Corp.	HLTH	11.51	06 JUN 12.5	HUTFV	0.45	11.06	3.9	13.0	6/16/2006	11.31	0.00	-10.5	11.31	2.3
		Chaparral Steel Co.	CHAP	60.00	06 JUN 65	ZHQFM	2.80	57.20	4.7	13.6	6/16/2006	58.41	0.00	-11.3	58.41	2.1
		Compania de Minas Buenaventura SA	BVN	27.57	06 JUN 30	BVNFF	1.05	26.52	3.8	13.1	6/16/2006	26.12	0.00	-14.9	26.12	-1.5
		Coldwater Creek Inc.	CWTR	27.48	06 JUN 30	UCJFF	0.85	26.63	3.1	12.7	6/16/2006	25.23	0.00	-18.9	25.23	-5.3
		Pioneer Drilling Co.	PDC	16.12	06 JUN 17.5	PDCFW	0.55	15.57	3.4	12.4	6/16/2006	14.35	0.00	-22.0	14.35	-7.8

Remove all checked results — Remove

Check to Remove Analyzed Results: **Ending Position Results and Return:**

Summary Table:

Below the Group Results is a Summary of the total positions. This shows the Average Return compared to the QQQQ and SPX over the same time period.



Summary

 # Successful positions: 4 out of 7 (57%)
Avg. % Return: 1.3%
QQQQ % Return: -10.2% (4/27/2006 to 6/16/2006)
SPX % Return: -4.6% (4/27/2006 to 6/16/2006)

Report List

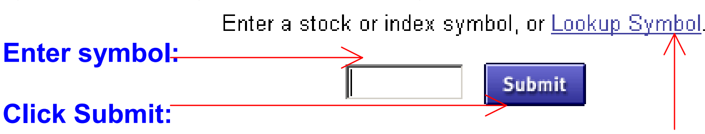
The **Report List** is another tool that allows you to search across the universe of options to find profitable trades. The **Report List** is located in the **PowerReports** section. The reports are comprised of several different default criteria lists for the different strategies available on PowerOptions and they are generated using the **SmartSearchXL** technology. Each pre-set list has a brief description regarding the search list in the **ReportList** menu. To access a report, simply click the report title that you feel most applies to your general search criteria. The report results will look very similar to the **SmartSearchXL** field but you will not be able to adjust the columns in the Results Table. If you are a trial or PowerOptions Plus subscriber, you will be able to adjust the parameters, but once you click the Submit button you will be transferred into the **SmartSearchXL** pages. PowerOptions Essentials members can view the **Report Lists**, but they will not have the ability to change any of the parameters. PowerOptions Essentials subscribers can only change the Option Expiration Time Frame parameter in the reports.

Searching For Option Positions One Stock at a Time:

Option Chain

The **Option Chain** tool allows you to view all the different options (calls or puts) across all available months for any given stock. When you select the **Option Chain** tool you will be prompted to select which chain you want to view. Those choices are:

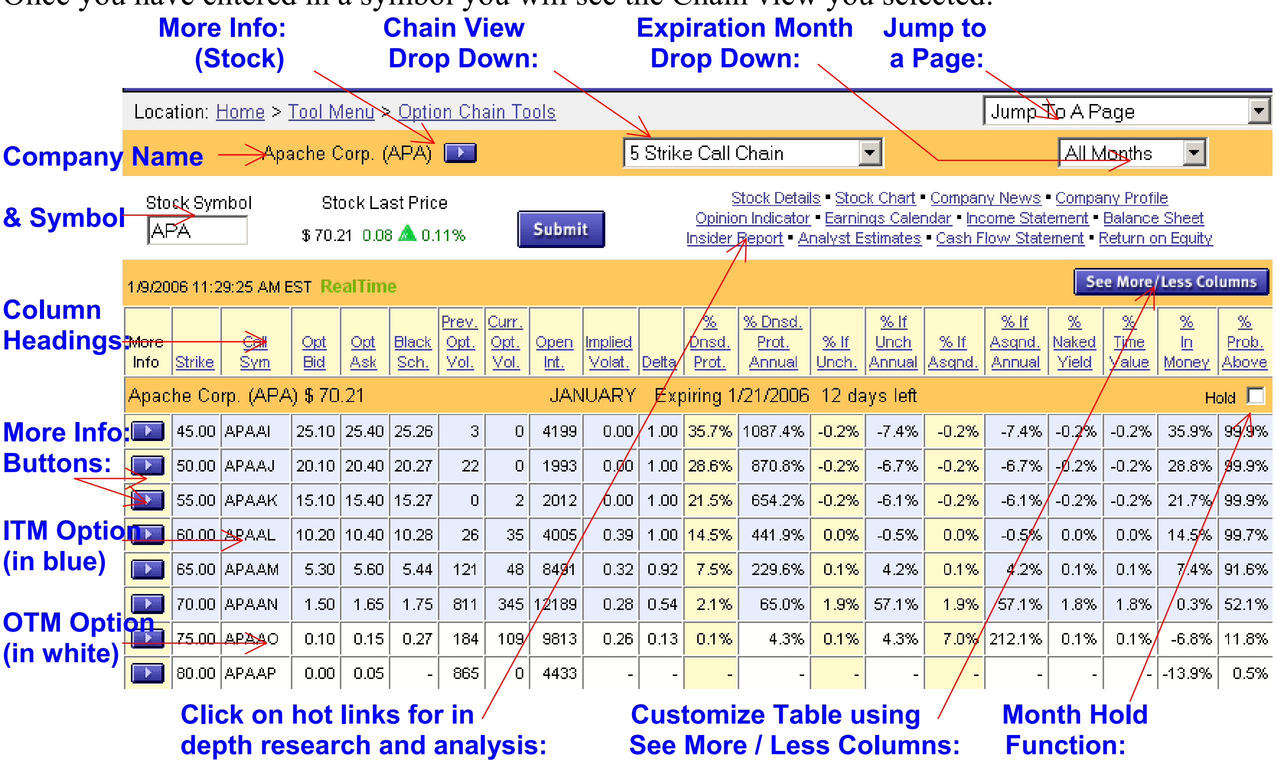
Partial Call Chain: Call options that are 5 strikes OTM and 5 strikes ITM for all months.
Partial Put Chain: Put options that are 5 strikes OTM and 5 strikes ITM for all months.
Full Call Chain: All Call options for available months.
Full Put Chain: All Put options for available months.
Partial Call and Put Chain: 5 strikes ITM and OTM Calls and Puts for available months.
Full Call and Put Chain: All Calls and Puts for available months.
Once you select the Chain you wish to view, you will be prompted to enter in a stock symbol. Once you enter in the symbol click the Submit button to view the chain:



If you are uncertain of a symbol, use the Lookup Symbol hot link to search for the company or index symbol.

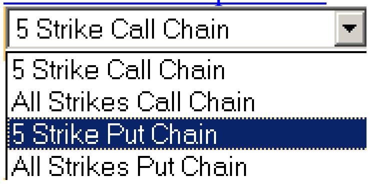
***Most index symbols used on PowerOptions require a '$' prior to the symbol. If you can not find a specific symbol, contact the PowerOptions support staff.

Once you have entered in a symbol you will see the Chain view you selected:



More Info	Strike	Call Sym	Opt Bid	Opt Ask	Black Sch.	Prev. Opt. Vol.	Curr. Opt. Vol.	Open Int.	Implied Volat.	Delta	% Dnsd. Prot.	% Dnsd. Prot. Annual	% If Unch.	% If Unch Annual	% If Asgnd.	% If Asgnd. Annual	% Naked Yield	% Time Value	% In Money	% Prob. Above
	45.00	APAAI	25.10	25.40	25.26	3	0	4199	0.00	1.00	35.7%	1087.4%	-0.2%	-7.4%	-0.2%	-7.4%	-0.2%	-0.2%	35.9%	99.9%
	50.00	APAAJ	20.10	20.40	20.27	22	0	1993	0.00	1.00	28.6%	870.8%	-0.2%	-6.7%	-0.2%	-6.7%	-0.2%	-0.2%	28.8%	99.9%
	55.00	APAAK	15.10	15.40	15.27	0	2	2012	0.00	1.00	21.5%	654.2%	-0.2%	-6.1%	-0.2%	-6.1%	-0.2%	-0.2%	21.7%	99.9%
	60.00	APAAL	10.20	10.40	10.28	26	35	4005	0.39	1.00	14.5%	441.9%	0.0%	-0.5%	0.0%	-0.5%	0.0%	0.0%	14.5%	99.7%
	65.00	APAAM	5.30	5.60	5.44	121	48	8491	0.32	0.92	7.5%	229.6%	0.1%	4.2%	0.1%	4.2%	0.1%	0.1%	7.4%	91.6%
	70.00	APAAN	1.50	1.65	1.75	811	345	12189	0.28	0.54	2.1%	65.0%	1.9%	57.1%	1.9%	57.1%	1.8%	1.8%	0.3%	52.1%
	75.00	APAAO	0.10	0.15	0.27	184	109	9813	0.26	0.13	0.1%	4.3%	0.1%	4.3%	7.0%	212.1%	0.1%	0.1%	-6.8%	11.8%
	80.00	APAAP	0.00	0.05	-	865	0	4433	-	-	-	-	-	-	-	-	-	-	-13.9%	0.5%

Let's take a deeper look at the Option Chain:



Chain View Drop Down: You can use this drop down to toggle between the different chains for the same stock. This will allow you to quickly compare call and put data without retyping the symbol.

Expiration Month Drop Down & Hold Function: The Expiration Drop Down Menu will allow you to view the chain for only one month at a time for 'All LEAPs', or 'All Months'. If you are viewing all months, you can select to 'Hold' one or two of the listed months by checking the box at the far right hand corner of the header bar. Once you have 'Held' the months you wish to view, change the Expiration Month to only one month. Only those months that you selected to 'Hold' will still be in view.

See More/Less Columns: Just like the **SmartSearchXL** tool you can customize the columns in the **Option Chain** by selecting to view different columns and adjusting the order to match your investing methods. Simply click the See More/Less Columns button and select which fields you wish to view in the different Chains.

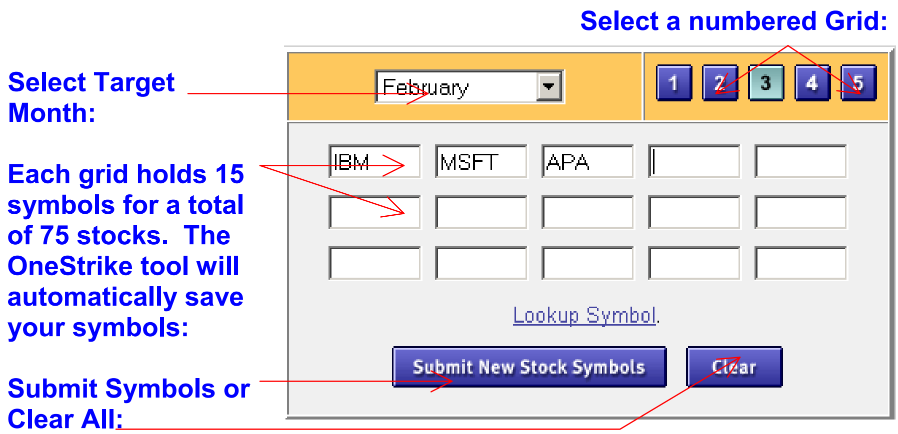
Return Columns: In the graphic above, note that there are three highlighted columns in the center of the table. These columns are the *% Downside Protection, % if Assigned and % if Unchanged* calculations for each option if it was written as a Covered Call. The *% Naked Yield* return for Naked Calls is also shown, but it is not highlighted. The same three fields are shown on the Partial and Full Put Chain, showing the calculated returns if the Puts were traded as Covered Puts.

In Depth Research: In the upper right hand section of the **Option Chain** there are several text links for further research. These include links to: *Opinion Indicators, Earnings Calendar, Balance Sheet, Cash Flow* and many more. These links will take you to other research web sites and help you better analyze the company.

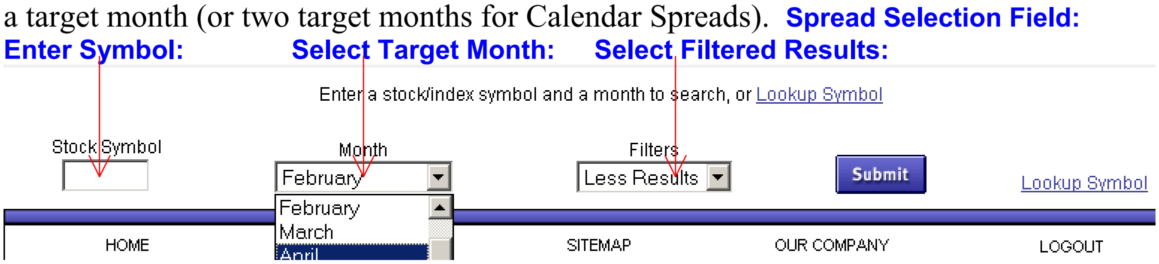
More Information Buttons**:** The More Information buttons on the **Option Chain** are very similar to those discussed previously in the **SmartSearchXL** section. However, on the **Option Chain** some of the information is split between the information and research that pertains to the stock and the information that pertains to the options. For the Stock More Information button by
the company name located at the top of the chain you will be able to link to: *Stock Chart (1 Year Snapshot or BigCharts), Company Information (Estimates, News, Profile) and the Detailed Stock Research page.* For the Option More Information Button located next to each strike you will be able to link to: *Option Research page, Black-Scholes and Strategy Calculator tools* or *Add to Portfolio* so you can paper trade the option across different strategies.

OneStrike Tool

The **OneStrike** tool is a combination of the **SmartSearchXL** tool and the **Option Chain.** The **OneStrike** tool allows you to search for trades one stock at a time by individual strategy. If you wanted to view the possible combinations for Calendar Call spreads on stock XYZ, you would want to use the **OneStrike** tool. When you select the **OneStrike** tool from the Tool Menu you will be prompted to select a specific strategy from the Strategy Menu page. This page is identical to the Strategy Menu page in the **SmartSearchXL** tool. If you select Covered Call, Covered Put, Naked Call or Naked Put you will see a different input menu. For these strategies you will be able to input up to 15 different stock symbols in a selected grid. There are 5 grids available:



If you select a spread strategy you will be prompted to enter in a stock symbol and select a target month (or two target months for Calendar Spreads). **Spread Selection Field:**



For the Calendar Call or Calendar Put spread strategies you will have to select a near target month and a far target month.

Once you have selected a strategy and input the symbols, the Results Table will appear for the selected stock(s). The Results Tables for the different strategies are identical to those in the **SmartSearchXL** tool. You can select to view and order the same columns in the **OneStrike** tool by clicking the See More/Less Columns button. The More Information button functions are the same on both tools as well.

For some strategies, there are some behind the scenes parameters that are used to filter the results:

Covered Calls, Covered Puts, Naked Calls and Naked Puts: For the single option strategies only the one strike above and one strike below the stock price are shown (hence the name, **OneStrike** tool). If you wished to view further OTM or ITM opportunities for these strategies, simply click the More Information button and link to the **Option Chain** tool for that stock.

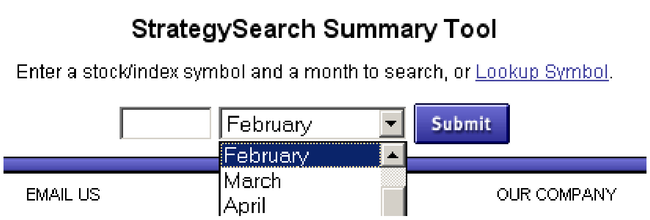
Other Strategies (Filters): In the various spread strategies you can select to filter

the results for the stock you submit. The Less filter will only show you those positions that are relatively conservative. The More filter will allow you to see more combinations. The All filter will show you all combinations without any filters. These filters will allow you to restrict the number of results that come up, helping you to save time in your research.

StrategySearch Summary Tool

The **StrategySearch Summary** tool lets you view one or two possible trades for each strategy one stock at a time. This is a very useful tool if you want to compare risk/reward ratios between the different strategies on a given stock. Will the near term ATM covered call on XYZ be just as profitable as an XYZ Calendar Spread? Is the Maximum Risk lower on the Bear Call Credit Spread for XYZ or the Bear Put Debit Spread? The **StrategySearch Summary** tool will help you find the answers to those questions quickly and easily.

Once you select the **StrategySearch Summary** tool you will be prompted to enter in a stock symbol and select a target month for the results (same as the **OneStrike** tool).



When you click the Submit button you will see a different style Results Table. This table will show one or two Covered Call trades for the stock, one or two Naked Calls, one or two Naked Puts, a few of each of the Vertical Spreads, Calendar Spreads and possible trades for the other strategies as well. Since several combinations for each strategy could be shown, PowerOptions uses certain ‘Behind the Scenes’ filters to limit the results that are shown. These filters are similar to the filters mentioned for the **OneStrike** tool. Generally, only the more conservative trades are shown for each strategy, not the more aggressive, higher risk trades.

Let’s take a look at the Results Field for the StrategySearch Summary Tool:

Just like the **Option Chain**, the Detailed Research Links allow you to further analyze the financial situation of the stock you are searching. On each strategy heading listed, there is a link to the Investing Strategy Help page for details on the specifics of the strategy. The Strategy Sentiment bite shows the most common market condition that the strategy is traded in.

Unlike the **SmartSearchXL, Option Chain** and the **OneStrike** tools, there is no See More/Less Columns feature on the **StrategySearch Summary** tool.

Optimized Long Option Finder

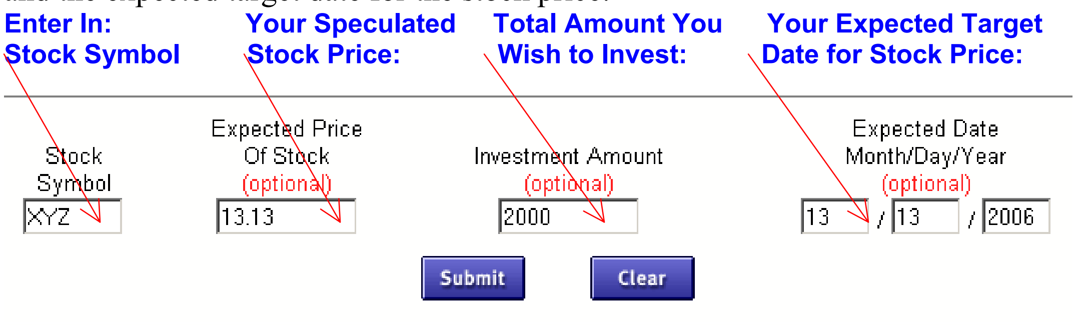
If you have reviewed the **OneStrike** tool you may have noticed that there is not a search for the Long Call or Long Put strategy. To search for long options one stock at a time you can use the **Option Chain**, or you can use the **Optimized Long Option Finder** to *Optimize* your long option returns.

The **Optimized Long Option Finder** allows you to search for Long Calls or Long Puts one stock at a time. The tool will look at all of the options in the chain for that stock and calculate the highest theoretical return based on your expected target price, investment amount and target date that you input into the screens. This will help you analyze which Long Call or Long Put may be best for you to purchase.

The **Optimized Long Option Finder** will order the Long Options by theoretical return from highest to lowest values. These returns are based on the values for target price, investment amount and target date that are input by the individual subscriber. The results that are shown are not recommendations or suggestions on which options should be purchased on a given stock.

Let's take a look at the Optimized Long Option Finder tool:

When you first click the **Optimized Long Option Finder** tool you will be prompted to input a stock symbol, your expected price of the stock, your desired investment amount, and the expected target date for the stock price:



Once you have entered in your symbol, your expected stock price, your desired investment amount and your target date click the Submit button and you will see the results:

CALL Results for Apache Corp. (APA $ 71.00) on 4/13/2006 at expected price of $ 76.00

(1) More Info	(2) Call Symbol	(3) Exp. Date	(4) Strike	(5) Days To Exp.	(6) Call Imp. Vol	(7) Current Price	(8) Estimated Price On 4/13/2006	(9) # Cont.	(10) Position Cost	(11) Estimated Value On 4/13/2006	(12) % Return
	APADL	April	60.00 C	101	0.33	$ 12.70	$ 16.05	1	$ 1,270	$ 1,605	26%
	APADM	April	65.00 C	101	0.32	$ 8.80	$ 11.06	2	$ 1,760	$ 2,212	26%
	APADK	April	55.00 C	101	0.35	$ 17.10	$ 21.05	1	$ 1,710	$ 2,105	23%

Let's look at each column in the Optimized Long Option Finder Results Table:

(1). More Info: Use the More Information buttons to link to the **Option** Chain, further research the option, add the position to the **My Portfolio** to track the position or view the **Profit/Loss Chart**.

(2). Call Symbol: The symbol of the potential option to buy. In this case, since we input a projected price that is higher than the current stock price, only the call options would be profitable. If we had input a projected stock price that was lower than the stock price, the **Optimized Long Option Finder** would have calculated the Puts in the Results Table.

(3). Exp. Date: The Expiration Date of the calculated option.

(4). Strike: The strike price of the calculated option. The 'C' next to the strike in this example means 'Call Option'. A 'P' would denote a 'Put Option'.

(5). Days to Exp: The days remaining to Expiration of the calculated option.

(6). Call Imp. Vol: The current Implied Volatility of the calculated option.

(7). Current Price: The current ask price of the Call or Put option that is in the table.

(8). Estimated Price: The Estimated price of the calculated option at the Expected Price Date that was input into the fields. If the calculated option expires on the Expected Price

Date its price would equal the intrinsic value of the option strike price to the Expected Stock Price. For calculated options that expire after the Expected Price Date, the Estimated Price is determined using the Black-Scholes Pricing Model.
(9). # Contracts: This column shows the number of contracts you could purchase for the calculated option based on your total investment amount and the current ask price of the option.
(10). Position Cost: This is the total cost of the position (Ask Price * # Contracts you can purchase based on the initial investment amount).
(11). Estimated Value On x/xx/xx: This is the Estimated Value of the option at the Expected Price Date. This value is either based on the intrinsic value that would remain on the option at expiration, or it is calculated using the Black-Scholes Pricing Model if there is time remaining on the option.
(12). % Return: This is the Expected % Return for the Long Option purchase. It is calculated as: [(Estimated Value – Original Cost) / Original Cost] * 100.

If you are interested in Buying Calls or Buying Puts, the **Optimized Long Option Finder** can help you determine which option might be the best purchase, based on your personal speculations and investment amount.

For further information on the Optimized Long Option Finder tool review the 'Optimized Long Option Finder' TipSheet in the Strategy TipSheets section of the Help tool.

Analysis Tools and Tracking Positions:

Once you have found a possible trade using the PowerOptions patented search tools, you will need to further research and analyze the stock and the position. As discussed in the **SmartSearchXL**, **Option Chain**, and **OneStrike** tool you can use the More Information buttons to quickly link to other tools on PowerOptions for quick research, position calculations and paper trading. Let's take a look at these tools:

Research

The **Research** tool shows important fundamental data for both the stock and the option. When you are researching a trade using the More Information buttons you can link directly to the PowerOptions **Research** tool for either the listed company or for the option(s) in the trade. In the **Research** tool you will see the data for:
Stock Research: *Option Roots, Stock Volume, Shares Outstanding, Market Capitalization, Price/Sales, Price/Earnings, % Dividend Yields, Volatilities and Broker Recommendation numbers.*
Option Research: *Bid Price, Ask Price, Option High & Low price, Option Volume, Open Interest, Greeks, % Return Calculations, Probability Above and Below percentages, Implied Volatility and Black-Scholes Numbers and Ratios calculated using the different stock volatilities.*

You can also access the Stock or Option Detail directly from the Tool Menu by clicking the **Research** tool and selecting to view the Stock Researcher or Option Researcher. Once you select the specific research field, simply type in the Stock or Option symbol and click the Submit button.

Further Market Analysis:

The **Research** tools will show you the fundamental data for an individual stock or option, but there are also tools available to help you gauge current market conditions and trends.

PowerReports

The **PowerReports** tool was mentioned earlier in the *"Scanning Across The Universe of Options"* section (page 13). The **Report Lists** section that was discussed is just one of the choices available in the **PowerReports** tool. The other sections focus on market data and daily news:

New 52-Week Highs and Lows: These two sections list the stocks that have hit their 52-week high or their 52-week low during the trading day. If you are using an investing strategy that plays off of stocks at their current high or their current lows, these two sections will quickly identify potential plays.

Market Statistics: This section will list the top five current gainers and losers for Industry, Sectors, and individual stocks. You will also find the five highest volume options for the day and the top five highest open interest options. The Market Statistics section also shows the current Put/Call Volume ratio, the Put/Call Open Interest ratio, Call strike distribution, Pt strike distribution, stock [52 week high/52 week low] and total stock advances, declines and unchanged for the current trading day. The TRIN (Market Sentiment Indicator) and VIX (CBOE Volatility Index) values are also shown on the Market Statistics page.

Optionable Stock Statistics: This section shows the mean, minimum, maximum, and standard deviation values for 44 different stock and option parameters. This section can be used to gauge overall market averages.

InvestorsKeyhole Market Information: This section contains market news excerpts and is updated regularly throughout the trading day.

OptionScan Report: This is a daily report released by Ryan Beck&Co. The report is available to all trial and full subscribers of PowerOptions.

Calculators

The **Calculator** tools allow you to evaluate theoretical option prices or potential strategy returns based on speculated price changes, effects of commission costs and dividend payments. Once you select **Calculators** from the Tool Menu, you will be taken to the **Calculator Tools** Menu:

Calculator Tools Menu

Strike of Pain Calculator NEW
This is the strike where the option buyers will lose the most money and the option sellers will gain the most value at expiration.

Black-Scholes Calculator
See the theoretical time value for any real or hypothetical option from now to expiration.

Optimized Long Option Finder
Find the highest return options for long Call and Put positions based on your forecast.

Money on the Table NEW
Find conservative, neutral, and aggressive covered call opportunities based on a target stock and number of shares.

Strategy Calculators

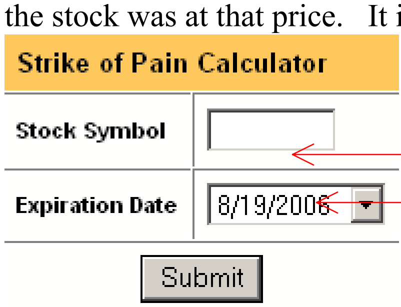
See all of the yield calculations for real options and hypothetical numbers.

Covered Call	Covered Put
Naked Call	Naked Put
Iron Condor	Collar
Bear-Call Credit	Bull-Put Credit
Bull-Call Debit	Bear-Put Debit
Calendar Call	Calendar Put
Long Straddle	Short Straddle
Long Calls	Long Puts
Iron Butterfly	Covered Combination

Strike of Pain:
Based on the Max Pain calculation.
Black-Scholes:
Calculate the value of an option.
Optimized Long Option Finder:
A unique tool for long options analysis.
Money on the Table:
See how much money can be made with Covered Calls.
Strategy Calculators:
Use these tools to calculate your individual returns in a strategy including *your* commission costs, dividends on the stock or *your* original position costs.

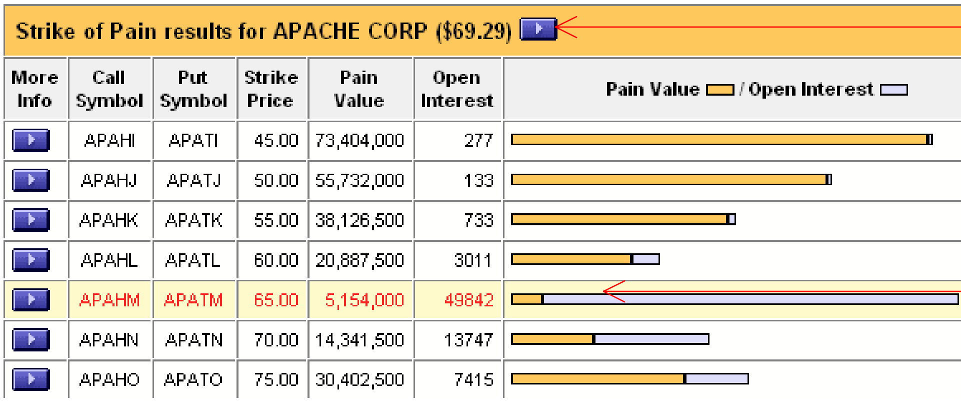
Let's take a closer look at the Calculator Tools:

Strike of Pain Calculator: The **Strike of Pain** is based on the Max-Pain™ calculation developed by BCA Software. The calculation shows the strike price with the lowest In-the-Money value for both calls and puts for a given stock by expiration month. This is the strike where the option buyers will lose the most money and the option sellers will gain the most value at expiration. The equation is calculated by taking the open interest of all the In-the-Money options from a set strike price and calculating the total market value if the stock was at that price. It is believed that the stock price will tend to gravitate towards the **Strike of Pain** at expiration.



Once you click Strike of Pain, simply enter in the Stock Symbol you wish to research and select the expiration time frame you wish to evaluate:

You will then see the calculated results:

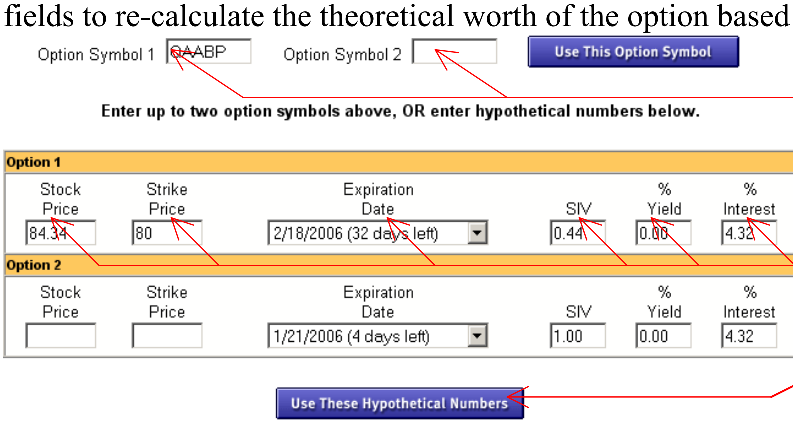


Strike of Pain results for APACHE CORP ($69.29)

More Info	Call Symbol	Put Symbol	Strike Price	Pain Value	Open Interest	Pain Value / Open Interest
	APAHI	APATI	45.00	73,404,000	277	
	APAHJ	APATJ	50.00	55,732,000	133	
	APAHK	APATK	55.00	38,126,500	733	
	APAHL	APATL	60.00	20,887,500	3011	
	APAHM	APATM	65.00	5,154,000	49842	
	APAHN	APATN	70.00	14,341,500	13747	
	APAHO	APATO	75.00	30,402,500	7415	

The above values are calculated as such:
If the stock was trading at $45, no calls would be In-the-Money, so the Call Pain Value would be 0. However, the 75 Put would be 30 points ITM, the 70 Put would be 25 points ITM and so on. We would take the 75 Put open interest * 30 (ITM value), the 70 Put open interest *25 and so on down to the 50 strike. The Pain Value at the 45 strike would be the total Call ITM Value (zero in this case) + the total Put ITM Value * 100, which would equal $73,404,000. The reverse would work at the 75 strike where the Put ITM values would equal zero, but the total Call ITM Value would equal $30,402,500.
For the 65 strike, the 60 Call would be 5 points ITM, the 55 Calls would be 10 points ITM, the 50 Calls would be 15 points ITM and so on.
At 65, the 70 Put would be 5 points ITM and the 75 Put would be 10 points ITM.
Each strike's ITM Value is multiplied by its specific open interest, then the total Pain Value from the Call and Put sides are added together.
*****The Strike of Pain is not a technical or fundamental criteria, and the results should be viewed as a *possible* outcome, *not* what the stock is going to do on expiration day.*****

Black-Scholes Calculator: The **Black-Scholes Calculator** allows you to calculate the daily theoretical worth of your option based on your price projections of the underlying security. There are five factors used in the Black-Scholes Pricing Model that determine the theoretical option price: *Current Stock Price, Option Strike Price, Days Remaining to Expiration, Volatility and the current Interest Rate.* When you link to the **Black-Scholes Calculator** from one of the search tools these five factors will be placed in the required fields for you. The BS Calculator will show the theoretical prices for that option for each day to expiration based on the current values. You can now change the values in the fields to re-calculate the theoretical worth of the option based on your speculation.



Dual Option Analysis: You can use the **Black-Scholes Calculator** to compare the theoretical prices of two options at the same time. This is very useful when analyzing Calendar Call spreads, Calendar Put spreads and vertical debit spreads as it allows you to estimate the theoretical liquidation price of a spread at any stock price any time between now and expiration.

Option 1

Stock Price	Strike Price	Expiration Date	SIV	% Yield	% Interest
42.86	45	2/18/2006 (29 days left)	0.46	0.00	4.34

Option 2

Stock Price	Strike Price	Expiration Date	IV	% Yield	% Interest
42.86	30	1/20/2007 (365 days left)	0.41	0.00	4.34

Strategy Calculators: You can also calculate potential returns on every options strategy supported by PowerOptions using the Strategy Calculators. This tool allows you to calculate the returns on your positions including commission costs and dividend amounts. You can link to the Strategy Calculators directly from the search tools, the **Profit/Loss Position Portfolio** tool or you can go into the different Strategy Calculators by selecting the **Calculators** tool from the Tool Menu. If you link to the Strategy Calculator from the search tools you will not need to enter in any of the option symbols or premiums. This information will be recorded directly from the database. Once the Strategy Calculator is opened, you can then change the fields based on your exact costs and recalculate the returns on the trade.

Let's take a closer look at the Strategy Calculator field, using a Covered Call example:

Using the More Information buttons, link directly from the **SmartSearchXL** tool to the specific Strategy Calculator:

Stock Symbol	Stock Price	Dividend/Share	Stock Commission
DVN	67.70	0.00	0.00
Sell Call Symbol	**Sell Call Bid**	**Option Commission**	
DVNCN (MAR 70.00 C)	2.60	0.00	

	% Return	Annual % Return
If Assigned	7.5%	51.8%
If Unchanged	4.0%	27.5%
If Not Assigned	4.0%	27.5%

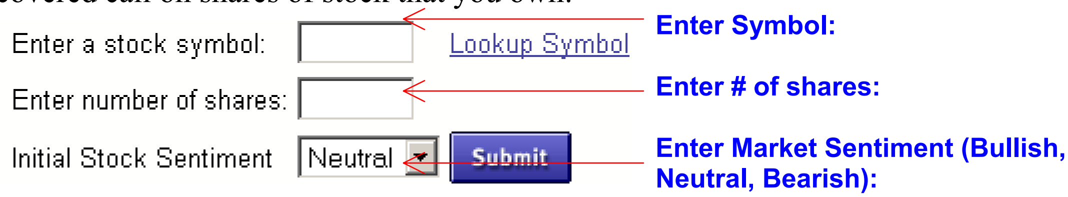
Both the stock and option symbol and the current prices will be transferred over from the search tool and used to calculate the initial returns for the selected Covered Call or any other strategy.

To calculate the returns on this trade using a different stock or option price, or to include the dividends or the commission costs, simply change the fields listed beneath the chart and click the Submit button:

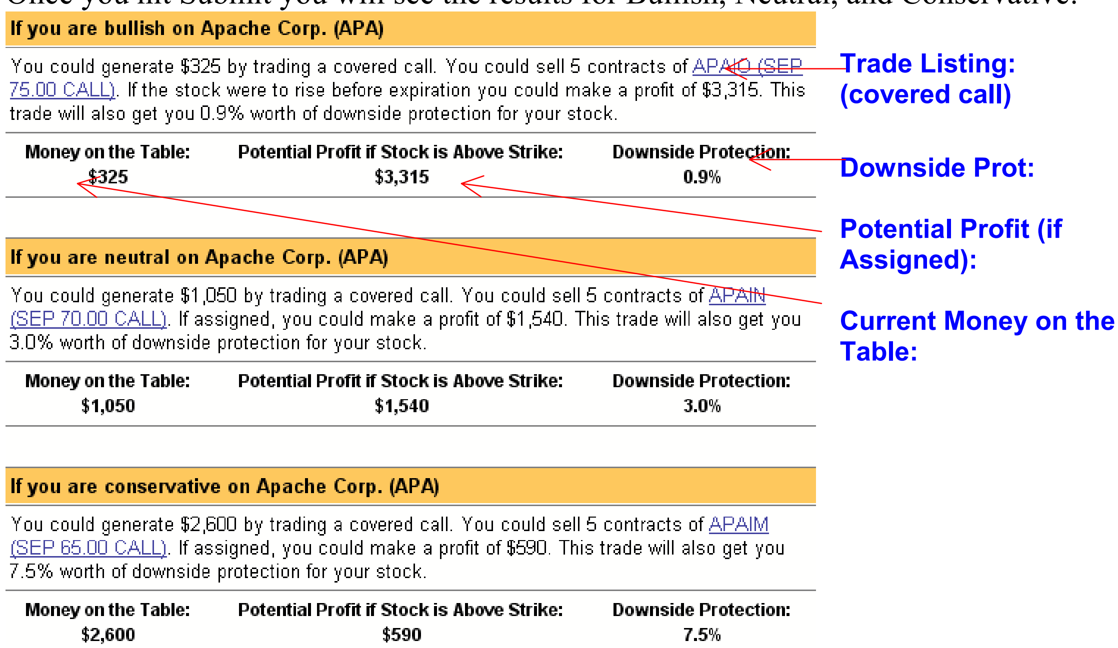
Stock Symbol	Stock Price (optional)	Dividend/Share (optional)	Stock Commission (optional)
DVN	67.70	0.00	0.00
Sell Call Symbol	**Sell Call Bid (optional)**	**Option Commission (optional)**	
DVNCN	2.60	0.00	

Submit Clear

Money On The Table: The Money on the Table tool allows you to view the possible amounts of premium you could collect right now by trading an ATM, ITM, or OTM covered call on shares of stock that you own:



Once you hit Submit you will see the results for Bullish, Neutral, and Conservative:

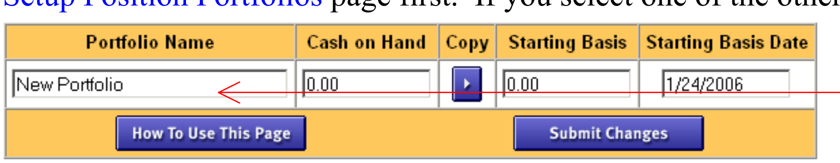


Tracking / Paper Trading Positions:

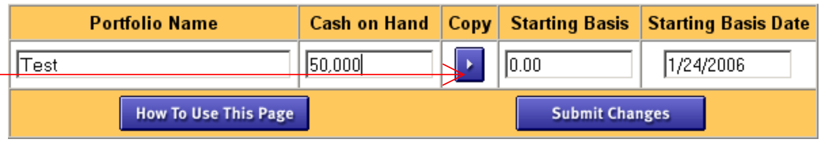
My Portfolio

The **Portfolio** tool will allow you to track your different stock or option trades. Unlike most portfolio applications, the PowerOptions **Profit/Loss Position Portfolio** allows you to track multiple leg spreads as a linked position.

SetupPosition Portfolios: If you have not previously created a portfolio, select the Setup Position Portfolios page first. If you select one of the other pages on the **My Portfolio** menu page, you will be brought to the Setup Position Portfolios screen:

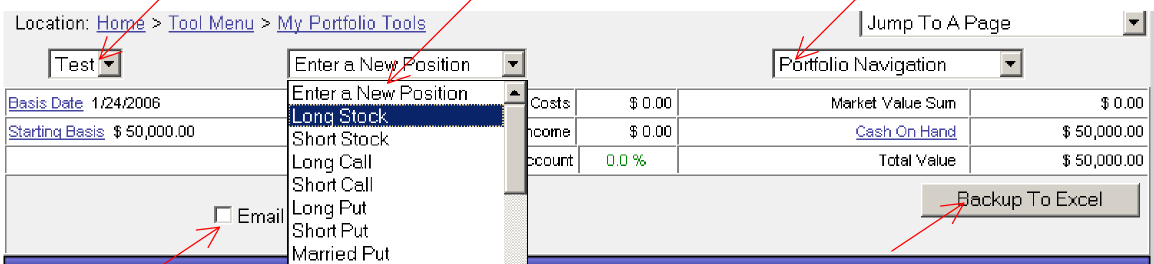


To create a portfolio, simply enter in a name for your portfolio and put in an initial cash on hand amount. Then click the Copy button to copy the Cash on Hand amount into the Starting Basis field. Once you have named the portfolio and entered in a Starting Basis, click the Submit Changes button. Click the How to Use This Page button if you have questions regarding the Setup page.



Profit/Loss Position Portfolio: Once you have created a portfolio the Profit/Loss Position Portfolio page will come up. This page is where you can add in positions you wish to paper trade:

Toggle between Different Portfolios: **Click to enter New Position:** **Navigate to other Portfolio Tools:**



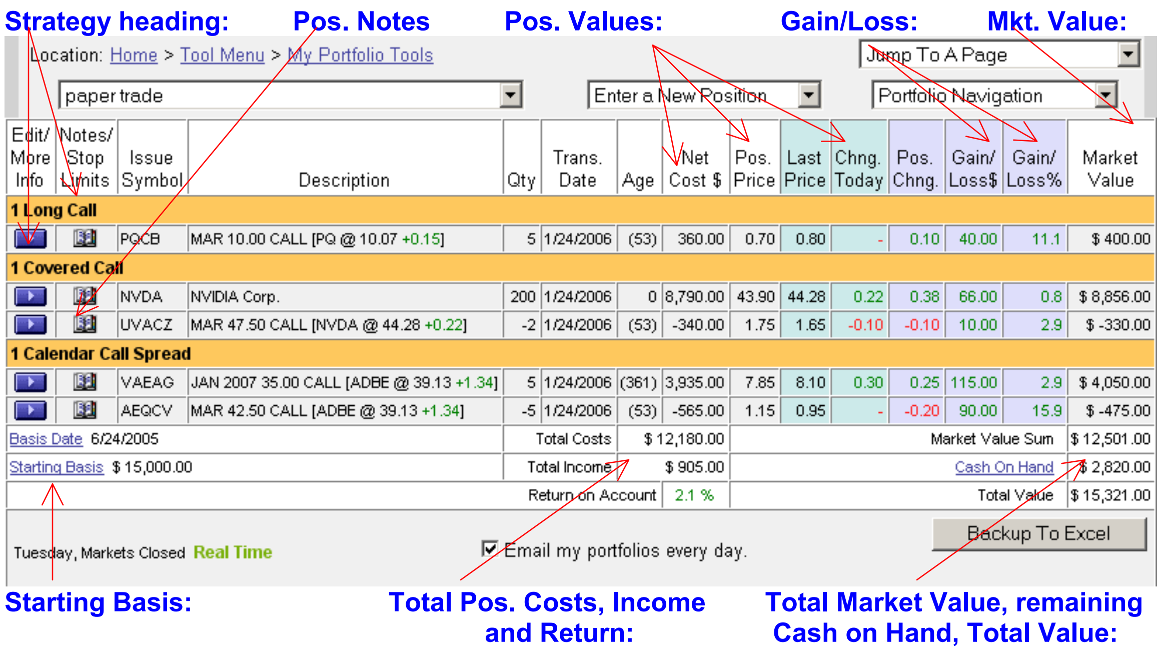
Select to have Portfolios Emailed: **Backup Portfolio data to Excel:**

Once you have created a portfolio with a portfolio name, starting basis and a cash on hand value, you can begin to enter in positions that you wish to paper trade. You can link positions into the **Portfolio** tool from the search tools on **PowerOptions**, or enter them in manually.

Once you click the Enter a New Position drop down menu and choose the type of trade you wish to track, you will be prompted to enter in the particulars of the trade. Simply fill in the requested information, click the Submit button and the trade will be posted into the Profit/Loss Position Portfolio: **Selected Strategy:**

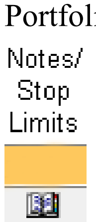
Fill in the Stock or Options Symbols, # of Contracts, Commissions, Price/Premium and then click the Submit button:

Once you have submitted the position you will be able to track the position in the Profit/Loss tool. This will show your costs, position price, current price, position change today, overall position change, the monetary gain or loss, the percentage gain or loss and the market value of the position:



The Profit/Loss Position Portfolio returns are based on the liquidation value of the open positions. The liquidation value of the open positions is the Market Value Sum. The Market Value Sum plus the remaining Cash on Hand is the total portfolio liquidation value. The Return on Account is based on the Total Value and the original Starting Basis. You can only track options that have yet to expire in the Profit/Loss Position Portfolio.
The current market prices of the open positions are updated every 20 minutes during the trading day on PowerOptions Plus and updated in Real Time on PowerOptions RT.

Let's look at some of the features in the Profit/Loss Position Portfolio:
More Information Buttons: The More Information buttons in the **My Portfolio** tool have additional functions that are not available on the other search tools. You can use the More Information buttons in the portfolio to make any necessary changes to your positions. Using the Position Options selection from the More Information menu you can choose to **delete** a position, **close** a position, **assign** or **expire** a position and adjust any of the prices in the portfolio positions.
Notes/Stop Limits: After you have entered a position into the Profit/Loss Position Portfolio, you can enter in Stop Limits and trade notes by clicking the book icon

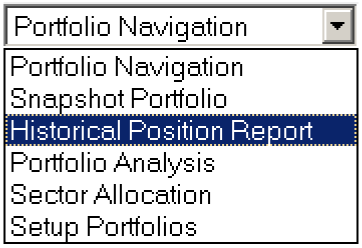


in the second column of the portfolio tool. Once you have entered in a Stop Limit or any notes the book icon will be colored, letting you know that there is information entered on the position. If a Stop Limit is reached on one of your positions a 'Trade Alert' will appear in that portfolio alerting you to the change.

Back Up to Excel: This allows you to back up your position data from the Profit/Loss Position Portfolio and the Historical Position Report into an Excel spread sheet. Simply

click the Backup button and the Portfolio data will be transferred into Excel.

Portfolio Navigation: The Portfolio Navigation drop down works in the same way as the Jump To a Page menu discussed in the previous sections. The Portfolio Navigation drop down menu gives you fast and easy access to the different portfolio reports. You can access the Portfolio Navigation drop down menu from any page in the **My Portfolio** tools.



Here is a look at the other **My Portfolio** tools:

Snapshot Position Portfolio: This tool gives you a daily snapshot of the current positions that you have open in the Profit/Loss Position Portfolio. You can use the More Information buttons on this page to link to other PowerOptions tools for further stock and option research, but you cannot make any changes to the positions in the Snapshot tool. The data in the Snapshot Position Portfolio will automatically update every 20 minutes, so your PowerOptions session will not time out while you have this page open.

More Info	Symbol	Description	Last	Bid	Ask	Change	High	Low	Volume	Last Trade
	AEQCV	MAR 42.5 CALL [ADBE] @ 38.77]	0.75	0.75	0.80	-0.05	0.90	0.65	50	1/26/2006 1:48:30 PM
	VAEAG	JAN 35 CALL [ADBE] @ 38.77]	7.50	7.90	8.20	-0.10	8.30	8.30	15	1/26/2006 10:50:30 AM
	NVDA	NVIDIA Corp.	45.39	45.32	45.50	1.50	45.43	44.25	3,720,530	1/26/2006 4:27:10 PM
	UVACZ	MAR 47.5 CALL [NVDA] @ 45.39]	1.45	1.85	2.00	-0.20	1.90	1.60	38	1/26/2006 3:39:57 PM
	PQCB	MAR 10 CALL [PQ] @ 9.89]	0.70	0.65	0.80	-0.20	0.75	0.75	93	1/26/2006 2:17:08 PM

Historical Position Report: The Historical Position Report displays all of the Realized or Unrealized gains/losses for the current and previously closed positions in your portfolio.

Select Portfolio to view: **Select Realized/ Unrealized Pos.** **Select Time Frame:** **Add Closed Position:**

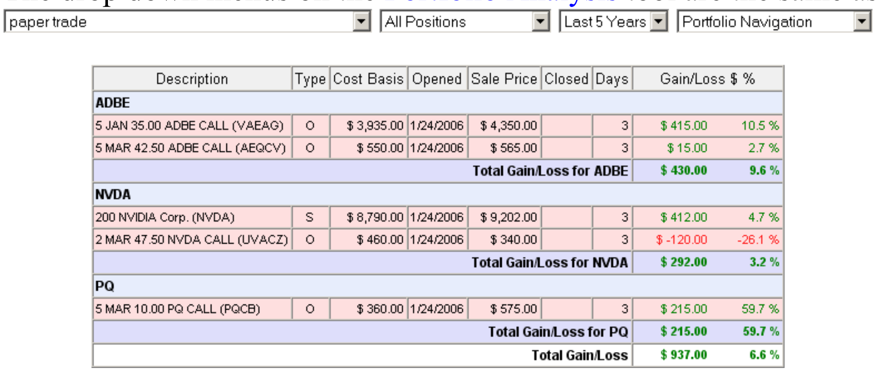
Edit	Notes	Description	Cost Basis	Opened	Sale Price	Closed	Days In	Gain/Loss $	Gain/Loss %
Edit		5 MAR 10.00 PQ CALL (PQCB)	$ 360.00	1/24/2006			2	n/a	n/a
Edit		200 NVIDIA Corp. (NVDA)	$ 8,790.00	1/24/2006			2	n/a	n/a
Edit		2 MAR 47.50 NVDA CALL (UVACZ)		1/24/2006	$ 340.00		2	n/a	n/a
Edit		5 JAN 35.00 ADBE CALL (VAEAG)	$ 3,935.00	1/24/2006			2	n/a	n/a
Edit		5 MAR 42.50 ADBE CALL (AEQCV)		1/24/2006	$ 565.00		2	n/a	n/a
							Total Gain/Loss	$ 0.00	0 %

Backup to Excel

Edit Positions:

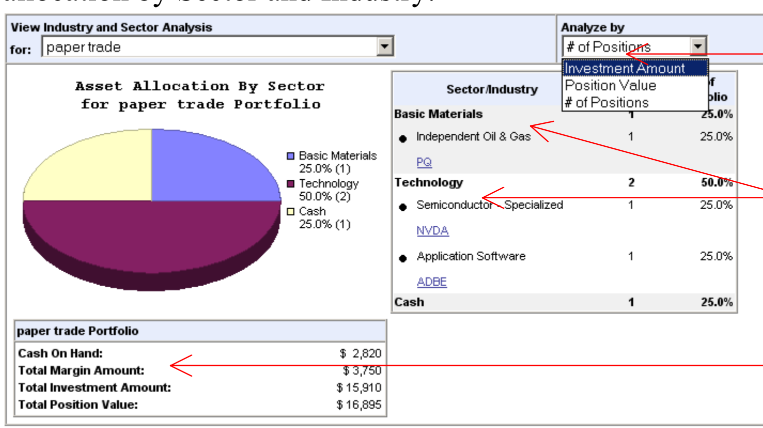
The positions in the Historical Position Report are organized by portfolio. You can Edit the positions by changing the trade dates, adjusting the prices, or adding notes on a closed position. You can delete closed positions from the Historical Position Report, but you cannot delete positions that are currently open in the Profit/Loss Position Portfolio from the Historical page. If you make any changes in the Historical Position Report those changes will also be recorded in the Portfolio Analysis tool.

Portfolio Analysis Tool: The Portfolio Analysis tool will show you an itemized analysis of both your open and closed positions organized by the underlying stock symbol. The drop down menus on the Portfolio Analysis tool are the same as those shown above for the Historical Position Report. . Those positions highlighted in pink are the unrealized returns. You cannot edit the positions in the Portfolio Analysis tool, however any changes you make in the Historical Position Report to the closed positions or any changes you make to the open positions in the Profit/Loss Position Portfolio will be reflected in the Portfolio Analysis tool.



Description	Type	Cost Basis	Opened	Sale Price	Closed	Days	Gain/Loss $	%
ADBE								
5 JAN 35.00 ADBE CALL (VAEAG)	O	$ 3,935.00	1/24/2006	$ 4,350.00		3	$ 415.00	10.5 %
5 MAR 42.50 ADBE CALL (AEQCV)	O	$ 550.00	1/24/2006	$ 565.00		3	$ 15.00	2.7 %
Total Gain/Loss for ADBE							$ 430.00	9.6 %
NVDA								
200 NVIDIA Corp. (NVDA)	S	$ 8,790.00	1/24/2006	$ 9,202.00		3	$ 412.00	4.7 %
2 MAR 47.50 NVDA CALL (UVACZ)	O	$ 460.00	1/24/2006	$ 340.00		3	$ -120.00	-26.1 %
Total Gain/Loss for NVDA							$ 292.00	3.2 %
PQ								
5 MAR 10.00 PQ CALL (PQCB)	O	$ 360.00	1/24/2006	$ 575.00		3	$ 215.00	59.7 %
Total Gain/Loss for PQ							$ 215.00	59.7 %
Total Gain/Loss							$ 937.00	6.6 %

Sector/Industry Allocation Analysis: This tool allows you to analyze your current asset allocation by Sector and Industry.



You can view the analysis results by Investment Amount, Position Value or # of Positions.

The Positions will be itemized for you by Sector and Industry.

The specifics of the Portfolio you are viewing (Cash on Hand, Total Margin Amount, Total Investment Amount and Position Value) will also be shown.

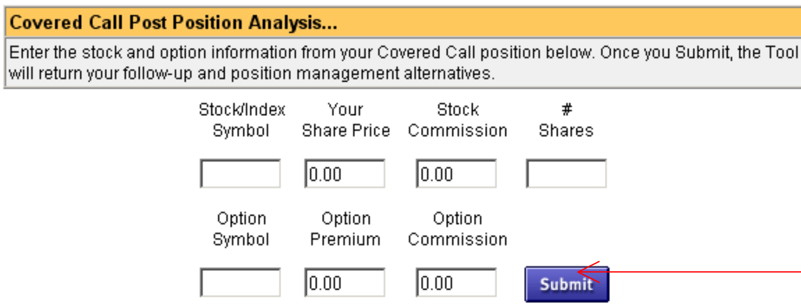
PowerWatch

The **PowerWatch** tool will help you track stocks that you are monitoring. The **PowerWatch** is located on the far right hand side of the main Tool Menu. The More Information buttons will link you to the Stock Chart, Company Information, Option Chain or the Stock Research tool for the underlying security. Simply type in the symbol you wish to track and click 'Add' to track that security. To remove a security, simply type the symbol into the field and click 'Delete'. You can also track individual options using the **PowerWatch** tool. You can track three separate lists of stocks or options and easily toggle between them using the drop down menu.

Managing a Position:

Position Analysis:

The **Position Analysis** tool will calculate the current Liquidation Profit/Loss and the potential Future Expiration Value for any position based on your Original Position Cost. There are two ways to access the **Position Analysis** tool:



1. Select **Position Analysis** from the Tool Menu. You will then need to select the type of strategy you wish to analyze, just the same as the **SmartSearchXL** or **OneStrike** strategy selection fields. Once the strategy is selected, enter in your position costs and click the Submit button.

2. The second way that you can link to the **Position Analysis** tool is by utilizing the More Information button functions from the Profit/Loss Portfolio pages. Using the More Information buttons you can link your trade information directly into the Analysis tool. Simply click the More Information button next to the strategy you wish to transfer to the Position Analysis tool, then select 'Position Options' and then 'Position Analysis'.

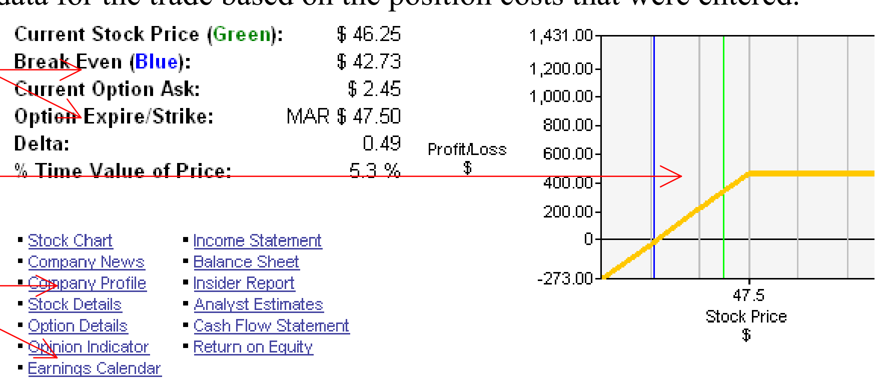
Once you have submitted your specific trade information or linked a trade into the **Position Analysis** tool the current profit/loss calculations for your trade will be displayed.

1. **Profit/Loss Chart and Trade Information:** This section highlights the risk/reward data for the trade based on the position costs that were entered.

Position Data:

Specific Pos. Profit/Loss Chart:

Detailed Research Links:



2. **Potential Profit/Loss Calculation Section:** This section calculates the current gain or loss on your position based on the current market value and cost. It is split into three parts:
   1. Original Position Cost: This is the initial amount that you paid or received to get into the position including commission costs.
   2. Current Liquidation Value/Liquidation Profit/Loss: The Current Liquidation Value is calculated by taking the amount you would receive from closing the entire position minus the original position cost. The Liquidation % Return is also shown.
   3. Future Expiration Value: This is the potential return on the position if the stock price remains the same through expiration. The calculation is similar to the Current Liquidation Value except the intrinsic value is used to claculate the liquidation cost rather than the current value. This reflects the close price of the position if we were at expiration.

*** In each calculation section you will see a link for **Details**. The **Details** section will show you the exact numbers and equations that were used to calculate the potential returns and costs.

3. **Potential Roll Out Opportunities:** For some of the strategies in the **Position Analysis** tool potential Roll-Out opportunities will be calculated to help you maximize the returns on your position. These Roll Out Opportunities are not recommendations, they are merely possibilities to further the investment position.

Action Notice on Current Position:

There are other roll opportunities if you consult the OptionChain Tool.

You could buy to close the UVACZ (06 MAR 47.50) for $2.25 /cont
and sell to open (write) one of the below calls...

More Info	Option Symbol	Expire/Strike & Days To Exp.	Opt. Bid	Adj. Net Credit	% Dnsd. Prot.	% Assnd	Prob. Above
	UVABS	06 FEB 42.50 (19)	$ 4.20	$ 3.70	8.4 %	4.7 %	64.4 %
	UVABI	06 FEB 45.00 (19)	$ 2.55	$ 2.05	4.6 %	6.6 %	44.1 %
	UVABZ	06 FEB 47.50 (19)	$ 1.35	$ 0.85	1.9 %	9.4 %	26.2 %
	UVACH	06 MAR 40.00 (47)	$ 6.80	$ 6.30	14.2 %	5.3 %	72.0 %

Potential Roll out Opportunities:

Adjusted Net Credit and Potential Roll Out Returns:

4. **History:** The History section will display all the previous positions that have been recorded in the **My Portfolio** tool on the underlying stock or index. This will help you analyze your overall return on the security through time.

History...

Description	Cost Basis	Date Opened	Sale Price	Date Closed	Net Gain/Loss
100 NVIDIA Corp. (NVDA)	$ 4,400.00	1/24/2006	$ 0.00	1/27/2006	$ -4,400.00
1 MAR 47.50 NVDA CALL (UVACZ)	$ 169.95	1/24/2006	$ 165.00	1/27/2006	$ -4.95
Totals	$ 4,569.95		$ 165.00		$ -4,404.95

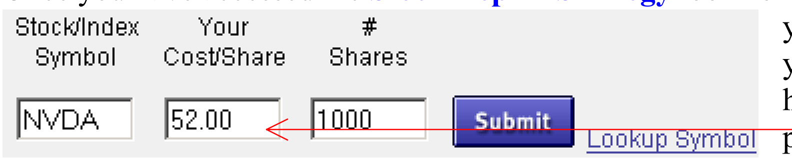
Previously Traded Positions on same security:

Repairing a Stock:

Stock Repair Strategy

The **Stock Repair Strategy** tool will to calculate potential credit or debit spreads that will help get a stock position back to Break-Even. This strategy (called the Long Stock Repair) works best for stocks that have dropped and you feel they will go back up again.

Once you have accessed the **Stock Repair Strategy** tool from the Tool Menu enter in your stock symbol, the price you paid for the stock and how many shares you purchased. If you don't enter in a number of shares, the system will assume 100 shares were purchased.



Based on your initial cost and the current market value, the system will show potential credit or debit spreads that could help you get back to Break-Even with a smaller stock movement.

Credit Repairs for... NVDA: $ 45.73	Data from: Monday, 1/30/2006 4:50:49 PM EST - 20 minute delayed.						
Target Month For Repair	Lowest Stock Cost	Highest Stock Cost	Buy Strike	Sell Strike	Net Credit	Break Even	Trade Details
FEB 2006	$ 45.73	$ 50.00	45.0	47.5	$ 0.00	N/A	N/A
MAR 2006	$ 45.73	$ 50.70	45.0	47.5	$ 0.70	N/A	N/A
JUN 2006	$ 45.73	$ 52.30	45.0	47.5	$ 2.30	$ 47.35	Repair Details
JUN 2006	$ 45.73	$ 55.40	45.0	50.0	$ 0.40	$ 48.30	Repair Details

The first section that will come up will show you the potential target months and strike prices that were calculated. Sometimes, although a spread was found for a given month N/A may appear in the trade details. This means that although a spread was found for that month, it would not get you back to Break-Even. Those positions with the 'Repair Details' button in the Trade Details column are better positions to repair your stock.

Trade Details: After you select the Trade Details for a specific repair you will see the specifics of the Long Stock Repair. This section will show the current loss on the position, the option strike prices and # of contracts that were calculated for the repair trade, the new Break-Even price for the stock if the option trade was made, and a Profit/Loss Table displaying the possible value of your position at different stock prices in the option target month.

[See Chart on Next Page]

Detailed Credit Stock Repair Trades for NVDA

Your 1000 shares of NVDA (Stock Details) at $52.00 per share cost you $52,000.00

NVDA is now at $45.73, your investment is worth $45,730.00

You currently have a $6,270.00 loss on the stock.

Description	Option Price	$ Amount
Buy 10 UVAFI (Option Details) (JUN 45 CALL) at	$5.30	$5,300.00
Sell 20 UVAFJ (Option Details) (JUN 50 CALL) at	$2.85	$5,700.00
For a net credit of...	$0.40	$400.00
Break Even Stock Price...	$48.30	

Target Month Stock Price	Stock Profit/Loss	Bought Call Value	Net Credit	Total Profit/Loss	Value At Expire	Probability Above
$44.00	$-8.00	$0.00	$0.40	$-7.60	$44.40	57.8%
$45.00	$-7.00	$0.00	$0.40	$-6.60	$45.40	53.2%
$46.00	$-6.00	$1.00	$0.40	$-4.60	$47.40	48.8%
$47.00	$-5.00	$2.00	$0.40	$-2.60	$49.40	44.6%
$48.00	$-4.00	$3.00	$0.40	$-0.60	$51.40	40.5%
$48.30	$-3.70	$3.30	$0.40	$0.00	$52.00	39.3%
$49.00	$-3.00	$4.00	$0.40	$1.40	$53.40	36.6%
$50.00	$-2.00	$5.00	$0.40	$3.40	$55.40	32.9%

Data from: Monday, 1/30/2006 4:50:49 PM EST - 20 minute delayed.

Original Trade Info:

Current Market Value and Loss:

Repair Information:

Spread Credit/Debit:

New Break-Even:

Position Value at different stock prices on Repair strategy expiration:

Highlighted Break Even point:

'What If' Section: Below the Repair Details section you will see the 'What If' statements that outline the scenarios if the stock is trading above, between, or below the option strike prices for the selected Repair Strategy:

What if NVDA is above $50 per share at expiration...

Congratulations, NVDA went up just as you expected. You can close all 3 positions and you will lock in a profit since the break even is lower than the $55.40 per share value. Check with your brokerage house concerning this situation, they may close all 3 of these positions for you automatically.

What if NVDA is between $45 & $50 per share at expiration...

The JUN 50 CALL options will expire worthless. Also, the JUN 45 CALL can be sold for a profit or exercised to acquire the shares. This is a good time to re-evaluate your ownership of NVDA. Perhaps this is a good opportunity for a new option position.

What if NVDA goes below $45 per share at expiration...

Both the JUN 45 CALL and JUN 50 CALL options will expire worthless. You still own NVDA at $52.00 minus the per share net credit of $0.40. Since you thought NVDA was going to go up and it acutally went down, perhaps this is a good time to re-evaluate your ownership of NVDA.

Tell Us What You Think:

PowerPoll

Right above the **PowerWatch** tool on the right hand side of the Tool Menu is the **PowerPoll**. Every two weeks a new poll is put up on the site. Once you vote you will see the results on how the other PowerOptions subscribers voted. These surveys will cover several topics and will help the PowerOptions staff to evaluate and design new tools based on your inputs.

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