Introduction to Options –
How to trade single leg option strategies
Disclosures

✓ Options trading entails significant risk and is not appropriate for all investors. Prior to trading options, you must receive a copy of Characteristics and Risks of Standardized Options, which is available from Fidelity Investments, and be approved for options trading. Supporting documentation for any claims, if applicable, will be furnished upon request.

✓ Examples in this presentation do not include transaction costs (commissions, margin interest, fees) or tax implications, but they should be considered prior to entering into any transactions.

✓ Characteristics and Risks of Standardized Option

✓ The information in this presentation, including examples using actual securities and price data, is strictly for illustrative and educational purposes only and is not to be construed as an endorsement, recommendation.
Goal of the webinar series

The goal of this series is to introduce options to those who are option novices. We will primarily cover the fundamentals of options. To do this, we will cover topics such as; what are options, what kinds of options are there, and key terms and concepts options traders need to be familiar with.

Topics that will be covered in Part II

- Review of options strategies
- Reading the option chain
- How to place an options trade
- Understanding the Strategy Ideas tool
Long Call

- You expect the underlying stock to increase in value before expiration.
- You place a Buy to Open trade to purchase and a Sell to Close to sell the position.
**Long Put**

- You expect the underlying stock to decrease in value before expiration.
- You place a Buy to Open trade to purchase and a Sell to Close to sell the position.
**Covered Call**

- You expect the underlying stock to remain neutral or increase in value before expiration.
- You place a Sell to Open trade to open the position and a Buy to Close to close the position.
- You must have 100 shares of stock per contract you wish to sell.
Cash Covered Put

- You expect the underlying stock to be above the strike price at expiration.
- You place a Sell to Open trade to purchase and a Buy to Close to close the position.
- Cash Covered Puts can be used to generate income or to acquire stock at a target price.
Demonstration

Please follow along as we guide you through the following options tools using Fidelity’s Active Trader Pro Platform

- Reading the option chain
- How to use the standard trade ticket
- Idea generation with the Strategy Ideas tool
- Placing a trade in Trade Armor
Introduction to Options part 2

This concludes today’s presentation.

Thank you for attending.

Please join us for the final part of the series:

- December 18th, 12:00 pm EST  Introduction to Options Part 3

To Register, please visit the Fidelity.com Learning Center
https://www.fidelity.com/learning-center

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