



Dan Sheridan

Option Foundations Class One

Sheridan Options Mentoring, Inc.
www.SheridanMentoring.com



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Download The Presentation Slides!

You can download the slides here:

<http://www.SheridanMentoring.com/x/K18>

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Foundations Class Outline \$497

- **Week 1 (Free) Foundational Concepts, the Greeks and Live execution**
- **Week 2 Intro to Spreads and adjustments**
- **Week 3 Volatility**
- **Week 4 Credit Spreads and Iron Condors**
- **Week 5 Calendars**
- **Week 6 Butterflies**
- **Week 7 Long Term Strategies**

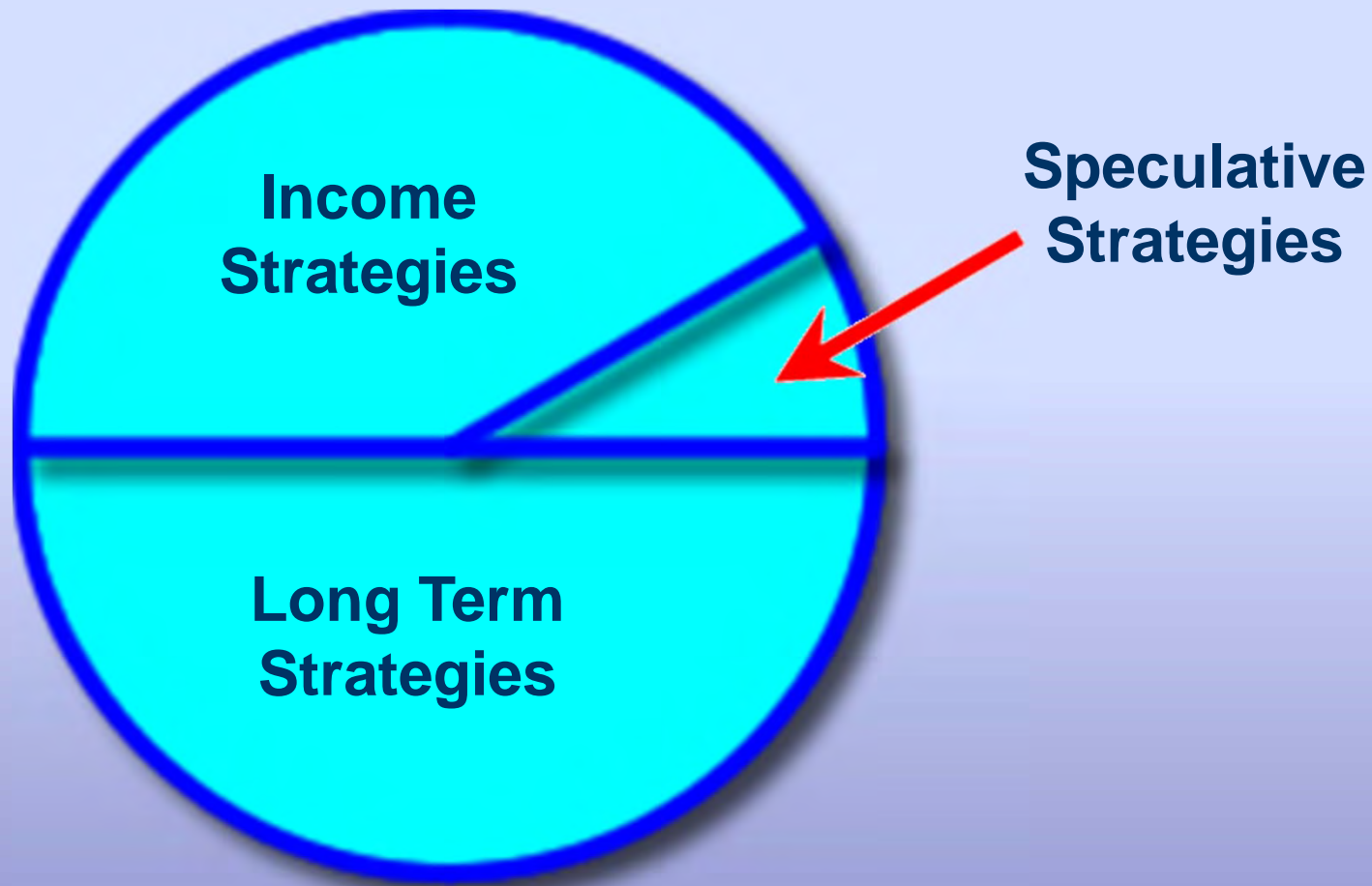
Foundations Class \$497 Class Dates

- **Week 1 (FREE) Mon and Fri Oct 17 and Oct 21**
- **Week 2 Monday Oct 24**
- **Week 3 Monday Oct 31**
- **Week 4 Monday Nov 7**
- **Week 5 Monday Nov 14**
- **Week 6 Monday Nov 21**
- **Week 7 Monday Nov 28**
- **All classes are recorded and archived for you**

Today's Outline

- **Big picture perspective- Complete Options Portfolio?**
- **Where is the edge to this Business? Standard Deviations and Time Decay?**
- **What is the key to winning? Risk Management**
- **Foundational concepts?**
- **Picking a Broker and live trade execution?**
- **The Greeks with examples?**

Portfolio Plan



Portfolio Plan



Long Calls/Puts,
Diagonal Spreads
OTM Butterflies
Vertical Spreads
Directional Calendars
Long Straddles

Key to Consistency

- January \$500
 - February \$500
 - March \$300
 - April - \$800
 - May \$500
 - June \$500
 - July -700
 - August \$400
 - September \$ -1000
 - October \$500
 - November \$300
 - December \$500
- Net profits for 12 months = \$1500 (30%)
capital \$5000
target 10% (\$500)

Standard Deviations

Dan's Short Cuts

Time	Divide by	Multiply by
1 Day	19.112	0.05232
1 Week	7.223	0.13844
2 Weeks	5.108	0.19578
17 Days	4.635	0.21574
31 days	3.433	0.29133

$$\text{Price} \times \text{Volatility} \times \sqrt{\frac{\text{Calendar days}}{365.25}}$$

\$160 Stock with 16% IV

Time	1 SD	Range
26 Days	\$6.83	\$153.17 - \$166.83
54 days	\$9.84	\$150.16 - \$169.84

Use our FREE Standard Deviation Calculator

<http://www.sheridanmentoring.com/x/sigma>

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