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# Why options are brilliant

# Nikos Georgelis

A brief intro

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- Hedge fund manager at Atlant Fonder with focus on options strategies
- MSc in Industrial Engineering with major in Financial Mathematics
- Prior work experience: SHB, Investor AB, JP Morgan, IPM & Danske Bank
- Prior to joining Atlant Fonder: Market Maker at Danske Bank
- Hobbies: Food and wine



# Four reasons why everybody should use options

# Options

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- They are extremely cash efficient
- Lots of strategies with extremely low risk
- Exponential payoffs are amazing!
- No matter what your trading style is there are always options to play

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Four reasons why everybody should use options

Example:

3 sep 2019:

- US & China was about to have trade talks
- We bought sep 3000 call for USD 2 on Wednesday night and sold it early Friday for 20USD+
- 1000% return in less than 48h on a 3% move in the underlying



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Oh a fifth one – you don't have to know any of the greeks to make money trading options

## Options

Why I would not be able to do my job without options

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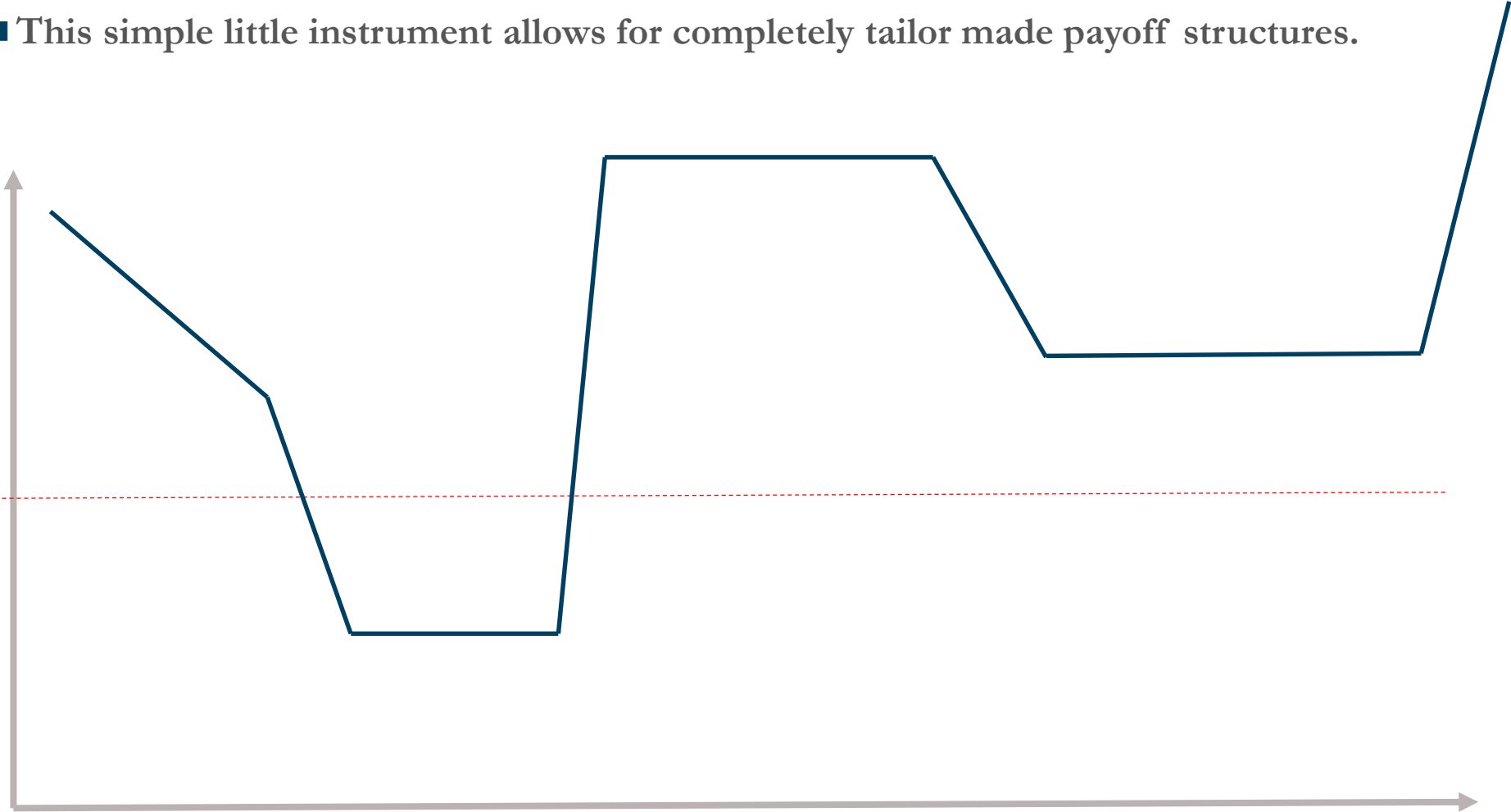
- I am bearish the stock market but still want to keep the upside in case I am wrong and still I don't want it to cost much if the market goes south
  - SOLUTION: OPTIONS
- I don't care if the market goes down 5,10 or even 20 percent but if Lehman happens I want something that really kicks!
  - SOLUTION:OPTIONS
- I really believe in this stock but I don't want to lock up too much capital
  - SOLUTION: OPTIONS
- The market is really boring at the moment just standing still, how to make some money while we wait for a breakout
  - SOLUTION: OPTIONS
- And many many more



# Options

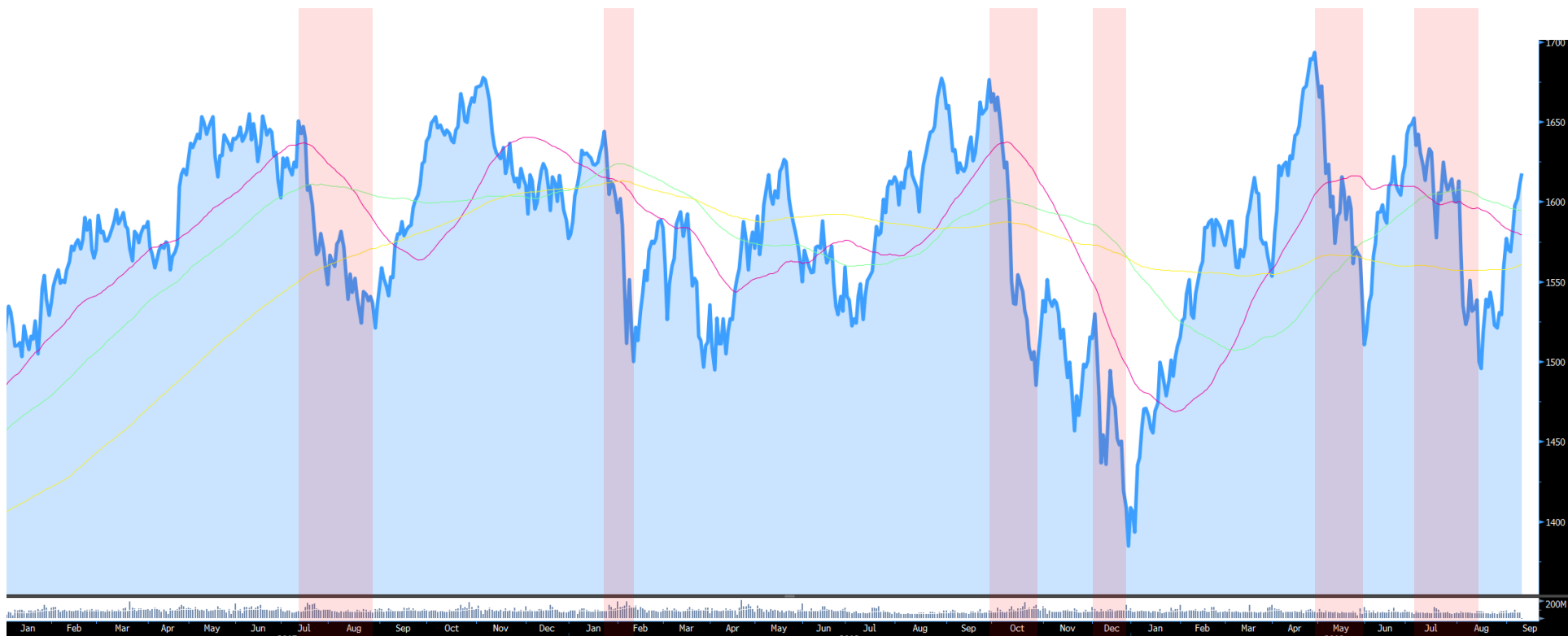
Why I would not be able to do my job without options

■ This simple little instrument allows for completely tailor made payoff structures.



# Options

Due to the convex PNL profile of options, we have managed to create positive return in the past 6 largest selloffs since 1 jan 2016



	17/7-2017 - 29/8-2017	23/1-2018 - 6/2-2018	2/10-2018 - 26/10-2018	3/12-2018 - 28/12-2018	25/4-2019 - 31/5-2019
<b>Fund XXX</b>	<b>0,03%</b>	<b>0,16%</b>	<b>0,14%</b>	<b>0,06%</b>	<b>0,29%</b>
OMXS30	-8,10%	-9,69%	-12,13%	-10,92%	-10,73%