

Call Options

Disclaimer: Not financial Advice

Call Options

- A call is a type of options contract which gives the owner the right to buy a certain amount of stock at a certain price at a certain date
- The certain price is the strike price, and the certain date (in which the sale can be made) is known as expiration/time to maturity
- You can pay a premium to purchase a call option. This premium per share is the maximum amount of money that can be lost on a call option
- You can short a call option by selling it, and you can hold it by buying it
- Call options can be sold for income purposes and tax management
- It can be used for spread and combination strategies

Example

Tesla \$693.40 (+4.12%)

TSLA Buy Call

Buy Sell Call Put Expiring January 8, 2021

Strike Price	Break Even	To Break Even	% Change	Change	Price
\$700	\$721.45	+4.05%	+101.79%	+\$10.82	\$21.45 ✓

Bid	Ask	Mark	Previous Close	High
\$21.30 × 2	\$21.60 × 1	\$21.45	\$10.63	\$22.60

Low	Volume	Open Interest	Implied Volatility
\$10.65	30,432	10,817	54.86%

The Greeks

Delta	Gamma	Theta	Vega	Rho
0.4827	0.0067	-1.3265	0.4348	0.0774

Share Price: \$693.40

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Long Call

Contracts: 1 (highlighted)

100 Shares Each

Limit Price: \$21.30-\$21.60 (Current: \$21.45)

Expires: Good for Day

Max Cost: \$2,145.00

Review Order (highlighted with red arrow)

\$56.67 Buying Power Available

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Video



Activity

1. Assess if options are right for you