OptionsWestPro



Options Trading Software for the Professional Investor

Software Manual January 2006

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TradeView Version 2.4

TradeView currently has five basic screens that work together as a trade management tool. The first three screens help select and manage trades. The remaining two screens assist in managing and tracking the financial details of an entire trading account. Together these five tools help make trading a successful and profitable venture.

SETTING UP THE PROGRAM

TRADEVIEW is an Excel file that runs in Microsoft Excel version 2002 and later. Simply copy the files from the CD to a folder of your choosing and run it through Excel. **Note:** It is most helpful if you are familiar with Microsoft Excel. If not, its time to learn!

There is minimal setup required to get you ready to trade. You will notice the five tabs at the bottom of the Excel file (shown below), they are the five screen tools that make up TradeView. The TOTALS and TRADE LOG screens track the financial details of your account, while the MASTER COVERED CALLS, MASTER LEAPS, and MASTER CC CPR screens help create and manage individual options trades.



Clicking on the TOTALS tab will bring up the ACCOUNT TOTALS screen below. You will notice that it is a complete view of your entire trading account. It tracks and reports your true profit to date, your percentage return on a current, monthly and annual basis and keeps track of both cash and funds in all of your open trades. To get you ready to use TRADEVIEW, there are just few setup steps to follow ...

Trade View	Account Totals Trade View									2/17/06
ANNUAL % ROI	Year	Account	Cash Total	Monthly	Income	STAR	DATE	TO	DAY	Days til Exp
0.0%	2006	\$50	,000	\$	\$0		January 15, 2006		January 27, 2006	
INVESTMENT	CASHE	D OUT	ACCOUN	T TOTAL	TRUE	PROFIT	Percent	Days	Monthly	
\$50,000	\$	0	\$50	,000	\$0		0.0%	12	0.0%	
IN TRADES	CA	CASH Misc Cł		harges	arges TRADE PRO		Percent	Avg Days	Monthly	Withdraw
\$0	\$50,000		\$0		\$0		0.0%	0	#DIV/0!	\$0
Prior Set Totals ANNUAL % ROI	Year	Closed	l Trades	Monthly	Income	STAR	T DATE	END	DATE	
INVESTMENT	CASHE	D OUT	ACCOUN	T TOTAL	TRUE	PROFIT	Percent	Days	Monthly	PRINT

SETUP STEPS:

- 1) To setup your copy of TradeView, make sure you are on the "ACCOUNT TOTALS" screen by clicking on the "TOTALS" tab.
- 2) Click on the word "Account" in the Account Name (upper left) and type the name of this account, ie... John Doe, Jane Smith, etc. Hit enter.
- 3) Enter the initial dollar amount funds you have invested in this account in the field called "Investment".
- 4) Enter the starting date of this trading account under "START DATE". (Most likely today's date) (Format: 2-27-06)
- 5) Enter the date of the next option expiration Friday in the upper right hand corner of the screen.
- 6) Enter the current year in the field below "YEAR".

Note: PRIOR SET TOTALS area is not needed for setup. This will be addressed later.

YOU'RE DONE AND READY TO TRADE !

THE "TRADE LOG" SCREEN

Before we get into the trading tools, let's take a quick look at the "TRADE LOG" screen, just for familiarization. There is nothing to enter on this screen until you have closed out of a trade and need to log the trade data totals. Note: Until you have entered the data from your first trade a few of the fields will show, "#DIV/O!". This is a normal Excel cell status marker.

20	006	Trade View		TR/	IDE LOG			Trade View	PR
Frades	Weekly%	Profit	Commissions	Year	AVG %	AVG DAYS	Avg Mon	thly Return	
1 #DIV/0!		\$0	\$0	#DIV/0!	0.0%	0	#DIV/0!		
Date	Option	TRADE	Invested	Profit	Commissn	Percent ROI	Days	Monthly %	
								#DIV/0!	
								#DIV/0!	
								#DIV/0!	
								#DIV/0!	
								#DIV/0!	
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TRADING TOOLS

TRADE MANAGEMENT TOOLS:

- 1) COVERED CALLS MASTER COVERED CALLS
- 2) CALENDAR LEAP SPREADS MASTER LEAPS
- 3) COVERED CALL / CPR TECHNIQUE MASTER CC CPR

Before we walk you through a detailed step by step checklist of exactly how to use these tools we are going to give you an over-all view and an explanation of each bit of information stored or calculated. These are Microsoft Excel based applications and therefore a good knowledge of Excel will help you immensely in navigating the screens. They were built with Microsoft Windows 2000 and Windows XP in mind and work well at 1024 x 728 screen resolution or better.

> <u>COVERED CALL TOOL</u>

NOTE: There is a concept that is helpful to understand with regard to how we perceive and account for options trades. When we place a "Covered Call Trade" we consider that specific trade complete at the end of the option expiration period, whether we are "Called Out" or not. If we are "Called Out", the trade is obviously complete as we are cashed out and we record the resulting details. If we are not "Called Out", we still consider the trade complete and we record the trade results. Since we still own the stock we treat this as a "new" trade with a new trade starting date. We then proceed with whatever management approach we deem needed to produce our goal of continued income from our stock asset on this "new" trade. We have found this approach to be very helpful in building a profitable trading account.

The Covered Call Calculator (shown below) is the first tool that you will use to help you select successful trades. This tool is embedded in the Covered Call details screen and calculates return percentages and profits based on net cashed invested. It also takes commissions into account to give you a near true ROI percentage.

Starting Shares	Original Stock Price	Strike Price	Premium	Option Expiration Date	Days To Exp	Month	
400	20.24	20.00	1.30	February 17, 2006	22	28	
Investment	8,096.00	F	RETURN IF CALLED	388.00	5.12%	5.56%	
Premium	520.00	RETUR	N IF NOT CALLED	484.00	6.39%	6.94%	
Net Cash	7,576.00	STD COMMISSIONS	36.00	Call Option Symbol	ABCDE		

TradeView version 2.4 Covered Call Calculator

The Covered Call Calculator has four data entry boxes and one date entry box on the option info line. > These open data fields are:

STARTING SHARES	ORIGINAL STOCK PRICE	STRIKE PRICE	PREMIUM
400	20.24	20.00	1.30

OPTION EXPIRATION DATE FEBRUARY 17, 2006

There are three other data boxes on the calculator itself that are open for accepting data once you have made this a "live" trade. Before you actually make this a "live" trade these fields are not available. The three fields are:

STANDARD COMMISSIONS CALL OPTION SYMBOL MONTHLY

Again, these three boxes are not available until you create a "NewTrade".

The remaining data is displayed automatically and this displayed data cannot be accessed or changed. To determine the ROI of a particular trade you simply fill in the appropriate data and make sure the Option Expiration Date is for the month you are considering. The Option Expiration Date field requires the correct date for the third Friday of the option contract month and should be recorded in a 2-17-06 format.

All of the additional fields of data are not accessible on the MASTER screen, as the calculator tool is only for determining the viability of a trade. Once you have decided upon a trade and actually place the trade with your on-line broker you would then click the "NewTrade" button and all the fields you require would become available.

The large red arrow is pointing to the embedded Covered Call Calculator on the Covered Calls MASTER screen.

	Trade View	,				COVERE	D CALLS				Trade View	Cash	
	Traded	Stock			Symbol	Optior	Month	STAR	T DATE	DATE TODAY'S DATE			
	(COMPA	NY NAN	١E	ABC	ABC Februa		ary-06		January			
	Openin	ig Cash	CALL	Contracts	Net Invested		Profit		Percent	Days	Monthly %		
	\$10	,000	\$600	10	\$9,	\$9,400		(\$36)		38745	0.0%		
	Covered Call Calculator												
	Starting	Shares	Original S	riginal Stock Price Strike P			Premium Option			iration Date	Days To Exp	Monthly	
≻	1,0	00	10	.00	10.	.50	0.	60	February	17, 2006	21	21	
	Inves	tment		10,000.00			RETURN IF CALLED		1,064.00 564.00		11.32%	16.39%	
	Pren	nium		600.00							6.00%	8.69%	
	Net	Net Cash 9,400.00			STD COMMISSIONS 36.00			Call Opti	on Symbol	ABCDE			
	Commi	ssions	Earnin	gs Date	January	January 1, 2005		Average Down		Price Paid	Additional	NewTra	
	36.	00		5:00 pm Aft	ter Close			tails	0	0.00	\$0		
	Date	Action	GTC	5% Call B	Buy Back	0.10	Trade	Outflow	Inflow	%	Profits		
	1/0	вто	4.8%	and the second se	k Purchase P		10.00	10,000.00			\$0.00		
		STC	10.50		ent Stock P		10.00		10,000.00	0.0%	\$0		
	1/0	STO	Feb-06	10.5	and the second se	hase Price	0.60		600.00	6.0%			
		BTC	Feb-06	10.5	Current	Call Price	0.60	600.00		0.0%	\$0		

The Covered Calls MASTER screen shown above is the screen you use to enter the basic initial data on a trade to determine the trade's viability. You DO NOT enter any other trade data on the MASTER page. Once you have selected a good trade and placed this trade with your broker ... you then click on the "NEWTRADE" button.

Clicking on the "NEWTRADE" button will create a new Covered Call screen for the specific trade you have just made. This new page is where you fill in the appropriate data for the trade you have just put into play. Notice the difference in the two screens, one is the MASTER and one is for a specific trade. The MASTER screen has a few sections colored red, to help you recognize that this is not a live trade. Most of the data fields are not even accessible on the MASTER screen to prevent mistakes.

Trad	View				COVERE	D CALLS				Trade View	Cash
and the second s	ded Stock			Symbol	Option	n Month	STAR	T DATE	TODAY	S DATE	\$50,000
/	AMERICA	N AIRLI	INES	AMR	Febru	ary-06	January	20, 2006	January		
Ор	ening Cash	CALL	Contracts	Net In	vested	Pro	ofit	Percent	Days	Monthly %	
	\$8,096 \$520 4		\$8,	016	\$2	\$292		7	16.7%		
Covere	d Call Calculat	or								_	
Star	rting Shares Original Stock Price		Stock Price	Strike	: Price	Pre	mium	Option Exp	iration Date	Days To Exp	Month
	400 20.24		.24	20.	.00	1	.30	February	17, 2006	22	28
In	Investment 8,096.00				F	RETURN I	CALLED	388.00 5.12%			5.56%
F	Premium 520.00			RETURN IF NOT CALLED				484.00 6.39%			
N	let Cash		7,576.00	STD COMMISSIONS 36			.00	Call Option Symbol			
Co	mmissions	Earnin	gs Date	April 5	, 2006	Average Down		Shares	Price Paid	Additional \$0	
	36.00		5:00 pm Aft	ter Close			tails	0 0.00			
Dat	e Action	GTC	5% Call E	Buy Back	0.29	Trade	Outflow	Inflow	%	Profits	
1/20		4.8%	Stock	k Purchase P	Price	20.24	8,096.00			\$328.00	
	STC	21.25	Curr	ent Stock P	rice	22.16		8,864.00	9.5%	\$768	
1/20		Feb-06	20.0	-	hase Price	1.30		520.00	6.4%		
	BTC	Feb-06	20.0	Current	Call Price	2.40	960.00		-5.4%	-\$440	
											PRINT

Covered Call Trade Screen – Showing a specific AMR trade

When you click the "NewTrade" button from the Master Covered Call Screen and it creates your new trade screen, there are seven basic steps to save your new trade. In the first step you need to confirm the days until expiration by typing over the number in the field below the maroon colored Monthly button (See the arrow above). This locks in the number of days and the percentage monthly return figure. The new screen that is created has a tab that is named "NEWTRADE" (shown below). In step two, right-click on this tab, go to RENAME and type XXX-FEB... where XXX is the symbol designation for the stock followed by the option expiration month. Hit enter to save the tab name. The 7 steps are as follows:

- 1) Confirm the "Monthly days" number
- 2) Rename the new trade tab to reflect the stock and option month
- 3) Type in the stock name
- 4) Type in the symbol name
- 5) Type in the start date
- 6) Save the new configuration
- 7) Go to the red TOTALS tab and enter the trade (XXX-Feb) and investment dollar \$ amount in the Open Positions area ...and save.

T TOTALS / TRADE LOG NEWTRADE / CVBX / CVTX-FEB / AMR-FEB / RMBS-FEB / ADIC-FEB / FLSH-FEB / MASTER COVERED CALLS / MASTER LEAPS

You have now completed the setup of a new trade and are ready to track and manage the trade until the Options Expiration Date. Notice the graphic below ... it shows the tabs of an account that has five open active February Covered Call trades (CVTX-FEB, AMR-FEB, RMBS-FEB, ADIC-FEB, FLSH-FEB) and one open active position in CYBX that is a straight stock trade. This was the result of no being called out from a previous month.

N TOTALS / TRADE LOG / CYBX / CVTX-FEB / AMR-FEB / RMBS-FEB / ADIC-FEB / FLSH-FEB / MASTER COVERED CALLS /

Notice as well, the Open Positions from the TOTALS screen (below) that matches the list of live active trades currently in this account.

Open P	Positions							
CYBX	RMBS-FEB	CVTX-FEB	AMR-FEB	ADIC-FEB	FLSH-FEB			
\$6,652	\$5,752	\$6,909	\$5,478	\$5,766	\$5,670			
								1 ¹

Let's look at one of these open active Covered Call trade screens and go through the detailed information presented.

Trade Vie						D CALLS				Trade View	Cash \$364
Traded				Symbol		Month		T DATE	T DATE TODAY'S DATE		
G	ENERA	L MOTO	RS	GM Februa		ary-06 January		27, 2006	February	7, 2006	
Openii	ng Cash	CALL	Contracts	Net In	vested	Pro	fit	Percent	Days	Monthly %	
\$9,	116	\$500 4		\$8,616		\$284		3.3%	12	8.4%	
Covered Call Calculator											
Starting	g Shares	Original S	Stock Price	Strike Price		Pre	Premium		Option Expiration Date		Month
4	400 22.79			22.	.50	1.	25	February	17, 2006	10	21
Inves	tment		9,116.00		F	ETURN IF	CALLED		348.00	4.04%	5.85%
Prei	Premium 500.00				RETUR	N IF NOT	CALLED		464.00	5.39%	7.80%
Net	Net Cash 8,616.00			STD COMMISSIONS 36.00			Call Opti	on Symbol	ABCDE		
Comm	issions	Earnin	gs Date	January 1, 2005		Average Down		Shares	Price Paid	Additional	
20	.00		5:00 pm Aft	er Close	er Close		Details		0.00	\$0	
Date	Action	GTC	5% Call B	Buy Back	0.11	Trade	Outflow	Inflow	%	Profits	
1/27	BTO	4.8%	Stoc	k Purchase P	rice	22.79	9,116.00			\$304.00	
	STC	23.93	Curr	ent Stock P	rice	23.55		9,420.00	3.3%	\$304	
1/27	STO	Feb-06	22.5	Call Purch	nase Price	1.25		500.00	5.5%		
	BTC	Feb-06	22.5	Current	Call Price	1.25	500.00		0.0%	\$0	

