



VIP MENTORSHIP

LET THE MARKET WORK FOR YOU



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WELCOME TO VOLSIGNALS

VolSignals: VIP Mentorship – Introduction



INTRODUCTION | FLOWS & POSITIONS ARE EVERYTHING



FLOWS

- *Structural Flows*
- *Mechanical / Systematic Fund Flows*
- *Options Hedging Flows*

POSITIONS

- *Dealer Options Positioning**
- *Underlying Imbalances*



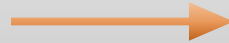
INTRODUCTION | THE BIG (SIMPLE) IDEA

Modern markets are increasingly driven by **nondiscretionary & systematic flows**

- *Passive buying flows*
- *Rebalancing flows*
- *Systematic macro flows*
- *Dealer options hedging*
- *Etc....*

Knowing the **sources** 🖱️ & **rules** 🖱️ ...

- *CTAs & trend thresholds*
- *Vol Control & volatility triggers*
- *Dealer Options Hedging*
 - *Delta?*
- *...dynamic hedging ✓*
- *Etc....*



...can make you a **better trader** 🎯

In **any** market environment:

- *Sustained trends*
- *Trend exhaustion/reversal*
- *Long gamma (low volatility)*
- *Short gamma (high volatility)*

In **any** timeframe:

- *ODTE*
- *Short/ Intermediate*
- *Long Term/ identifying hedging opportunity*



INTRODUCTION | ABOUT ME

My life as a **market maker**...

- Index option market maker
- Experience trading on floor, off floor, electronic, etc.
- Operated hedging systems,
- Managed trading teams, and-
- Witnessed the influence of our collective behavior in action
- Etc....

Traded through every regime...

- Long Gamma = low volatility
- Short Gamma = high volatility
- Calm / trending
- Chaotic / crashing
- Every Spot/Vol Combination
- Etc...


Any predictable imbalance = **edge**

...the more you know, the better your trading.



INTRODUCTION | WE'RE GOING TO FOCUS ON...

ASSESSING the market from a **flows** perspective

- Supply  Demand = Price
- Key sources of significance
- What to monitor
- ...
- **SPX OPTIONS** (my domain) →

OPTIONS and dealer hedging dynamics

- SPX: Market overview
- Role of market makers
- Options Greeks
 - Delta, but really...
 - Gamma, Charm, & Vanna.
- ...dynamic hedging ✓
- **Trading around the dealer book**
- Etc....

Institutional **options flow** & its **influence**

- Institutional options flows
 - Short Volatility
 - Overwriting/Underwriting
 - Hedging
 - Speculative Order flow
 - ODTE
- Market Characteristics

TRADING and STRATEGY selection

- Reading the market
 - Dealer Gamma profiles
 - ODTE influence
- Trade selection
 - Identifying Entries
 - Options spreading strategies
- Hedging / Equity Replacement
- Case Studies & War Stories...



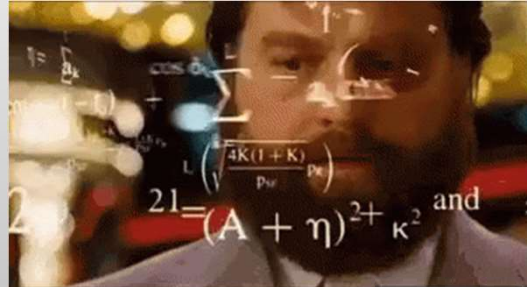
INTRODUCTION | . . .BACK TO THE BIG IDEA

By the end of this Mentorship, you will:

- Know the main sources of systematic (predictable) flow
- Grasp the concept of “negative gamma” from a whole-of-market perspective
- Understand seasonal patterns in equities and options
- **Go behind the scenes and see the flows & positions beneath the market’s structure**
- Know how to read a dealer options profile, and
- Anticipate the hedging flows associated with it

Connect order flow -> positions -> hedging flows, and—

- Tailor short-term trading strategies to Gamma profiles...
- Take advantage of volatility dynamics
- Understand advanced concepts intuitively
 - Options Expirations
 - Market Mechanics
 - VIX -> SPX relationships
 - Spot-Vol Dynamics
- Piggyback the whales... or exploit their waves



Up Next: Identifying predictable flows

