

# TRADING FX OPTIONS IN DEALBOOK® 360

**DealBook® 360**

File View Trades Analytic Pages Window Help

Symbol Explorer Ctrl+1  
Chart ...  
Show Chart Info  
Quote Board Ctrl+Q  
Open Positions Ctrl+P  
Working Orders Ctrl+W  
L2 Quotes  
Option Board

g Orders Live Help

req (USD): 102.48 Margin % (2783030: 97,215,72% Unrealized P/L (USD): 0.00

Monitor News/Commentary Resource Center

Bid Ask Time Daily High Daily Low % Change

**FX Options Quoteboard - EUR/USD.fx**

Underlying Market: EUR/USD.fx Filter Expiry Dates

Bid Ask Daily High Daily Low Net Changes Margin (USD) FPL (USD)

1.4943 1.4945 1.4944 1.4904 2.6738 24,211.49 0.00

CALLS STRIKES PUTS

Delta Imp. Vol. Bid (Premium EUR) Ask (Premium EUR) Bid (Premium EUR) Ask (Premium EUR) Imp. Vol. Delta

11.20.2011 34 days left

Delta	Imp. Vol.	Bid (Premium EUR)	Ask (Premium EUR)	STRIKES	Bid (Premium EUR)	Ask (Premium EUR)	Imp. Vol.	Delta
87,076	14.00%	0.00885	0.00909	1.2900	0.00038	0.00050	14.00%	-12,077
73,490	14.00%	0.00570	0.00598	1.2950	0.00105	0.00261	14.00%	-26,027
54,395	14.00%	0.00326	0.00347	1.3000	0.00242	0.00261	14.00%	-45,503
34,103	14.00%	0.00160	0.00173	1.3050	0.00458	0.00476	14.00%	-66,188
17,592	13.98%	0.00064	0.00076	1.3100	0.00743	0.00765	13.98%	-83,090

11.30.2011 44 days left

12.05.2011 50 days left

Open an FX options account at GFT or add it to your existing forex or CFD account and you can monitor and trade FX options 24-hours a day, 5.5 days per week. The new FX options features in DealBook® 360 help traders choose which options best fit their trading style and market outlook.



You need to have a positions-based account to trade FX options at GFT. If you're not sure what kind of account you have, contact GFT.

You can buy or sell options on our most popular currency pairs. To see which ones are available, visit [gftfuk.com](http://gftfuk.com).

- 1 When DealBook® 360 is open, you can start trading options by clicking the **VIEW** menu and selecting the **OPTION BOARD**. This displays the **FX OPTIONS QUOTE BOARD** which displays a number of strike prices and expiration dates for the selected currency pair.

- 2 You can select a currency pair from the **UNDERLYING MARKET** drop-down menu. Once selected, you can see the current market price for that currency pair in the **UNDERLYING** bar. Below that, you can view a list of expiry dates for that currency pair.
- 3 You can view the option chain for that expiry by clicking **>>** next to the expiration date you want. The chain displays several strike prices, the implied volatility and Delta for a particular strike, and the bid and ask prices for call or put options for each strike.
- 4 You can use the **STRIKES** field to increase or reduce the number of strikes you see. To see all available strikes, click the **SHOW ALL** checkbox.

*Continue on next page.*

# TRADING FX OPTIONS IN DEALBOOK® 360

Continued.

The screenshot shows the DealBook 360 interface with the FX Options Quoteboard for EUR/USD.fx. A context menu is open over the quote board, and the 'Configure' option is highlighted with a yellow circle and the number '5'. The 'Configure Option Quote Board' dialog box is open, showing the 'Pricing' tab. The dialog box contains a list of columns to be displayed in the quote board, with checkboxes next to each column name. The 'Underlying' tab is selected, and the 'Pricing' tab is active. The 'Select all' and 'Select none' buttons are visible on the right side of the dialog box. The 'Apply' and 'Cancel' buttons are at the bottom of the dialog box.

**FX Options Quoteboard - EUR/USD.fx**

Underlying Market: EUR/USD.fx

Bid	Ask	Daily High	Daily Low	Net Changes	Margin (USD)	FPL (USD)
1.4843	1.4845	1.4944	1.4904	2.6738	24,211.49	0.00

**Configure Option Quote Board**

Select column for Underlying Symbol

- Bid
- Ask
- FPL
- Spot Bid/Ask Time
- Deviation
- Daily High
- Daily Low
- 52 Wk High
- 52 Wk Low
- Net Change
- % Change
- Open
- Close
- Pip/Point P/L
- Description

Buttons: Select all, Select none, Apply, Cancel

- You can customize the appearance of the FX Option Quote Board by right-clicking on it and selecting **CONFIGURE...** from the drop-down menu. You can then use the Configure Option Quote Board window to display additional columns in the Underlying Markets row or Option Board, change the colors or font styles or select the pricing convention you want to see in the window.

Continue on next page.

Any trading scenarios shown in this guide are for illustrative and educational purposes only. They should not be considered recommendations or advice. Most examples do not factor in fees and taxes. These costs will impact the outcome of your option transaction.

# TRADING FX OPTIONS IN DEALBOOK® 360

Continued.

The screenshot displays the DealBook 360 interface with the FX Options Quoteboard and Option Board Filter windows open. The Quoteboard window shows the underlying market as EUR/USD.fx and provides various data points including Bid, Ask, Daily High, Daily Low, Net Changes, Margin (USD), and FPL (USD). It also displays a table of options with columns for Delta, Imp. Vol., Bid (Premium EUR), and Ask (Premium EUR). The Option Board Filter window allows users to choose expirations and strike prices, and to select the format for the data (DD.MM.YYYY or MM.DD.YYYY).

**FX Options Quoteboard - EUR/USD.fx**

Underlying Market: EUR/USD.fx

Filter Expiry Dates (6)

Bid	Ask	Daily High	Daily Low	Net Changes	Margin (USD)	FPL (USD)
1.4843	1.4845	1.4944	1.4904	2.6738	24,211.49	0.00

**Option Board Filter**

Choose Expirations ...

- 05.05.2011
- 06.05.2011
- 19.05.2011
- 16.06.2011
- 21.07.2011

Select format ...

- DD.MM.YYYY
- MM.DD.YYYY

Add days left

Buttons: Select all, Select none, Apply, Cancel

6 You can also click **FILTER EXPIRY DATES** to open the Option Board Filter. In this window, you can click on one of the tabs to narrow down the options by expiry date or strike price.

Continue on next page.

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# TRADING FX OPTIONS IN DEALBOOK® 360

Continued.

The screenshot displays the DealBook 360 interface. On the left, the 'FX Options Quoteboard - EUR/USD.fx' window shows a table of call options. A red circle labeled '7' highlights the 'Bid' price of 0.00885 for the first row. The table includes columns for Delta, Imp. Vol., Bid (Premium EUR), and Ask (Premium EUR). Below the table, there are sections for '11.20.2011 34 days left', '11.30.2011 44 days left', and '12.05.2011 50 days left'. On the right, the 'New Order 1 - Single Vanilla' window is open. A red circle labeled '8' points to the 'Order' dropdown menu, which is set to 'Single Vanilla'. A red circle labeled '9' points to the 'Strategy Bid' field, which contains '804/823' with a red downward arrow. A red circle labeled '10' points to the 'FX Option Strategy: Single Vanilla' section, which includes fields for 'Account', 'Symbol', 'Order Type', 'Operation', 'Order Price', and 'Premium Price in EUR'. The 'Order Price' field contains '0.02320' and the 'Premium Price in EUR' field contains '2,320.0 EUR'. Below this, there are sections for 'Strategy Settings', 'Pricing Details', and 'Hedge'.

- 7 Double-clicking on a **BID** or **ASK** price under the Call or Put section opens the **NEW ORDER** window so you can place a single-vanilla option order at the current market price.
- 8 You can also select one of the available option order strategies (**VERTICAL, STRADDLE, STRANGLE, RISK REVERSAL** or **SINGLE VANILLA**) from the **ORDER** drop-down menu.
- 9 If you want to place one of the available option order strategies quickly, you can also right-click on a Bid or Ask price under the Call or Put section and select **VERTICAL, STRADDLE, STRANGLE, RISK REVERSAL** or **SINGLE VANILLA**. This opens the New Order window with the strategy set up.
- 10 In the Option Strategy section, you can select the account you want, the currency pair, the order type and whether the option order is a buy or sell. DealBook® will automatically set the premium. You can set your own price for Stop and Limit orders in the **ORDER PRICE** field.

# STRATEGY SETTINGS

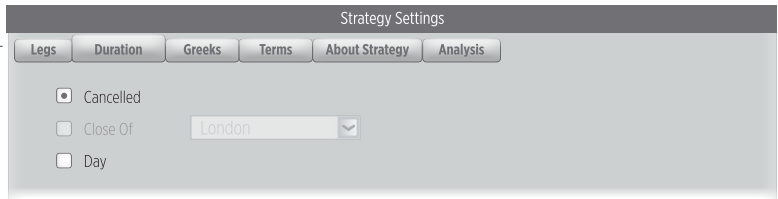
The Strategy Settings section contains six tabs.

The **LEGS** tab displays the number of legs required to execute the selected strategy. You can specify the number of lots, the expiration date and the option type for each leg, depending on the strategy. You can view pricing information for each leg in the pricing details section. If you would like to Delta hedge your option trade, you can click the **HEDGE** checkbox. When this is checked, DealBook® 360 will issue a market order to buy or sell the currency pair in the amount that offsets the Delta exposure from the option order.



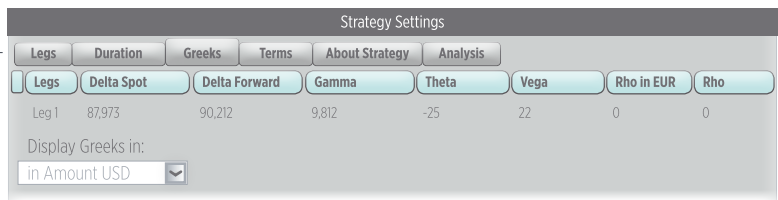
Note that this function will round your hedge order to the nearest lot, so it is possible that the option Deltas are not offset exactly by the hedge Deltas.

The **DURATION** tab displays how long your order will be working. All option orders will be considered **GOOD TILL CANCELLED**; this means your order will remain working until you decide to cancel it or it is filled.



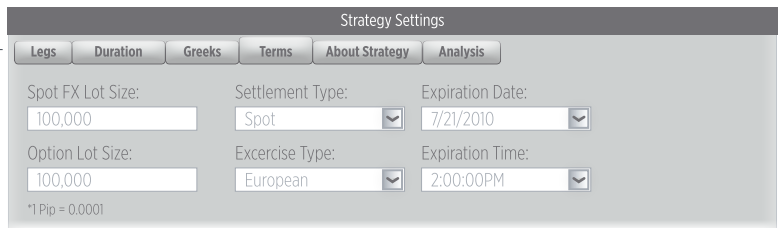
Options for Close Of and Day orders will be available at a later date.

The **GREEKS** tab shows the values for the Greeks (Delta, Gamma, Theta, Vega and Rho). You can choose to display Greek values by the base or terms currency or in a percentage of the base currency.



The **TERMS** tab displays the lot size, settlement type, and expiration date and time for the trade.

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# STRATEGY SETTINGS

Continued.

The **ABOUT STRATEGY** tab displays information about the type of strategy you selected. You can view how it's structured, its directional view and the possible risk/reward.

Strategy Settings

Legs   Duration   Greeks   Terms   **About Strategy**   Analysis

Strategy: Single Vanilla  
 Structure: Buy Single Call  
 Directional View: Bullish on Spot  
 Risk/Reward: Loss limited to premium paid. Unlimited profit potential  
 Common Uses: Leveraged directional trades

The **ANALYSIS** tab summarizes the cost, the maximum profit and loss and what the breakeven price would be for your option.

Strategy Settings

Legs   Duration   Greeks   Terms   **About Strategy**   **Analysis**

Trade Cost: 3,267.00 EUR  
 Max Profit (pips)\*: Unlimited  
 Max Loss (pips)\*: 264.5  
 Total Commission: 0.00 USD

\* Estimated, final P/L will depend on 1st Ccy/Acct Base Ccy exchange rate

When done, click **SUBMIT** to place your option order. A confirmation window will appear that displays the details of your trade and analysis information.

Once you click **YES**, your option orders will appear in the **WORKING ORDERS** window or as an option position in the **OPEN POSITIONS** window in DealBook® 360. You can also view option positions in the Open Positions window of DealBook® WEB.

On the option expiry, your in-the-money options are exercised automatically by DealBook® and become regular forex positions in the Open Positions window. Any options that were at-the-money or out-of-the-money will expire. You'll also see your new positions and expired options in the reports and statements in DealBook®.

Confirm Place Order(s)

Would you like to place the following order(s)?

**Trade Details**

Strategy: Buy 100,000 Single Vanilla EUR/USD, 1.37000 EUR CALL @ 0.01902 Market  
 Leg 1: Buy 100,000, 1.37000 EUR/USD, EUR CALL @ 0.01902

**Analysis**

Trade Cost: 3,267.00 EUR  
 Max Profit (pips)\*: Unlimited  
 Max Loss (pips)\*: 264.5  
 Breakeven Price(s): 1.39646  
 Total Commission: 0.00 USD

\*Estimated, final P/L will depend on 1st Ccy/Acct Base Ccy exchange rate

Yes   No



GFT applies an FXO Portfolio Margin requirement whenever traders hold a short option position. DealBook® automatically calculates this using the Delta and Vega values of all option and spot positions. For more information on how this margin requirement works and how it may affect your available equity, contact GFT.



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CHAT 24/7

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