

Power Options

Tutorial 1

Agenda

- Think or Swim (TOS) Platform navigation
- TOS Configuration & Set Up
- BUY Stock with Profit Taking & Stop Loss
- Monitor Trade
- Adjust/Amend Trade Orders
- Close Trade

TD Ameritrade Platforms

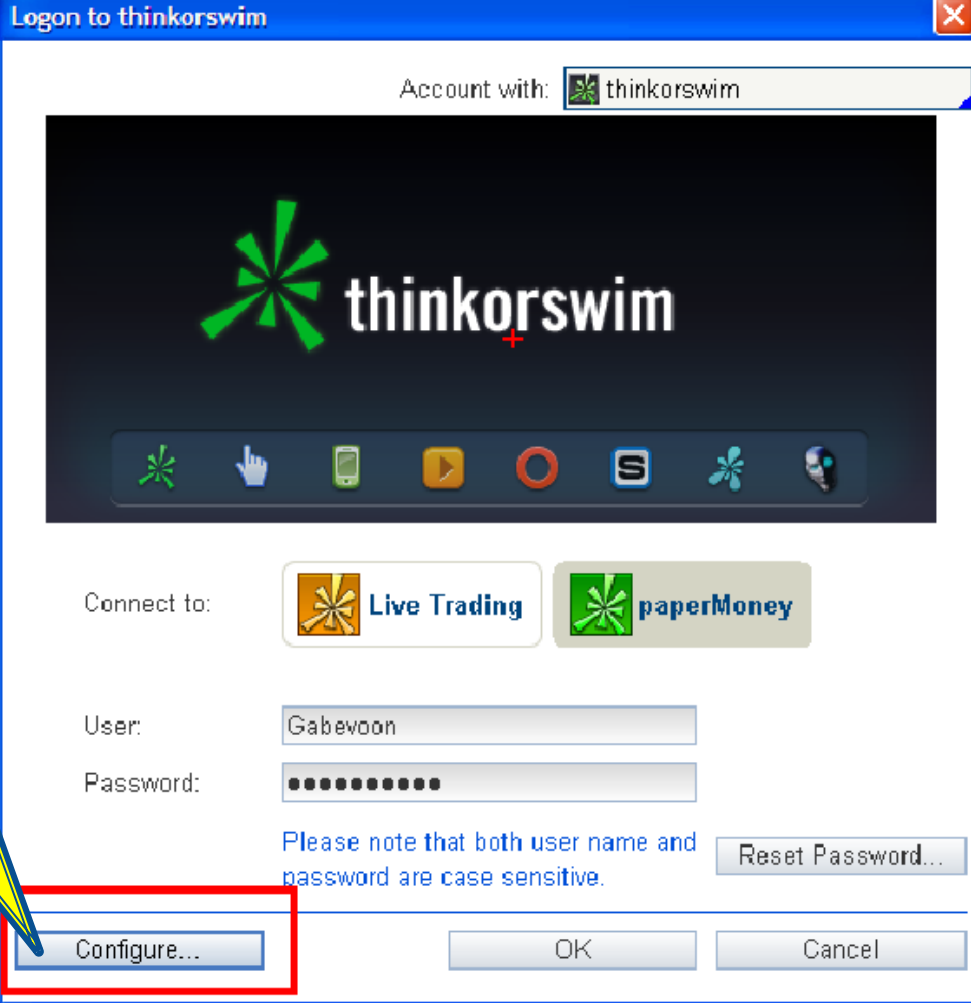
- TD Ameritrade has 2 main platforms
 - Web-based (login from www.tdameritrade.com top right hand corner “Client logon”)
 - Thinkorswim (best features and trading speed)

Thinkorswim Key Configuration

- These subsequent instructions are the One-time Setup that you need to do to customize Thinkorswim platform to your needs

Setting Up TOS (Before Logging in)

Click here to
Configure
Default Font
Size &
Background
color
Before
logging in



The screenshot shows the 'Logon to thinkorswim' window. At the top, it says 'Account with: thinkorswim'. Below that is a large black area with the thinkorswim logo and a row of icons. Underneath, there are two buttons for 'Connect to: Live Trading' and 'paperMoney'. Below these are input fields for 'User: Gabewoon' and 'Password: [masked]'. A note states: 'Please note that both user name and password are case sensitive.' To the right of the password field is a 'Reset Password...' button. At the bottom, there are three buttons: 'Configure...' (highlighted with a red box), 'OK', and 'Cancel'.

TOS Set Up

(Change Background Color & Font Size, then click OK)

The screenshot shows a 'Configuration' window with two tabs: 'Startup Options' (highlighted with a yellow box) and 'Backup & Restore'. Under 'Startup Options', there are several settings:

- Color scheme:** A dropdown menu currently set to 'White background'. This is highlighted with a red box, and a red arrow points to it with the text 'Change colour' in red.
- Font size:** A dropdown menu currently set to 'Medium (1280x960)'. This is highlighted with a blue box, and a blue arrow points to it with the text 'Change size of fonts to suit your viewing style' in blue.
- User Name:** A text field with a checked 'Remember' checkbox.
- Server Address:** A dropdown menu with the value 'wim.com:443)(demo.thinkorswim.com:7002,demo.thinkorswim.com:443)'. A yellow plus sign is visible above the dropdown.
- Autoupdate Address:** A dropdown menu with the value 'swim.com:7001,team.thinkorswim.com:7001,demo.thinkorswim.com:80'.
- Proxy Address:** An empty dropdown menu.
- Memory Usage:** Two dropdown menus for 'Min' (set to 32) and 'Max' (set to 512), both in MBytes.

Login to Demo(Paper Money) Account

The screenshot shows the 'Logon to thinkorswim' window. At the top, it says 'Account with: thinkorswim'. Below this is the thinkorswim logo and a navigation bar with icons for home, help, mobile, live, demo, social, and user. Underneath, there are two buttons: 'Live Trading' and 'paperMoney'. Below these are input fields for 'User:' (containing 'Gabevoon') and 'Password:' (masked with dots). A 'Reset Password...' link is to the right of the password field. At the bottom, there are three buttons: 'Configure...', 'OK', and 'Cancel'. The 'Configure...' button is highlighted with a red box, and the 'OK' button is highlighted with a yellow callout.

Click on Paper Money

Enter Username & Password

Click OK

“Monitor Tab”

All Pending & Live Orders are shown here

The screenshot shows a trading software interface with the following elements:

- Monitor Tab:** A red box highlights the 'Monitor' tab in the top navigation bar. A yellow callout bubble points to it with the text "Select 'Monitor Tab'".
- Activity and Positions:** A pink box highlights the 'Activity and Positions' sub-tab. A yellow callout bubble points to it with the text "Select 'Activity & Positions'".
- Working Orders:** A section for pending orders.
- Filled Orders:** A section for completed orders.
- Cancelled Orders:** A section for orders that were cancelled.
- POSITION STATEMENT:** A section showing account details. A yellow box highlights the 'Group: Type' dropdown.
- Equities and Equity Options:** A table showing open positions. A green box highlights the first row (MSFT) and the 'Subtotals' row. A blue callout bubble points to the 'Subtotals' row with the text "Open Positions lines+".

Instrument	Qty	Days	Trade Price	Mark	Mrk Chng
MSFT	+200		29.50	30.95	0
Subtotals	+200		29.50	30.95	0
Overall Totals					

Account Statement

Current Trades & Account History

Select "Account Statement"

Account History

P+L Below

Click and Select Margin

Symbol	Description	P/L Open	P/L %	P/L Day
/HEM2	Lean Hog,Jun-2012,ETH	\$0.00	0.00%	\$0.00
/HEZ2	Lean Hog,Dec-2012,ETH	\$0.00	0.00%	\$0.00
/ZLN2	Soybean Oil Futures,Jul-2012,ETH	\$0.00	0.00%	\$0.00
/ZMN2	Soybean Meal Futures,Jul-2012,ETH	\$0.00	0.00%	\$0.00
MSFT	MICROSOFT CORP COM	\$290.00	+4.92%	\$0.00
SBUX	STARBUCKS CORP COM	\$0.00	0.00%	\$0.00
	OVERALL TOTALS	\$290.00	+4.92%	\$0.00

“Trade Tab”

Select All Products

Trade Tab

Type in Stock Symbol in "All Products"

Select Option Expiration Month

MSFT	UNDERLYING	Last X	Net Chng	Bid X	Ask X	Size	Volume
	Type in "?" to pop up symbol lookup frame.	30.95 Q	-0.395	30.88 P	30.96 P	5 x 4	42,652,923

SEP 2 12	(5)	100 (Weeklys)
SEP 12	(12)	100
OCT 12	(40)	100
NOV 12	(68)	100
DEC 12	(103)	100
JAN 13	(131)	100
APR 13	(222)	100
JAN 14	(495)	100

TODAY'S OPTIONS STATISTICS

OPTIONS TIME & SALES | All exchanges | All series | All strikes | Any quantity | Any price

3 types of Chart in TOS

■ TOS Chart

- Good for checking live trades charts as it loads faster than Prophet charts

■ Prophet Chart

- Best for technical analysis as it is more user friendly as most tools needed are visible and handy instead of needing to right click.
- Takes more time for initial loading

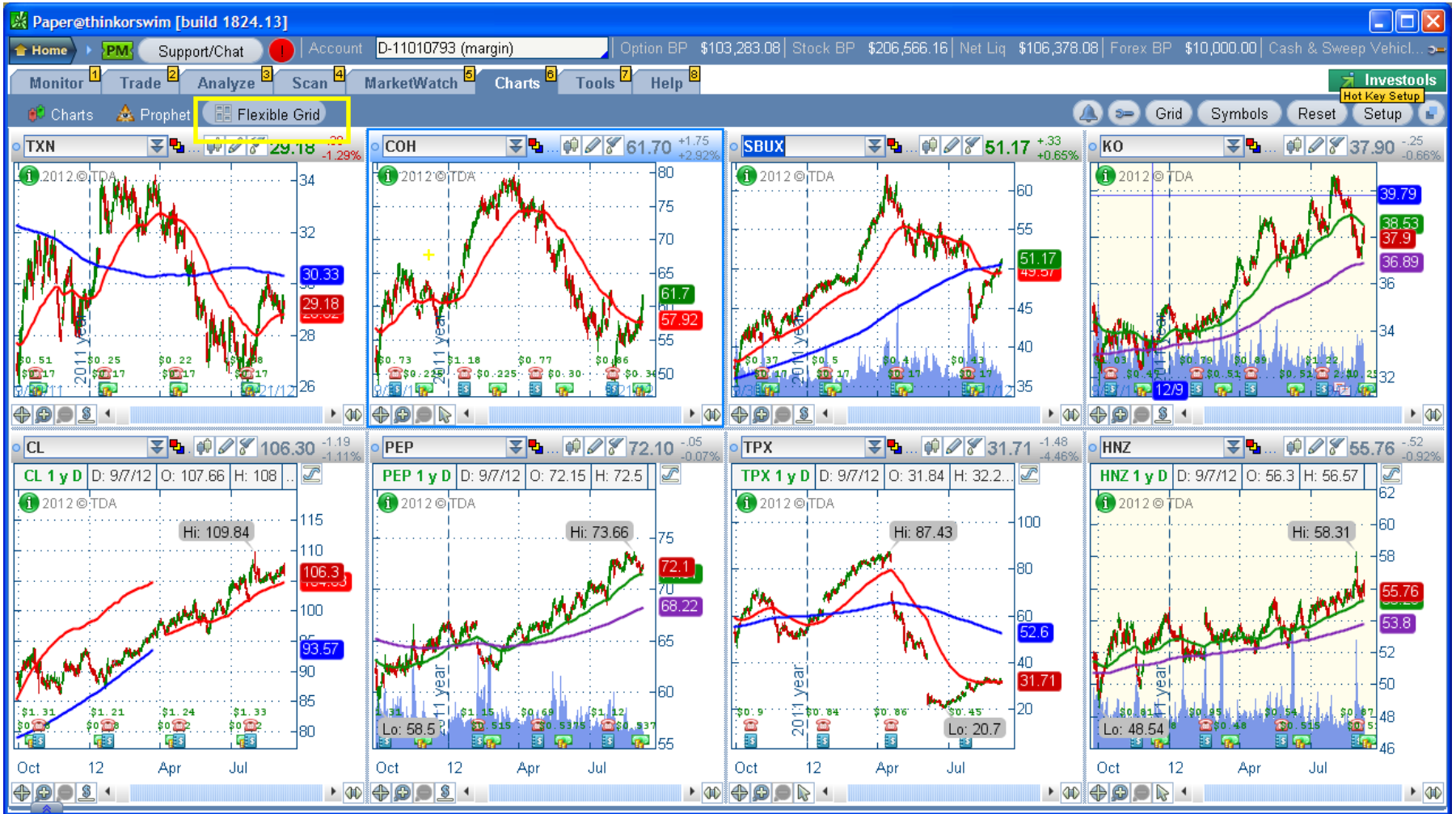
■ Flexible Grid Chart (derived from TOS Chart)

- Enable you to see multiple charts at the same time in a Grid form. (best for bigger monitor)
- Configuration is the same as TOS chart

3 Types of Charts



3 Types of Charts Grid Charts



TD Ameritrade Help/Chat Support

The screenshot displays the TD Ameritrade software interface. At the top, the user's name 'Paper@thinkorswim [build 1824.13]' is visible. Below this is a navigation bar with buttons for 'Home', 'PM', 'Support/Chat', and 'Account'. The 'Support/Chat' button is highlighted with a yellow rectangle. Below the navigation bar are several tool buttons: 'Monitor', 'Trade', 'Analyze', and 'Scan'. Further down, there are icons for 'Charts' (labeled 1), 'Prophet' (labeled 2), and 'Flexible Grid' (labeled 3). The main display area shows the stock symbol 'TXN' with a price of 29.18, a change of -.38, and a percentage change of -1.29%. A candlestick chart is visible at the bottom, with a copyright notice '© 2012 © TDA' and a value of 34.

TOS Platform Default Set Up

The screenshot displays the TOS platform interface. At the top, there is a status bar with financial data: \$3,283.08 | Stock BP \$206,566.16 | Net Liq \$106,378.08 | Forex BP \$10,000.00 | Cash & Sweep Vehicl... Below this is a navigation bar with buttons for 'Investools', 'Setup', 'Reset', 'Symbols', 'Grid', and a bell icon. The 'Setup' button is highlighted with a red box and a red arrow pointing to it. A context menu is open over the 'Setup' button, listing options: 'Application Settings...', 'Reset Workspace to Default', 'Save Workspace as...', and 'Delete Workspace'. Two red text annotations are present: 'Select Setup click' with an arrow pointing to the 'Setup' button, and 'on Settings' with an arrow pointing to the 'Application Settings...' menu item. The main area shows two stock charts: 'SBUX' on the left and 'KO' on the right. The 'SBUX' chart shows a price of 51.17 (+0.65%) and a volume of 49.37. The 'KO' chart shows a price of 36.89 and a volume of 35.15. Both charts include a 2011 year indicator and various technical indicators.

Application Settings

Set Up Platform Speed in **Live** Trading

The screenshot shows the 'User Setup Paper@thinkorswim [build 1824.13]' dialog box. The 'General' tab is selected. A red speech bubble with the text 'Real Time No Delay' points to the 'Quote speed' dropdown menu, which is currently set to 'REAL-TIME - no delay'. The 'Quote speed' dropdown menu is also circled in blue. The 'Quote speed' dropdown menu options are: REAL-TIME - no delay, REAL-TIME - no delay, FAST - max delay 1 second, MODERATE - max delay 3 seconds, SLOW - max delay 10 seconds, and DELAYED - max delay 15 seconds. The 'Quote speed' dropdown menu is highlighted with a red box. The 'Quote speed' dropdown menu is also circled in blue.

Setting	Value
Display accounts	All
Default account	
Display currency	US Dollar
Show subtab menus	Delayed
Position main layout	NET SHARES, STK PRICE, NET CHNG.
Position P/L layout	OPEN, DAY
FX Position P/L layout	OPEN, DAY
Position margin/BP effect	BP EFFECT
Group positions by	INSTRUMENT
Mark News	30 minutes
Mark Corporate Actions	4 weeks from now
Show News and Corporate Actions in Position Statement	<input checked="" type="checkbox"/>
Mark ITM positions	Never
Lines in positions table	7
Volatility Strategy	Individual implied volatility
Show expected price	Single Orders Only
Show Weeklys&Quarterlys	<input checked="" type="checkbox"/>
Show Home Screen on each start-up	<input checked="" type="checkbox"/>
Decimal places for greeks	2

For Tutorial Please select “MODERATE” to reduce impact on network bandwidth

The screenshot shows the 'User Setup Paper@thinkorswim [build 1824.13]' dialog box. The 'General' tab is active. The 'Quote speed' dropdown menu is open, showing the following options:

- REAL-TIME - no delay
- REAL-TIME - no delay
- FAST - max delay 1 second**
- MODERATE - max delay 3 seconds**
- SLOW - max delay 10 seconds
- DELAYED - max delay 15 seconds

The 'MODERATE - max delay 3 seconds' option is highlighted with a red box. Other settings visible in the dialog include 'Display accounts' set to 'All', 'Default account' set to 'Delayed', 'Display currency' set to 'US Dollar', and 'AT Order submission rate limit (ms)' set to '500'.

Application Settings

'Tick' these boxes for Alerts & Orders Notification

User Setup Paper@thinkorswim [build 1824.13]

General **Notifications** Stock Commission Choice Order Defaults Hot Ke

Send Email to: and to: *Email ac*

Notify About:

- Alert is Triggered
- Order Fills
- Forex System Order Fills
- TOS Announcement

Settings for Alerts:

- Sound on trigger
- Send Email
- Opposite Alerts Are Silent by Default
- Switch to Alert Book after creation

Check Box for Alert and Order

Application Settings

Change the Stocks & Options contract sizes respectively
to Avoid mistakes during order entry

Paper@thinkorswim [build 1824.13]

Home PM Support/Chat Account D-11010793 (margin) Option BP \$109,283.08 Stock BP \$206,566.16 Net Liq \$106,378.08 Forex BP \$10,000.00

Monitor Trade Analyze Scan MarketWatch Charts Tools Help

User Setup Paper@thinkorswim [build 1824.13]

General Notifications Stock Commission Choice **Order Defaults** Hot Keys

STOCKS **OPTIONS** FUTURES FUTURE OPTIONS FOREX

Default options order type: LIMIT

Default option stop type: STD

Option order maximum quantity: 20

Default option order quantity: 1

Option order quantity increment: 1

OK Cancel

Select Stocks, Options
Change Quantity

Trade Tab

Change Layout to show required columns

The screenshot shows the 'Trade' tab for Microsoft (MSFT) in a trading software. The 'Layout' dropdown menu is open, showing various column options. The 'Customize...' option is highlighted with a red box, and a red arrow points to it. A blue arrow points from the 'Layout' dropdown to the menu. The interface shows various trading data including 'UNDERLYING', 'TRADE GRID', and 'OPTION CHAIN'.

Volume	Open Int	Bid X	Ask X	Exp	Strike	Bid X
79	784	3.90 A	4.00 X	SEP 12	27	.01 C
1,114	4,807	2.94 A	2.98 X	SEP 12	28	.02 X
1,685	11,049	1.97 A	2.00 X	SEP 12	29	.05 Z
7,928	27,998	1.06 X	1.08 X	SEP 12	30	.13 X
4,345	41,304	.38 X	.40 X	SEP 12	31	.45 N
5,426	27,097	.09 X	.10 X	SEP 12	32	1.14 X
5,009	11,564	.03 X	.04 A	SEP 12	33	2.09 X
0	1,302	0 B	.02 X	SEP 12	34	3.05 X
0	5,813	0 B	.01 I	SEP 12	35	4.00 X

Select Layout Customize

Trade Tab

How to Add or Remove Description in Layout Only have Delta, Open Interest & Volume

Customize Information Layout

Available Items

- Lookup a column...
- Option Code
- Position
- Probability ITM
- Probability OTM
- Probability of Touching
- Return on Capital
- Return on Risk
- Rho
- Size (Bid x Ask)
- Theo Price
- Theta
- Vega
- Volume

Current Set

- Volume
- Theta
- Open Interest
- Delta

Buttons: Add Item(s) >>, << Remove Item(s), Load Defaults, Move Up, Move Down, OK, Restore, Cancel

Highlight items to remove

Chng	High	Volume
-.395	31.07	427
		49
		429
		2,918
		2,172
		3,207
		890
		106
		0

Trade Tab

How to Add or Remove Description in Layout Only have Delta, Open Interest & Volume

Click on Delta

Click on Add Item

Trade Tab

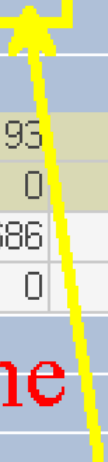
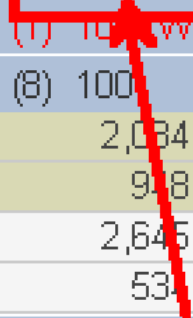
Option Chain Layout Changed

		Last A	Net Chng	Bid A	Ask A		
		30.55 D	-.23	30.55 Q	30.56 Q		
▶ TRADE GRID							
▼ OPTION CHAIN							
CALLS							
		Volume	Open.Int	Delta	Bid X	Ask X	Exp
▶	SEP2 12 (1) 100 (weekly)						Strikes:
▼	SEP 12 (8) 100						Exp
		2,034	27,195	.71	.71 X	.73 X	SEP 12
		948	0	.52	.38 X	.40 X	SEP 12
		2,645	41,686	.31	.17 X	.18 X	SEP 12
		534	0	.16	.07 X	.08 N	SEP 12
▶	OCT 12 (36) 100						
▶	NOV 12 (64) 100						
▶	DEC 12 (99) 100						
▶	JAN 13 (127) 100						
▶	APR 13 (218) 100						
▶	JAN 14 (491) 100						

Delta

Volume

Open Interest



Monitor Tab: Activity & Positions

Add New Description

- For Changing & adding description in Activity & Positions
- You would need to have an open trade
- So do ensure you have an Open Trade position by entering a trade
- Otherwise skip this step till you have an open position in your Demo account

Monitor Tab: Activity & Positions

Add New Description

The screenshot shows the thinkorswim software interface. The 'Monitor' tab is selected, and the 'Activity and Positions' menu is open. Below this, there are sections for 'TODAY'S TRADE ACTIVITY' (Working Orders, Filled Orders, Cancelled Orders) and a 'POSITION STATEMENT' for MSFT. The position statement table includes columns for Instrument, Qty, Days, Trade Price, Mark, and P/L. A red box highlights the 'Customize Columns...' button in the table header, and a red arrow points to it from the text below.

Instrument	Qty	Days	Trade Price	Mark	P/L Open	P/L Day	P/L Effect
MSFT	+200		29.50	30.95	\$290.00	\$0.00	\$3,095.00
Subtotals	+200		29.50	30.95	\$290.00	\$0.00	\$3,095.00
Overall Totals					\$290.00	\$0.00	\$3,095.00

Cash & Sweep Vehicle: \$100,188.08
OVERALL P/L YTD: \$4,744.00
AVAILABLE DOLLARS: \$103,283.08
FOREX CASH WITH UPL: \$10,000.00
AVAILABLE DOLLARS: \$10,000.00

Click on Spanner to
open Customize Columns



+

Choose “Qty, Days, Trade Price, Mark”

Columns of group 'Equities and Equity Options'

Available Items

Lookup a column...

- Account Code
- Account Name
- Days
- Delta
- Expiration
- Gamma
- Mark
- Mrk Chng
- Net Liq
- Option Type
- Order ID
- Percent Change
- Qty

Current Set

- Qty
- Days
- Trade Price
- Mark

Load Defaults

Move Up

Move Down

Add Item(s) >>

<< Remove Item(s)

OK

Restore

Cancel

Customize Columns...

Click Here

papermoney

Open Positions with new line items

Side	Qty	Pos Effect	Symbol	Exp	Strike	Type	Price
	+200						
Subtotals	+200						
Overall Totals							

Trade Price	Mark	P/L Open
29.50	30.95	\$290.00
29.50	30.95	\$290.00
		\$290.00

Trade Size	Number of Days to Expiration	Entry Price	Current Price
+200		29.50	30.95

Number of Days
to Expiration



thinkorswim
paperMoney

How to Buy Stock with OCO Bracket Order

- We will refer to the “How To TOS” in the Face Book under Files & Reference & Watchlist
- Click on the weblink
- <http://goo.gl/v3c0b>

Beyond Insights Face Book Options Traders Group

Reference & Watchlist

By Terence Teoh and Kathlyn Toh in Beyond Insights Options Traders Group (Files) ·
✎ Edit Doc

Click here to
download Link

Here's the Stock Watchlist file <http://goo.gl/T9KPn>

Here's the Reference on How to Use TOS to enter Options Trade (for Power Options)
<http://goo.gl/v3c0b>

please bookmark it

Click on File to download the Instructions

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**Instructions on How to Use ThinkorSwim
 for Options Foundation Students
 (Click on the Title links here to open the file)**

Date Loaded	Category	Title	Comme
25-Jan-11	Stock	How to buy Stock with Profit Taking and Stop Loss	
27-Dec-11	Single Call	How to Buy a Single Call Option with Simple Profit Taking and Simple Stop Loss using Bracket Order	This is fo Loss at 0
27-Dec-11	Single Call	How to Buy a Single Call Option with Simple Profit Taking & Stop Loss Using Stock Condition	This uses
20-May-11	Single Put	How to Buy a Single Put Option with Simple Profit Taking & Stop Loss Using Stock Condition	This uses