

How To Trade 300% Return **BARRIER OPTIONS**

Lesson 5



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StartOptions



How to Trade 300% Return

BARRIER OPTIONS

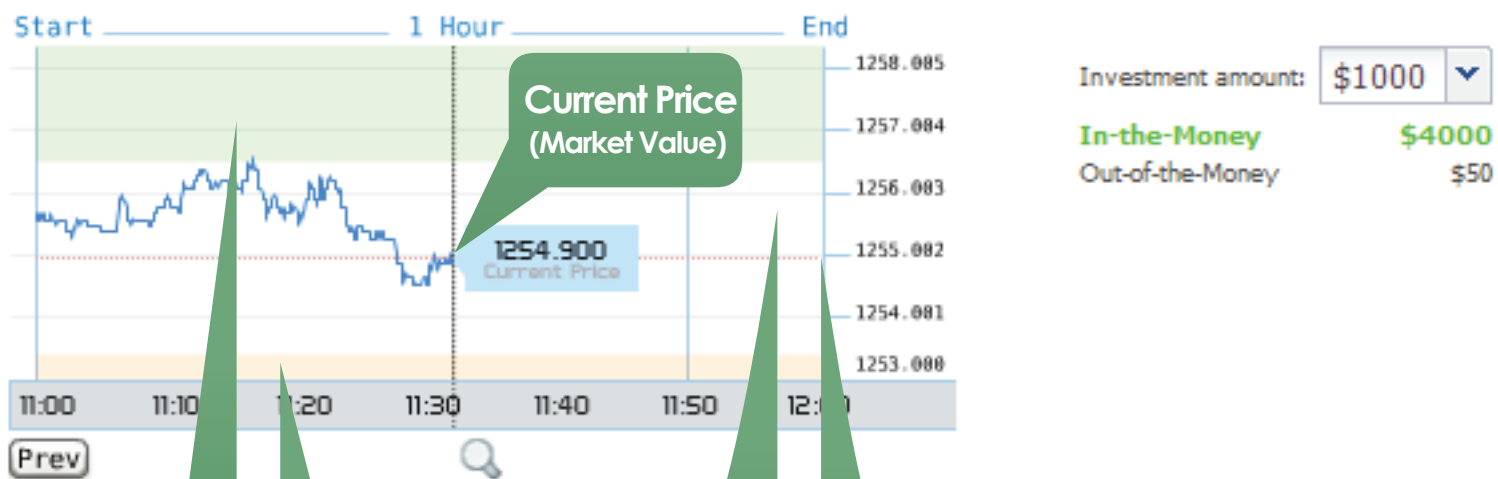
Lesson 05

Basic Principles

Select CALL  if you believe that the expiry price will close above the Top Barrier price

Select PUT  if you believe that the expiry price will close under the Bottom Barrier price

Currencies	Stocks	Commodities	Indices	Barrier Options			
Instrument	Current price	Put price	Direction	Call Price	Payout	Expiry time	
Gold Future	1254.900	1253.400	PUT CALL	1256.400	300%	0:27:57	



Strike Price
(Call Price)

Strike Price
(Put Price)

Last 10 Min.
(Trades are not
accepted)

Expiry Price
(Price at the end
of an hour)

Expiration price is the price of the binary option when it expires. Expiration price is calculated as a straightforward average of the last Bid and Ask of an underlying instrument prior to expiration, as quoted from Reuters.



THOMSON REUTERS



Instrument	Current price	Put price	Direction	Call Price	Payout	Expiry time	Chart
Gold Future	1254.900	1253.400	PUT CALL	1256.400	300%	0:27:57	
		Investment amount: \$1000		In-the-Money \$4000		Out-of-the-Money \$50	
You selected Gold Future, \$1000, CALL option to rise above 1256.400 with return of 300%							
Trade							
Trade was accepted!							
Trade							

1. Select the direction

ABOVE ▲ CALL
or
BELOW ▼ PUT

2. Select the investment amount

minimum - \$250 (per trade)
maximum - \$1000 (per trade)

3. Confirm the transaction details

click Trade

Trade

Basic Terminology

- 1) Current price: the price of the underlying asset.
- 2) Strike price: the barrier price that the underlying asset needs to exceed at the time of expiry of the barrier option.
- 3) Expiry price: The price of the underlying asset at the time of expiry of the barrier option.
- 4) In-the money: a successful option trade i.e. A CALL option that expired above the barrier price at expiry or a PUT option that expired below the barrier price at expiry.
- 5) At-the-money: a barrier option trade in which the price during expiration is identical to the barrier price-in such a scenario the initial investment amount is fully returned to the customer.
- 6) Out-of-the-money: a failed option trade: A CALL option that expired below the barrier price at expiry, or a PUT option that expired above the barrier price at expiry.