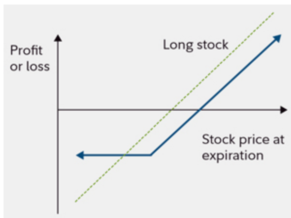
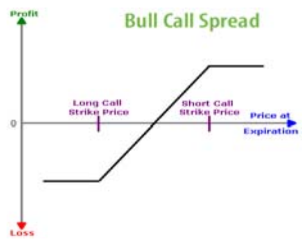
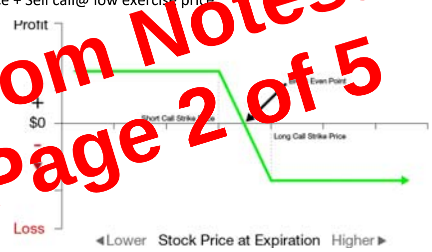
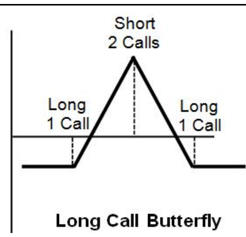
Concepts	Description
	Risk Management : Application of Option Strategy
Covered Call	**Covered Call** : buy underlying asset + sell call option → Generate additional income from option premium 
Protective put	**Protective put** : Buy underlying asset + buy put option → limit downside risk 
Bull call spread	**Bull call spread** : Purchase call option @ low exercise price + Sell a call option @ high exercise price - Expect market price to rise - limit downside risk - limit upside potential if underlying rise 
Bear call spread	**Bear call spread** : Purchase call @ high exercise price + Sell call@ low exercise price - Expect market price to fall - Limit downside risk - Limit upside potential if underlying decline 
Bear put spread	Bear put spread : Buy put @ higher exercise price + Sell put @ lower exercise price - Expect market price to fall 
Butterfly calls spread	**Butterfly calls spread** : - Buy 1 low exercise price call - Buy 1 high exercise price call - Sell 2 medium exercise price calls 
Butterfly puts spread	**Butterfly put spread** : - Buy 1 low exercise price put - Buy 1 high exercise price put - Sell 2 medium exercise price puts **Profit pattern** : same with butterfly calls spread