





OptionMath.com - Calendar Spread Cheat Sheet

	Long Call Calendar Spread	Short Call Calendar Spread	Long Put Calendar Spread	Short Put Calendar Spread
Description	Long Longer-Dated Call, Short Shorter-Dated Call With Same Strike	Short Longer-Dated Call, Long Shorter-Dated Call With Same Strike	Long Longer-Dated Put, Short Shorter-Dated Put With Same Strike	Short Longer-Dated Put, Long Shorter-Dated Put With Same Strike
Example	ATM = 100.00 Long 105 Call Expiring June Short 105 Call Expiring March	ATM = 100.00 Short 105 Call Expiring June Long 105 Call Expiring March	ATM = 100.00 Long 95 Put Expiring June Short 95 Put Expiring March	ATM = 100.00 Short 95 Put Expiring June Long 95 Put Expiring March
Pay or Collect Premium	Pay	Collect	Pay	Collect
Needed Directionality				
Passage Of Time Without Market Movement	++	--	++	--
Increase In Implied Volatility Without Market Movement	++	--	++	--
Payoff Thumbnail Chart	Too Many Assumptions Required	Too Many Assumptions Required	Too Many Assumptions Required	Too Many Assumptions Required
Maximum Risk	Cost of the Spread	Theoretically Unlimited	Cost of the Spread	Theoretically Unlimited
Maximum Profit	Theoretically Unlimited	Net Premium Received	Theoretically Unlimited	Net Premium Received
Breakeven Points	Too Many Assumptions Required	Too Many Assumptions Required	Too Many Assumptions Required	Too Many Assumptions Required