

**Buy to Open STMP May 19<sup>th</sup> expiration 100-Strike Call  
Sell to Open STMP May 19<sup>th</sup> expiration 110-Strike Call**

Wealth Creation Alliance

**Call Option Spread Analysis**

Stock Symbol	Current Stock Price	Buy Strike	Buy Price	Sell Strike	Sell Price
STMP	118.35	100	19.85	110	12.90

  

<b>Cost</b>	<input type="button" value="Calculate"/>			<input type="button" value="New Analysis"/>		<input type="button" value="Print"/>
\$6.95						

  

% Change	7.5%	5.0%	2.5%	0.0%	-2.5%	-5.0%	-7.5%
Stock Price	\$127.23	\$124.27	\$121.31	\$118.35	\$115.39	\$112.43	\$109.47
Call Buy Value	\$27.23	\$24.27	\$21.31	\$18.35	\$15.39	\$12.43	\$9.47
Call Sell Value	\$-17.23	\$-14.27	\$-11.31	\$-8.35	\$-5.39	\$-2.43	\$0.00
Spread Value	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$9.47
Spread Cost	\$6.95	\$6.95	\$6.95	\$6.95	\$6.95	\$6.95	\$6.95
Spread Profit	\$3.05	\$3.05	\$3.05	\$3.05	\$3.05	\$3.05	\$2.52
Spread % Ret	43.9%	43.9%	43.9%	43.9%	43.9%	43.9%	36.3%

We can see from the Call Option Spread Analysis Calculator that if the STMP stock price declines by -5%, stays the same as it is now, or increases in price when the options expire, the spread will show a profit of 43.9% or \$305. If STMP is down -7.5% when the options expire, the spread will make 36.3% or \$252.