



Oxeye Option Premium Strategy (OPS) Reaches All-Time High in October 2019

Trading on an Unleveraged basis since inception, the strategy has annualised at 6.43% after management fees. Figure One shows the monthly performance figures of an Unleveraged OPS account since 1997.

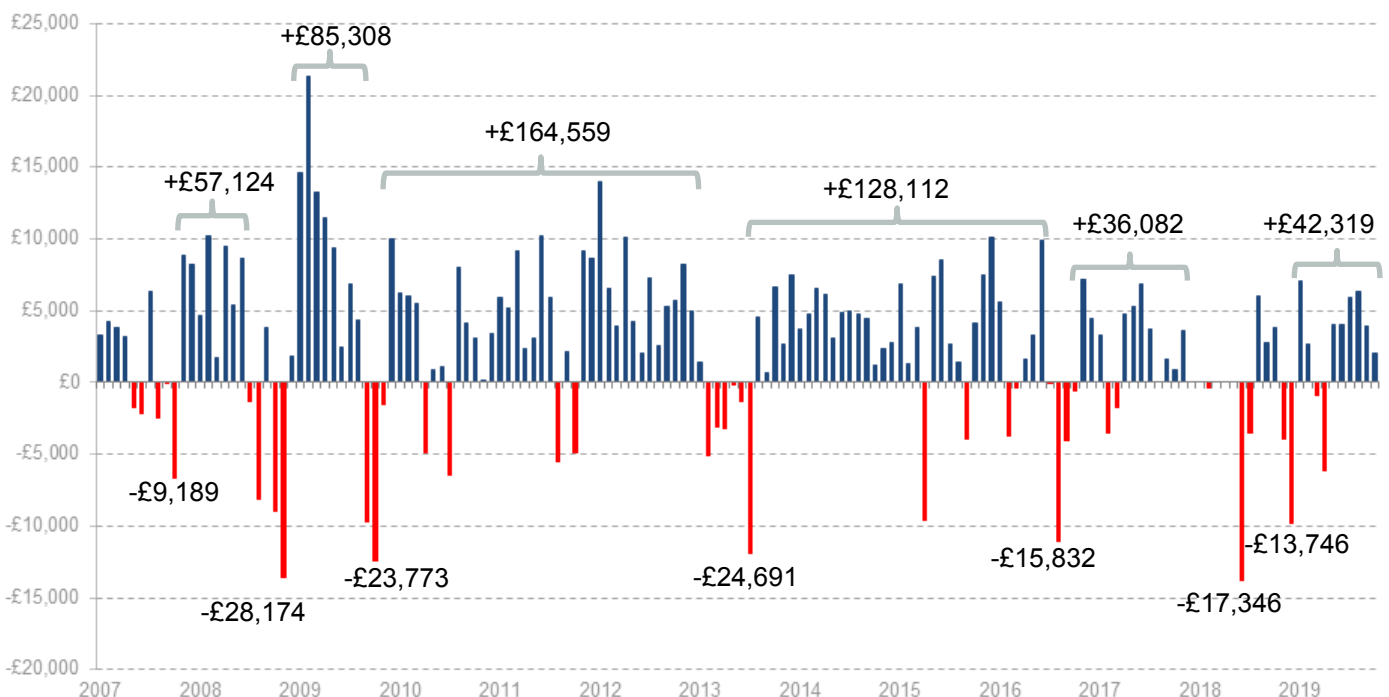
Figure One: OPS Unleveraged Monthly Performance Figures (Net of Fees):

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y/YTD
1997							0.67	0.45	0.14	-0.10	3.84	1.75	6.88%
1998	0.95	-0.87	-0.38	2.6	2.8	2.40	1.25	-0.63	3.73	0.38	1.25	2.16	16.67%
1999	0.63	1.77	3.52	0.25	1.87	1.18	0.84	1.5	1.29	1.35	-1.05	-0.16	13.71%
2000	2.73	1.68	1.26	1.46	2.14	2.04	1.72	0.09	0.86	1.4	1.53	1.84	20.41%
2001	2.6	1.06	-1.69	2.59	1.66	1.05	-0.36	1.14	-6.05	1.46	1.23	1.84	6.40%
2002	1.97	1.27	1.05	1.21	1.06	-3.60	-5.04	1.54	-1.64	4.17	1.81	1.47	5.03%
2003	-0.02	2.44	0.6	1.81	-0.65	0.69	1.00	0.46	0.06	0.73	0.75	0.09	8.07%
2004	1.04	0.45	1.07	0.69	0.93	0.95	0.72	0.71	-0.20	0.22	0.02	0.41	7.23%
2005	0.49	-0.40	0.32	0.33	0.59	-0.25	-0.23	0.32	-0.23	0.40	0.16	-0.05	1.46%
2006	0.03	0.41	0.20	0.54	-1.55	1.3	0.68	1.64	0.73	-0.07	0.50	0.89	5.38%
2007	1.09	0.14	0.66	0.15	0.25	1.03	-0.22	-1.57	1.05	-0.29	2.52	2.43	7.42%
2008	-0.12	1.65	2.00	0.64	0.63	0.63	-0.39	0.51	-1.18	-5.04	2.89	3.67	5.76%
2009	2.74	1.59	1.39	1.17	0.05	1.85	-0.50	-1.76	-1.08	-0.32	1.02	1.89	8.22%
2010	0.39	0.90	-1.35	-0.28	-0.55	-0.19	1.76	1.58	-0.95	0.53	0.10	0.42	2.33%
2011	1.35	0.73	0.34	0.30	1.36	0.32	0.89	-4.07	1.52	1.14	1.84	1.79	7.63%
2012	1.18	-0.05	0.95	1.05	-1.01	1.91	0.68	0.16	0.51	0.95	0.68	-0.10	7.10%
2013	-1.60	0.05	0.04	0.03	-1.59	-1.20	0.31	1.54	0.61	-0.27	1.44	0.53	-0.17%
2014	-0.14	1.04	1.27	0.40	0.03	1.14	0.37	0.73	0.61	-0.68	-0.41	0.83	5.29%
2015	0.95	-0.24	1.34	-1.08	1.69	-0.68	2.20	-2.28	0.69	2.32	0.66	1.56	7.24%
2016	-0.55	-0.87	0.79	-0.44	1.86	-0.95	-0.93	-0.91	0.57	-0.16	1.90	-0.56	-0.30%
2017	0.89	-1.06	0.51	1.03	0.16	0.12	0.27	0.28	0.21	-0.02	0.24	-0.35	2.30%
2018	0.00	0.00	-0.09	-0.90	-1.36	0.05	0.72	0.42	0.15	-0.51	0.45	-1.99	-3.05%
2019	2.27	-0.25	-1.21	-0.19	0.62	1.04	0.27	0.19	0.82	1.52			5.15%

Investment Strategy

Oxeye strategies focus on writing option premium systematically on a monthly basis. It can be seen from Figure Two, the drawdowns from strong trending index movements often lead to sharply profitable periods.

Figure Two: OPS Monthly Profit and Loss Figures (based on trading four strangles a month) 2007-2019:





An investor with OPS can therefore run a cautious position on a low or unleveraged basis, whilst being able to maximise return by increasing that leverage at periods of high volatility on consultation with Oxeye.

More ambitious investors can run OPS with leverage at all times, providing higher potential return on capital invested. For instance, on the 5x leveraged product the annualised return, for the same period, increases to 18.92% after all fees. Figure Three shows the monthly performance figures of a 5x Leveraged OPS account since 1997.

Figure Three: OPS 5x Leveraged Monthly Performance Figures (Net of Fees):

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y/YTD
1997							1.72	0.39	-1.23	-2.28	17.89	2.31	18.88%
1998	2.86	-6.06	-3.70	11.97	11.97	4.47	3.90	-4.27	12.11	0.25	3.84	5.11	48.70%
1999	1.68	7.52	10.57	0.14	7.26	1.77	2.63	5.27	1.82	4.42	-4.96	-1.63	41.88%
2000	12.32	6.48	0.14	5.21	7.90	3.11	5.68	-0.77	0.83	4.43	4.84	2.79	66.80%
2001	11.72	3.77	-9.62	11.51	6.50	-0.32	-2.46	4.13	-26.74	7.15	5.69	8.64	13.57%
2002	9.16	5.33	0.67	4.85	4.05	-15.68	-24.98	8.63	-9.85	25.21	8.72	6.62	13.55%
2003	-0.76	11.64	-0.14	7.97	-3.30	1.23	4.00	1.59	-1.70	2.72	2.68	-1.24	26.49%
2004	4.54	1.47	2.38	2.52	3.59	1.58	2.39	2.31	-2.34	0.15	-0.75	0.86	20.17%
2005	1.48	-2.94	0.77	0.67	1.99	-2.08	-2.03	0.73	-1.93	1.18	-0.06	-1.02	-3.33%
2006	-0.71	1.20	-0.01	1.80	-8.58	6.12	2.55	7.18	0.41	-1.33	1.37	2.54	12.32%
2007	4.25	-0.48	0.92	-0.49	-0.02	3.08	-2.33	-9.24	4.22	-2.96	11.75	8.36	16.56%
2008	-1.76	7.14	5.67	1.80	1.74	0.65	-2.95	1.25	-6.50	-26.09	16.48	19.78	9.84%
2009	13.44	7.39	1.11	5.01	0.21	5.01	-2.00	-7.16	-4.61	-1.44	4.61	8.24	31.81%
2010	1.94	4.41	-6.29	-1.43	-2.81	-0.82	9.19	7.69	-5.56	2.56	0.46	0.97	9.39%
2011	6.76	3.45	-0.66	1.40	6.28	-0.35	3.95	-17.5	7.72	5.37	8.32	4.96	30.39%
2012	5.90	-0.25	2.54	4.95	-4.56	7.11	3.04	0.68	0.99	4.11	2.86	-1.74	28.10%
2013	-8.02	0.27	0.39	0.17	-8.45	-6.63	1.89	9.16	3.53	-1.44	7.81	2.79	-0.29%
2014	-0.72	5.23	4.00	1.89	0.16	3.76	1.68	3.26	1.08	-2.94	-1.81	3.75	20.73%
2015	4.76	-1.16	4.51	-5.11	8.30	-3.07	10.40	-9.97	2.72	10.79	2.82	2.72	28.76%
2016	-2.77	-4.43	4.35	-2.24	9.73	-4.46	-4.65	-4.75	3.25	-0.85	10.14	-2.66	-0.94%
2017	4.44	-5.11	2.24	5.12	0.78	-0.69	1.28	1.31	0.23	-0.08	1.14	-1.54	9.10%
2018	0.00	0.00	-0.37	-4.49	-7.07	0.45	3.97	2.22	0.94	-2.63	2.41	-10.20	-14.67%
2019	11.34	-1.17	-6.31	-0.94	3.05	3.57	1.26	0.89	2.54	6.91			22.06%

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