

Buy to Open PLCE April 21st expiration 85-strike Call
Sell to Open PLCE April 21st expiration 95-strike Call

Wealth Creation Alliance

Call Option Spread Analysis

Stock Symbol	Current Stock Price	Buy Strike	Buy Price	Sell Strike	Sell Price
PLCE	100.00	85	15.75	95	8.00

Cost

\$7.75

Calculate

New Analysis

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% Change	7.5%	5.0%	2.5%	0.0%	-2.5%	-5.0%	-7.5%
Stock Price	\$107.50	\$105.00	\$102.50	\$100.00	\$97.50	\$95.00	\$92.50
Call Buy Value	\$22.50	\$20.00	\$17.50	\$15.00	\$12.50	\$10.00	\$7.50
Call Sell Value	\$-12.50	\$-10.00	\$-7.50	\$-5.00	\$-2.50	\$0.00	\$0.00
Spread Value	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$7.50
Spread Cost	\$7.75	\$7.75	\$7.75	\$7.75	\$7.75	\$7.75	\$7.75
Spread Profit	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$2.25	\$-0.25
Spread % Ret	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	-3.2%

We can see from the Call Option Spread Analysis Calculator that if the PLCE 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 29% or \$225. If PLCE is down -7.5% at expiration, the spread will lose -3.2% or -\$25.