JSM Options — Beginner Cheat Sheet

Educational only. Not financial advice. 1 contract ≈ 100 shares. Premium $1.50 ≈ $150.

Core formulas (at expiry, before fees)

Strategy	Break-even (approx.)	Max profit	Max loss
Long call	Strike + premium	Unlimited	Premium paid
Long put	Strike – premium	Strike – premium (to $0)	Premium paid
Covered call	Stock cost – premium	(Strike – stock cost) + premium	Stock downside – premium
Cash-secured put	Strike – premium	Premium received	Strike – premium (stock risk)
Bear put spread	Long put strike – net debit	Width – debit	Net debit
Iron condor	Short put – credit / short call + credit	Net credit	Wing width – credit

Four structures in one line

Covered call: own 100 shares + sell 1 call. Income, capped upside, full stock downside minus premium.
Cash-secured put: sell 1 put and reserve cash to buy 100 shares if assigned. Max profit = premium.
Iron condor: OTM put spread + OTM call spread, same expiry, net credit. Want a range.
Wheel: sell CSP until assigned → sell covered calls until shares are sold → restart.

Guides: jsm-options.com/covered-call · /cash-secured-put · /iron-condor · /wheel

Keyword targets this site answers

covered call strategy · cash secured put · iron condor strategy · wheel strategy options · options cheat sheet