

## ⇒ TERM OF SPECULATORS

Speculators are sophisticated investors or traders who purchase assets for short periods of time and employ strategies in order to profit from changes in its price.

Speculators are important to markets because they bring liquidity and assume market risk.

⇒ Speculation with currency options.

① Purchase of options.

② Spreads.

③ Combinations of calls and puts.

⇒ Basic options positions for speculation :-

① long call (Buy call).

② long put.

③ short call.

④ short put.

⇒ options Arbitrage Strategies :-

① Box Arbitrage.

② Conversion and Reversal Arbitrage.

③ Calendar Arbitrage.

④ Dividend Arbitrage.

⑤ Intra - Market Arbitrage.

⑥ strike Arbitrage.