

Crypto Options Trading Strategy Presentation

Georg Fattinger

March 23, 2025

- **Experience:**

- Erste Group Fixed-Income
- 6 years Crypto Derivates Trading (Futures, Options)
- Options Analytics & Trading at Delta Exchange
- Precious Metals Trader

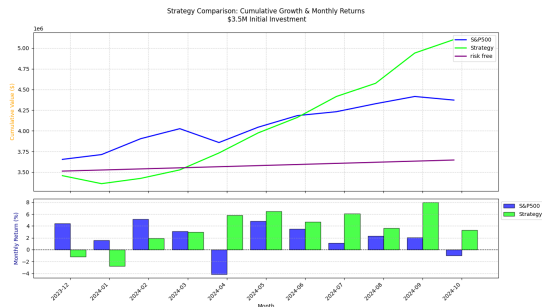
- **Skills:**

- Derivatives Trading
- Statistics
- Programming

- **Education:**

- Philosophy, Physics

Performance and Risk Metrics



Metric

Value

Sharpe Ratio

3.0

Maximum Drawdown

4%

Annual Volatility

11.35%

Figure: Strategy vs Benchmark Performance (2023-2024)

Performance by Quarter

Year	Q1	Q2	Q3	Q4
2023				-4%
2024	+10.7%	+17.3%	+14.9%	

Strategy Details

- Outperformed S&P500 64% of the time (2023-2024)
- Strategy was initially developed in FX Options
- Modified version can be deployed on Equities as well
- In crypto only BTC can handle large AUM
- Max strategy capacity of 200-1000 contracts
- Strategy delivers additional strong returns to a BTC allocation
- Core Position Long Strangle w/ OTM Short Leg at half the size
- 3+ DTE options are shorted at 1/10th of core position size and delta hedged
- Unrealized profits in 2-5 % range are locked in with risk reversals
- Overall Portfolio delta is hedged when needed

Strategy Details

- Deribit has inverse options (European options on BTC in BTC, NOT in USD)
- margin allocated to BTC to trade inverse options, spot holdings are hedged based on market view
- In USD terms the returns were much higher
- client allocated 100 BTC and benefitted from both strategy & BTC returns in 2024
- 40% CAGR achieved, 300% return in USD terms
- Depending on allocation size we can spread positions across exchanges (Binance, Bybit, OKX, Aevo, Derive)
- OTC execution via Paradigm might be needed depending on account size
- ETH & other alts traded on separate small book if needed

- **Cryptocurrencies:** BTC
- **Derivatives:** BTC-Perpetual, Futures, Options