

Protective Put Hedge Analysis: APLD

Analysis Date: November 16, 2025

Portfolio Overview

Current Price:	\$23.65	Expected Low:	\$1.84
Shares Held:	100	Expected High:	\$24.39
Budget Target:	\$75	Annual Volatility:	128.5%

90% Price Decline Scenario Analysis

Unhedged Portfolio P/L:	\$	-2,128
Hedged Portfolio P/L:	\$	1,042
Hedge Benefit:	\$	3,170 (148.9% protection)

Recommended Hedge Positions

Optimal Put Options Strategy for APLD

Strike	Premium	Contracts	DTE	Expiration	Cost	ITM Prob	Efficiency
\$18.00	\$0.14	1	5d	2025-11-21	\$14	92.2%	1505.3
\$19.00	\$0.43	1	12d	2025-11-28	\$43	73.9%	498.8
TOTAL	-	-	-	-	\$57	-	-

Strategy Summary

Total Investment: \$57

Total Contracts: 2

Average DTE: 8 days

Average Efficiency Score: 1002.0

Portfolio Coverage: 200%

Portfolio Risk Assessment

Value at Risk & Position Analysis

Risk Metric	Value
Portfolio Value	\$2,365
Position Size	100 shares
Daily Value at Risk (1σ)	\$191
Expected Loss (90% drop)	\$2,128
Hedge Budget	\$75
Budget as % of Portfolio	3.17%

Backtest of Hedge Performance on Worst Daily Drawdowns

Historical Drawdown Backtest



Date	% Chang	Price	Unhedged	Hedged	Benefit	Protection
2025-03-10	-14.05%	\$6.24	\$-1,741	\$654	\$2,395	137.6%
2025-03-26	-12.23%	\$6.53	\$-1,712	\$625	\$2,337	136.5%
2025-04-03	-9.29%	\$5.66	\$-1,799	\$712	\$2,511	139.6%
2025-04-04	-13.07%	\$4.92	\$-1,873	\$786	\$2,659	142.0%
2025-04-15	-35.94%	\$3.44	\$-2,021	\$934	\$2,955	146.2%
2025-06-13	-10.63%	\$11.18	\$-1,247	\$160	\$1,407	112.8%
2025-10-21	-9.36%	\$32.54	\$889	\$832	\$-57	0.0%
2025-11-13	-12.68%	\$23.06	\$-59	\$-116	\$-57	-96.6%

Downside Scenario Analysis

Hedge Performance Across Multiple Price Declines

Scenario	Price	Unhedged P/L	Hedged P/L	Benefit	Protection
10% Decline	\$21.28	\$-236	\$-293	\$-57	-24.1%
25% Decline	\$17.74	\$-591	\$-496	\$96	16.2%
50% Decline	\$11.82	\$-1,182	\$96	\$1,278	108.1%
75% Decline	\$5.91	\$-1,774	\$687	\$2,461	138.7%
90% Decline	\$2.36	\$-2,128	\$1,042	\$3,170	148.9%

Figure 1: APLD Price History with Forward Projections & Put Strikes

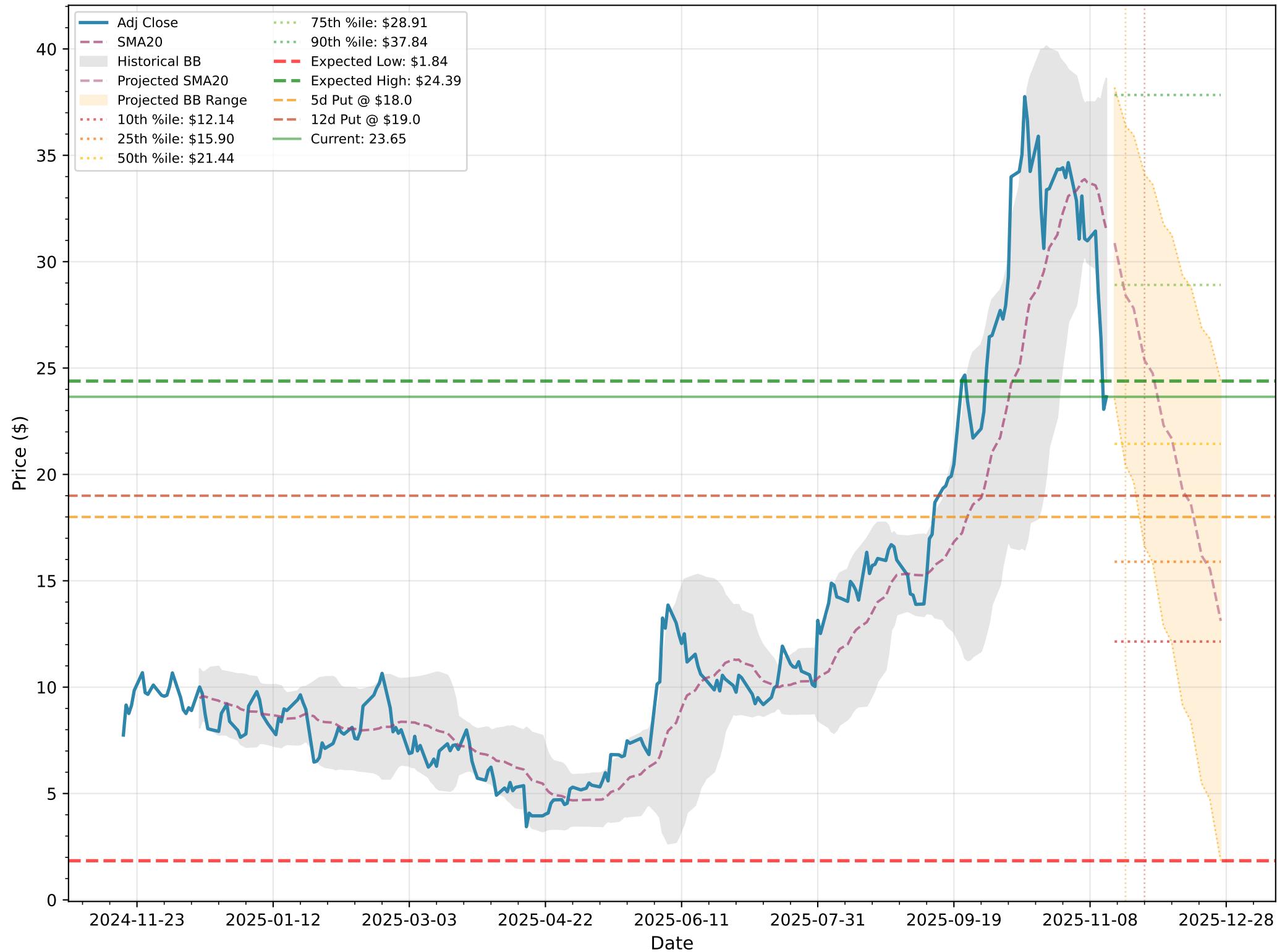


Figure 2: P/L Comparison: Hedged vs Unhedged

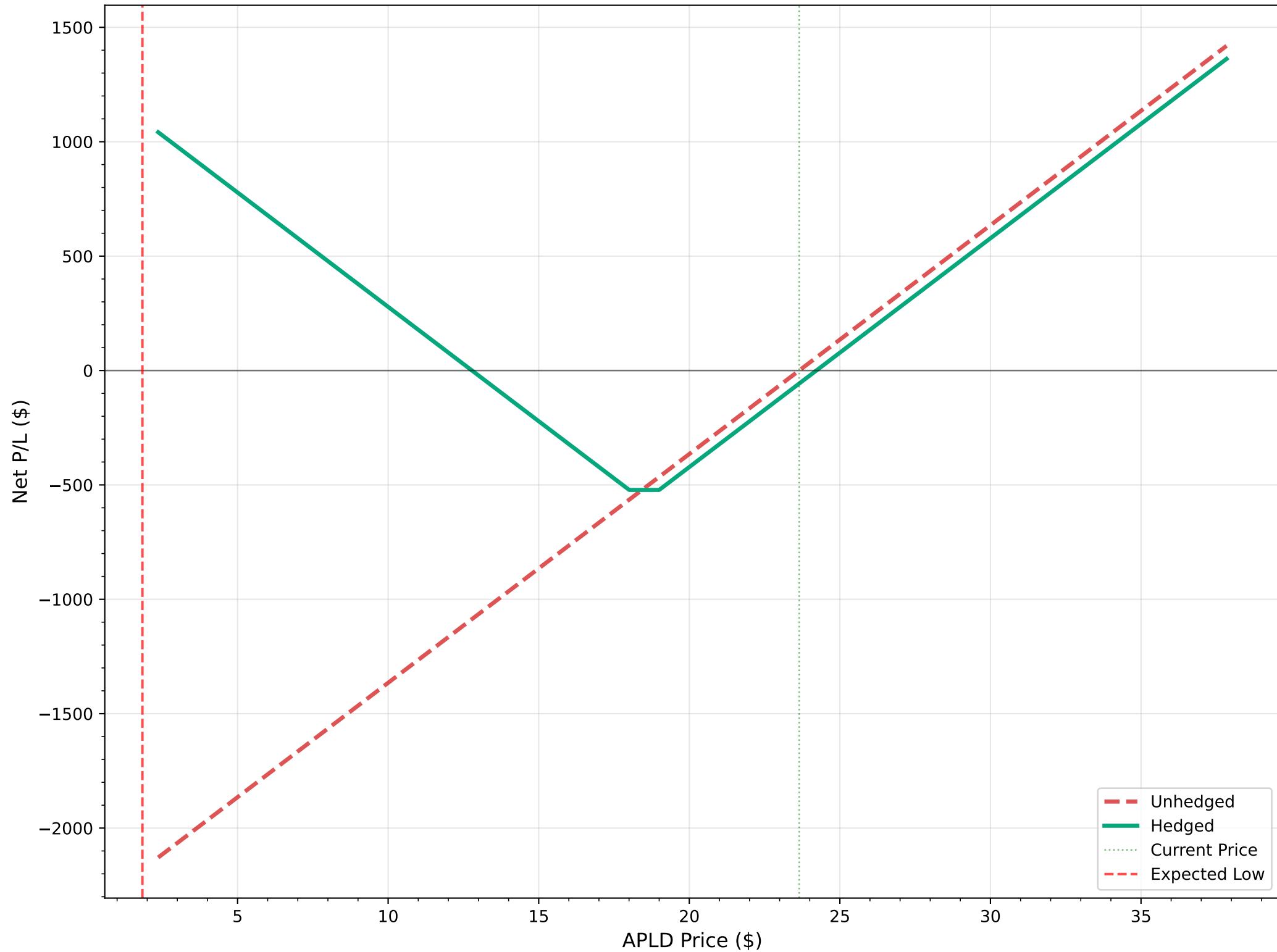


Figure 4: Put Options Efficiency Analysis

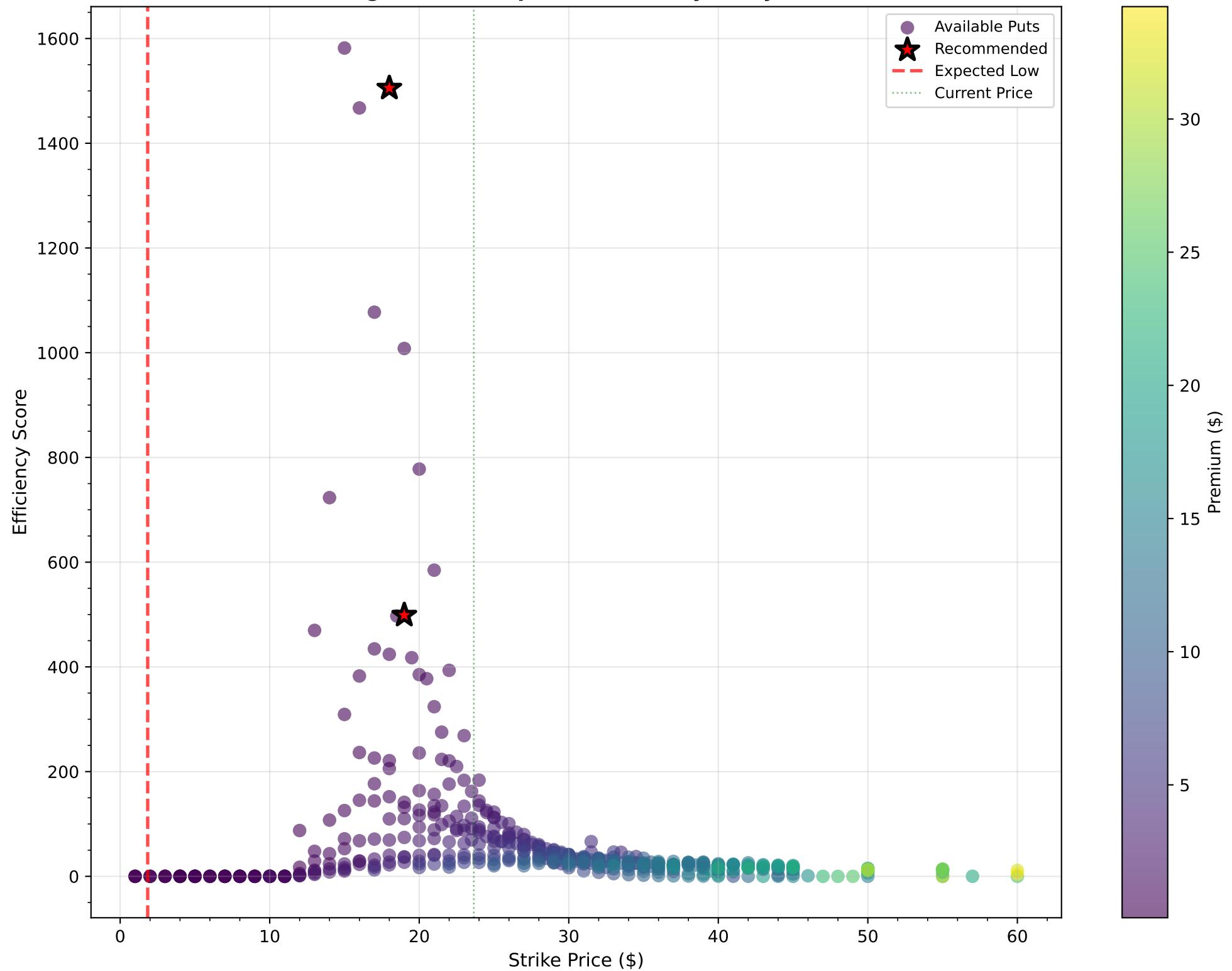
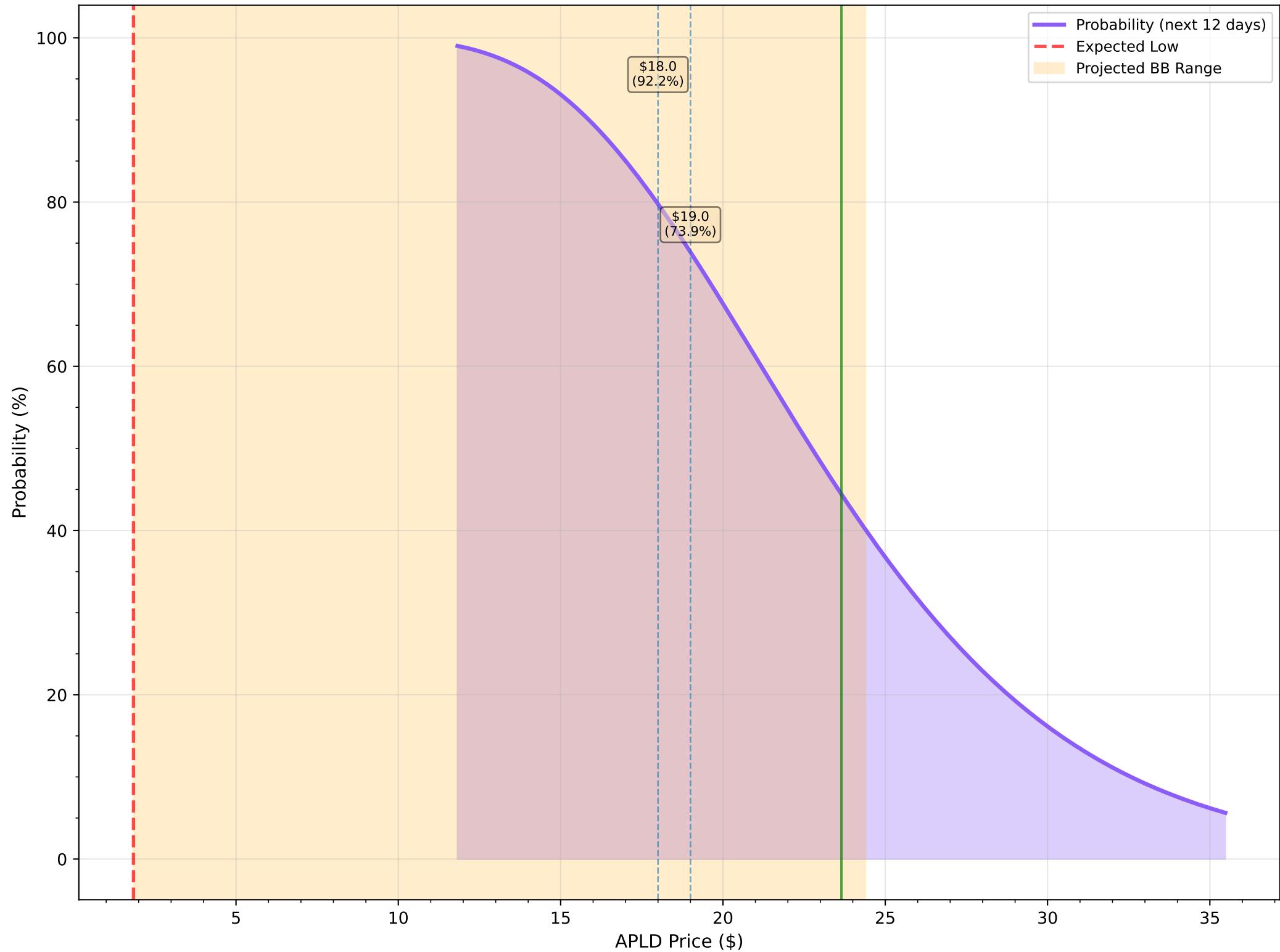


Figure 5: Probability Distribution & Put Strike Analysis



Hedge Positions: Detailed Analysis

Position-by-Position Breakdown & Performance Metrics

Position Details

Pos	Strike	Expiration	DTE	Contracts
P1	\$18.00	11/21/25	5d	1
P2	\$19.00	11/28/25	12d	1
TOT	-	-	-	2

Financial Metrics

Pos	Premium	Cost	ITM%	Value@90%	ROI%
P1	\$0.14	\$14	92.2	\$1,550	11067.9
P2	\$0.43	\$43	73.9	\$1,621	3768.6
TOT	-	\$57	-	\$3,170	5561.4

Portfolio Summary Statistics

Total Premium:

\$57

Hedge Benefit (90% drop):

\$3,170

Protection Level:

148.9%

Annual Volatility: 128.5% | Analysis based on 365-day historical data