



CALLFLOW

CONSERVATIVE INCOME-ORIENTED
STRATEGY

TABLE OF CONTENTS

01

Strategy
Overview

02

Implementation
Stages

03

Expected
Return
Calculation

04

Practical
Example

05

Risk Profile
& Capital Protection

06

Who This
Strategy Is
For



STRATEGY OVERVIEW

What CallFlow Does

CallFlow is a conservative, income-oriented strategy designed for the US equity market. It is based on selling covered CALL options on shares already held within the portfolio. This approach generates a steady stream of option premiums while maintaining full protection: the underlying shares cover all option obligations, meaning no margin requirements apply.



IMPLEMENTATION STAGES

1 Equity Portfolio Formation

We begin by selecting shares of major, highly reliable US companies with market capitalisation above \$50 billion — such as Apple, Tesla, Microsoft, Amazon and others.

The optimal structure includes:
20 equities, ~40% capital deployment.

Purchases are executed during short-term market pullbacks to increase upside potential.

2 Selling Covered CALL Options

Once the equity portfolio is constructed, CALL options are sold in quantities equal to the number of shares divided by 100.

Example: The portfolio holds 1,000 GM shares at \$49. We sell 10 CALL contracts at \$1.44, receiving \$1,440 in option premium. No margin is required because the shares fully cover the position.

Market scenarios:
—If the stock rises —
the portfolio gains from price appreciation.
—If the stock falls or moves sideways —
the premium remains profit.



EXPECTED RETURN CALCULATION

Parameter	Value
Average option premium	\$2 000
Number of stocks in portfolio	20
Total monthly premium	\$40 000
Average option term	1 month
Potential annual premium	\$480,000 (48% of \$1 million)

Rising equity prices increase the final portfolio return.
Additionally, dividend payments from portfolio companies provide +10–30% annualised yield depending on market conditions and composition.



PRACTICAL EXAMPLE

Stock: TMO (Thermo Fisher Scientific) — sharp rise after earnings.

Parameter	Value
Loss on CALL options	−\$5 497
Profit on shares	+\$12 278
Total combined result (shares + options)	+\$6 781



RISK PROFILE & CAPITAL PROTECTION

Key Risks

- Broad market sell-offs
- Sudden volatility spikes

Hedging Approach

Protection is achieved through periodic purchases of PUT options on SPY and CALL options on the VIX index.

Portfolio Without Hedge

Losses occur during significant market declines.

Portfolio With Hedge

- Hedge instruments offset losses.
- During extreme events, the hedge can generate substantial gains (“black swan strategy”)



WHO THIS STRATEGY IS FOR

Investors seeking a stable and predictable cash flow.

Portfolio owners aiming for moderate growth with additional income.

Those who prefer active options-based management while keeping risk at low levels.



CONTACT FOR CONSULTATION:

info@spuae.ae

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.
OPTIONS INVESTING INVOLVES RISK OF TOTAL CAPITAL LOSS.



Disclaimer: This material is for informational purposes only and does not constitute personalised investment advice. Modelled performance does not guarantee similar future results. A thorough risk assessment is recommended before applying the strategy.