



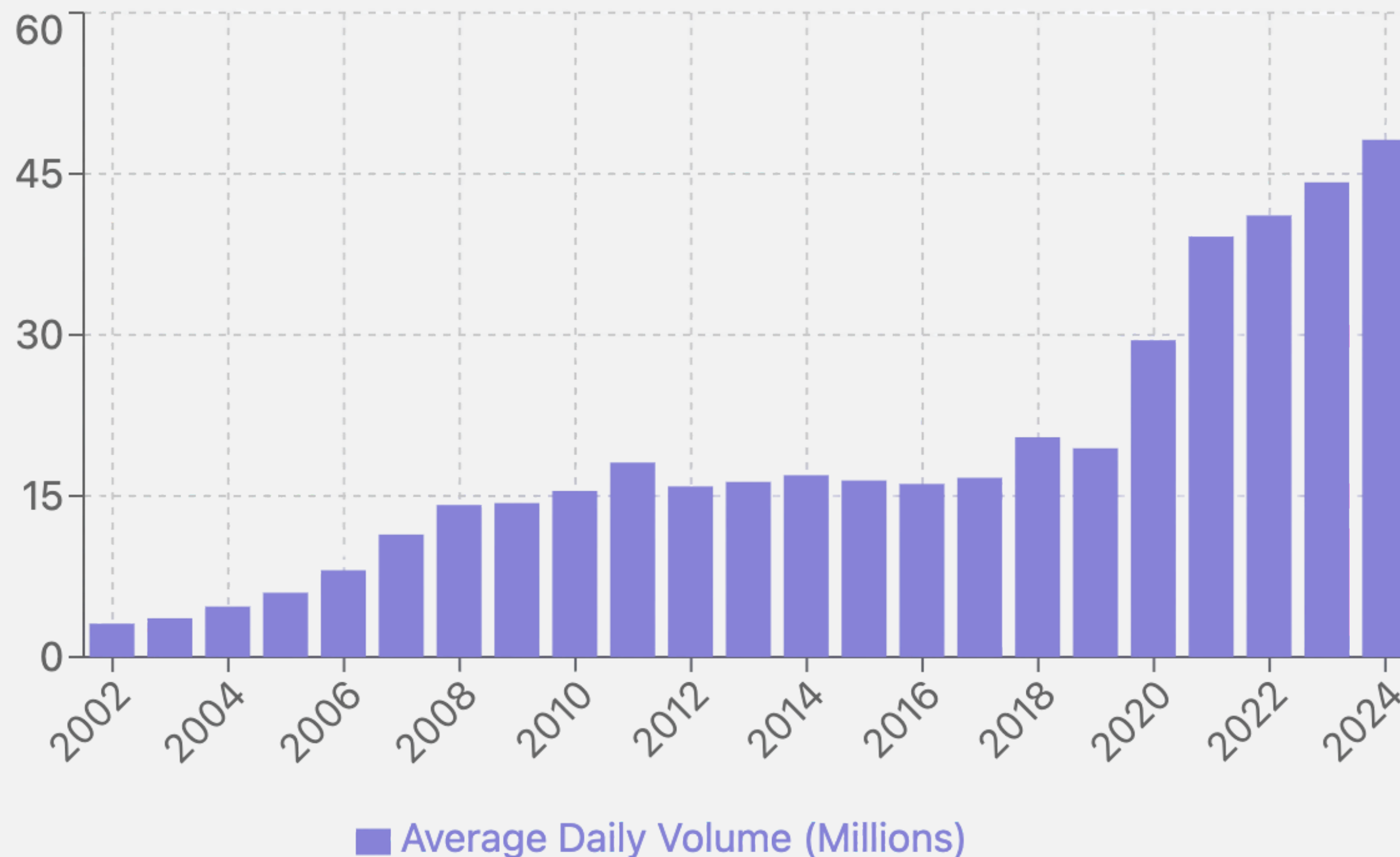
PRODUCT TRAINING

AGENDA

- **How to build an Edge like a Hedge Fund**
- **Gamma Explained**
- **MenthorQ Gamma Levels**
- **How to trade Gamma Levels**
- **FAQs**
- **Live Demo**

OPTIONS ARE THE MARKET X-RAY

Average Daily Options Volume (Millions) 2002-2024



TRADING IS BETTING - BUT WITH BETTER MATH

Every trade is a **bet on an outcome**.

We risk capital based on a belief: "If *this* happens, the price will go *up*, and I'll profit."

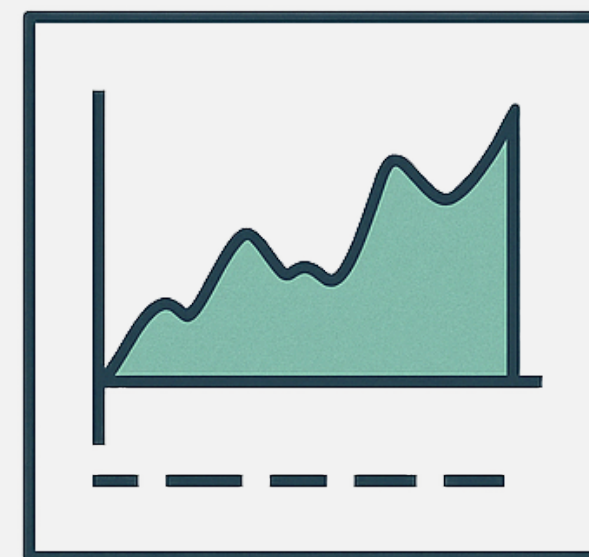
 It's not about being right every time—it's about the math of your strategy.



HOW DO INSTITUTION TRADE?

Let's look at how professionals—hedge funds—think:

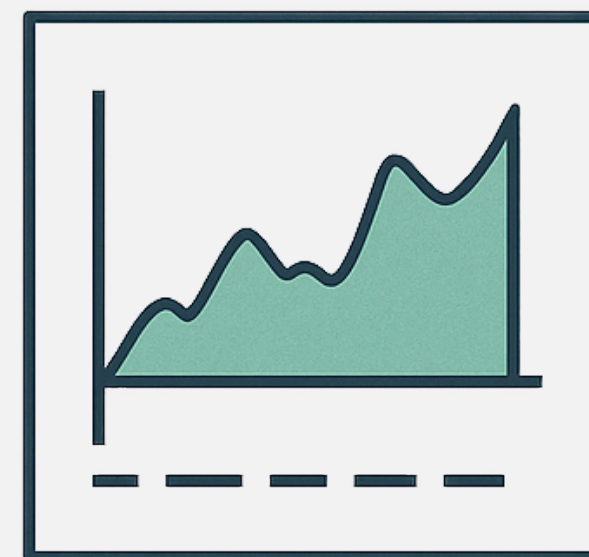
- They start with a strategy
 - Could be based on macro, fundamentals, technicals, quant models
- That strategy has an expected return
 - But no strategy is perfect



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- They start with a strategy
 - Could be based on macro, fundamentals, technicals, quant models
- That strategy has an expected return
 - But no strategy is perfect



Add filters and factors
to improve performance

HOW DO INSTITUTION TRADE?



THINK LIKE A FUND MANAGER

- **VOLUME PROFILE**
- **TECHNICAL INDICATORS**
- **ORDER FLOW**



THINK LIKE A FUND MANAGER

- VOLUME PROFILE
- TECHNICAL INDICATORS
- ORDER FLOW



menthor 
INVEST LIKE A PRO



WHAT CAN MENTHORQ DO FOR YOU?

- ✓ **MenthorQ can support your strategy**
- ✓ **Institutional Grade Models**
- ✓ **Data Simplified**
- ✓ **Trade where the institutions are trading**



WHAT MENTHORO IS NOT

- ❌ **Signal Provider**
- ❌ **Crystal Ball**
- ❌ **Fast Money**

GAMMA LEVELS

Gamma Levels are **price zones derived from options positioning**. They reflect where dealers and market makers are likely to hedge aggressively based on their options exposure.

At MenthorQ, we analyze the entire options chain for each underlying asset, compute gamma exposure across all strikes and ODTes, and map out key levels that indicate **where market is likely to react**.

These levels are forward-looking—based on where the market is structurally positioned from a dealer's perspective.



WHAT IS GAMMA?

Gamma is the second derivative of an option's value. It measures **how fast Delta changes as the price of the underlying asset moves**.

That matters because dealers and market makers hedge their Delta exposure using the underlying asset—often futures.

When **Gamma is high**, their Delta changes rapidly with price—and that means they must hedge more aggressively.



DELTA HEDGING



Investor Positioning

Market Maker Positioning

Hedging

Long Call

Short Call

- Buying Underlying

Short Call

Long Call

- Sell Underlying

Long Put

Short Put

- Sell Underlying

Short Put

Long Put

- Buying Underlying

WHY IS GAMMA KEY?



HIGH
GAMMA

- Delta changes quickly with price
- Dealers adjust hedges rapidly (buy/sell underlying)
- Creates more flow = more volatility

WHY IS GAMMA KEY?



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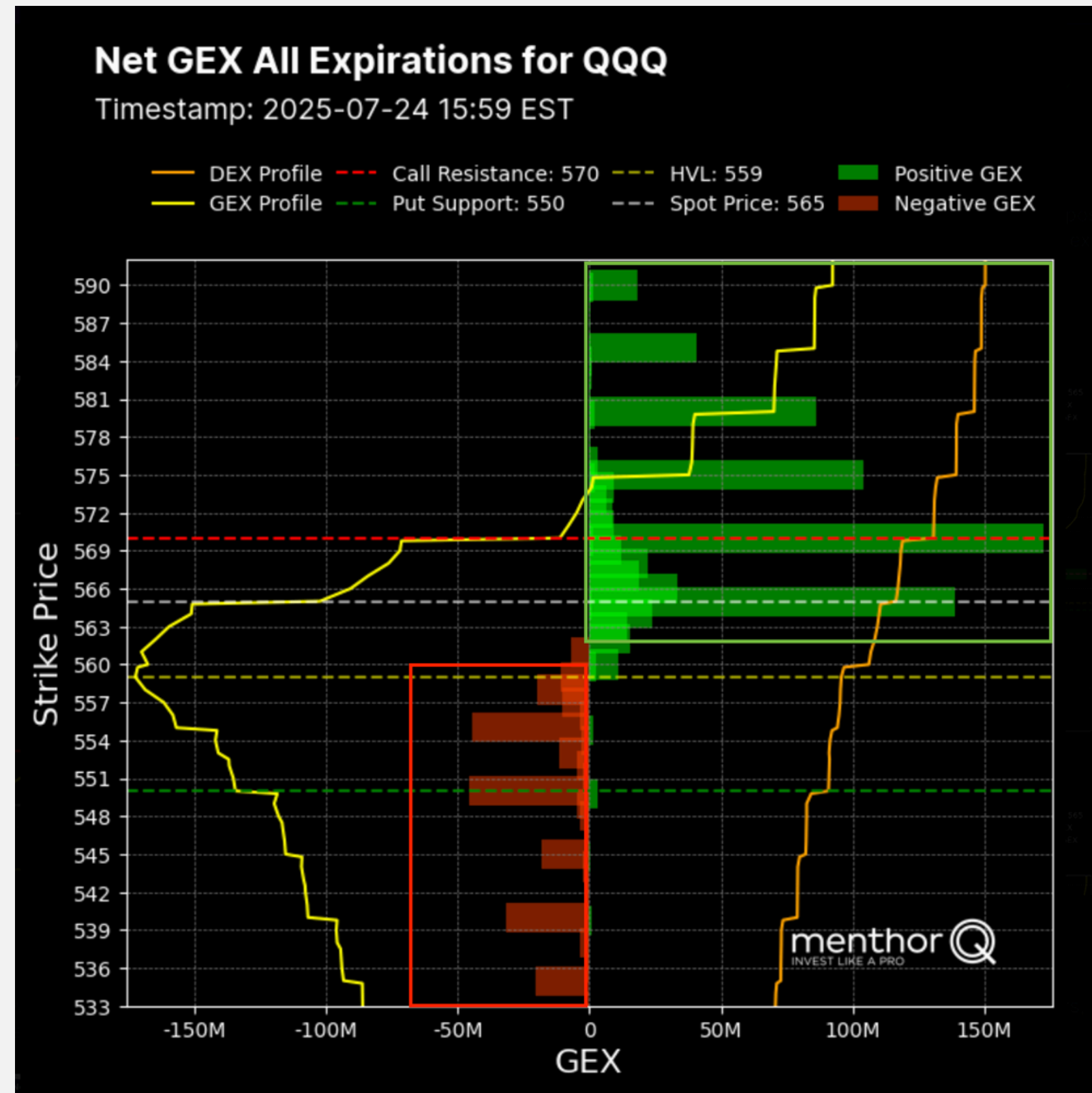


LOW GAMMA

- Delta changes slowly
- Dealers hedge less
- Results in more stable price behavior

NET GAMMA EXPOSURE (NET GEX)

- Green bars show **Call Gamma Exposure**
- Red bars show **Put Gamma Exposure**

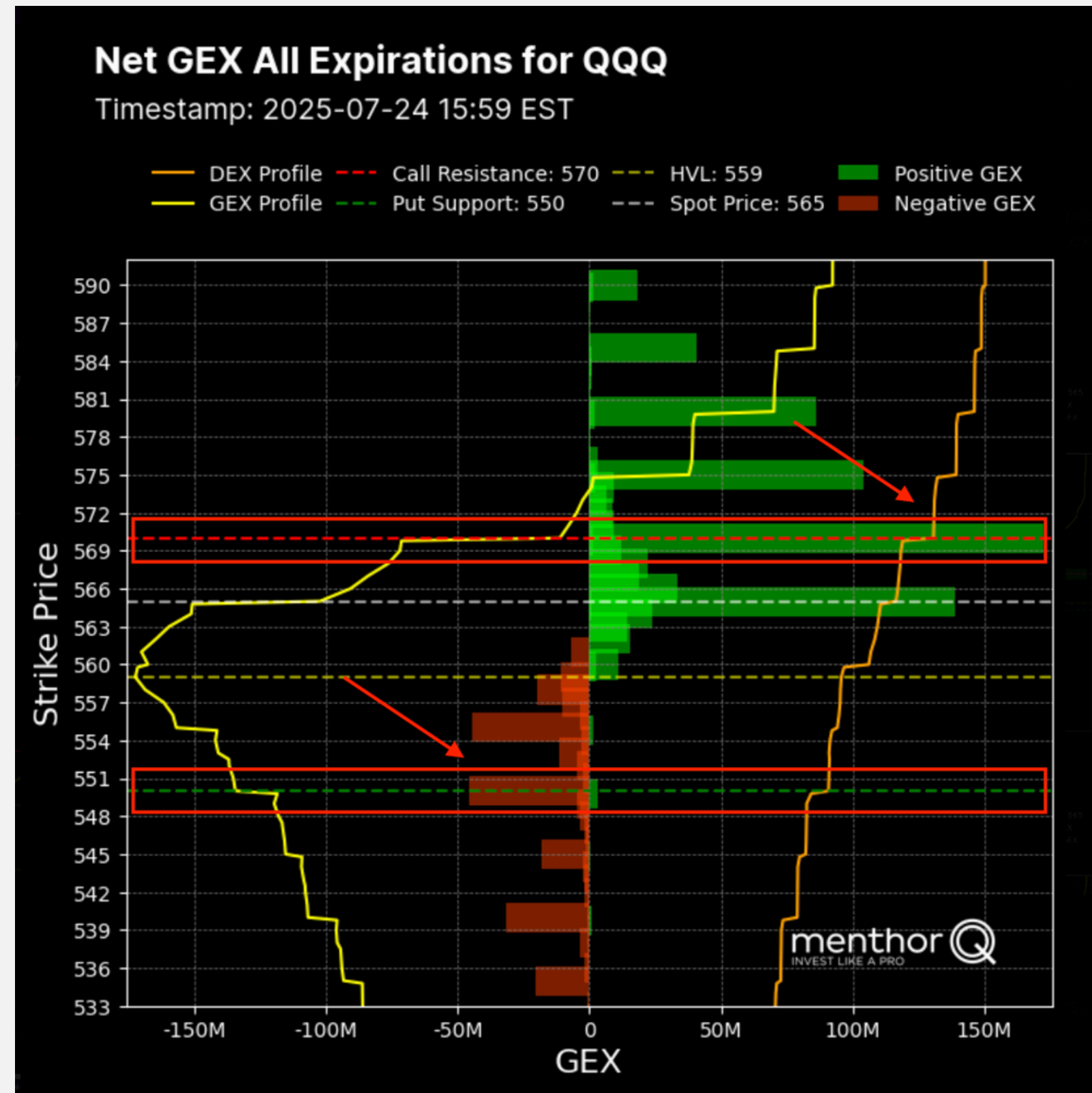


NET GAMMA EXPOSURE (NET GEX)

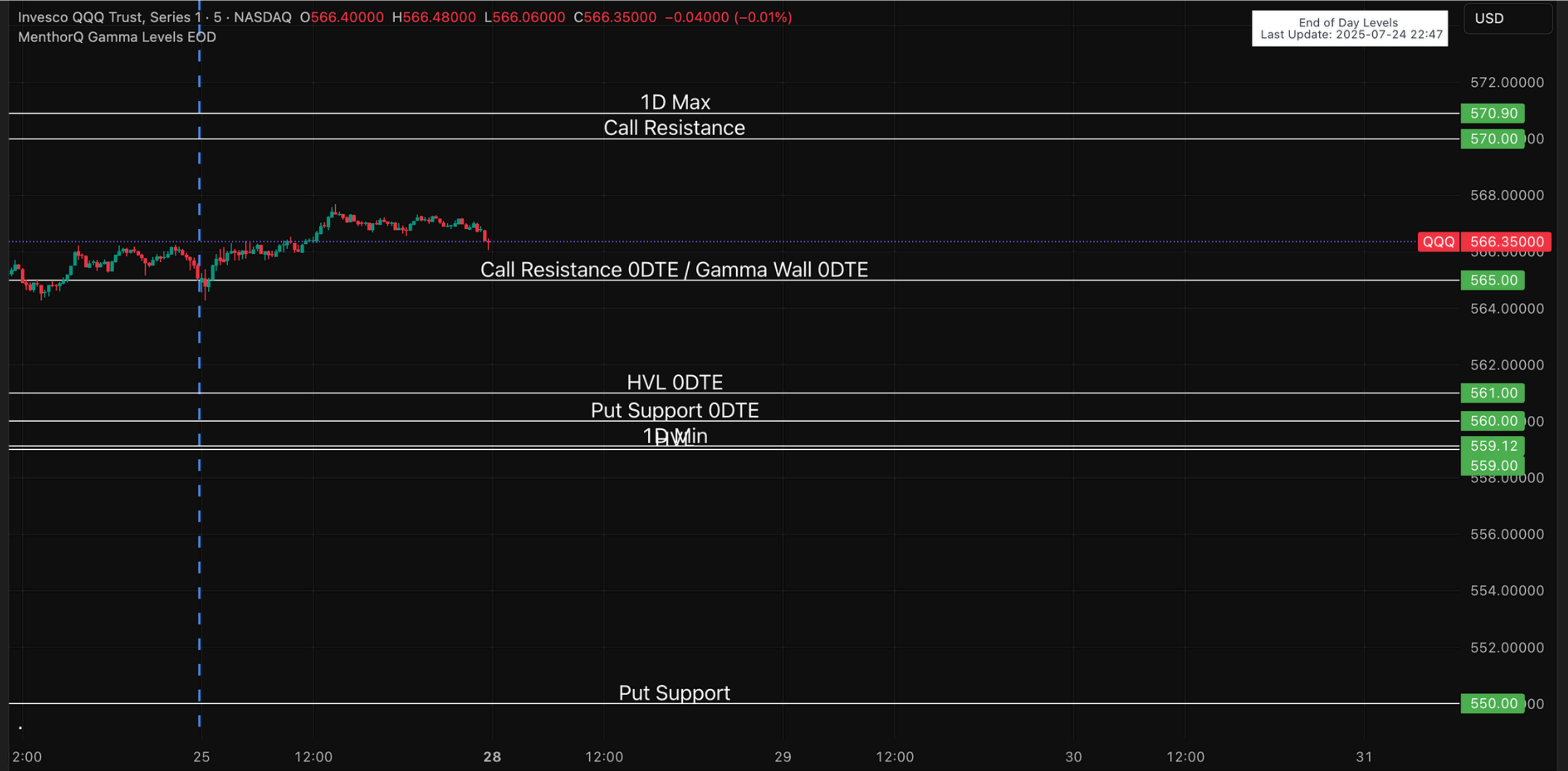
The widest bars point to the strikes where dealers are most exposed—these become our **Call Resistance and Put Support Zones**.

This chart gives us a structural map of market pressure:

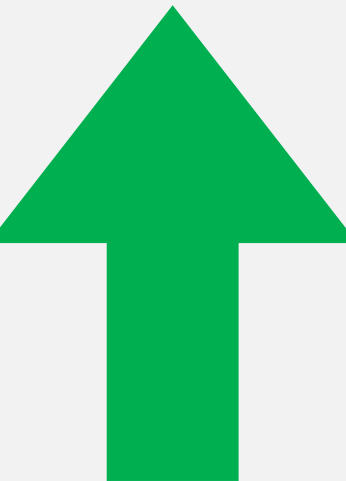
- Where flow is likely to reverse
- Where it may accelerate
- Where pinning behavior could trap price near key strikes



GAMMA LEVELS



POSITIVE VS NEGATIVE GAMMA



Positive Gamma

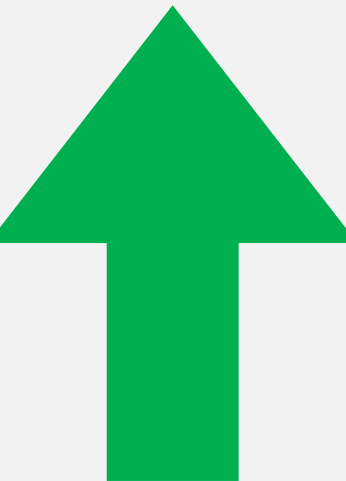
Long Gamma = Long Options

How do Market Makers Hedge?

- Long: when price goes down
- Short: when price goes up

Volatility: Low

POSITIVE VS NEGATIVE GAMMA



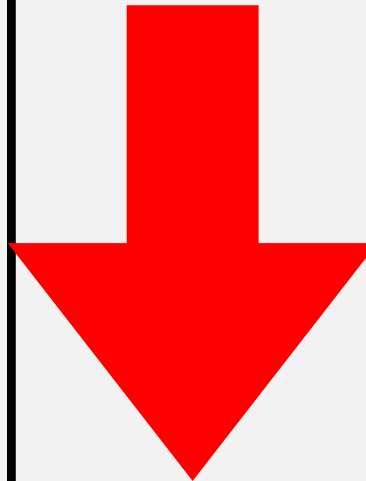
Positive Gamma

Long Gamma = Long Options

How do Market Makers Hedge?

- Long: when price goes down
- Short: when price goes up

Volatility: Low



Negative Gamma

Short Gamma = Short Options

How do Market Makers Hedge?

- Short: when price goes down
- Long: when price goes up

Volatility: High

WHERE CAN WE FIND THIS?

QQQ

End Of Day

 Invesco

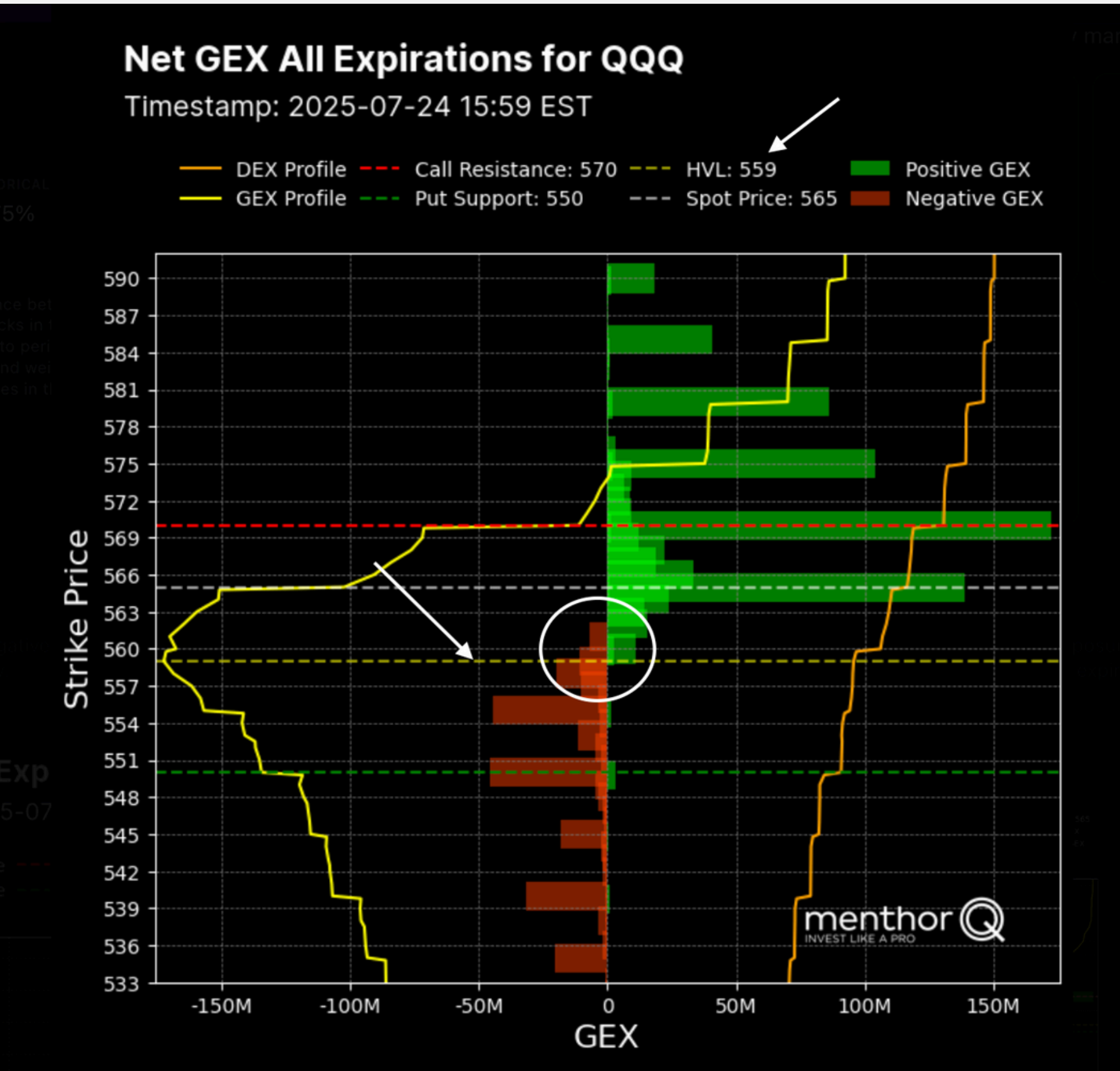
Invesco QQQ Trust, Series 1

LAST PRICE	CHANGE %	P/C OI	1D EXP MOVE %	GAMMA CONDITION
565.00	0.21	1.62	± 1.04%	Positive
IMPLIED VOL 30D	HISTORICAL VOLATILITY (HV30)		IV RANK	
16.55%	10.75%		7.81%	

DESCRIPTION

To maintain the correspondence between the composition and weights of the securities in the trust (the "securities") and the stocks in the NASDAQ-100 Index®, the adviser adjusts the securities from time to time to conform to periodic changes in the identity and/or relative weights of index securities. The composition and weighting of the securities portion of a portfolio deposit are also adjusted to conform to changes in the index.

WHERE CAN WE FIND THIS?

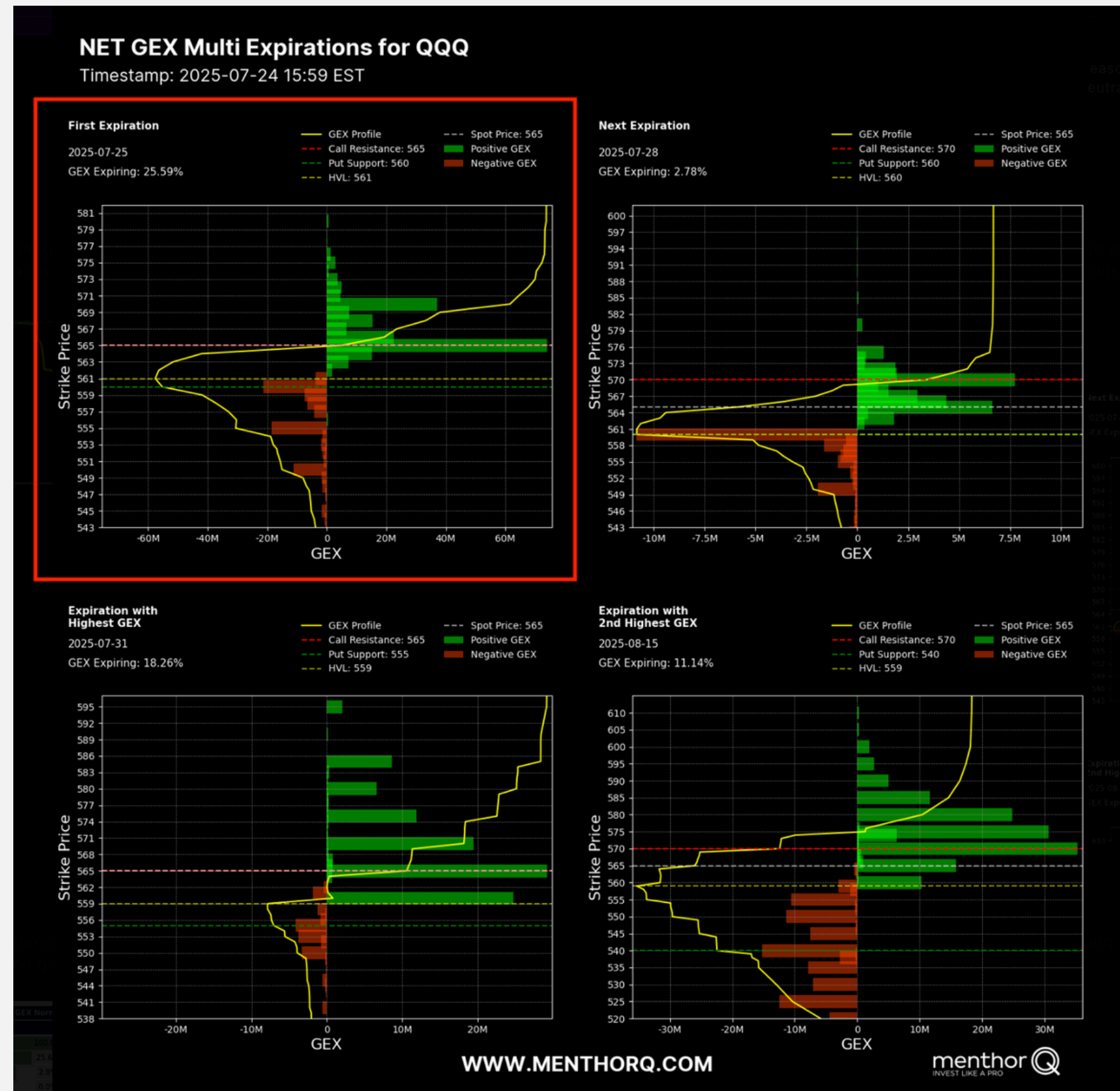


WHERE CAN WE FIND THIS?

	DTE	GEX	DEX	GEX Normalized	DEX Normalized	OI Normalized	GEX Change 1D	DEX Change 1D
Expiration Date								
Tot. Exposure	-	422.20M	56.59B	100.0%	100.0%	100.0%	195.49M	2.71B
2025-07-25	1	116.95M	3.10B	25.6%	5.4%	5.7%	106.89M	0.57B
2025-07-28	2	12.71M	0.31B	2.8%	0.5%	0.8%	19.73M	0.21B
2025-07-29	3	0.07M	0.16B	0.0%	0.3%	0.5%	-1.29M	-0.01B
2025-07-30	4	14.81M	0.20B	3.2%	0.4%	0.5%	6.35M	0.08B
2025-07-31	5	83.46M	3.24B	18.3%	5.7%	4.1%	17.84M	0.21B
2025-08-01	6	36.27M	1.49B	7.9%	2.6%	5.6%	15.03M	0.23B
2025-08-04	7	4.00M	0.09B	0.9%	0.2%	0.2%	2.99M	0.08B
2025-08-05	8	3.06M	0.14B	0.7%	0.2%	0.1%	3.07M	0.14B
2025-08-06	9	1.51M	0.07B	0.3%	0.1%	0.1%	1.51M	0.07B
2025-08-07	10	0.00M	0.00B	0.0%	0.0%	0.0%	-	-
2025-08-08	11	6.61M	0.59B	1.4%	1.0%	2.0%	23.28M	0.43B
2025-08-15	16	50.91M	8.44B	11.1%	14.8%	13.4%	20.38M	0.49B
2025-08-22	21	7.77M	0.28B	1.7%	0.5%	0.8%	1.92M	0.03B

ODTE OPTIONS

- ODTEs have very high gamma because they're at expiration and highly sensitive to small price changes.
- Even tiny moves in the underlying can cause big shifts in Delta—forcing dealers to hedge quickly and aggressively in real time.
- That hedging flow—especially around popular strikes or round numbers—can create intraday support, resistance, or sharp directional moves.



MENTHORO COVERAGE

1400+ Assets



Stocks



ETFs



Indices



Futures



FOREX



Crypto

MENTHORO GAMMA LEVELS

PRIMARY LEVELS

- Call Resistance
- Put Support
- HVL
- 1D Min
- 1D Max
- Call Resistance oDTE
- Put Support oDTE
- HVL oDTE
- Gamma Wall oDTE

SECONDARY LEVELS

- GEX 1
- GEX 2
- GEX 3
- GEX 4
- GEX 5
- GEX 6
- GEX 7
- GEX 8
- GEX 9
- GEX 10

Call Resistance

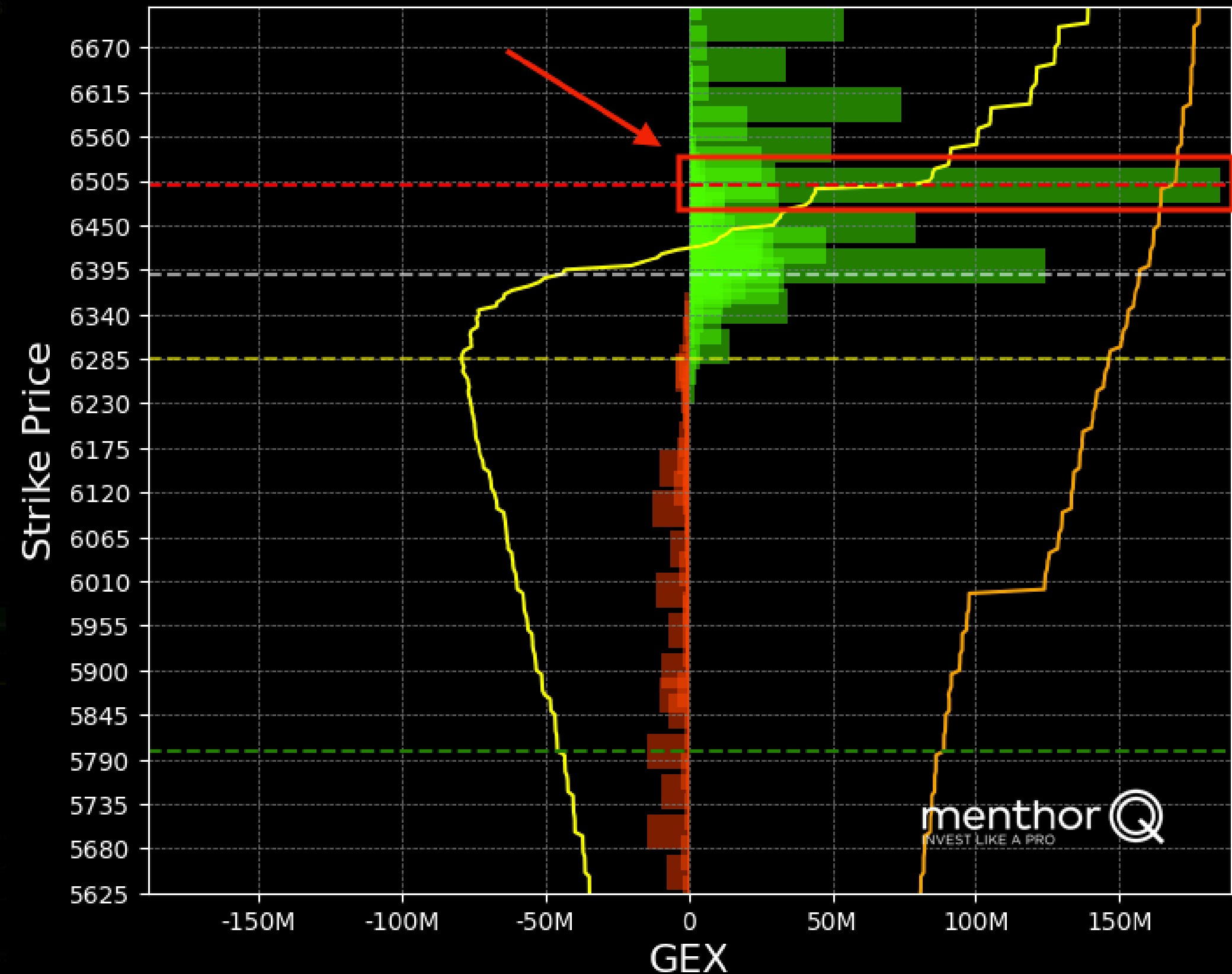
Call Resistance is the strike price with the **highest net call gamma exposure**.

It represents **a zone where dealers have significant exposure to call options**, and therefore are likely to hedge more actively as price approaches.

Net GEX All Expirations for SPX

Timestamp: 2025-07-25 16:14 EST

DEX Profile Call Resistance: 6500 HVL: 6285 Positive GEX
GEX Profile Put Support: 5800 Spot Price: 6390 Negative GEX



CALL RESISTANCE | REJECTION

- **Dealer Hedging Pressure.** As price nears CR, delta increases rapidly on the calls dealers are short.
- **Profit-Taking from Longs.** Many retail and institutional traders use options to express bullish views. As price reaches the strike where these calls were purchased, traders begin to take profits.
- **Flow Imbalance.** Without fresh call buyers or bullish positioning above CR, the hedging flows dominate. This is often why price stalls, rejects, or reverses at CR—even when it seems technically “bullish.”
- **Psychological Layer.** CR often aligns with round numbers or prior highs, adding psychological resistance that reinforces trader behavior.

CALL RESISTANCE | REJECTION

Why it Happens:

Condition	Dealer Behavior	Market Impact
Positive Gamma	Hedge against price → sell futures	Price stalls or rejects
Weak Flow	No follow-through from traders	Low probability of breakout
Profit-Taking	Traders unwind long positions	Reinforces supply at CR

CALL RESISTANCE | ■ REJECTION



CALL RESISTANCE | BREAKOUT

- **Call Buyers Step In.** As price approaches CR, bullish traders start opening or rolling call positions to higher strikes.
- **Dealer Hedging Flips.** Dealers, who were previously long gamma, now face rising delta exposure on new calls.
- **Structural Shift.** Call Resistance is no longer a ceiling—it becomes a support zone.

CALL RESISTANCE | BREAKOUT

Why it Happens:

Condition	Dealer Behavior	Market Impact
Strong Bullish Flow	Dealers hedge with price → buy futures	Price accelerates above CR
Call Roll-Up	New positions move to higher strikes	CR shifts upward
Gamma Compression or Flip	Dealer positioning becomes reactive	Structural breakout is more likely

CALL RESISTANCE | ■ BREAKOUT



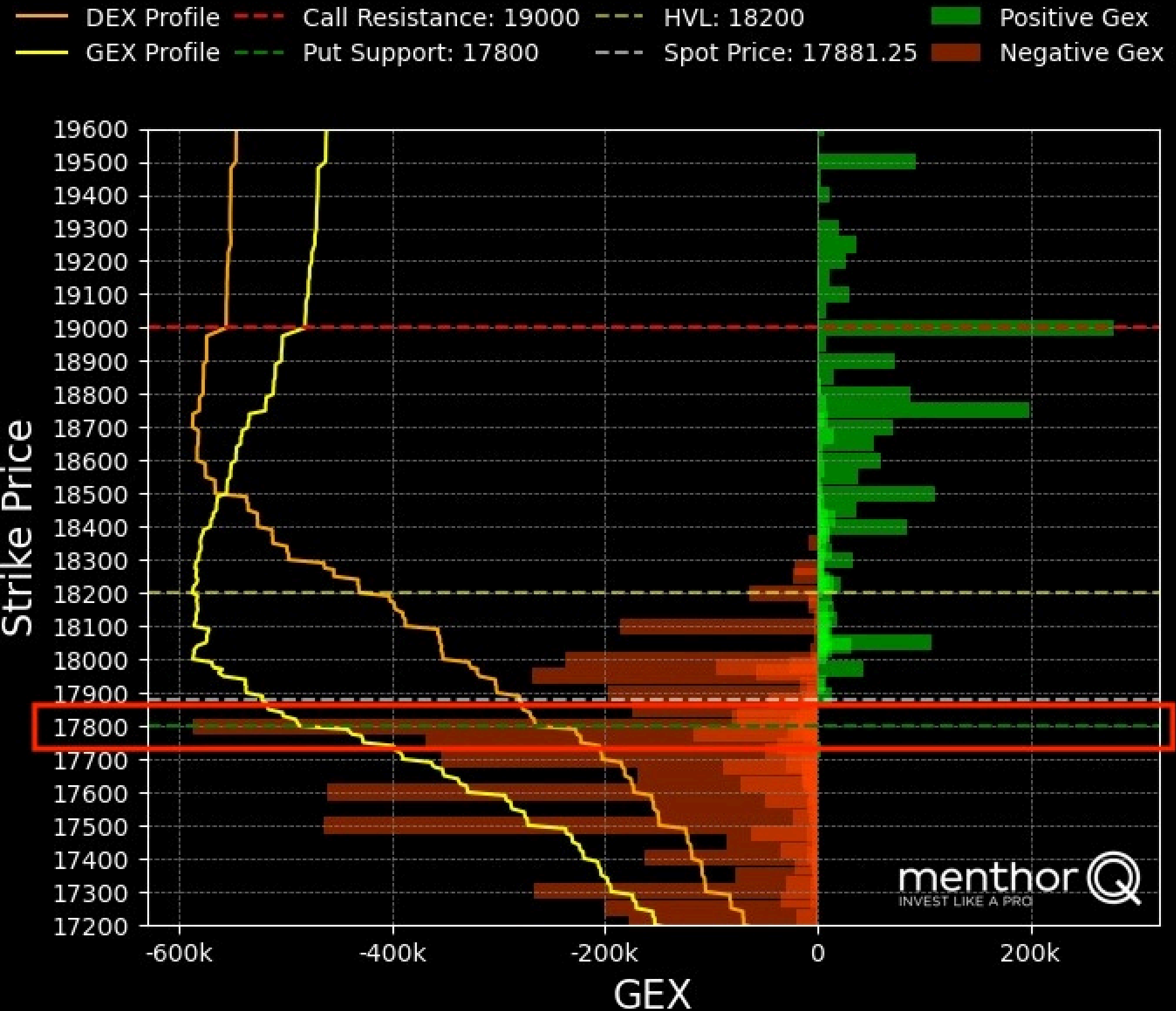
Put Support

Put Support is the strike price with the **highest net put gamma exposure**.

It identifies a zone where dealers are most exposed to puts—and are likely to hedge heavily as price approaches.

Net GEX All Expirations for NQ1!

Timestamp: 2024-04-16 15:59



PUT SUPPORT | BOUNCE

- Dealers Are Short Puts
- Put Holders Start Closing
- Dealer Hedge Unwind = Buying
- Flow Shifts from Selling to Buying
- Price Bounces off the Structural Floor

PUT SUPPORT | BOUNCE

Why it Happens:

Condition	Dealer Behavior	Market Impact
Put Monetization	Dealers unwind short futures hedges → buy	Bounce from PS
Positive Gamma or Neutral Flow	Hedging pressure reduces	Price stabilizes and reverses
Weak Downside Follow-Through	Sellers exhaust below PS	Bullish reversal opportunity

PUT SUPPORT | BOUNCE



PUT SUPPORT | BREAKDOWN

- Put Holders Roll Down
- Dealers Add New Hedges
- Gamma Goes More Negative
- No Bounce on Retest = Flow Failure
- Once PS breaks, price may retest the level

PUT SUPPORT | ■ BREAKDOWN

Why it Happens:

Condition	Dealer Behavior	Market Impact
Rolling to Lower Strikes	New puts increase dealer delta risk	Fresh hedging drives new selling
Break Below PS	Dealers hedge by selling futures	Downside momentum builds
Weak Buyers on Retest	No support on PS retest	Confirms breakdown and trend shift

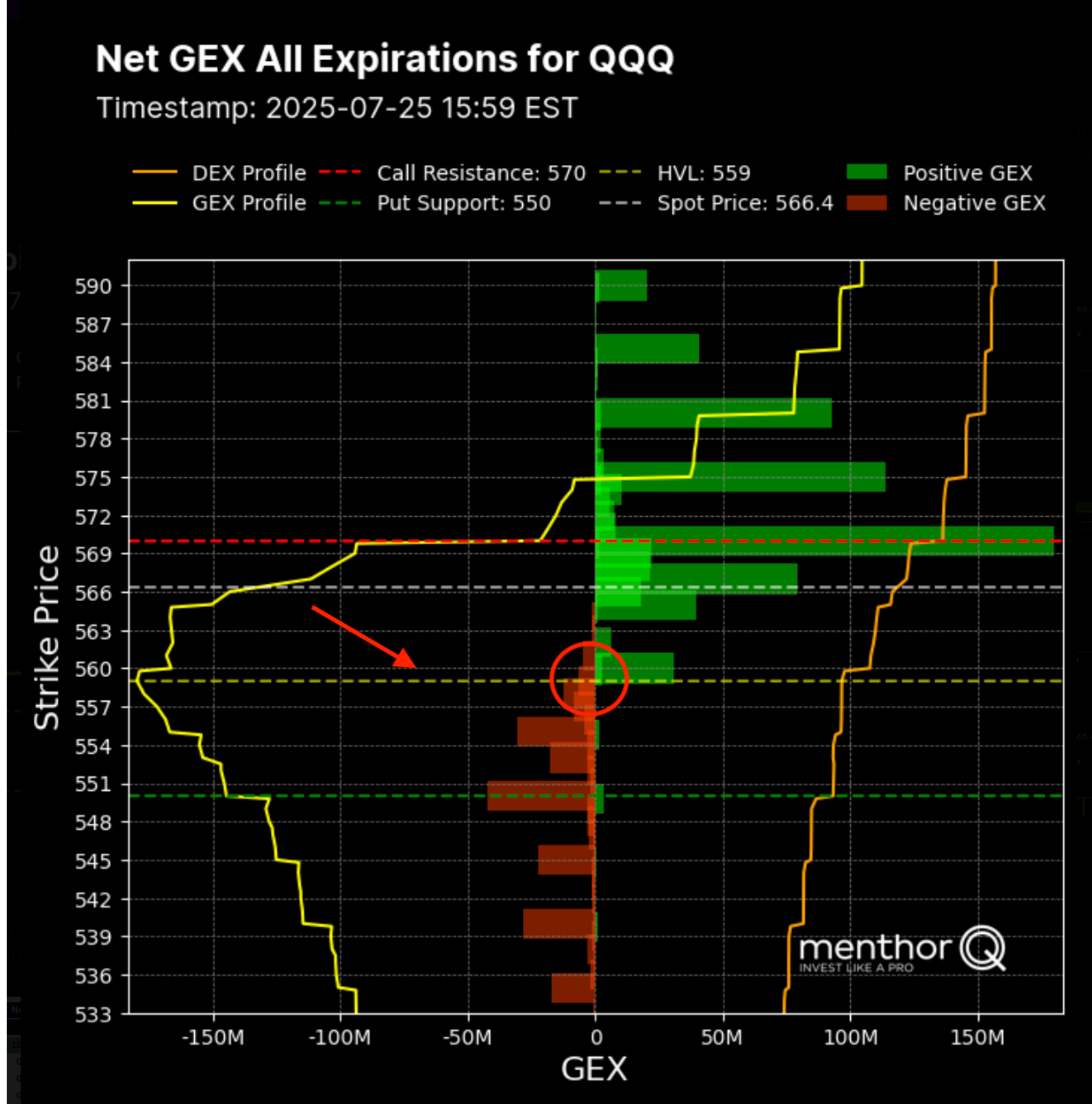
PUT SUPPORT | ■ BREAKDOWN



High Vol Level (HVL)

The HVL is a transition zone that signals a **shift in the gamma regime**, from positive to negative, or vice versa.

It's derived from the inflection point in the slope of the cumulative gamma exposure curve.



HVL | PINNING EFFECT + BOUNCE

- Asset is trading above HVL
- Net gamma is positive
- Options are near expiration
- Dealers are long gamma

HVL | ■ PINNING EFFECT + BOUNCE



HVL | BREAKDOWN + VOL SPIKE

Below HVL, **Gamma flips Negative**. Now dealers are **Short Gamma**. This changes how dealers behave—they hedge with price movement. When price falls, they sell more; when price rises, they buy more.

When the price is below HVL, traders should expect momentum and trend-following setups to dominate.

- **Dealers hedge with price → fueling volatility**
- **Breakouts and directional moves are more likely**

HVL | ■ BREAKDOWN + VOL SPIKE



HVL | KEY CONCEPT

HVL is your regime compass.

- **Above it?** Think mean reversion.
- **Below it?** Think momentum breakout.

It's not just a level—it defines how you should trade the environment.

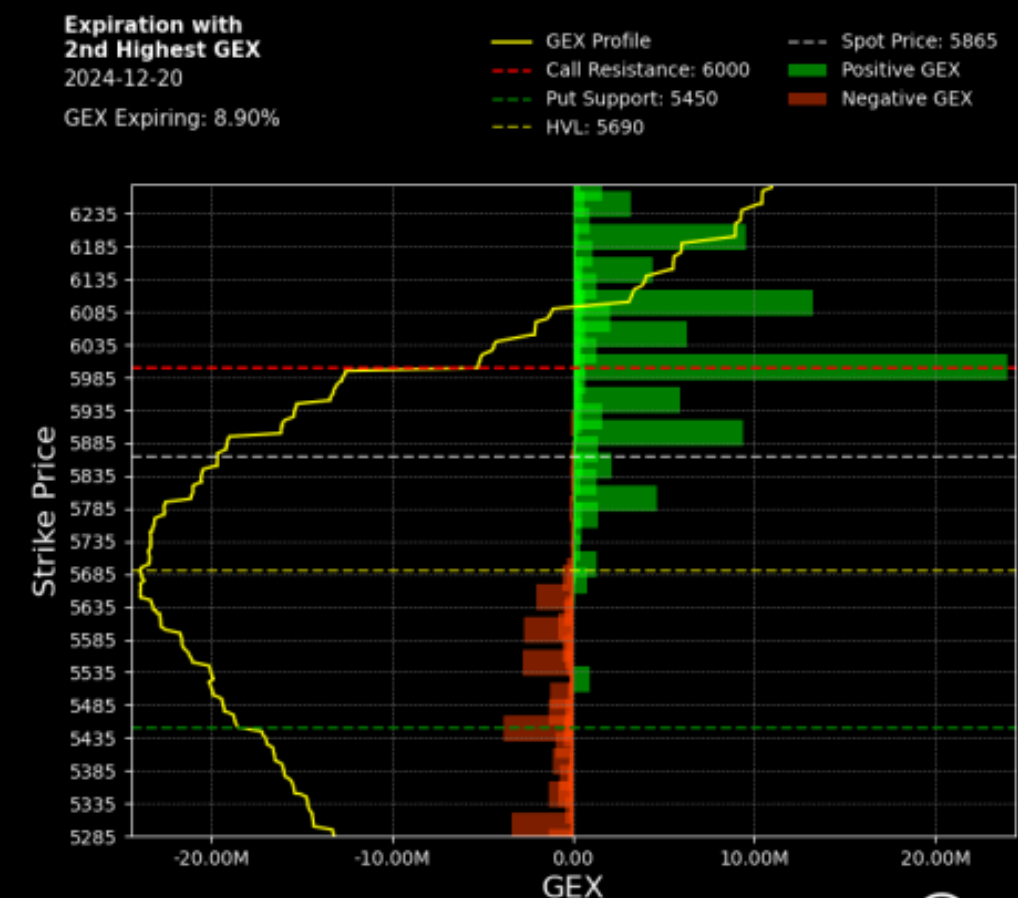
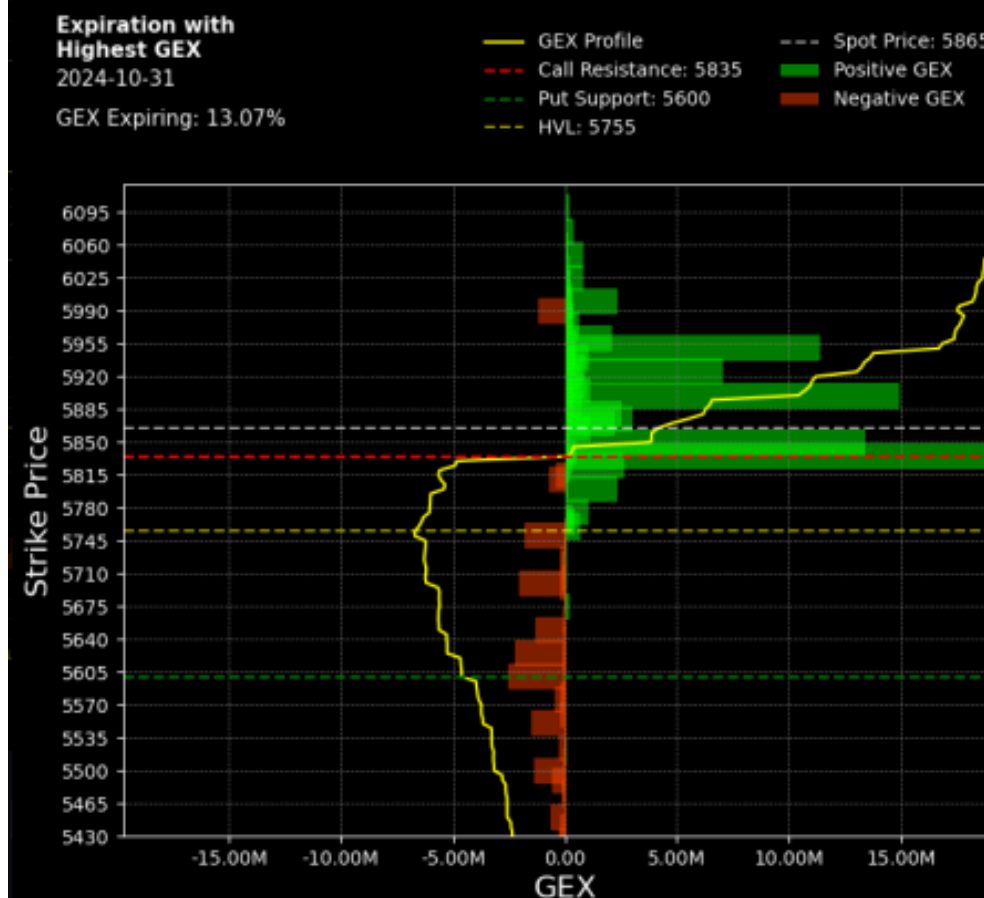
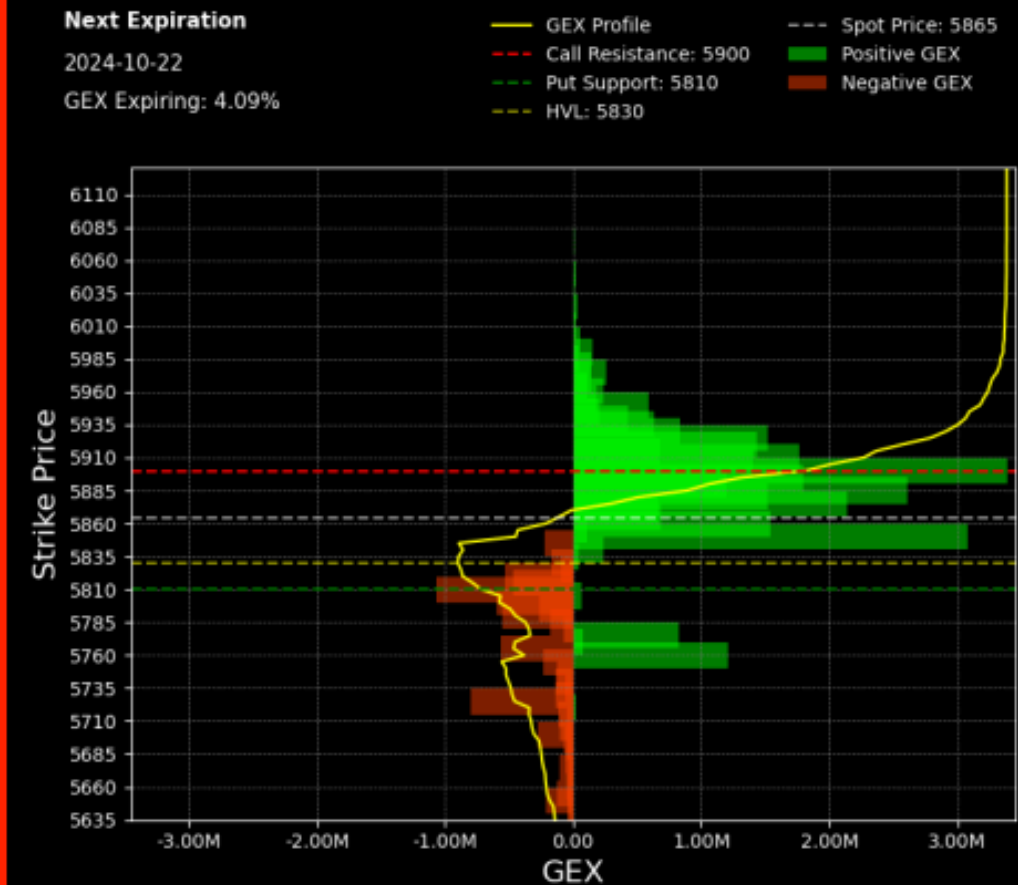
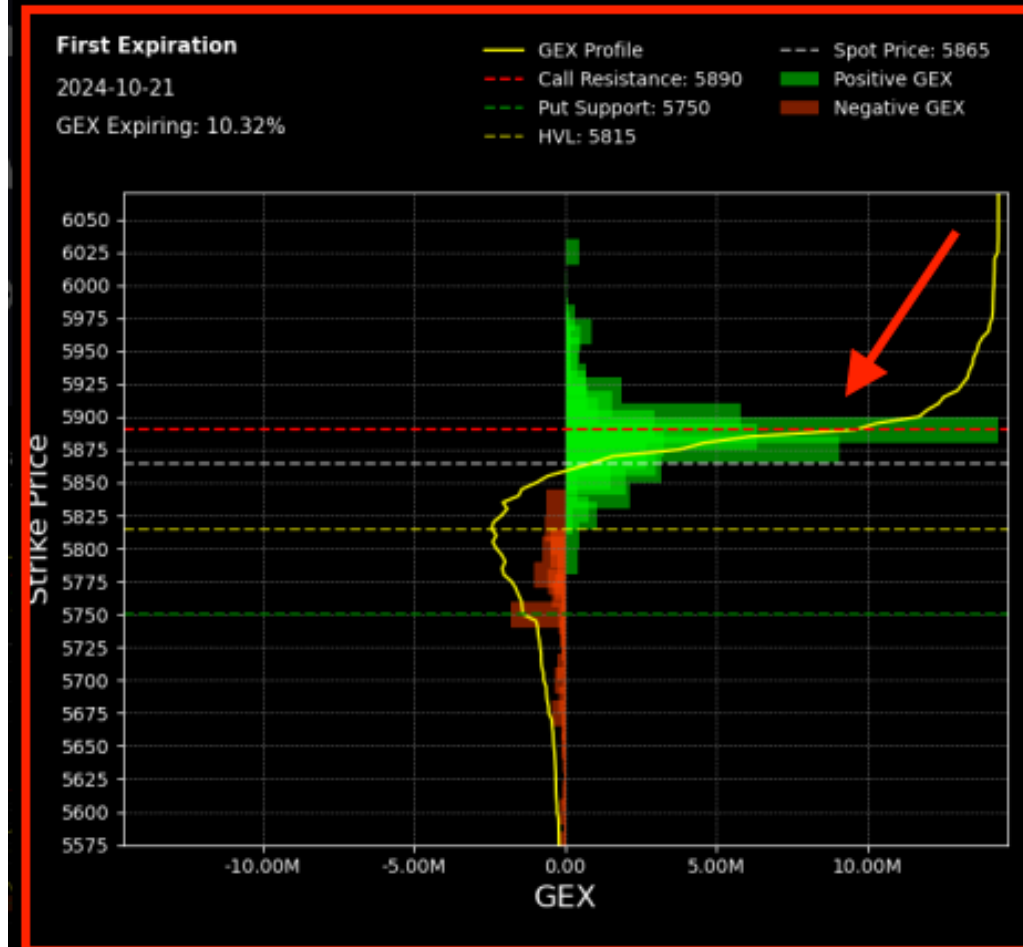
ODTE Gamma Levels (CR, PS and HVL ODTE)

At MenthorQ, we separate ODTE from full-chain gamma to help you:

- Filter out long-dated noise
- Focus on where intraday hedging flow will be most reactive
- Identify high-conviction support, resistance, and breakout zones

NET GEX Multi Expirations for SPX

Timestamp: 2024-10-18 16:14



ODTES LEVELS

ODTE options have extremely high gamma—especially near-the-money. That means even a small price move causes a big delta shift, which forces dealers to hedge rapidly using futures.

This makes the **intraday HVL, CR, and PS levels derived from ODTE flows highly reactive zones**—where real buying or selling is triggered in real time.

- **Call Resistance ODTE** = today's high gamma call wall
- **Put Support ODTE** = today's deep put exposure floor
- **HVL ODTE** = today's regime pivot

ODTES LEVELS

When price reacts to these levels:

- Expect rapid turns, breakouts, or pinning
- Reactions can be sharper than multi-day levels
- Flow can shift hour by hour based on real-time exposure

Use these ODTE levels to:

- Time scalps with greater precision
- Avoid fakeouts near CR/PS during high gamma hours
- Manage intraday risk with live volatility context

ODTEs LEVELS | ■ MAGNETS



ODTEs LEVELS | MAGNETS



1D EXP MOVE INDICATOR

A projected range that estimates how far the asset is likely to move in either direction on the day.

- **1D Min**
- **1D Max**



1D EXP MOVE INDICATOR

Why it matters:

- It gives you a realistic range for the day based on options pricing—not guesswork.
- Market makers hedge around this range, which creates pinning behavior near the expected high or low.
- Breaks outside this range often lead to explosive moves, because dealers are forced to adjust hedges rapidly.

Use it to:

- Anchor profit targets or reversal zones
- Define your risk-reward window
- Spot potential breakout days when price exceeds the range

1D EXP MOVE BACKTESTING

SPX Index

Period Considered: 11/01/2019 - 08/30/2023

Backtest Results:

Success 1D Min: **87.62%**

Success 1D Max: **85.02%**

1D EXP MOVE - APRIL 2nd 2025



1D EXP MOVE - APRIL 2nd 2025

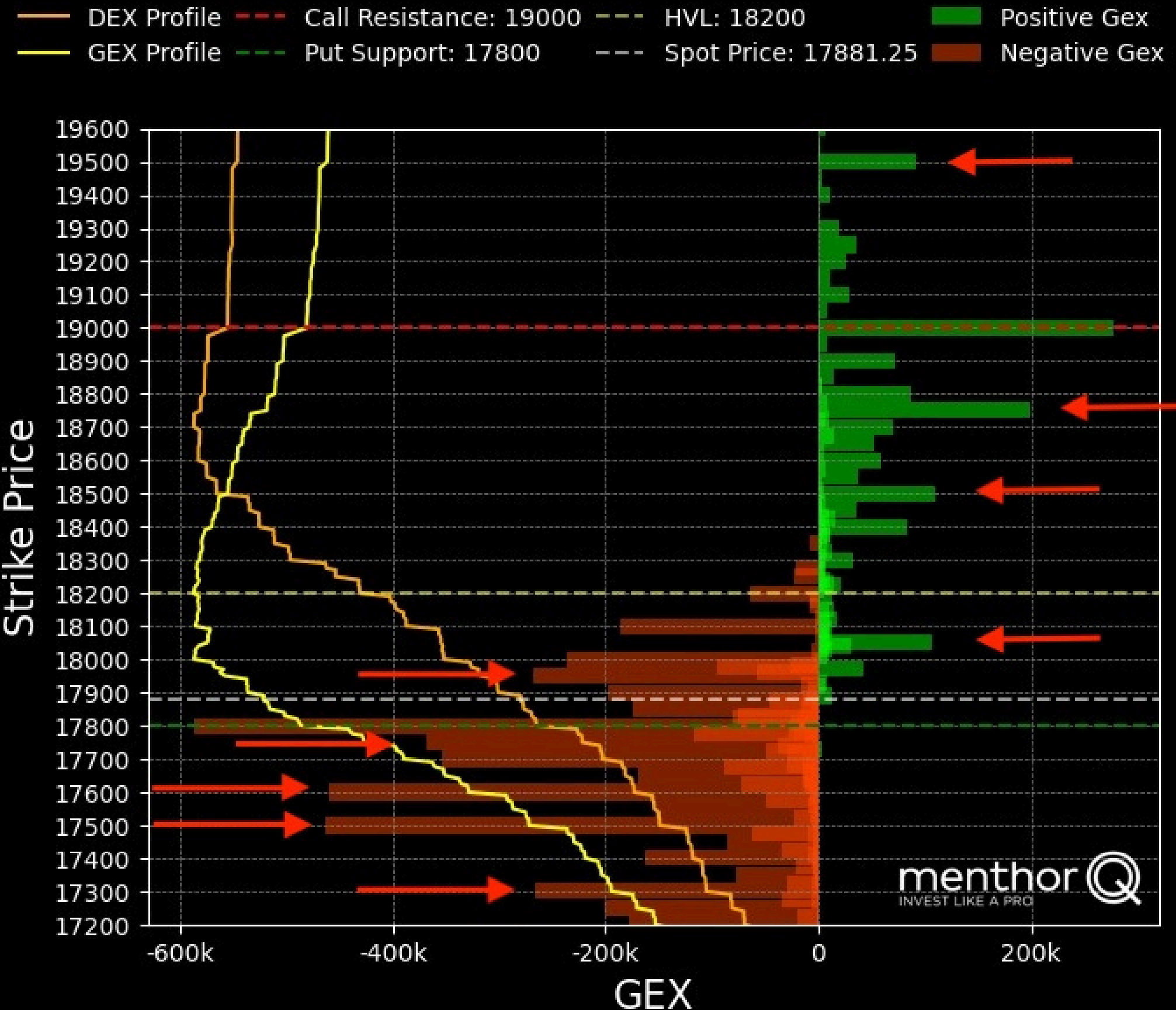


GEX Levels 1 to 10

They are Key Price Levels where there is more **Negative or Positive Gamma** based on market option positioning and open interest.

Net GEX All Expirations for NQ1!

Timestamp: 2024-04-16 15:59

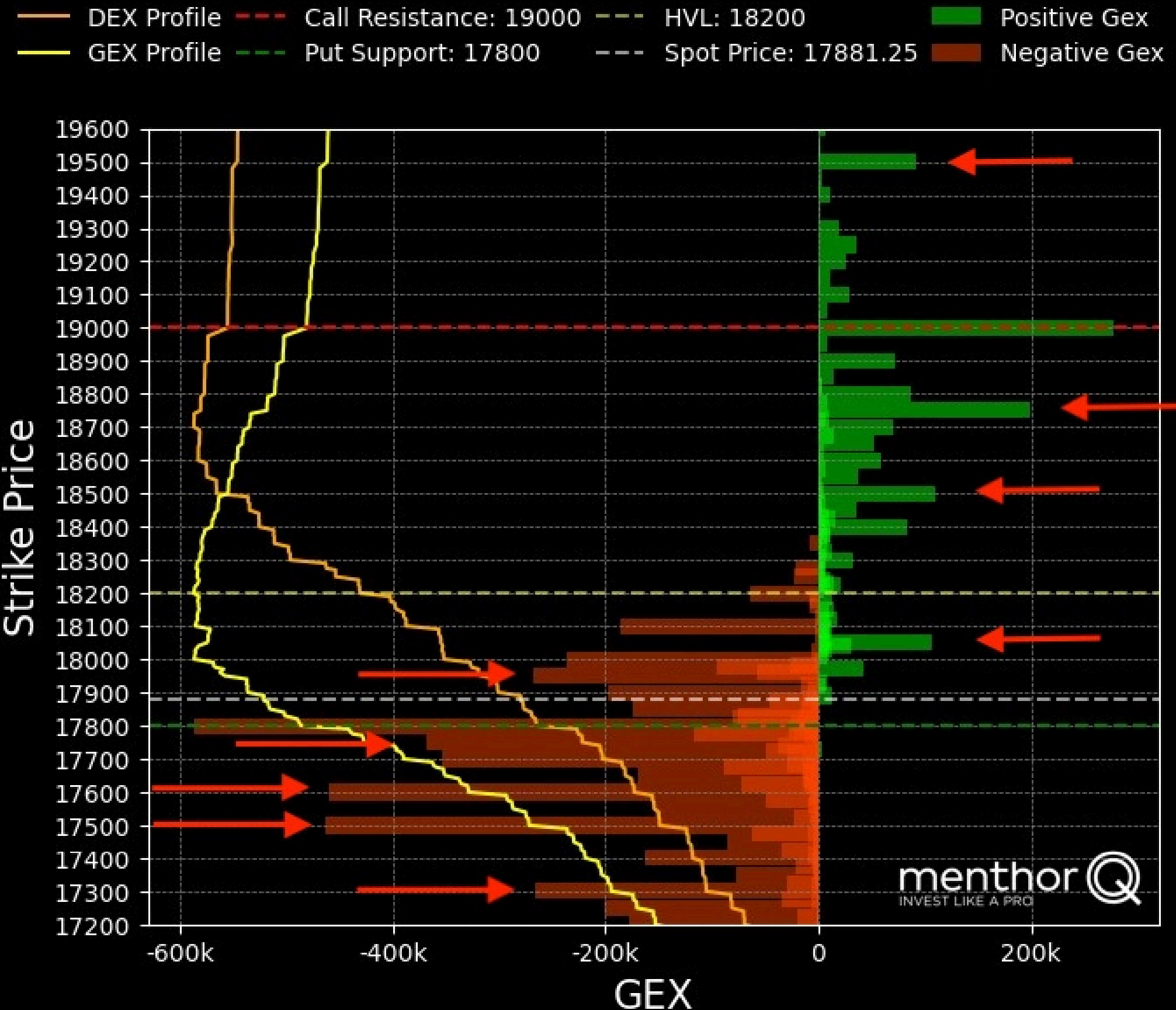


GEX Levels 1 to 10

- **GEX 1** = The highest gamma strike after Call Resistance or Put Support
- **GEX 2** = Second highest
- ...
- **GEX 10** = Tenth highest ranked strike by gamma magnitude

Net GEX All Expirations for NQ1!

Timestamp: 2024-04-16 15:59



GEX 1-10 | ■ REACTION ZONES



FAQs

FAQs

“When do Levels update?”

FAQs

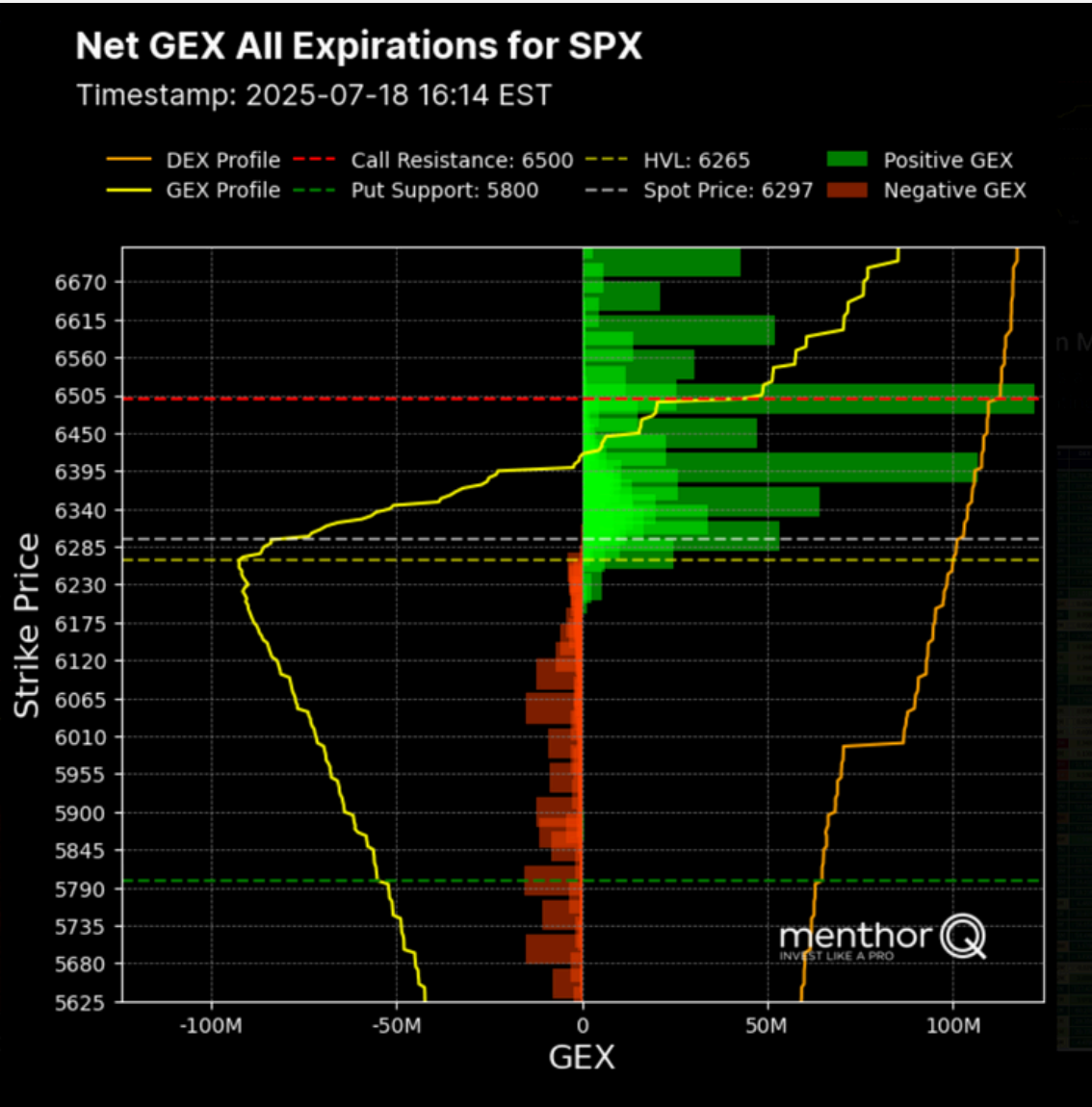
- **Stocks, ETFs, Indices EOD:** 6pm EST
- **Stocks ETFs, Indices Intraday:** 14 times per day
- **Futures EOD:** 11pm EST
- **Crypto EOD:** 8pm EST
- **Blind Spots Levels:** 11pm EST
- **Swing Levels:** 6pm EST

FAQs

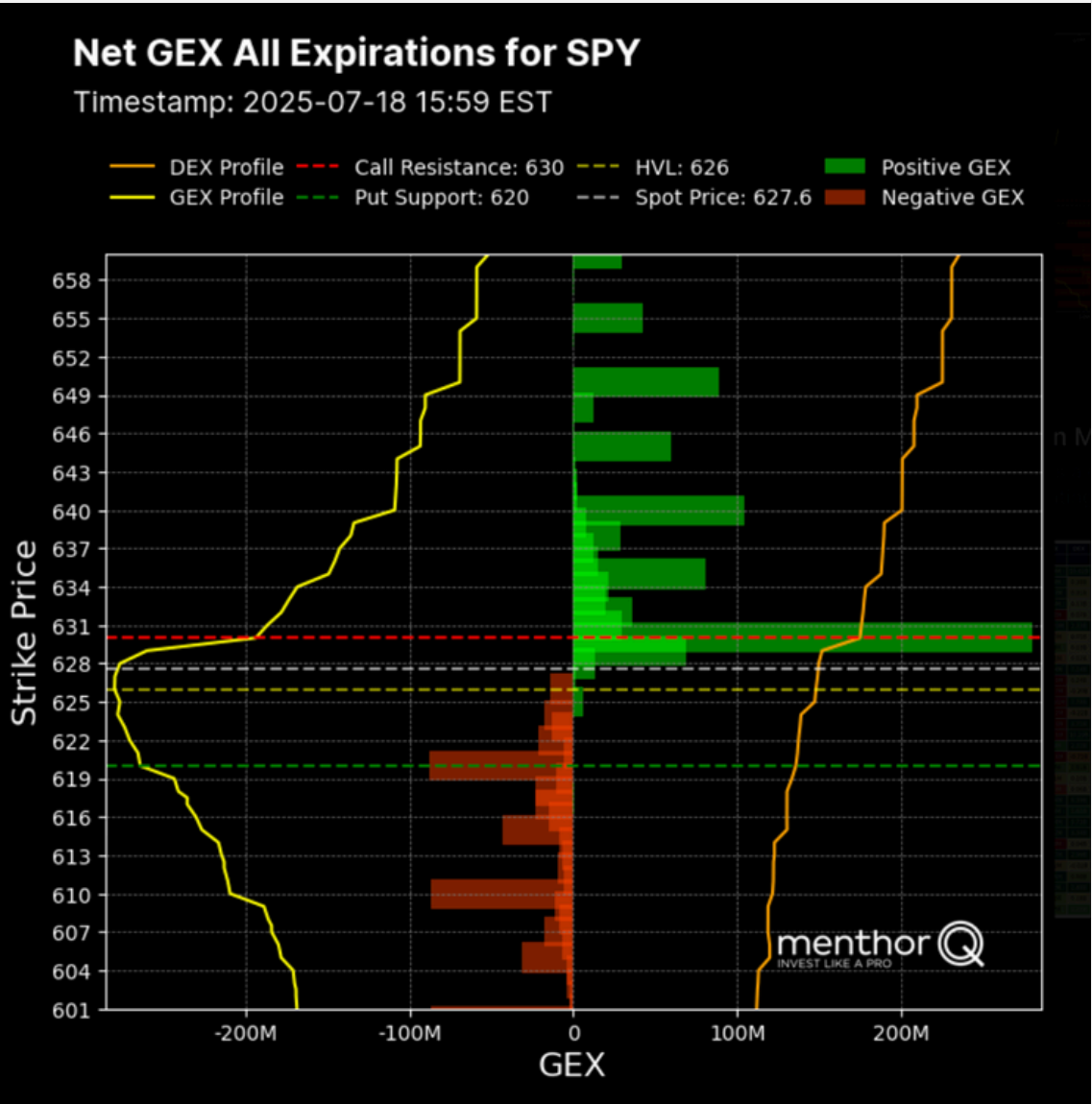
“You provide levels on ETFs and Indices. If I trade futures why should I convert levels and how it works?”

DIFFERENT CHAINS - BETTER EDGE

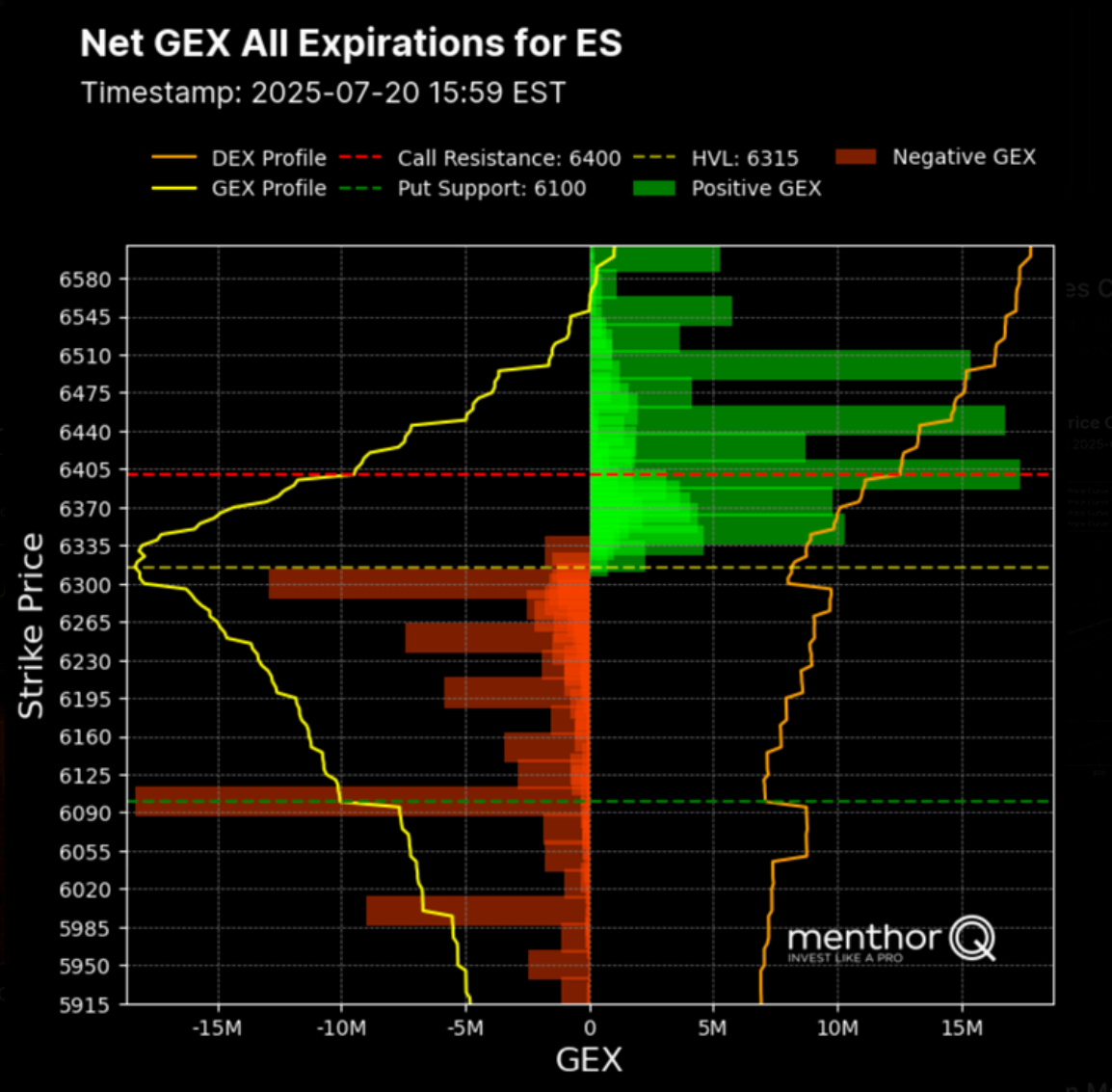
SPX



SPY



ES



DIFFERENT CHAINS - BETTER EDGE

Each product has a different customer base:

- **SPX** → Institutional Flow (cash-settled, big blocks)
- **SPY** → Retail + Asset Managers (ETF options, smaller size)
- **ES** → Futures Market Makers + Prop + CTAs

 **Options data** = reflection of positioning + risk

 **By comparing levels across all 3:**

- Spot hidden consensus zones
- Confirm high conviction strikes
- Detect unusual divergence between flows

 **MenthorQ standardizes these levels → so you can trade futures with a complete picture**

LEVELS CONVERSIONS | FUTURES

ES	SPX or SPY
NQ	QQQ NDX MAG7
RTY	IWM
YM	DIA or Blind Spots

BTC	IBIT
ZB	TLT
GC	GLD
CL	USO

FAQs

**“When should I use EOD vs
Intraday? What is better?”**



WHY INTRADAY LEVELS MATTER

MenthorQ provides **Intraday Gamma Models on Stocks, ETFs and Indices**. They update **14+ times per day!**

- Predict support, resistance, or breakout levels
- Track where flow changes, not just where price has been
- Derived from ODTE options, where gamma is highest
- Show where dealers must hedge aggressively today

Strategic Edge for Active Traders

- Ideal for scalps, fades, and breakout entries
- Adaptable for any timeframe within the session
- Align trades with actual market structure and positioning
- Intraday Levels can be converted to Futures



THANK

YOU