

Long Put Calendar

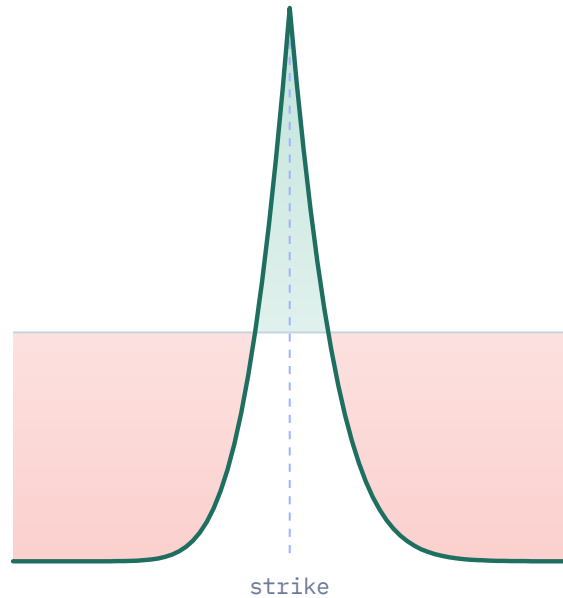
A calendar built from puts — with assignment risk in the near leg.

also: put calendar spread

PAYOFF PROFILE

Profit / loss per contract unit

Profit



Loss

Value at the near expiration, not a classic expiry payoff.

Price at expiration →

CONSTRUCTION

- -1 Put at the strike (near expiration)
- +1 Put at the strike (far expiration)

KEY FIGURES

Maxprofit	depends on implied volatility and time left
Maxloss	approximately the debit
Break-even	simulation only
Profitzone	price near the strike at the near expiration
Capitalrequired	equal to the debit
Opening	premium is paid

WHAT HELPS THE POSITION

Direction	Direction barely matters
Movement	Large moves hurt
Time	Time works for you
Volatility	Rising volatility helps

WHAT PAYS YOU

Volatility Size of the move against you

You get paid on the IV term structure, and on the two expirations decaying at different speeds.

TYPICAL USE

Market phase	sideways range, calming down after a volatility spike
Volatility	low (IV rank < 30) / medium (IV rank 30-50)
Goal	Trading volatility, Hedging
Expiration	nahes Leg 20-30, fernes Leg 50-90 days
Strike choice	ATM
Assignment risk	medium on the near-term short put

EXIT & MANAGEMENT

Take profit	20-40% of the debit
Loss limit	50% of the debit
Time rule	decide before the near expiration

THE ONE QUESTION BEFORE ENTRY

What is your plan if the near-term short leg gets exercised early?

COMMON MISTAKES

- Early assignment on the near short put leaves you short stock overnight



Related: Long Call Calendar · Long Put Diagonal — Opposite: Long Strangle
Figures are per contract unit at expiration, before fees and tax. This is not investment advice — options can lose their entire value.