

SMART ALPHA INVESTOR

# Options Income Guide

How to use Covered Calls (CC) and Cash Secured Puts (CSP) in Smart Alpha Investor.

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Website: [wealth.amtechlabs.com](http://wealth.amtechlabs.com)

Educational and platform-use guide. This guide does not provide financial, tax, or legal advice and does not guarantee investment results.

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# Purpose

The Income workflow helps users identify symbols suitable for options income strategies. It supports Covered Calls (CC) and Cash Secured Puts (CSP).

Options involve risk. Assignment, early exercise, volatility, and rapid price moves can create losses or cap upside. Use only with defined rules.

## Covered Calls (CC)

A Covered Call is typically used when you own shares and sell a call option to collect premium. It can generate income but may cap upside if the stock rises beyond the strike.

You own shares, price is near resistance, RSI is elevated, premium is attractive.	You expect a strong breakout or do not want shares called away.	Resistance, RSI, trend, expiration, strike, premium.

## Cash Secured Puts (CSP)

A Cash Secured Put is used when you are willing to buy shares at a lower effective price. You sell a put and keep enough cash to buy if assigned.

Quality symbol near support, market not Risk-Off, you are willing to own lower.	Strong Risk-Off, support breaking, or you do not want assignment.	Support, strike, expiration, premium, account cash.

## Suggested Expiration and Strike Thinking

- Typical income watch zone: about 2-8 weeks out.
- For CC: consider strikes above resistance or where you are comfortable selling shares.
- For CSP: consider strikes near/below support where you are willing to own.
- Avoid chasing premium when risk is rising sharply.

## Simple vs Pro in Income

Simple	Quickly see candidate type and basic guidance.
Pro	Review premium, strike/expiry logic, support/resistance, and risk notes when supported.

# Income Rules

- Never sell CSP on a symbol you would hate to own.
- Do not sell CC too close if you want to participate in upside breakout.
- Keep income trades small enough to survive adverse movement.
- If market shifts Risk-Off, reduce CSP aggression.