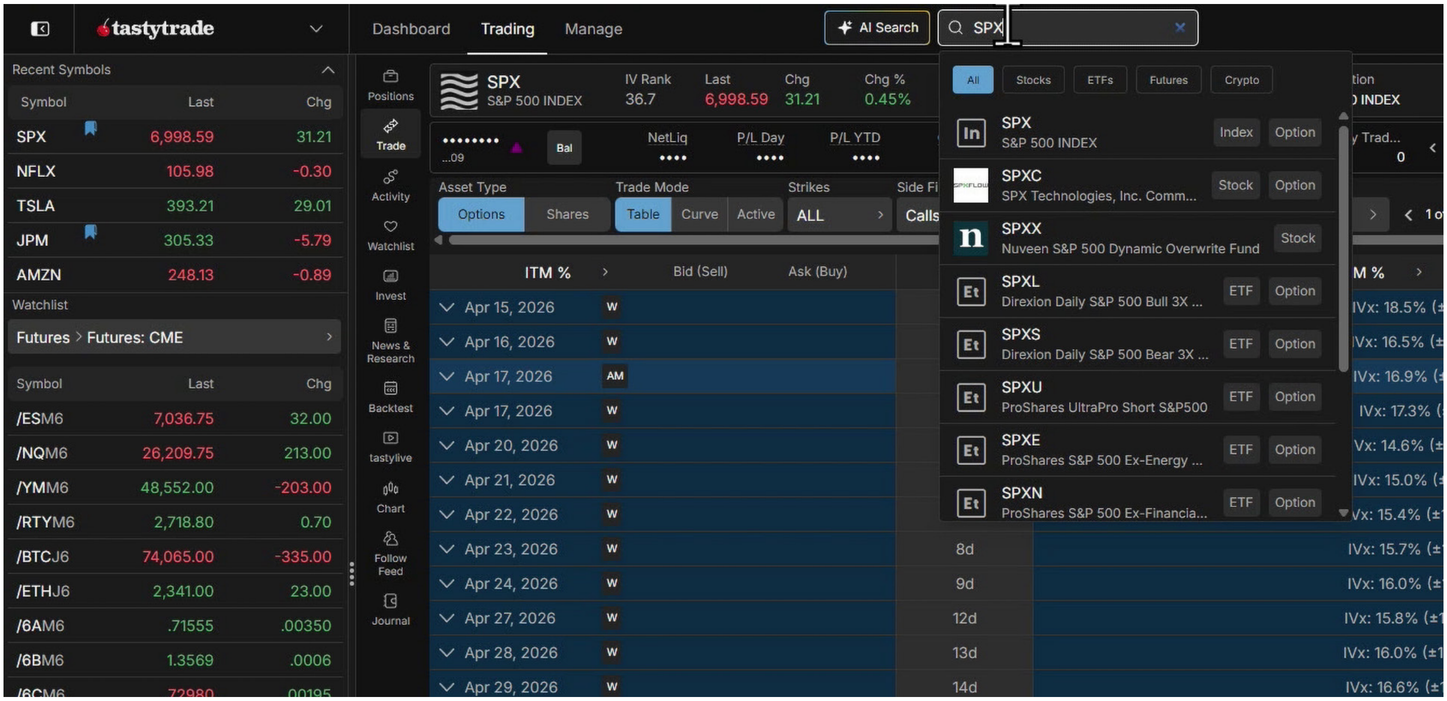
How to Trade Cboe® Index Options on tastytrade

Cboe S&P 500® index options provide efficient exposure to the U.S. equity market while supporting strategies for risk management, hedging, asset allocation, and income generation. With key advantages like cash settlement, European-style exercise, potential 60/40 tax treatment, and flexible contract sizes and expirations, index options offer unique benefits for traders. Check out Cboe's in-depth guide to learn about these benefits in detail.

Ready to trade? Follow the steps below to place a trade on SPX® options using the tastytrade platform.

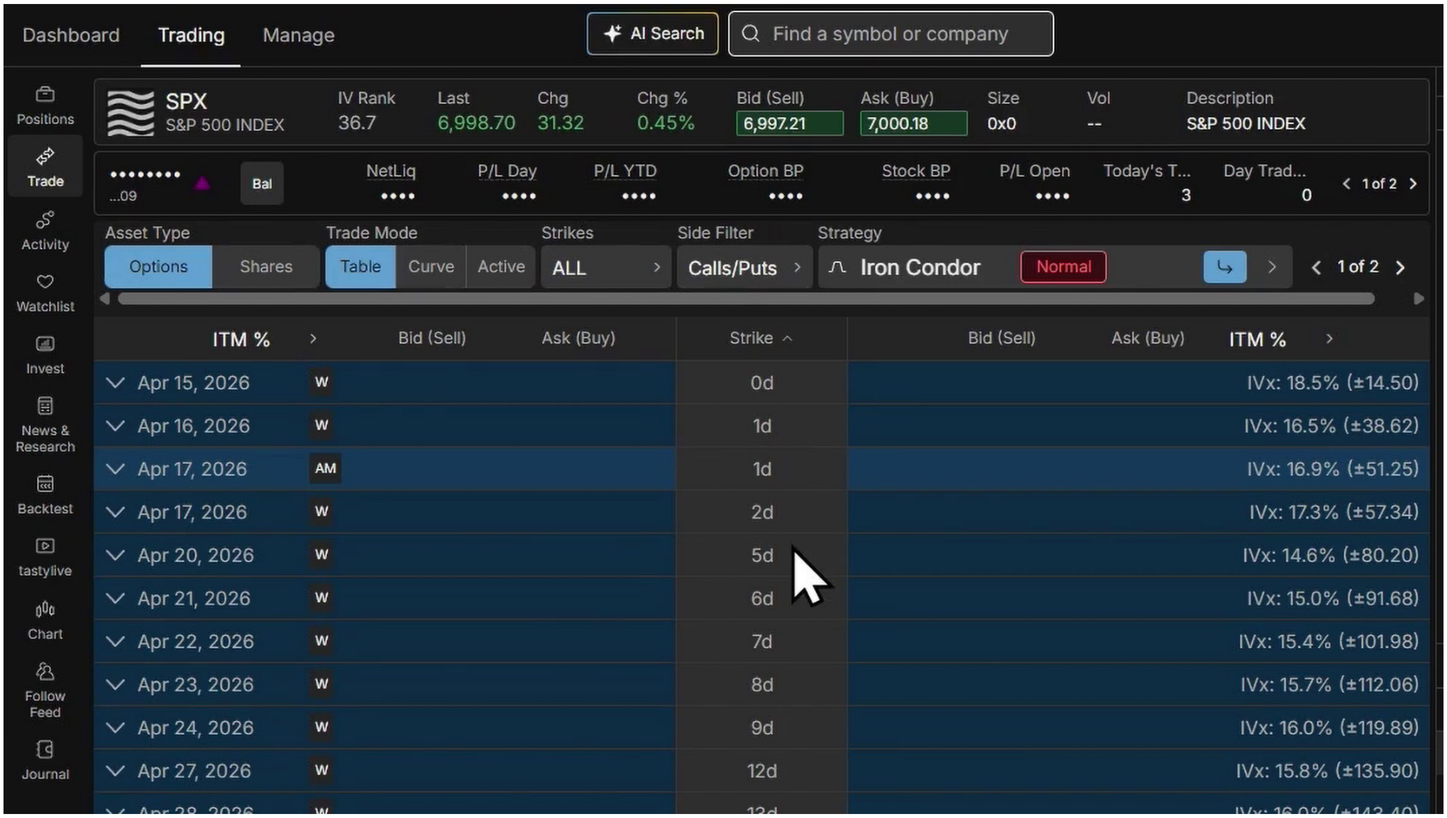
Step 1

Log in to your tastytrade account and make sure you're on the **trading screen**. In the ticker symbol box, **type SPX** and select it from the results. This will open the Trade tab and load the SPX **options chain**, where you can view expirations and available contracts.



Step 2

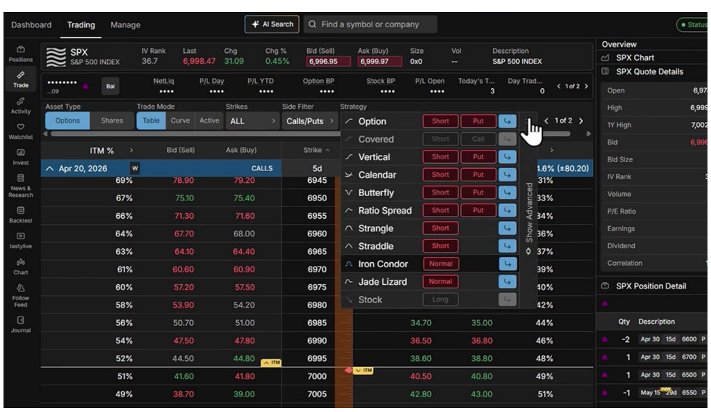
From the options chain, locate the expiration cycle you'd like to trade. For this example, we'll choose a five day **expiration cycle.** Click to expand the expiration and view the available **strike prices.**



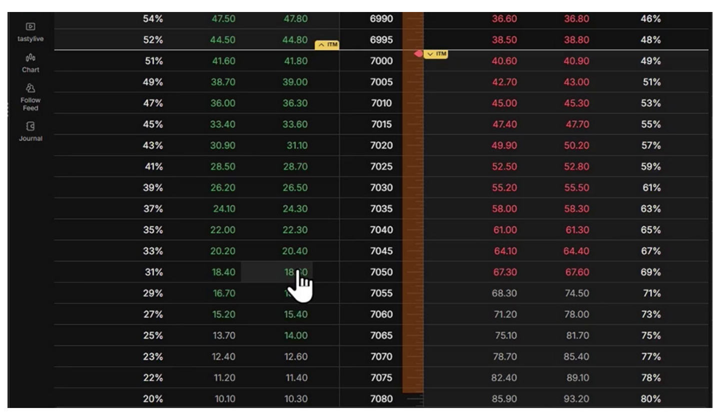
Step 3

From the options chain, you can select your contract in one of two ways. You can use the strategy menu to choose a trade type, such as a Long Call, which will highlight relevant contracts. Or, you can place the trade directly from the table by clicking the ask price to buy or the bid price to sell.

In both cases, clicking the bid or ask will populate the order ticket.



Strategy menu



Select ask or bid price

Step 4

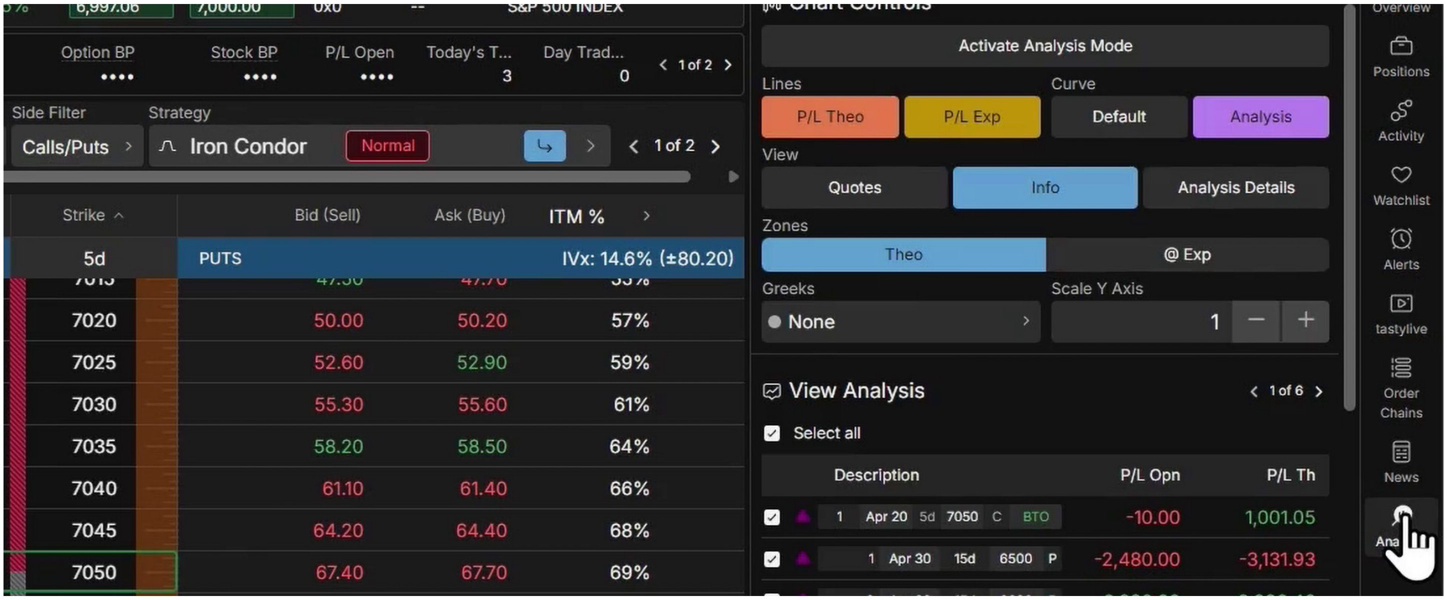
Before submitting the order, you may choose to select **Analysis** to review the position.

This opens a payoff diagram showing the position's theoretical profit and loss.

From here, you can:

- Drag the position left or right to view performance at different underlying prices
- Adjust the date, theoretical spot price, or implied volatility
- See how changes in these inputs impact the position's theoretical P&L

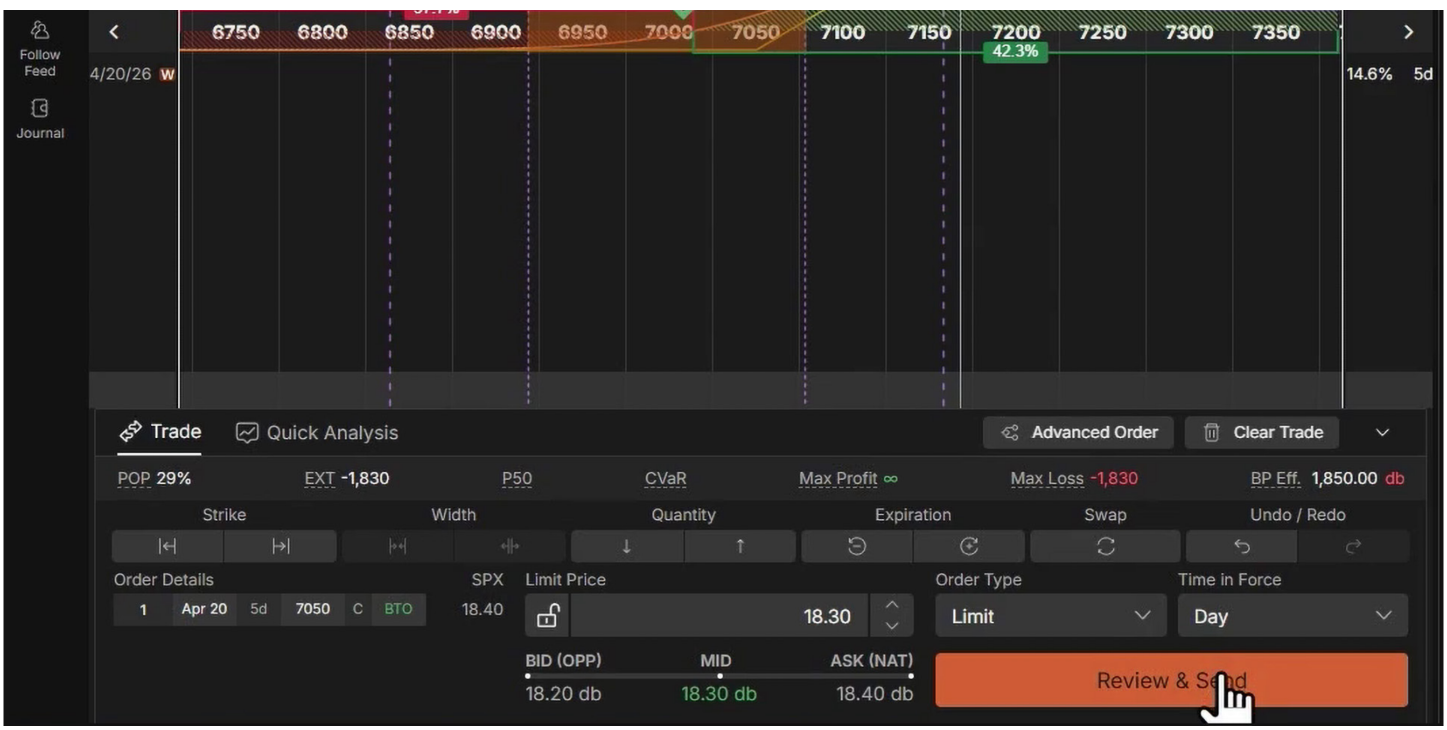
This step is optional, but it can be helpful for understanding how the trade might behave under different market conditions.



Step 5

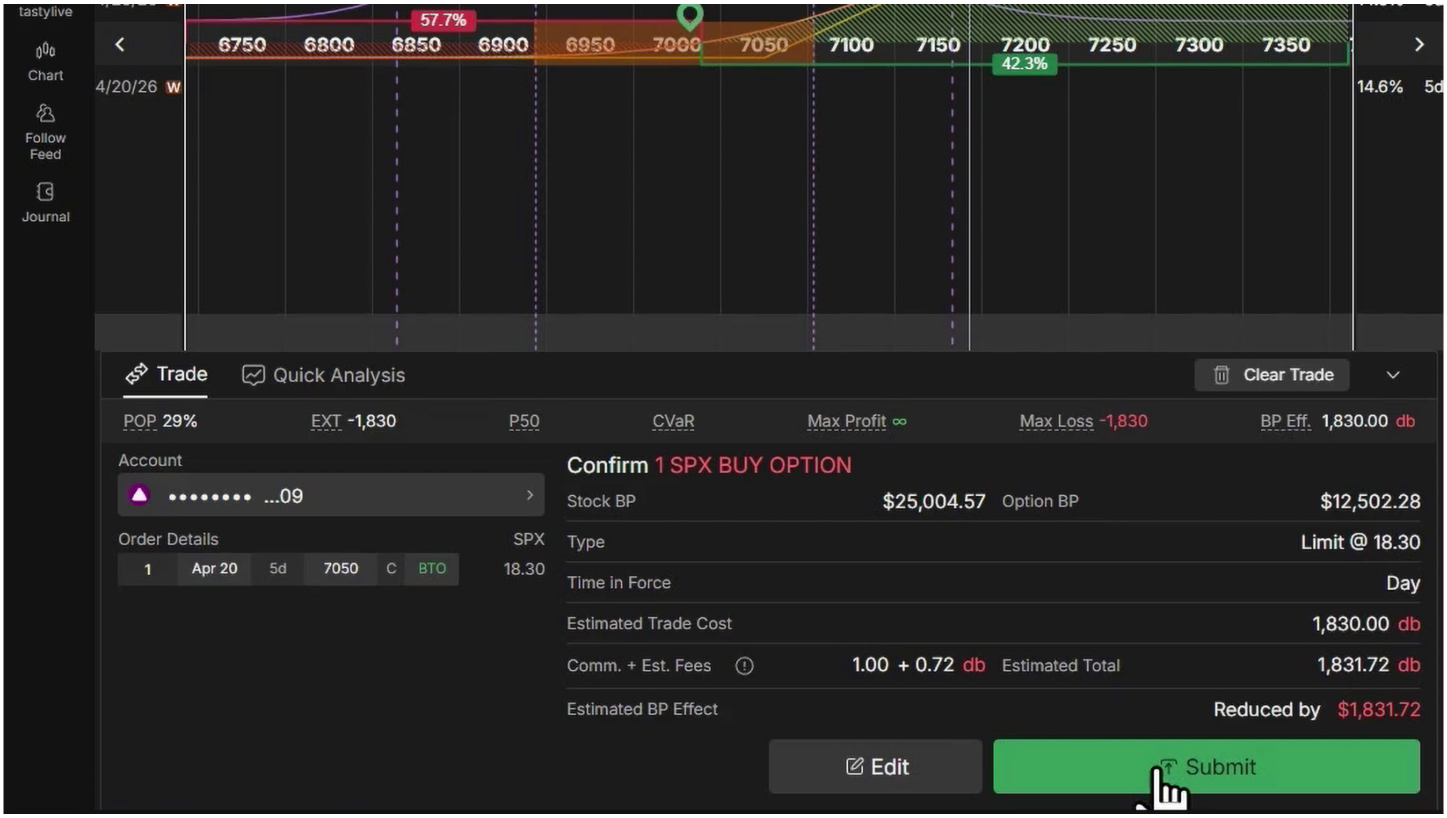
Select **Review & Send.** On the review screen, you can confirm the order details, including:

- Commissions and fees
- Buying power effect
- Total cost of the trade
- Maximum profit and maximum loss, if applicable



Step 6

Once reviewed, submit the order. After confirmation, the position will appear in your **Orders** or **Positions** tab.



Done!

Your SPX option trade is placed on tastytrade.

Want to learn about multi-leg index options trading strategies?
Check out our [Common Index Options Trading Strategies] explainer.