

The Simple Way to Profitably Trade Unusual Options Activity

Dave Forster - *Unusual Options Activity Strategist*



Trading legend Dave Forster reveals how he followed Wall Street's "secret footprints" and made overnight gains of 538% on Nike, 589% on Nu Holdings, and even 782% on Mosaic.

Hi, Dave Forster here.

It sounds so simple. If you want Wall Street-sized profits, the easiest way to get them is to follow in Wall Street's footsteps.

But have you ever tried it?

That is where this seemingly simple idea quickly turns into a ball of tangled yarn. By the time most 13F disclosures are released, the real opportunity has often already come and gone. Dark pools can obscure meaningful buying and selling activity. Financial media floods the market with commentary after the fact. And social media amplifies rumor, hindsight, and noise.

The simple truth is: Wall Street goes to extraordinary lengths to hide its true intentions. Because the less you know, the more likely they are to win. And when they win, they tend to win big.

Yet there is one place where their size can become a liability instead of an advantage. One place where aggressive positioning can leave a visible trail. One place where everyday traders who know what to look for can begin spotting institutional intent before the move becomes obvious to everyone else.

That place is the options market.

And the trail those institutions leave behind is called **Unusual Options Activity**.

In this easy-to-read report, I'm going to reveal a practical, step-by-step framework for pinpointing Wall Street's real intentions. More importantly, I'll show you how traders can use that insight to pursue the kind of outsized opportunities most people assume are reserved for institutions alone.

Inside this report, you'll discover

- 1 The **ONE Wall Street move** that matters more than any other.
- 2 How to cut through Wall Street's "wall of noise" and **consistently** find this signal.
- 3 My clear, rule-based approach to trading this insider's view for gains that can run from 538% to 589% to 782%, or **possibly more**.
- 4 Why this approach is shockingly practical, **beginner friendly**, and does not require a huge trading account to get started.

This is not a theory-heavy method built only for hedge funds. It is a practical way to read market behavior, focus on what actually matters, and stop guessing where the smart money may be headed next.

What Exactly Is Unusual Options Activity – and Why Should You Care?

Unusual Options Activity, or UOA, occurs when the volume in a specific options contract surges far above its historical norm or existing open interest. Open interest is simply the total number of active contracts that have not yet been settled or exercised. When daily volume dwarfs open interest, it often signals that a large trader is opening a meaningful new position rather than merely rotating out of an old one.

That matters because the options market is often where informed capital chooses to position itself ahead of major events. When a trader commits substantial premium to short-dated, aggressive contracts, that behavior can imply conviction, urgency, and a directional view that is not yet obvious in the stock chart alone.

Think of it this way. If you saw a fleet of armored trucks pulling up behind a building, you might not know exactly what was about to happen inside. But you would know something important was happening. UOA works much the same way. It does not guarantee the precise outcome, but it can tell you where serious money believes the action is about to be.

The Science Behind the Signal: What the Research Suggests

The predictive value of options flow is not just a story repeated in trading chat rooms. It has been studied in academic finance for years.

A landmark study by Chakravarty, Gulen, and Mayhew found that the options market contributes meaningfully to price discovery, showing that informed investors trade in both stock and options markets and that options activity can reveal information before it is fully reflected elsewhere. A later study by Patel found that the options market's role in price discovery may be even larger than earlier estimates suggested.

More recently, research discussed by Wayne State University highlighted that certain forms of unusual options activity, especially large trades that are both near expiration and out of the money, were associated with statistically significant abnormal returns. In plain English, not every big options trade is informative, but some specific types of aggressive options flow appear far more likely to matter than others.

Study	Key Finding	Why It Matters
Chakravarty, Gulen & Mayhew (2004)	Options markets contribute materially to price discovery.	UOA can act as an early window into informed positioning.
Patel (2020)	The role of options in price discovery may be substantially larger than previously thought.	Important stock moves may show up in options flow before they appear clearly in price action.
Strong / Wayne State coverage (2025)	Certain large, near-expiration, out-of-the-money trades were linked to abnormal returns.	Filtering for the right kind of UOA may create a more repeatable edge.

This does not mean blind imitation is wise. It means disciplined interpretation can be valuable.

The ONE Wall Street Move That Matters More Than Any Other

Institutions can hide in many ways. They can scale into stock positions slowly. They can use dark pools. They can hedge exposure across multiple instruments. But when they place aggressive, directional options bets in size, especially in contracts that are short-dated and out of the money, they often reveal something more urgent than ordinary portfolio maintenance.

That is the move that matters.

A large institution does not usually buy leveraged options in size for entertainment. It does so because it believes a catalyst is near, the potential move could be meaningful, and the options market offers the fastest way to express that conviction. For retail traders, that is powerful because it levels the playing field. Instead of trying to decode every headline, every indicator, and every pundit opinion, you can focus on the footprint that tends to matter most.



How to Cut Through Wall Street's "Wall of Noise" and Consistently Find This Signal.

Most traders fail with a UOA trading strategy for one simple reason: they treat every spike in options volume like a buy signal.

That is a mistake.

Some unusual trades are hedges. Some are exits. Some are spread structures with no clean directional meaning. Some are just noise. To separate high-conviction institutional footprints from random clutter, you need a filtration process.

The strongest signals often share several characteristics.

Filter	What to Look For	Why It Matters
Volume vs. Open Interest	Volume greatly exceeds open interest. e reliable income streams for life after work.	Ensures comfort and lifestyle continuity.
Premium Size	Serious dollars committed, not just large contract counts.	Provides stability and peace of mind.
Strike Selection	Out-of-the-money calls or puts.	Protects assets from unexpected costs.
Time to Expiration	Near-term contracts.	Builds lasting family legacies.
Repetition / Clustering	Similar flow appears over multiple sessions.	Tools to safeguard assets and transfer wealth across generations.

When several of these factors align, you are no longer reacting to random alerts. You are reading a roadmap drawn by some of the most informed participants in the market.

My Clear **Rule-Based** Approach to Trading the Signal

What makes this approach compelling is not merely that it can uncover exciting profit opportunities. It is that it can be traded with structure.

A sound UOA strategy begins by identifying unusually aggressive options flow that passes strict filters. Then the trader evaluates whether the flow is likely opening activity, whether the timing implies urgency, and whether the underlying stock's price behavior supports the thesis rather than contradicting it. Only then does a trade become worth serious attention.

From there, risk management matters just as much as signal quality. Position size must remain controlled. Profit targets should be planned in advance. Losses must be capped. And no trader should assume that any single signal, no matter how compelling, removes the need for discipline.

That is where a real edge lives. Not in excitement. Not in hype. In a repeatable framework that helps traders focus on better opportunities and manage them rationally.

The Proof in the Price: Trade Examples That Get Traders' Attention

The appeal of UOA becomes obvious when it precedes a large move. And that is why some of my highlighted trade outcomes command so much attention.

In these examples, the real point is not just the headline percentage gain. It is the sequence: unusual call buying appears first, the broader market remains relatively unconvinced, and then a catalyst forces price to catch up. That is the dynamic that makes these trades so compelling.

Continued: The Proof in the Price: Trade Examples That Get Traders' Attention

Example	Reported Gain	Why It Matters
Nike	+538% overnight	Massive call buying appeared ahead of Nike's June 2025 earnings announcement while the stock was still flat. After blowout earnings, the tracked options chain surged overnight.
Nu Holdings	+589%	A large block of calls was bought in NU Holding, signaling aggressive institutional interest before the stock went on a run.
Mosaic	+782% overnight	A roughly \$2 million, out-of-the-blue call purchase pointed to a sharp upside bet. The next day, supply-chain-related news helped send the stock higher and the tracked options exploded in value.

These examples are powerful not because they imply every trade will produce triple-digit returns... they are powerful because they show how institutional positioning can sometimes telegraph a move before the underlying catalyst becomes obvious to the crowd.

They also illustrate that the catalyst does not have to be limited to earnings. It can be a supply shock, a contract win, an approval, a rumor, or any other event that pushes informed traders to act with urgency.

The deeper lesson is not that every UOA setup will become a home run. It is that unusual options flow can sometimes reveal opportunities with an unusually favorable reward profile relative to the risk taken.

Additional Proof: MORE Real-World Case Studies

Case Study 1: META Before Earnings

Ahead of Meta Platforms' late-January 2026 earnings report, options flow began to intensify. In the days leading up to the announcement, there was a visible accumulation of options contracts, followed by another spike just before earnings. Volume surged to roughly **3.4 times** its 20-day average, with more than **\$60 million** worth of contracts changing hands as traders positioned aggressively.

When earnings were released, META reportedly gapped up approximately **10.4%**. The key takeaway was not simply that the stock moved. It was that the options market signaled heightened conviction before the news became obvious to the broader market.

Case Study 2: NVDA During Fear-Driven Selling

In late January 2026, NVIDIA sold off sharply alongside broader technology weakness. While many retail traders were reacting to fear, the draft argued that institutions were using the weakness to accumulate positions through the options market.

A signal reportedly confirmed on **February 4**, after which NVDA rebounded by roughly **7.9%** over the following days. The larger point is that UOA can help traders look past headlines and focus on what informed capital appears to be doing beneath the surface.

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Together, these examples strengthen the core argument that major moves often look obvious only in hindsight, but unusual options flow can sometimes provide an earlier clue.

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A Market Tailor-Made for This Strategy

The current market environment has also helped make this approach especially relevant. CBOE's 2025 State of the Options Industry report described 2025 as the sixth consecutive record year for U.S.-listed options volume, with total volume surpassing 15.2 billion contracts and average daily volume reaching roughly 61 million contracts.

That combination of high activity, elevated participation, and abundant liquidity means that unusual options flow may appear more frequently than in quieter market eras.

Shockingly Practical. Beginner Friendly. And It Does Not Require a Huge Account.

One of the strongest benefits of this trading approach is that it does not demand institutional infrastructure.

You do not need an army of analysts. You do not need to monitor macro headlines all day. You do not need a huge account to begin learning how to evaluate and trade high-quality setups responsibly. What you do need is a reliable way to identify meaningful options flow, a clear process for filtering it, and the patience to wait for signals that actually deserve attention.

That is why this method can feel so practical. It simplifies decision-making. It gives traders a framework. And it can be more beginner friendly than methods that require constant prediction, nonstop screen time, or complicated discretionary judgments.

From Screen Slave to Strategic Trader

For many retail traders, the true burden of trading is not only financial. It is emotional.

It is the exhaustion of watching charts all day. It is the frustration of reacting late. It is the feeling that more effort is somehow producing less clarity.

UOA offers a different paradigm. Instead of forcing traders to manufacture conviction from noise, it encourages them to wait for the market's most informed participants to show their hand. Instead of taking many mediocre trades, they can focus on fewer opportunities with stronger underlying logic. Instead of becoming consumed by the next headline, they can return to a simpler question: **What is the smart money actually doing?**

This does not eliminate risk. No method can do that. But it can reduce noise, improve selectivity, and make the trading process more intentional and more sustainable.

Get Access To The 1-Trade Workweek Workshop For The Next 48 Hours:

Where the Smart Money Edge Becomes Yours

Everything you have read in this report – the academic research, the institutional footprints, the filtration system, the real-world chart examples – it all points to one conclusion: **the most profitable trade you will ever make is the one where you let Wall Street do the research for you.**

But knowing the theory and executing it profitably are two very different things. Which signals matter most? How do you filter the hundreds of UOA alerts that fire every single day down to the one trade that offers the highest probability of success? How do you size the position? When do you take profits? How do you manage the risk?

These are the questions that separate traders who understand UOA from traders who profit from it.



That is exactly why I created the 1-Trade Workweek Workshop...

Presented by myself and the team at **Base Camp Trading** — trusted by over 129,000 traders, rated 4.9/5 on Trustpilot, and backed by 75+ years of combined professional trading experience — this jam-packed workshop is designed to hand you the complete, step-by-step system for turning Unusual Options Activity into a single, high-conviction trade each week.

Here is just a sampling of what you will walk away with:

The Pre-Trade Checklist: The exact step-by-step process I use before entering any position.

How To Read Order Flow (Using FREE Tools): No expensive software required. You'll see exactly what numbers matter and what to ignore.

The 3 Critical Numbers Training: Volume. Open interest. And the ratio between them — the key signal most traders miss.

Entry, Exit, and Risk Rules: Know when to get in, when to take profits, and when to cut risk quickly.

Picture this: instead of spending 40 hours a week glued to charts, you spend less than an hour identifying the week's highest conviction institutional signal. You place one trade. You manage it with a clear, rules-based plan. And you spend the rest of your week doing whatever you want — with the confidence that your capital is aligned with the most informed money on Wall Street.

That is not a fantasy. It's the same types of setup that helped Base Camp Trading members achieve results like:

- "I'm at \$45,000 profit! Wow what a great group!" — John W.
- "\$4,000 day today." — Larry J.
- "17 winners in a row." — Steven P.
- "\$5,700 in 25 seconds." — Rick V.
- "Closing today for \$2,357 profit." — Richard D

It is time to stop reacting. And start positioning.

It is time to stop reacting. And start positioning. Do not let another week go by where you are fighting the institutions instead of trading alongside them.

We're leaving the details on the workshop up for the next 48 hours then we're going to decide whether to keep it open any longer...

So do yourself and your trading account a big favor and check it out before it disappears for good.

48-HOUR NOTICE:
Get the Details on My 1-Trade Workweek Workshop Now!



Final Word

The simple way to profitably trade unusual options activity is not to predict more. It is to observe better.

It is to understand that while Wall Street may hide behind delayed disclosures, dark pools, and deliberate complexity, there are still moments when urgency creates a visible footprint. And when traders learn how to identify that footprint, filter it intelligently, and act on it with discipline, they can stop reacting late and start positioning with greater purpose.

That is the real promise of this approach. Not magic. Not certainty. But a smarter way to read the market.

To your trading success,

Dave Forster

Unusual Options Activity Strategist
Base Camp Trading



