

# The relative trading activity in options and stocks in Brazil

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We investigate the trading volume in options relative to the volume in underlying stocks (O/S). Using a panel data of stocks and their options we study the impact of several determinants such as delta, analyst forecast dispersion and earnings announcements. The result is similar to the international evidence that suggests part of the pre-announcement options trading is informed.

**JEL Classification:** G12, G13 and G14.

**Keywords:** Options, Trading Volume, Information, Option Markets, Trading Strategies, Emerging Markets.