

# **The relative trading activity in options and stocks in Brazil and US for Brazilian stocks**

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We investigate the trading volume in options relative to the volume in underlying stocks. 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. We also compare the international trading activity for Brazilian ADRs traded in Brazil and US.