GAMMA - DELTA’S ENGINE

Vajgrt Labs - Education - Lesson 42 of 72 - 3 min read - Updated Oct 21, 2026

TL;DR

- Gamma is how fast delta itself changes - delta’s engine.
- It’s biggest at-the-money and explodes near expiration.
- Long options are long gamma: you gain from movement, and pay for it with theta.

THE TAKEAWAYS

- Gamma 0.0099: every $1 SPY move shifts your delta by ~0.01.
- Gamma is biggest at-the-money and explodes near expiration.
- Long options = long gamma (good when price moves). You pay for it with theta.

RULE: Near expiry, delta can flip fast - size accordingly.

COMMON MISTAKES

- Sizing a 0DTE trade like a 45-DTE trade.
- Being surprised when delta flips near expiry.
- Chasing gamma while ignoring the theta bill that comes with it.

DO IT ON PAPER

In the Robinhood chain, compare the gamma of the nearest expiry with one 45+ days out, near the same strike. See which position would feel twitchier - and why your size has to change between them.

Education only - not financial advice. Options involve substantial risk of loss. Examples use real SPY chain data from Oct 9, 2026. Vajgrt Labs - Education.