

## Twitter Thread by [Aditya Todmal](#)

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**Subhasish Pani earned +1,41,25,022 profit in Option Buying on Expiry day yesterday.**

**He captured the down move in both futures and options.**

**Here's a breakdown of how he earned this profit: ■**

**Collaborated with [@niki\\_poojary](#)**

1/ Breakout Failure

Above 42700, all traders were expecting a breakout.

But do you know failed breakouts are more powerful than breakouts?

Sharp selling will happen if a failed breakdown occurs and he was fully prepared for it.



## 2/ Hints

He was giving hints from 1-2 months for Option Buyers regarding when they should buy options at a low IV.

The current market scenario was one where the premiums were too low.

According to him, one should plan for a buying trade during such scenarios and target big.

## 3/ Gap down sharp selling

Prefers 12 o clock momentum usually whenever there is a gap-down scenario.

Already the market above 42700 buyers weren't strong enough. So on Thursday in a gap-down scenario, he was expecting a big downfall.

## 4/ What trade he took?

He bought 36,000 qty of puts of 42500 strike at 92 and exited them at 391.

(43200 qty is an error by him, correct qty should be 36,000)

Dashboard Orders Holdings Positions Funds Apps

**BANKNIFTY23JAN42500PE NFO** CLOSED

Net qty.	0	<b>Buys</b>	
Carry forward qty.	0	Qty.	43200
Avg. price	0.00	Price	141.97
Last price	471.35	Value	61,33,153.75
Last close price	0.00	<b>Sells</b>	
P&L	+1,05,92,820.00	Qty.	43200
Day's P&L	1,05,92,820.00	Price	387.18
Product	NRML	Value	1,67,25,973.75

Cancel

LTP	P&L	Chg
471.35	+1,05,92,820.00	0.00%
42,059.40	+35,32,202.50	0.00%
Total	+1,41,25,022.50	

LTP	P&L	Chg
42,059.40	-5,86,522.50	-0.13%
471.35	+1,05,92,820.00	0.00%
Total	+1,00,06,297.50	

### 5/ Order Book

Here is the order book with the timings of when he bought and also the timing where he sold.


Bought the puts at 91 of strike 42500, and sold them at 391.

Dashboard Orders Holdings Positions Funds Apps

Time	Type	Instrument	Product	Qty.	Avg. price	Status	
09:27:17	BUY	△ 8 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	91.10	COMPLETE
09:27:17	BUY	△ 7 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	91.01	COMPLETE
09:27:17	BUY	△ 6 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.98	COMPLETE
09:27:17	BUY	△ 5 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.93	COMPLETE
09:27:17	BUY	△ 4 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.98	COMPLETE
09:27:16	BUY	△ 3 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.86	COMPLETE
09:27:16	BUY	△ 2 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.62	COMPLETE
09:27:16	BUY	△ 1 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.52	COMPLETE
09:27:13	BUY	△ 10 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.91	COMPLETE
09:27:13	BUY	△ 9 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.78	COMPLETE
09:27:13	BUY	△ 8 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.74	COMPLETE
09:27:12	BUY	△ 7 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.84	COMPLETE
09:27:12	BUY	△ 6 / 10	BANKNIFTY JAN 42500 PE NFO ***	NRML	900 / 900	90.96	COMPLETE
09:27:12	BUY	△ 5 / 10	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	90.76	COMPLETE

Show all rows (4 remaining rows)

Trades ▾



## 6/ Future positions profit

Because of a bearish bias, he had already taken some future shorts home on Wednesday.

When the down-move started immediately post-opening, he was already in 20 lakhs profits in futures.

<span>Dashboard</span> <span>Orders</span> <span>Holdings</span> <span>Positions</span> <span>Funds</span> <span>Apps</span>								
<b>Positions (2)</b>								
						Q Search	Analytics	Download
<input type="checkbox"/>	Product	Instrument	Qty.	Avg.	LTP	P&L	Chg.	
<input type="checkbox"/>	NRML	BANKNIFTY JAN 42500 PE NFO	0	0.00	465.80	+1,05,92,820.00	0.00%	
<input type="checkbox"/>	NRML	BANKNIFTY JAN FUT NFO	0	0.00	42,061.65	+35,32,202.50	0.00%	
<b>Total</b>						<b>+1,41,25,022.50</b>		
<b>Day's history (2)</b>								
						Q Search	Download	
Product	Instrument	Qty.	Avg.	LTP	P&L	Chg.		
NRML	BANKNIFTY JAN FUT NFO	6000	42,157.15	42,061.65	-5,73,022.50	-0.23%		
NRML	BANKNIFTY JAN 42500 PE NFO	0	0.00	465.80	+1,05,92,820.00	0.00%		
<b>Total</b>						<b>+1,00,19,797.50</b>		

### 7/ Risked those profits

Since he made 20 lakhs in futures, he decided to risk those profits to earn higher for the day.

So he bought 42400 puts at 92 with the intention of only risking 20 lakhs in them and finally exited them near 391, thus making a huge profit.

Time	Type	Instrument	Product	Qty.	Avg. price	Status
10:11:43	BUY	BANKNIFTY JAN FUT NFO	NRML	750 / 750	42,159.36	COMPLETE
10:11:43	BUY	BANKNIFTY JAN FUT NFO	NRML	875 / 875	42,159.48	COMPLETE
10:11:43	BUY	BANKNIFTY JAN FUT NFO	NRML	875 / 875	42,160.05	COMPLETE
10:11:43	BUY	BANKNIFTY JAN FUT NFO	NRML	875 / 875	42,159.23	COMPLETE
10:11:43	BUY	BANKNIFTY JAN FUT NFO	NRML	875 / 875	42,157.32	COMPLETE
10:11:43	BUY	BANKNIFTY JAN FUT NFO	NRML	875 / 875	42,153.17	COMPLETE
10:11:42	BUY	BANKNIFTY JAN FUT NFO	NRML	875 / 875	42,151.78	COMPLETE
10:11:32	BUY	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	395.31	COMPLETE
10:11:32	BUY	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	393.88	COMPLETE
10:11:32	BUY	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	394.08	COMPLETE
10:11:32	BUY	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	393.30	COMPLETE
10:11:32	BUY	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	391.81	COMPLETE
10:11:32	BUY	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	395.05	COMPLETE
10:11:30	BUY	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	387.23	COMPLETE
10:11:30	BUY	BANKNIFTY JAN 42500 PE NFO	NRML	900 / 900	387.50	COMPLETE
10:11:19	SELL	BANKNIFTY JAN 42500 PE NFO	NRML	0 / 900	0.00	COMPLETE

8/ IV less (premium are damm cheap)

Option buying premiums are low for the last 10 expiries and in many of them, we have seen very good momentum on expiries.

If premiums are cheap and a big movement comes, its the best thing for option buyers so they should be prepared.

9/ Option sellers will be scared

He says a buyer should plan a good R:R trade for buying either when Option Sellers are scared (due to low premiums) or stuck (in round number strikes).

When premiums are low, sellers are easily trapped as there is very less scope to adjustments.

10/ Market should increase premiums before budget

Usually, before an event what happens is there is an increase in volatility and premiums shoot up on both sides to compensate for the risk associated with the BUDGET.

This time the premiums had not increased.

Perfect scenario!

11/ Drawdown recovery

In January, he is just coming out of a drawdown.

No one likes to always be in a drawdown, and one should risk profits made already to make more going ahead.

So from a month or two he might have been flat, so he risked less.

12/ Risk to Reward was great

He hates an R:R of 1:1 & usually prefers it to be 1:6 and 1:10.

Today he got out at 1:3 approx.

Only in scalping does he trade with low R:R.

We are finally on Youtube!!

We have a free Youtube Channel where we cover our analysis of the markets.

If interested feel free to join using this link: <https://t.co/nn32SaAej5>

We also have a free telegram channel.

Link to join: <https://t.co/bE4fyLgxv2>

That's a wrap!

If you enjoyed this thread:

1. Follow us @Adityatodmal & [@niki\\_poojary](#) for more threads on Price action, Option Selling & Trading growth.

We've got you covered.

2. RT the first Tweet to share it with your audience.

I appreciate it!