Twitter Thread by itrade(DJ)

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Here is the detailed information of about strategy,

Entry time : 9.30 - 10
Exit : Upto you

Strategy :
Sell weekly ATM CE & PE at almost equal price
For ex : Sell Nifty 17250 CE at 50 and Nifty 17250 PE at 48 so it will become short straddle

Buy monthly ATM or near ATM CE & PE at matching price (5-10 points diff should be fine) as hedge
For ex : Buy Nifty 17250 CE at 150 and Nifty 17300 PE at 155 so it will become long straddle.

Weekly Short straddle + Monthly Long straddle

Adjustment:

• If you feel slightly bullish/bearish then no adjustment needed
• If Nifty moves 50 up or down and sustain then just simply roll up or down half of qnty and keep rest of the quantity. If market goes up or down further then roll up or down rest.

• If Nifty moves one side or about to breach BEP then add equal amount of lot. This can balance tested side. For ex: If I bought 17300 CE 4 lot as hedge then add 4 lot so you will have only one side risk . Note: Remember to keep SL at cost price (only for additional lot bought)

Capital requirement:
2.2 L for 4 lot
Adjustment requires additional capital upto 1L

Note : High risk high reward strategy, please don’t execute until you fully understand. Kindly do paper trading or backtest.
RR : 1:1

POP : 45-55%

Disclaimer:
This is for educational purpose, I am not responsible for your profit or loss. Take your own decision ■■
Pardon my English ■

Happy trading ■

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