Twitter Thread by Subhadip Nandy

Subhadip Nandy
@SubhadipNandy16

Rule 4 : If buying a naked option, always ensure that implied volatility is low. This can be understood from the level of IV vis a vis historical IV levels. Use IVR or IVP etc.
For a naked option to make money, it's better if IV rises or at least stays flat.

> Rule 3 : DO NOT run or trade everything that moves. Focus on a few stocks and master them. When a move comes, make the max out of that move.
> Example : in this crazy mkt, I did not even trade TataMotors this week. Stayed focussed on ITC and it gave good returns https://t.co/41wkugZg1I
>
> — Subhadip Nandy (@SubhadipNandy16) October 14, 2021

This is a thread I wrote on IV, IVR etc

https://t.co/LQHZl82FhT

> IV - A thread
>
> In financial mathematics, implied volatility of an option contract is
> that value of the volatility of the underlying instrument which, when
> input in an option pricing model) will return a theoretical value equal to the current market price of the option (1/n)
>
> — Subhadip Nandy (@SubhadipNandy16) September 20, 2018