Twitter Thread by Aditya Todmal

Aditya Todmal
@AdityaTodmal

MASTER THREAD on Short Strangles.

Curated the best tweets from the best traders who are exceptional at managing strangles.

- **Positional Strangles**
- **Intraday Strangles**
- **Position Sizing**
- **How to do Adjustments**
- **Plenty of Examples**
- **When to avoid**
- **Exit Criteria**

How to sell Strangles in weekly expiry as explained by boss himself. @Mitesh_Engr

• When to sell
• How to do Adjustments
• Exit Criteria

https://t.co/GDfT49AldT

> 1. Let's start option selling learning.
> Strangle selling. (I am doing mostly in weekly Bank Nifty)
> When to sell? When VIX is below 15
> Assume spot is at 27500
> Sell 27100 PE & 27900 CE
> say premium for both 50-50
> If bank nifty will move in narrow range u will get profit from both.
>
> — Mitesh Patel (@Mitesh_Engr) February 10, 2019

Beautiful explanation on positional option selling by @Mitesh_Engr
Sir on how to sell low premium strangles yourself without paying anyone. This is a free mini course in itself.

https://t.co/QzenFVTAsy

> Few are selling 20-25 Rs positional option selling course.
> Nothing big deal in that.
> For selling weekly option just identify last week low and high.
> Now from that low and high keep 1-1.5% distance from strike.
> And sell option on both side.
> 1/n
>
> — Mitesh Patel (@Mitesh_Engr) November 3, 2019

1st Live example of managing a strangle by Mitesh Sir. @Mitesh_Engr

• Sold Strangles 20% cap used
• Added 20% cap more when in profit
• Booked profitable leg and rolled up
• Kept rolling up profitable leg
• Booked loss in calls
• Sold only puts

https://t.co/NVGsIbSwmD

> Sold 29200 put and 30500 call
> Used 20% capital@44 each
>
> — Mitesh Patel (@Mitesh_Engr) April 12, 2019

2nd example by @Mitesh_Engr Sir on converting a directional trade into strangles. Option Sellers can use this for consistent profit.

• Identified a reversal and sold puts

• Puts decayed a lot

• When achieved 2% profit through puts then sold calls

https://t.co/80egDSOz1O

> Already giving more than 2% return in a week. Now I will prefer to sell 32500 call at 74 to make it strangle in equal ratio.
>
> To all. This is free learning for you. How to play option to make consistent return.
> Stay tuned and learn it here free of cost. https://t.co/7J7LC86oW0
>
> — Mitesh Patel (@Mitesh_Engr) February 7, 2020

What to do when premiums are low? By @Mitesh_Engr

• Avoid Strangle Selling
• Wait patiently for rejection candle
• Bet heavy with a small stop loss
• Great Risk/Reward

I saw him do this live on one expiry I distinctly remember, he made good profit.

https://t.co/e1qTcAvvwi

> Avoid strangle selling tomorrow.
> Better to sell on reversal candle only as premium very very low for option.
>
> \u091c\u0928 \u0939\u093f\u0924 \u092e\u0947 \u091c\u093e\u0930\u0940\u0964
>
> — Mitesh Patel (@Mitesh_Engr) December 23, 2020

Ideal position sizing to play strangles aggressively by @Mitesh_Engr

Observe the quantity he is selling on a 20 lakh account,15 lots on 20 lakhs.

• Sold straddles aggressively
• Exited with 1% profit in a day
• Sold bullish strangles to extract more

https://t.co/kgIqEUP8ML

> Made 17K today. Carrying short strangle. pic.twitter.com/IFMN68qOaE
>
> — Mitesh Patel (@Mitesh_Engr) November 20, 2020

What @_GauravVashisth looks for before selling strangles.

• Check 1 hour charts
• If in consolidation sells strangles
• If there's a breakout of a level sells directionally

https://t.co/VVID7zHXau

https://t.co/TZnoYSzUGi

> I hv no idea about Greeks.
> I watch trend and sell option accordingly. If market seems range bound then strangles as per hourly range.
> If it's already in a range and bullish then will sell naked puts. Etc
>
> — Bnf Addict (Gaurav Vashisth) (@_GauravVashisth) June 28, 2020

According to @_GauravVashisth strangles shouldn't be sold when

• Market closes at day high/low
• Probability of a big move is higher
• Probability of a severe gap up/gap down is higher

You can check my thread out on @_GauravVashisth logics here ■

https://t.co/H8mvy1ajdo

> 4. Avoid short strangles/straddles whenever market closes at day low/high as the probability of a big gap up/down is really high. https://t.co/hLhFPBNMI8
>
> — Aditya Todmal (@AdityaTodmal) February 13, 2021

This is a very nice thread by @Pathik_Trader Sir where he says Strangles are better than Straddles. Also covers:

• Ideal Position Sizing
• How to diversify
• How to not be affected by a black swan

https://t.co/RYE9w9QxRF

> If you follow this things mentioned u will rarely face blackswan events while trading stock options.
>
> One good advice if you are trading non-directional positional then strangle is always better then straddle (easy to adjust).
>
> — Pathik (@Pathik_Trader) February 9, 2021

How @Pathik_Trader Sir keeps a stop loss in strangles?

• Premium recieved + 10% is SL.
• No need of adjustments

https://t.co/ZtntnE2FJE

> No need of any adjustments... Keep stops in strangle
>
> Premium received+10% is stop
>
> — Pathik (@Pathik_Trader) January 2, 2020

Multiple Examples of how @Pathik_Trader managed his strangles in multiple stocks.

• Sold Naked Puts
• When market reversed sold calls

• Rolled down calls to extract more
• Markets again reversed
• Shifted calls further otm
• Rolled up Puts

https://t.co/gjTBn1kfQV

> M&m
>
> 1. 750 pe sold at 11 (1st march)
> Covered at 2
>
> Sold 800 pe at 5
> Stock started falling so converted into strangle by selling 900 ce at 5
>
> Covered 900 ce at 2 & sold 870 ce at 5
>
> Covered 870 ce at 6.55 & 800 pe at 2
>
> Good gains overall
>
> — Pathik (@Pathik_Trader) March 19, 2021

Best tweets of @sourabhsiso19 I researched on strangles. Go through all these links shared below. ■

https://t.co/RTMei6gu5E

https://t.co/jWPzHs7CXd

https://t.co/cLpkhuIIrw

> Sell strangles when \u23ec
> 1. Opening is in the middle of PDH/PDL.
> 2. Combined strangle chart at day low.
> 3. Below Vwap.
> 4. Below 20 MA. https://t.co/395faWrFmw
>
> — Aditya Todmal (@AdityaTodmal) March 14, 2021

Intraday Bank Nifty Strangle Strategy by @jigspatel1988

• Sell highest OI calls and puts
• Have a combined SL
• Your stop loss is VWAP
• Keep trailing

https://t.co/KB7DwdQiiZ

What is best way to sell strangle in Banknifty on an intraday basis
Simple
at 9:45 Open Option chain and check In which strike highest OI change in call side and put side

Sell both option with combine SL
Enjoy easy and simple intraday trading strategy
Today 35000CE and 34500PE pic.twitter.com/v2URWlWOBJ

— Jig's Patel (@jigspatel1988) May 25, 2021

Researched thoroughly for the best tweets out there by all these amazing traders.

Put these efforts of sharing by them to good use and start practicing yourselves.

With practice you'll be amazing at this too. ■✌■

Will keep adding more tweets to this topic.

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