

## Twitter Thread by [Kapil Dhama](#) ■■



**Kapil Dhama** ■■  
[@kapildhama](#)



**Thread about how I managed to avoid big slippage in freak trades.**

**1. In BNF for strangles I always trade in strikes which are multiple of 500 like 36000, 36500 and in Nifty always trade in multiple of 100 like 17300 and 17400, on these strikes you got enough volume**

**(1/6)**

2. In case of straddle you don't have any option to choose strikes because you have to sell ATM in this case now main focus should be on SL management.

**(2/6)**

3. I always use SL-Limit order, never try SL-Market order, In SL limit order.

4. I always keep SL on round number like 450, 460 or 500 and always keep 2-5 points trigger inside this. Like if my SL is 263 then I will keep 270 as SL with 265 as trigger price.

**(3/6)**

5. Now there is one problem in this system that if some day market fall suddenly 1000 points and your SL get skipped, So to avoid any black swan event, I always keep SL buy order in OTM options in double quantity.

**(4/6)**

Let I have 1000 quantity in selling side then I always keep 2000 quantity buy SL order in OTM with 10 points trigger price. And buy strikes premium should not be less than 25-30% of selling premium.

**(5/6)**

If your selling premium is 300■ then choose 80-90■ option and put SL buy order at 180■ with 10 points trigger price.

If your sell SL hit then exit this buy order.