

# Twitter Thread by Manek

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A thread on ■■■■ ■■ ■■■■■■■■ ■ ■■■■■■■■■■

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1. First of all one should know when to do a straddle, ideally when premiums are good and view is ■■■■■■■■■■ or when you are not expecting a huge trend.

2. When you do place a straddle, you will have good premiums so you will be covered for a good amount of move.

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3. Find your breakevens, and ideally delta should also be neutral.

4. Do not adjust until your BEP is breached or the delta exceeds (+/-)40, whatever happens first, generally delta limit will breach first.

5. When delta reached lets say -40 it means you have to roll puts.

3/n

6. Just book profits in the current short put and roll put up by matching the premiums, delta should again be close to neutral but one can choose to have a little -ve delta since if there is mean reversion, PEs will spike.

7. This means you will be going Inverted(Short ITM)

4/n

8. Keep repeating the same process until expiry OR till either one option reaches 100 delta which will mean that you basically are short/long one future lot.

9. As soon as any option reaches 100 delta, just book the straddle be it in loss or profit, dont adjust at all.

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10. While doing this keep in mind a loss limit(1-2% of cap), just get out if loss gets out of hand. "You cant play if you dont have chips"

11. If you want a video explanation check this Hindi video out on my YouTube channel

<https://t.co/dO0XkuVtWG>

Retweet if you gained value■