

Which strategy fits the view?

QUESTION 1

Where is price heading?

No strategy choice without a market view.

Rising

Uptrend and constructive news flow

LOW VOLATILITY → BUY PREMIUM

Long Call · Bull Call Spread · Long Call Diagonal

HIGH VOLATILITY → SELL PREMIUM

Bull Put Spread · Cash-Secured Put · Covered Call · Synthetic Long Stock · The Wheel · Naked Short Put

Falling

Downtrend or a need for protection

LOW VOLATILITY → BUY PREMIUM

Long Put · Bear Put Spread · Protective Put · Long Put Diagonal

HIGH VOLATILITY → SELL PREMIUM

Bear Call Spread · Collar · Naked Short Call

Sideways

Range-bound, quiet, collecting decay

LOW VOLATILITY → BUY PREMIUM

Long Call Butterfly · Long Put Butterfly · Long Call Calendar · Long Put Calendar

HIGH VOLATILITY → SELL PREMIUM

Short Iron Condor · Short Iron Butterfly · Short Strangle · Short Straddle · Broken Wing Butterfly · Jade Lizard · Call Ratio Spread

Direction open

A large move is expected, for example around earnings

LOW VOLATILITY → BUY PREMIUM

Long Straddle · Long Strangle

HIGH VOLATILITY → SELL PREMIUM

Call Backspread

QUESTION 2

How high is implied volatility?

An IV rank above 50 favors premium selling; below 30 favors bought options.

QUESTION 3

Can the loss be unlimited?

When in doubt, choose defined risk: use a spread instead of a naked short option.

QUESTION 4

How much capital is tied up?

Every page states the capital requirement. It controls how many positions can coexist.

Comparison matrix

NO	STRATEGY	DIRECTION	VOLATILITY REGIME	MAX PROFIT	MAX LOSS	TIME WORKS	LEVEL	PAGE
01	Long Call	Rising	low-medium	unlimited	premium paid	against you	Beginner	04
02	Bull Call Spread	Rising	medium-high	strike distance - premium	premium paid	depends on setup	Beginner	05
03	Bull Put Spread	Rising	high	premium received	strike distance - premium	for you	Intermediate	06
04	Cash-Secured Put	Rising	medium-high	premium received	strike - premium	for you	Beginner	07
05	Covered Call	Rising	medium-high	price gain up to the call strike + premium	cost basis - premium	for you	Beginner	08
06	Long Call Diagonal	Rising	low-medium	depends on the residual value of the long call	premium paid (net)	for you	Intermediate	09
07	Synthetic Long Stock	Rising	medium	unlimited	strike + premium (at price 0)	neutral	Advanced	10
08	The Wheel	Rising	medium-high	all premiums collected + price gain	share risk - all premiums	for you	Beginner	11
09	Naked Short Put	Rising	high	premium received	strike - premium (at price 0)	for you	Advanced	12
10	Long Put	Falling	low-medium	strike - premium	premium paid	against you	Beginner	13
11	Bear Put Spread	Falling	medium-high	strike distance - premium	premium paid	depends on setup	Beginner	14
12	Bear Call Spread	Falling	high	premium received	strike distance - premium	for you	Intermediate	15
13	Protective Put	Falling	low	unlimited (through the shares)	cost basis - put strike + premium	against you	Beginner	16
14	Collar	Falling	medium-high	call strike - cost basis + net premium	cost basis - put strike - net premium	depends on setup	Intermediate	17
15	Naked Short Call	Falling	high	premium received	unlimited	for you	Advanced	18
16	Long Put Diagonal	Falling	low-medium	depends on the residual value of the long put	premium paid (net)	for you	Advanced	19
17	Short Iron Condor	Sideways	high	premium received	widest wing - premium	for you	Intermediate	20
18	Short Iron Butterfly	Sideways	high	premium received	wing width - premium	strongly for you	Advanced	21
19	Short Strangle	Sideways	high	premium received	unlimited to the upside	for you	Advanced	22
20	Short Straddle	Sideways	high	premium received	unlimited to the upside	strongly for you	Advanced	23
21	Long Call Butterfly	Sideways	high	wing width - premium	premium paid	for you	Intermediate	24
22	Long Put Butterfly	Sideways	high	wing width - premium	premium paid	for you	Intermediate	25
23	Broken Wing Butterfly	Sideways	medium-high	narrow wing + net premium	wide - narrow wing - premium	for you	Advanced	26
24	Jade Lizard	Sideways	high	premium received	put strike - premium	for you	Advanced	27
25	Call Ratio Spread	Sideways	high	strike distance + premium	unlimited above	for you	Advanced	28
26	Long Call Calendar	Sideways	low-medium	depends on implied volatility and time left	approximately the debit	for you	Advanced	29
27	Long Put Calendar	Sideways	low-medium	depends on implied volatility and time left	approximately the debit	for you	Advanced	30
28	Long Straddle	Direction open	low	unlimited above, strike - premium below	premium paid	strongly against you	Intermediate	31
29	Long Strangle	Direction open	low	unlimited above, put strike - premium below	premium paid	against you	Intermediate	32
30	Call Backspread	Direction open	low	unlimited to the upside	strike distance + premium	against you	Advanced	33