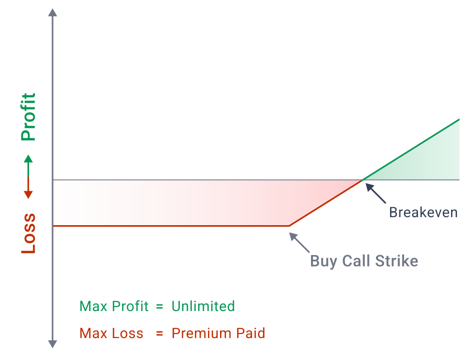
Bullish

Example:

Instrument	Qty	Price
BUY NIFTY 07th Oct 24850 CE	75	109.9

See Example Open in Builder Watch Video



Strategy Summary

Market View
Bullish

Premium
Pay

Max Profit
Unlimited

Max Loss
Premium Paid

Margin
Not required

Effect of Time
Loses value with time

Effect of Volatility
Benefits from increased volatility

Market View

Bullish. Trade this when you expect a big upward move in the stock/index before the expiry.

The Trade

Simple. Buy a call option. The strike price is usually near or above the current stock price.

Breakeven

Strike Price + Premium Paid

Max Profit

Unlimited

Premium

Pay

Margin

Not required

Effect of Time

With every passing day this option loses money. So the best thing for this is a quick big move.

Effect of Volatility

If implied volatility increases, the option price also increases.

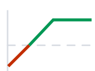
Pros

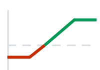
- High profit potential if the stock/index makes a big move.
- Limited risk - you lose only the price you paid to buy the option.

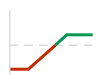
Cons

- Will lose the entire price you paid if the stock/index does not expire above the strike price.
- Time decay - every day the stock does not move up, the option loses value.

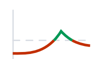
More Bullish Strategies:

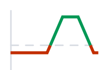

Sell Put

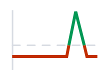

Bull Call Spread

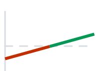

Bull Put Spread

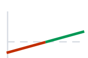

Call Ratio Back Spread


Long Calendar with Calls


Bull Condor


Bull Butterfly


Buy Future


Long Synthetic Future