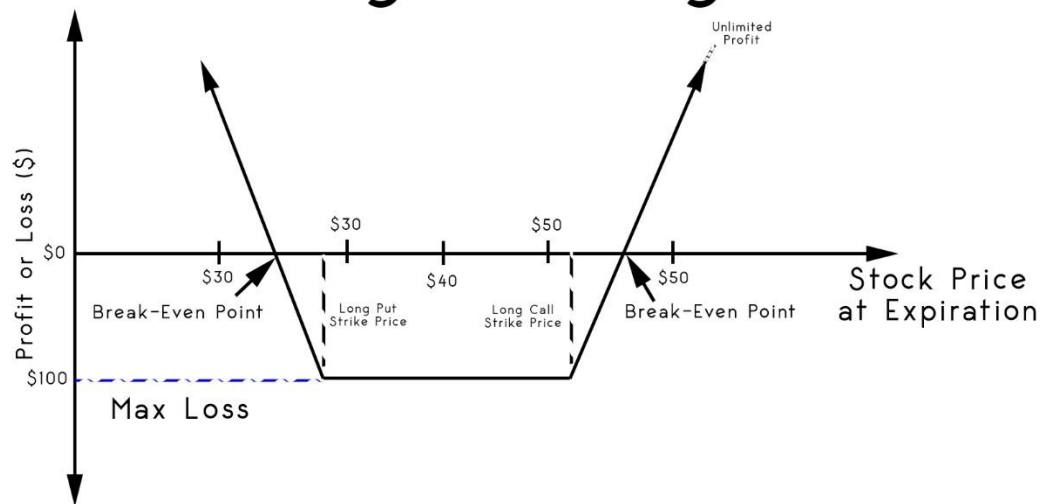


Strangle

You guys have seen a short straddle on a previous PDF attached and in a white board example. Now I want to show you a long strangle.

Long Strangle



It is like a long straddle however you now need the stock to move more. In this image you pay \$100 in premium. You buy a 50 call and a 30 put. Your breakeven is \$51 and \$29. However, that may be a lot if the stock is at \$40. However, I am very confident this example image is a month or longer trade. Therefore, you would have more time for the stock to move. I think straddles and strangles are even. One is not better than the other. Straddles just benefit more immediately, thus are more expensive. Strangles need more movement but are a lot cheaper. Buying isn't part of my Weekly Income formula but covered straddles as you guys have watched with a PDF attached are!