



# **8 Strategies to Trade in the Stock Market**

**(A Thread )**



# **1. Arbitrage Strategy**

Capitalizing the difference in price of the same stock traded in NSE and BSE. Most traders who started their career before 2008 benefited from it. It's currently taken over by Algo Trading



## 2. Spread Trading

Trading in the difference between the same underlying asset but different instruments. For example, trading in the difference between the different strike prices of Reliance Options.



### **3. Jobbing/Scalping**

Used by active participants in the market who trade tick by tick in the market. These participants trade at every price with small profits and small losses.



## 4. Technical Trading

Predicting the price movement by observing the price action. One can either do Intraday or do Position Based technical trading. The technical traders either use patterns and charts or use indicators and oscillators for technical trading.



## 5. Pair Trading

Trading in the difference between different underlying assets altogether. For example, trading in the difference between Nifty 50 and Reliance. There are 2 ways to do it: Statistical Trading and Relative Strength Pair Trading.



## **6. Options Strategies**

Trading with Options

Greeks - Delta, Gamma, Theta, Vega, Rho. It requires a lot of knowledge and deep study.





## **7. Quant Strategy**

Quant is anything and everything expressed in numbers. Quant traders understand the probability of the market and make a framework accordingly.





## **8. Multi Asset Trading**

Trading in equity, commodity, currency, bond, wherever an opportunity is available. These traders create a holistic view of the market and create both long and short trades.