

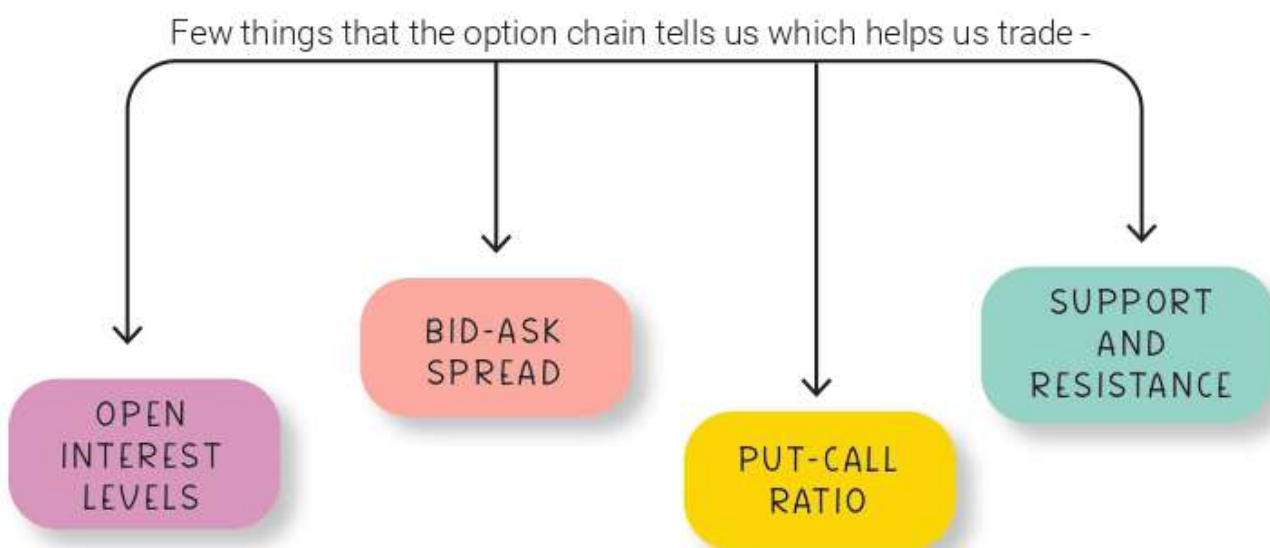
8.4 HOW TO TRADE THROUGH OPTION CHAIN?



Explainer Video



As we saw in the previous module, option chain provides us with lot of information which can be used by professional traders to draw conclusions and accordingly take a trade. It also comes in really handy when creating option trading strategies.



The execution of trade is dependent on these factors. This makes an option chain even more important when executing option strategies as these factors determine if we can actually execute a strategy or not. We can even play around with the option chain, by looking for different assets or even different strike prices. This will further help us understand options better.

As we spend more and more time with the options chain, we develop an eye for details. This way we can draw better insights from the same data and improve our trades. Try spending time with it and apply some of the simple calculations that we have learned so far.
