Nov8

Outline for the next week.

Short future is only to be used when the overall trend is heading downwards and it is to be held for a period from 1-3 weeks. ETF position is supposed to trade around this position. Oscillate around 60k to 100k delta (net delta -20k to +20k)

When short future is in place, with net short -20k delta, can withstand 10% move in the index.

When market is normal/trending up with low volatility, trade only ETF and adjust position (instead of shorting).

If there is one day market crash, don’t short yet, just cut position.

Whenever feel uncomfortable just cut position.

For long position, always keep 20k of positive delta and trade around it. For short position, keep +60k and short future position (net -20k) and trade around it.

Update on nov 9:

Can hold a put when things are feeling sour. Hedge overall position when the market is trending down. Delta around -30k (1500 in premium), ETF range from 0 to 50k.

Primary trend lasts for a few months and cannot be manipulated. This is the key to secure a bigger probability of success. Using merely