1. **Identify trading opportunities with defined levels of Supply and Demand**

* Identify Stop, Entry, and Target (S.E.T.)

1. **Check liquidity using the Options chain**

* Total open interest for front month exceeds 10,000 contacts
* Daily volume for ATM options exceed 300 contracts

Spread between bid and ask narrow

* Option Price is less than ₹ 60 🡺 ≤ ₹ 6
* Option Price is between ₹ 60 and ₹ 180 🡺 ≤ ₹ 12
* Option Price is ₹ 180 and up 🡺 ≤ ₹ 18

1. **Check the volatility**

* Measure range of Historic 30-day Historic volatility (52wk H, 52wk L)
* Break range into 5 equal sections (52wk H - 52wk L)/5)

1. **Choose a strategy**

* Compare Implied Volatility to the Range of 30-day Historic Volatility

Select the appropriate Strategy to use…

* If buying premium go 90+ days out
* If selling premium stay within 60 days
* Select Strikes AOB Demand and/or AOA Supply

1. **Determine Reward vs Risk**

* Debit positions should have a target that produces a reward that is 3 times the loss if you were to have to exit the trade
* Credit positions should produce a reward that is 3 times the loss if you were to have to exit the trade