**📌 Regime-Based Portfolio Strategy (Long-Term / End-of-Day)**

| **Regime** | **Stocks (Core ₹23L)** | **Options (Max ₹4L)** | **Notes** |
| --- | --- | --- | --- |
| **Bullish** | **- Buy strong trending stocks (leaders / breakout candidates) - Focus on sectors leading NIFTY/BANKNIFTY - Hold medium-term (weeks–months)** | **- Bull Call Spread (buy ATM call, sell OTM call) - Cash-Secured Puts (on stocks you want to own)** | **Stocks = majority allocation → ride trend Options = leverage with capped risk, no intraday** |
| **Bearish** | **- Exit weak stocks, let losers go (do not add new longs) - Avoid intraday trades** | **- Bear Put Spread (buy ATM put, sell lower OTM put) - Covered Calls (if holding stocks you don’t want to sell)** | **Stocks = preserve capital Options = hedge downside, defined risk, small positions** |
| **Mean Reversion / Range-Bound** | **- Minimal stock buying - Avoid chasing breakouts - Buy near strong support if desired** | **- Iron Condor (sell OTM call/put spreads) - Short Straddle / Strangle (hedged) - Butterfly Spreads** | **Use options to collect premium within range Stock allocation mostly preserved** |
| **High Volatility** | **- Avoid stock positions unless defensive ETFs / bluechips** | **- Long Straddle / Strangle (buy call & put) - Calendar Spread (sell short expiry, buy long expiry)** | **Exploit large moves Position sizing small → max loss per trade capped** |
| **Neutral** | **- Hold existing stock positions, avoid new buys - Only passive holding** | **- Small hedged premium-selling trades (Iron Condors) - Avoid directional bets** | **Capital preservation focus Options for income only** |

**🔹 Position Sizing & Allocation**

* **Stocks: ₹23L → diversified across 10–15 strong names → reduces idiosyncratic volatility**
* **Options: ₹4L → split into 2–3 positions max, each risking ≤1–1.5L max loss, always hedged**
  + **Example:**
    - **₹2L → hedged short options (Iron Condors / Credit Spreads)**
    - **₹2L → tactical long options (Bull Call / Bear Put / Straddle)**
* **Risk control:**
  + **Each options trade → max loss predefined**
  + **Stocks → cut losers, ride winners, no intraday trading**

**🔹 Key Principles for Your Setup**

1. **No intraday trades → everything is end-of-day / swing trade**
2. **Stocks = anchor → largest portion of capital, moderate volatility (~15% annualized)**
3. **Options = tactical → hedged spreads only, small allocation (~15%), max risk ₹4L**
4. **Regime filter → NIFTY/BANKNIFTY determines which strategy to execute**
5. **Volatility alignment → high IV → long options; low IV / range → premium-selling spreads**
6. **Position review weekly → roll options / add stock positions if regime continues**

**✅ Summary**

* **Bullish: Stocks heavy, options leveraged bullish spreads**
* **Bearish: Stocks preserve / cut losses, options bearish spreads**
* **Range / Mean Reversion: Stocks mostly hold, options hedged premium collection**
* **High Volatility: Avoid stocks, small tactical long straddles/strangles**
* **Neutral: Minimal trading, small hedged options for premium**