| Strategy Name > | Long Call | Long Put | Covered Call | Leveraged Covered Call | Leveraged Covered Put | Call Credit Spread | Put Credit Spread | Call Debit Spread | Put Debit Spread | Iron Condor | Naked Short Put |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Directional Bias > | Bullish | Bearish | Bullish | Bullish | Bearish | Neutral/Bear | Neutral/Bull | Bullish | Bearish | Neutral | Bullish |
| Risk > | Limited | Limited | Limited | Limited | Limited | Limited | Limited | Limited | Limited | Limited | Unlimited |
| Net Premium > | DEBIT | DEBIT | DEBIT | DEBIT | DEBIT | CREDIT | CREDIT | DEBIT | DEBIT | CREDIT | CREDIT |
| Preferred IV Rank > | LOW | LOW | HIGH | HIGH | HIGH | HIGH | HIGH | LOW | LOW | HIGH | HIGH |
| Profit Potential > | Unlimited | Unlimited | Limited | Limited | Limited | Limited | Limited | Limited | Limited | Limited | Limited |
| Stragtegy Explanation | A long call is the purchase of a call at a specific strike price. As the owner of the long call, you have the right but not the obligation to purchase the underlying instrument at the specified strike price on or before the specified expiration date. | The long put option strategy is a basic strategy in options trading where the investor buys a put option(s) with the belief that the price of the underlying will go down significantly below the strike price before the expiration date. | A covered call is a combination of a long stock position with the sale of a call. Selling a call against long stock improves the profitability in order to increase probability of success. | Similar to covered call strategy, but instead of buying stock the investors purchases a LEAP as a stock replacement and sells a near term OTM call (70% probability) | The leveraged covered put is a synthetic covered put position that is created by purchasing an ITM (in the money) put option (that expires further out in time) and then selling an OTM (out of the money) put option in the front month's expiration cycle. | Sell one call ATM or OTM and buy one call (same expiration) one strike or more out of the money(higher price) | Sell one put ATM or OTM and buy one put (same expiration) one strike or more out of the money (lower price) | Buy one call one strike ITM and sell one call one strike (or more) out of the money | Buy one put one strike in the money (ITM) and sell one put one strike (or more lower) out of the money(OTM). | Sell one call credit spread and one credit put spread on the same underlying and for the same expiration | . The "naked" short put is the sale of an ATM or OTM put on an underlying instrument in which your bias is neutral to bullish. |
| Maxiumum Risk | **Risk for the long call optionsstrategy is limited to the price paid for the call option** | **Risk for the put call option strategy is limited to the price paid for the call option** | **The maxium risk is the difference between the price of the underlying and zero, minus the credit received from the sale of the call** | **The maximum risk is the net of the purchase of the long call minus the credit received from the short call.** | **The maximum risk is the net of the purchase of the long put minus the credit received from the short put.** | **Difference in the Strikes Minus the Credit Received** | **Difference in the Strikes Minus the Credit Received** | **The Total Premium Paid for the Trade** | **The Total Premium Paid for the Trade** | **Difference in the Width of the Strikes Minus the Credit Received** | **Difference between the Strike and Zero less the credit received** |
| Premium Criteria | **Recommened to purchase 70 Delta call with low amount of extrinsic value** | **Recommened to purchase 70 Delta put with low amount of extrinsic value** | **Sell 30 Delta (70% Probability OTM) Front Month Call** | **Net Premium will the price paid for long ITM call less premium received for sale of front month OTM call** | **Net Premium will the price paid for long ITM put less premium received for sale of front month OTM put** | **Collect 1/3 of the width of the strikes** | **Collect 1/3 or the width of the strikes** | **Debit should be equal to or less than 50% of the width of the strikes** | **Debit should be equal to or less than 50% of the width of the strikes** | **Collect 1/3 (or more) of the width of the strikes** | **Collect enough premium to generate .5% or 1.0% ROC per day** |