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Sheridan Options Mentoring

Theta Booster Strategy

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As with all investments, your capital is at risk

“Theta Booster Strategy”

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Theta Booster Strategy

- What is it?
- When to Deploy this Strategy?
- Example Theta Booster
- Guidelines and Comments



What is it?

- Strategy to increase Daily Theta on 30-40 Day Range Bound Option Trades, and to get out of longer-term trades quickly.
- Today I will be discussing Theta Boosters on Iron Condors and Butterflies.
- The actual Theta Booster is a 4-8 Day Calendar or “Double Strategy”, like a Double Calendar or Double Diagonal.

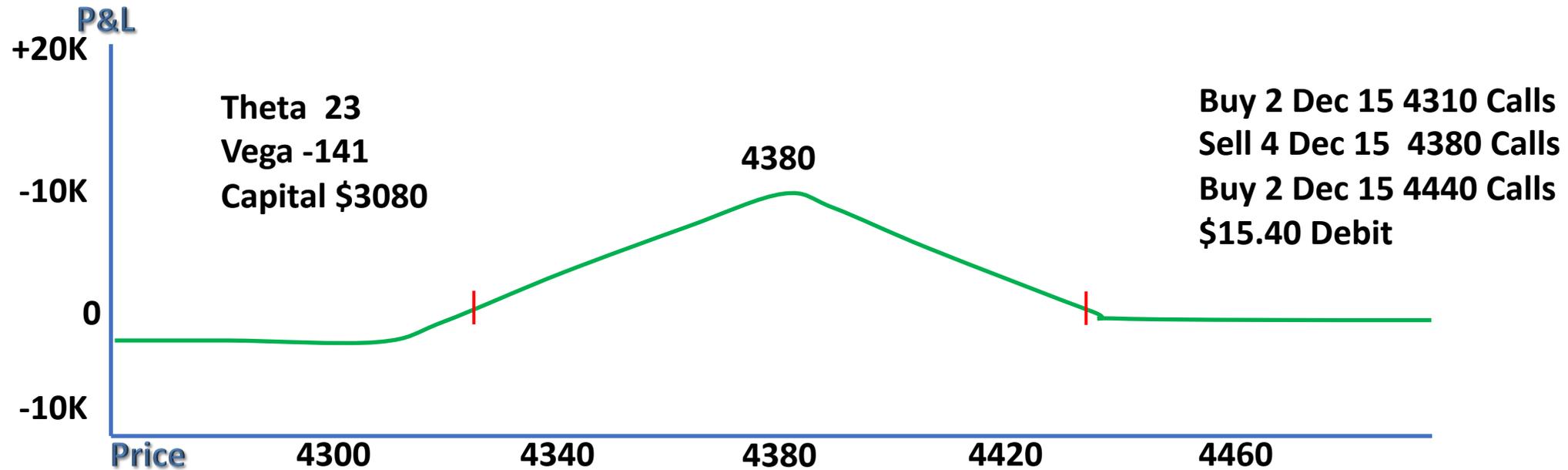


When to Deploy this Strategy?

- Use Theta Booster's on 30-40 Day Range bound Trades like Butterflies and Iron Condors.



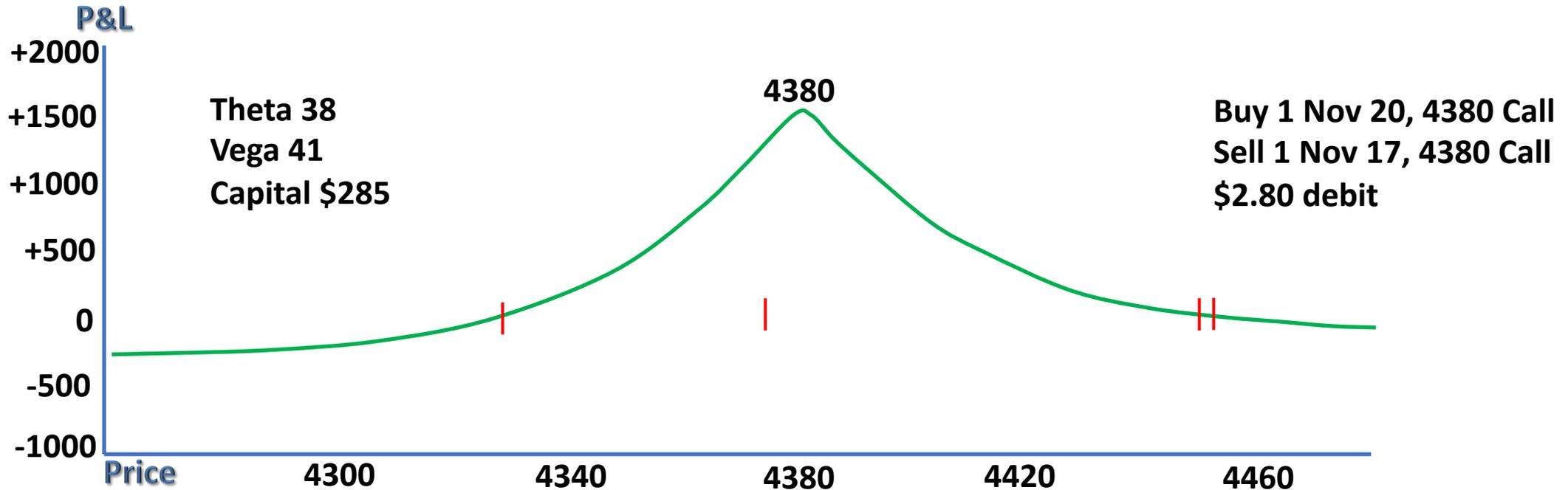
37 Day Call Broken Wing Butterfly



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Theta Booster: 9 Day Calendar



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Combined Trade Greeks and Cost

- 38-Day Butterfly: Cost \$3080 Theta 23 Vega -141
- 9-Day Calendar (Theta Booster): Cost \$285 Theta 38 Vega 41
- Theta Booster Combined Trade: Cost \$3365 Theta 61 Vega -100
- Theta Booster is around 10% of Cost of Longer-Term Butterfly



Guidelines

- What is a Theta Booster and when to Deploy it?
- What Trades I use as Theta Boosters?
- Goal of Theta Boosters?
- Managing Theta Booster trades?

Questions? Email – Dan@SheridanMentoring.com

