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# The World of Broken Wing Butterflies for Weekly Income Potential

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As with all investments, your capital is at risk



# **The World of Broken Wing Butterflies for Weekly Income Potential**

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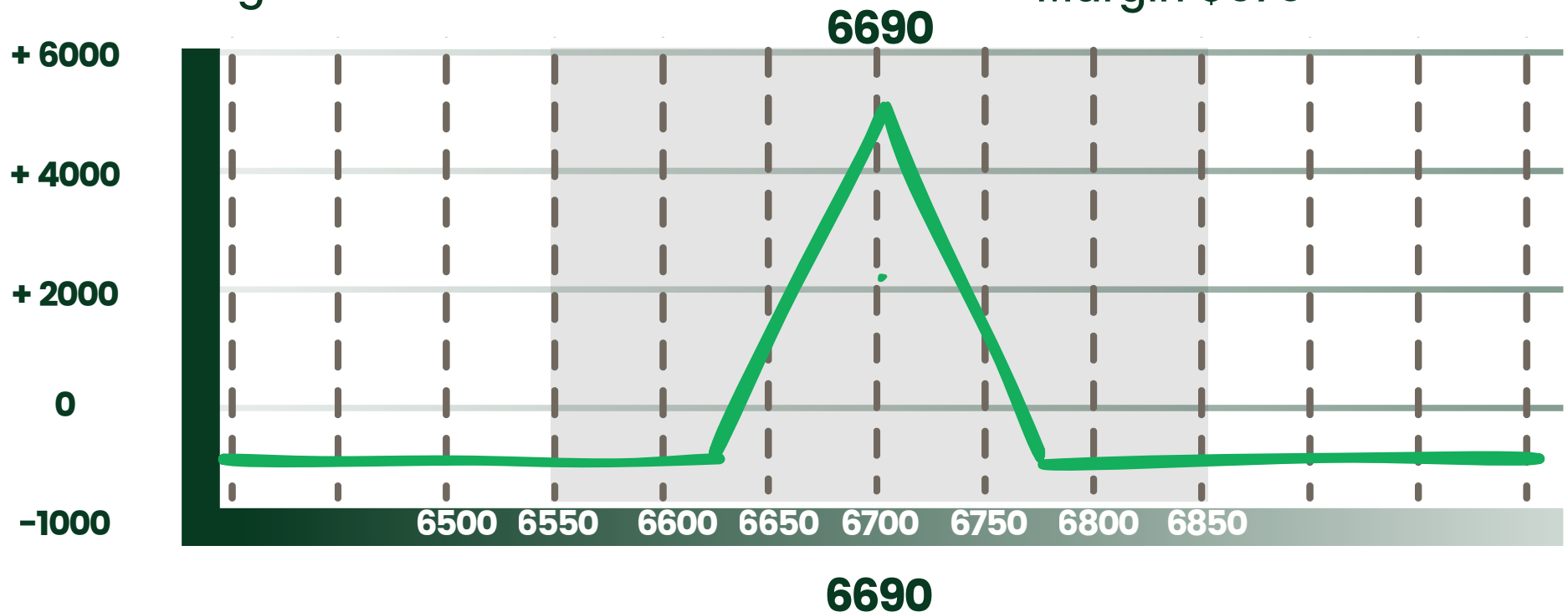
# Broken Wing Butterflies

- What are they?
- Why do them?
- Are these Trades for Potential Monthly Income? Why?
- When to do these Trades? Up day or Down Day?
- Duration of these trades?
- Calls or Putts? Iron Butterfly?
- VIX Guidelines?
- Execution and Exit Guidelines?
- Risk Management: Profit targets and Max Loss
- How many days to stay in the Trade?

# SPX Balanced Butterfly

- Date Oct 22
- SPX 6690
- Deltas -1.50
- Theta 11
- Vega -40

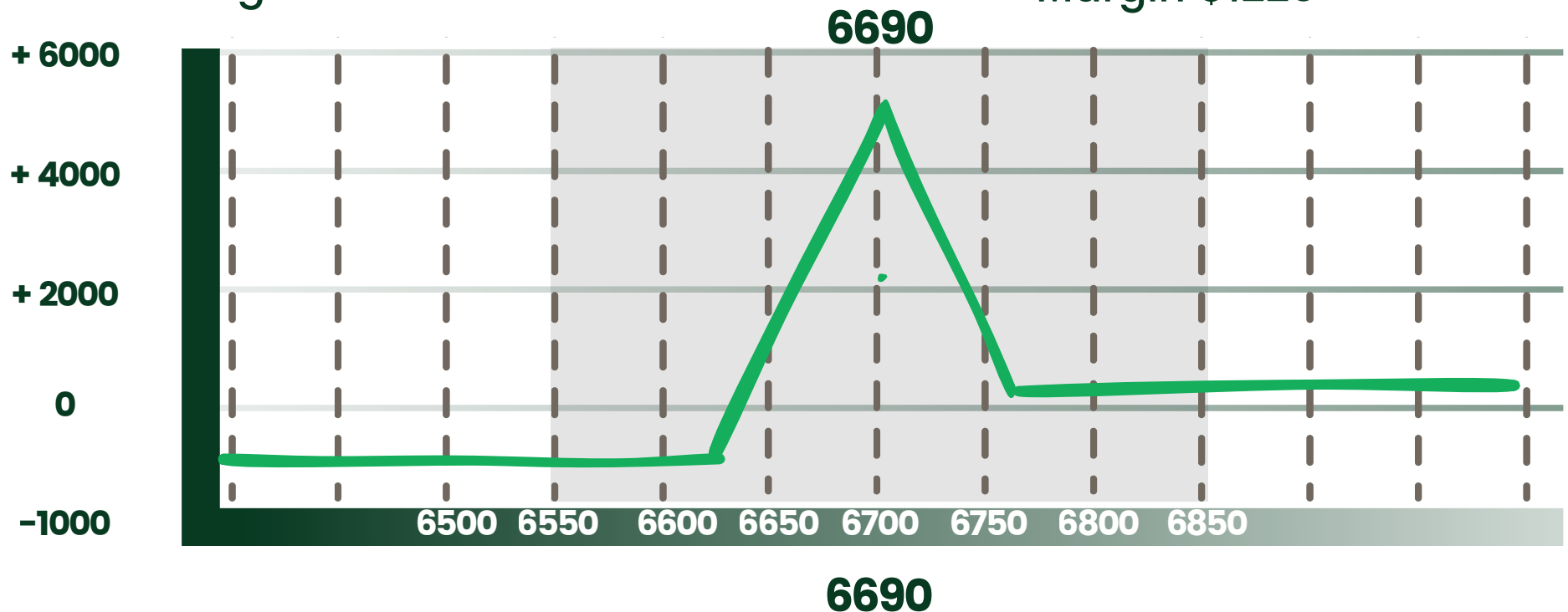
- Buy 1, Nov 21, 6620 Call
- Sell 2, Nov 21 6690 Call
- Buy 1, Nov 21, 6760 Call
- \$6.70 Debit
- Margin \$670



# SPX Unbalanced Butterfly or Broken Wing Butterfly

- Date Oct 22
- SPX 6690
- Deltas 0.2
- Theta 7.5
- Vega -35

- Buy 1, Nov 21, 6620 Call
- Sell 2, Nov 21 6690 Call
- Buy 1, Nov 21, 6750 Call
- \$12.20 Debit
- Margin \$1220





The background of the image is a dark teal color with a faint, semi-transparent overlay of financial market data. This includes a candlestick price chart with green and red bars, several moving average lines in yellow and blue, and a volume bar chart at the bottom. The x-axis of the charts is labeled with the months 'mar', 'apr', 'may', and 'jun'.

# sheridan

r i s k   m a n a g e m e n t