



Iron Condor Trading Checklist

Use this checklist as a guide to trading Iron Condors using the Options Trading IQ system.

Overview

- ☐ Decide on what duration trades you will focus on. i.e. short-term or long-term
- ☐ Decide what delta strikes you will sell. I recommend somewhere between delta 8 and 15
- ☐ Paper trade for 3-6 months before risking live capital
- ☐ Once trading live, do not risk more than 40% of your account on Iron Condors

Adjustment Guidelines

The following guidelines are listed in order of importance. If any 3 of the 4 have been hit, it's time to take some defensive action.

- ☐ Has the delta of the short call or put hit 25?
- ☐ Is Delta Dollars double the capital at risk?
- ☐ Has the spread value doubled?
- ☐ Is the underlying within 3% of the short strike?

Adjustment Techniques

- ☐ Roll the non-threatened side closer to the money
- ☐ Adding contracts to the non-threatened side
- ☐ Adding a debit spread to protect the threatened side
- ☐ Adding a long call in the next expiry month to protect the threatened side
- ☐ Adding a calendar spread centered at the threatened strike
- ☐ Adding a butterfly spread centered at the threatened strike
- ☐ Reposition the entire Condor

Recording and Reviewing Trades

The following process is recommended for all Iron Condor trades:

- ☐ When a new trade is entered, take screenshots of the greeks and the payoff graph
- ☐ Also add some commentary including your adjustment points
- ☐ Any time a major move occurs in the market take screenshots of the greeks and payoff graph
- ☐ When adjusting, take screenshots before and after the adjustment
- ☐ When the trade is closed, record the results
- ☐ Review all trades at the end of each month