



Evaluating the Choices of Strike Ranges for the Long Call Condor Strategy

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A B S T R A C T

This study proposes a new perspective on strike ranges to benefit long call condor strategy traders, enabling them to capture potential opportunities in response to market scenarios. We derive the analytical solutions for the long call condor strategy's fair value and risk sensitivity. We also explore how the choice of strike ranges influences the strategy's risk and rewards for traders. The findings suggest that a wider range of insider strikes lowers the profits of strategy traders, while a wider range for outsiders enlarges the profits. We recommend designing option portfolios with different strikes to enable strategy traders to capture potential interests more effectively if they expect specific market scenarios.

Keywords: Long call condor strategy, Option valuation, Strike ranges

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