

CAMPAIGN TRADING

Automating System

Q2'25 Newsletter



Firebird Trading Systems – Elevate Your Trading Strategy

Your Source for Trading Insights, Tools, and Strategy Updates

Welcome to the Firebird Trading Systems Update!

We're charging into the second half of 2025 with fresh tools, smarter strategies, and powerful content for traders at every level. Just launched: our brand-new **5-part Basic Options Trading video series**—and it's **completely FREE (for now!)**. Whether you're brushing up or just getting started, this series lays the groundwork for our **Advanced Options Trading Series**, coming in Q3 '25. Get ready to trade smarter, faster, and with confidence.



[Training or Educational Content – firebirdtradingsystems](https://firebirdtradingsystems.com)

★ Before We Dive into the New Gear... Let's Talk Profits!

Before we unveil all the powerful new tools Firebird rolled out this year, let's rewind to Q1'25. Remember those two trades we featured in our very first newsletter? They didn't just perform—they turned into **high-powered profit campaigns**. It wasn't a walk in the park, but with patience and strategy, they delivered in a big way. Let's break down what made them work. 📈🔥

Review of Previous Opening Trades:

We found these positions in December and opened them with real money. This is the description of Example 1 from the Q1 newsletter:

Example 1: Bought CVNA (Trading at \$222.66) Bull Diagonal Spread on 12/23/24.

Long Jun 210 Puts: 2 ea @ 35.87

Short Jan 220 Puts: 2 ea @ 18.10

The total buying Power required equals: $((2 \times \$1000) + 2 \times (\$35.87 - \$18.10)) = \5554

The largest potential gain is: ~\$3100 (this would occur if the position was held until the short put expired and the underlying stock was trading at 220 (the short put Strike Price))

Another important point that the initial P&L Graph shows is that the Implied Volatility of the Short Position (what we are selling) is higher than that Implied Volatility of the Long Position (the one that we are buying)

To lose money in this position at the Short Put expiration date of 01/24 (and the Implied Volatility remains stable), if no adjustments are made, the underlying stock must close below ~192 or close above ~294.

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Trading Campaign Actions

Date	Type	Description	Profit \$
12/23/24	Bought To Open	2 PUT CVNA 06/20/25 210.000 @ \$35.87	
12/23/24	Sold to Open	2 PUT CVNA 01/24/25 220.000 @ \$18.10	
01/22/25	Bought To Cover	2 PUT CVNA 01/24/25 220.000 @ \$0.42	\$3536
01/22/25	Sold to Open	2 PUT CVNA 02/28/25 220.000 @ \$14.76	
02/27/25	Sold To Close	2 PUT CVNA 06/20/25 210.000 @ \$22.70	(\$2634)
02/27/25	Bought To Cover	2 PUT CVNA 02/28/25 220.000 @ \$1.30	\$2692

Campaign Total Profit: \$3594

Initial Investment: \$5554

ROI: 64.7%

This is the description of Example 2 management from the Q1 newsletter:

Example 2: Bought TSM (trading at 201.49) Bull Diagonal Spread on 12/27/24.

Long July 190 Puts: 2 ea @ 16.32

Short Jan 200 Puts: 2 ea @ 9.57

The total buying Power required equals: $((2 \times \$1000) + 2 \times (\$16.32 - \$9.57)) = \3350

The largest potential gain is: ~\$1625 (this would occur if the position was held until the short put expired and the underlying stock was trading at 200 (the short put Strike Price))

Also, for this position, as in the previous one, the initial P&L Graph shows that the Implied Volatility of the Short Position (what we are selling) is higher than that Implied Volatility of the Long Position (the one that we are buying).

To lose money in this position at the Short Put expiration date of 01/31, if no adjustments are made, the underlying stock must close below ~186 or close above ~234.



Trading Campaign Actions

Date	Type	Description	Profit \$
12/27/24	Bought to Open	2 July 190 Puts @ \$16.32	
12/27/24	Sold to Open	2 JAN 200 Puts @ \$9.57	
01/24/24	Bought to Cover	2 JAN 200 Puts @ \$0.19	1876
01/24/25	Sold to Open	2 Feb 200 Puts @ \$2.09	
02/25/25	Bought to Cover	2 Feb 200 Puts @ \$0.03	412
02/25/25	Sold to Open	2 Mar 200 Puts @ \$15.05	
02/25/25	Sell to Close	2 July 190 Puts @ \$17.15	166
03/17/25	Bought to Cover	2 Mar 200 Puts @ 24.44	1878
03/17/25	Sold to Open	2 April 200 Puts @ 25.72	
04/03/25	Put Assigned	Bought 200 Shares TSM @200	5144
06/04/25	Sell	200 Shares of TSM @203	600

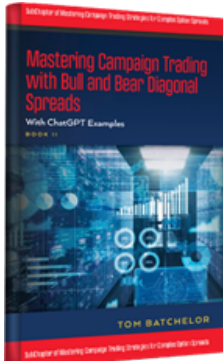
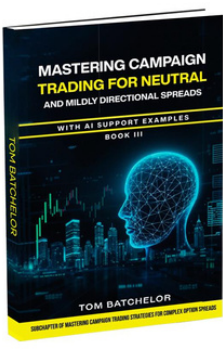
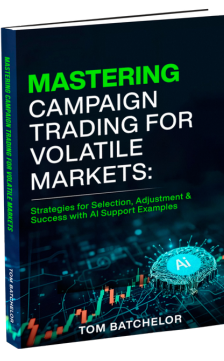
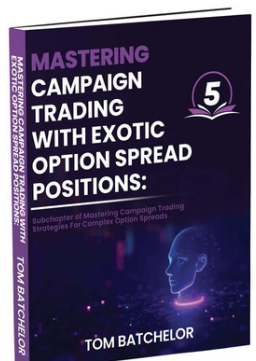
Campaign Total Profit: \$ 6,320

Initial Investment: \$ 3,350

ROI: %188.6

Option Trading Book Series

Tom is developing a series of Campaign Trading books focused on Option Trading. The book series is shown below:

				
May 7, 2024	October 30, 2024	march 20, 2025	August 5, 2025	Coming soon

[CLICK HERE TO SEE BOOK DETAILS ON FIREBIRD'S WEBSITE](#)

Exciting New Algo Trading Product

Introducing Firebird Trading Systems' Gamma Trading Suite

Firebird's newest suite of **Gamma Trading products** is engineered for traders who thrive in fast-moving markets. Designed to run seamlessly on 1-minute, 2-minute, and 5-minute charts, these tools leverage real-time market volatility and delta shifts to generate tactical entries and exits—**fully automated**. Whether you're scalping momentum or managing micro-trend swings, the Gamma Trading engine reacts instantly to price movements, **balancing position exposure and capitalizing on rapid fluctuations**.

Setting up is fast and simple—**no coding required**. Detailed step-by-step guidance is available on the Firebird website, making it easy for both experienced traders and newcomers to deploy these systems with confidence. Once configured, the product **runs hands-free, monitoring price action, adjusting positions, and executing trades** on your behalf. Built for consistency in chaotic markets, the Gamma Trading products aim to deliver steady, repeatable profit opportunities—all while freeing you from the screen. This is next-gen trading, and it's built for speed.

Trader's Evolution—Path to Profitability

The strategies traders choose to reveal more than just their market outlook—they reflect their **experience, discipline, and maturity** as market participants. Trading isn't just about tactics; it's a journey of skill development, where each level unlocks new layers of insight and control.

Beginner-level traders often start with basic directional plays, like buying calls or puts, aiming to profit from anticipated moves in the underlying stock. These trades are simple to execute but expose traders to the full brunt of time decay and volatility. As traders gain experience, many graduate to **intermediate strategies**, such as selling covered calls or cash-secured puts, adding the dimension of **premium income** and capital efficiency. These methods require a deeper understanding of **risk management** and **position structure**.

At the **advanced level**, traders deploy complex multi-leg spreads like verticals, diagonals, iron condors, batmans and other exotic spreads. These strategies reflect a trader's ability to **analyze volatility, time decay, and directional bias simultaneously**, often with layered risk and hedging logic. The same strategy can vary drastically in intent—a seasoned trader might use vertical spreads to hedge portfolio exposure, while another applies them as speculative vehicles for short-term market bursts.

Ultimately, a trader's philosophy and toolset evolve with experience. Mastery lies not in knowing every strategy—but in **choosing the right one for the right situation**. Trading maturity means aligning tactics with long-term goals, market conditions, and risk tolerance—turning options from mere instruments into precision tools for **adaptive, personalized wealth-building**.



Trader Questions & Answers

Real Questions. Real Solutions. Shared Wisdom.

Q1: When should I choose a Deep-in-the-Money call instead of buying shares outright?

A: Great question! Deep-in-the-Money (DITM) calls behave a lot like stock but cost significantly less upfront. You might choose a DITM call when:

- You want **stock-like exposure** with **less capital**.

- You're looking for **defined risk** without worrying about stop-loss orders.
- Implied volatility is **moderate or low**, keeping option premiums affordable.

 **Example:** Instead of buying 100 shares of XYZ at \$100 (cost: \$10,000), you could buy a \$70 DITM call for \$32, costing just \$3,200. Your delta is ~0.90, so you're capturing nearly 90% of the stock move with less downside exposure.

Q2: I keep getting stopped out during volatile swings. How can I stay in the trade without giving up?

A: This is one of the biggest frustrations for developing traders. Consider switching from a **fixed stop-loss mindset** to a **defined-risk options position**. For example:

- Use a **vertical debit spread** instead of a straight long call or put.
- Try **gamma scalping** with longer-dated options and rebalance as the underlying moves.
- Or trade **smaller size** with more room to manage positions.

✅ Pro Tip: Instead of trying to avoid all losses, focus on managing risk consistently and allowing volatility to become your **edge**, not your enemy.

Q3: How do I know if a short option leg is too risky to sell?

A: A good rule of thumb is to check:

- **IV Rank** – High IV makes premium rich but increases risk of violent swings.
- **Delta** – Avoid selling short options with delta > 0.30 unless you're hedging.
- **Time to expiration** – The shorter the DTE, the faster the theta (decay), but also the faster the risk builds.

💡 **Pro Strategy:** If you're unsure, use a **defined risk spread** (e.g., vertical or diagonal) instead of a naked short leg. This caps your max loss while allowing you to collect premium responsibly.

... Got a question you'd like answered in the next newsletter? Submit it through the Firebird Trading Systems website under the "Contact" section. We'd love to feature your challenge and help the community grow stronger.

Newly Opened Trades for Your Review

We found these positions in June and opened them with real money. The details of each trade including a table of the Historical Volatility, a chart at the time of entry and the Option Station option chains page is provided below:

Example 1: Bought AMD (Trading at \$119.02) Straddle on 06/04/25.

Long Dec 115 Put: 1 ea @ 13.45

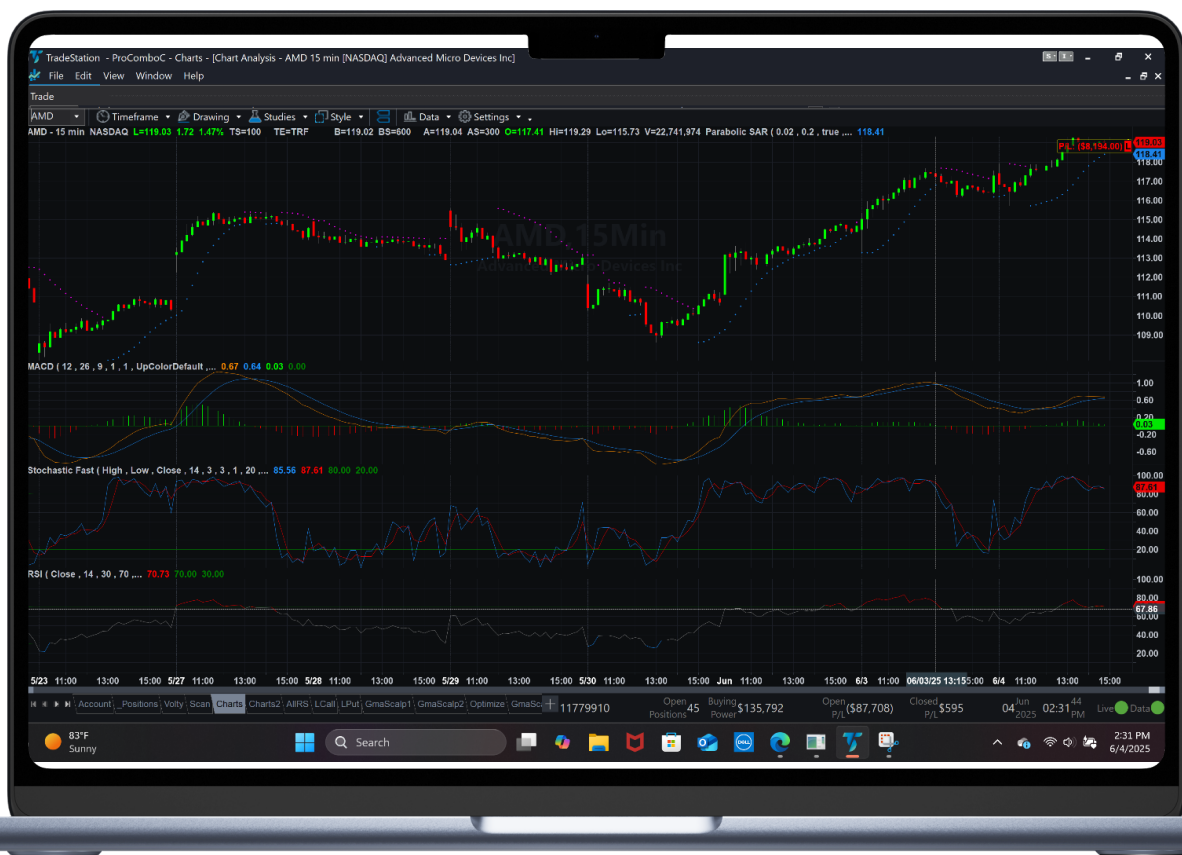
Long Dec 115 Call: 1 ea @ 17.20

The total buying Power required equals: $\$1345 + \$1720 = \$3065$

The largest potential gain is unlimited

Historical Volatility Trend

10 Days	20 Days	1 Month	2 Month	3 Month	4 Month	5 Month
34.30%	38.32%	38.32%	79.41%	69.52%	63.78%	63.78%



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OptionStation Pro

Symbol	Description	Last	Net C...	Bid	Ask	High	Low	Hist V...	Beta Weighting	Account
AMD	Advanced Micro Dev...	119.02	1.71	119.01	119.02	119.30	115.73	63.35 %	SPY	All Accounts

Spread StraddleFilter NONEStrikes 20Click to: Trade

CALLS

PUTS

Pos	Theta	Intri...	Extri...	Ope...	Gam...	Delta	Bid	Ask	Strike	Bid	Ask	Delta	Gam...	Ope...	Extri...	Intri...	Theta	Pos
21 Nov 25 (170d)																	46.07%	(±30.43)
19 Dec 25 (198d)																	+2 45.55%	(±32.55)
-0.03	49.01	4.48	289	0.005	0.88	53.37	53.61	70	53.37	53.61	0.88	0.005	289	4.48	49.01	-0.03		
-0.04	44.01	5.51	395	0.006	0.85	49.37	49.66	75	49.37	49.66	0.85	0.006	395	5.51	44.01	-0.04		
-0.05	39.01	6.81	1,144	0.008	0.80	45.65	45.99	80	45.65	45.99	0.80	0.008	1,144	6.81	39.01	-0.05		
-0.05	34.01	8.47	790	0.009	0.75	42.20	42.75	85	42.20	42.75	0.75	0.009	790	8.47	34.01	-0.05		
-0.06	29.01	10.37	1,209	0.011	0.69	39.20	39.55	90	39.20	39.55	0.69	0.011	1,209	10.37	29.01	-0.06		
-0.06	24.01	12.77	5,072	0.013	0.62	36.65	36.90	95	36.65	36.90	0.62	0.013	5,072	12.77	24.01	-0.06		
-0.07	19.01	15.62	5,715	0.015	0.54	34.50	34.75	100	34.50	34.75	0.54	0.015	5,715	15.62	19.01	-0.07		
-0.07	14.01	18.94	3,803	0.016	0.45	32.80	33.10	105	32.80	33.10	0.45	0.016	3,803	18.94	14.01	-0.07		

Options Analysis Manage Search

Trade

Spread	Delta	Theta	Max Profit	Max Loss
Straddle	79.5	-22.78	∞	-9,414.00

Side	Open / Close	Quantity	Symbol	Expiration	Strike	Type
Buy	Open	3	AMD	19 Dec 25	115	Put
Buy	Open	3	AMD	19 Dec 25	115	Call

Quantity Multiplier

Order Type

LimitPrice

Stop Price

Route

Duration

Account Number

Natural

Mid

31.55

31.38

Activation Rule

...

Analyze

Place Order

DEBIT

<Filled> Bought 1 FSLR Dec 2025 170 Call @ 24.7000 Limit - Filled @ 25.4500

83°F Sunny

Search

2:28 PM

6/4/2025

Delta: 2,019.80Theta: 214.23Open P/L: -87,282.50Online

Example 2: Bought GTLS (Trading at \$149.02) Straddle on 06/04/25.

Long Dec 150 Put: 1 ea @ 17.30

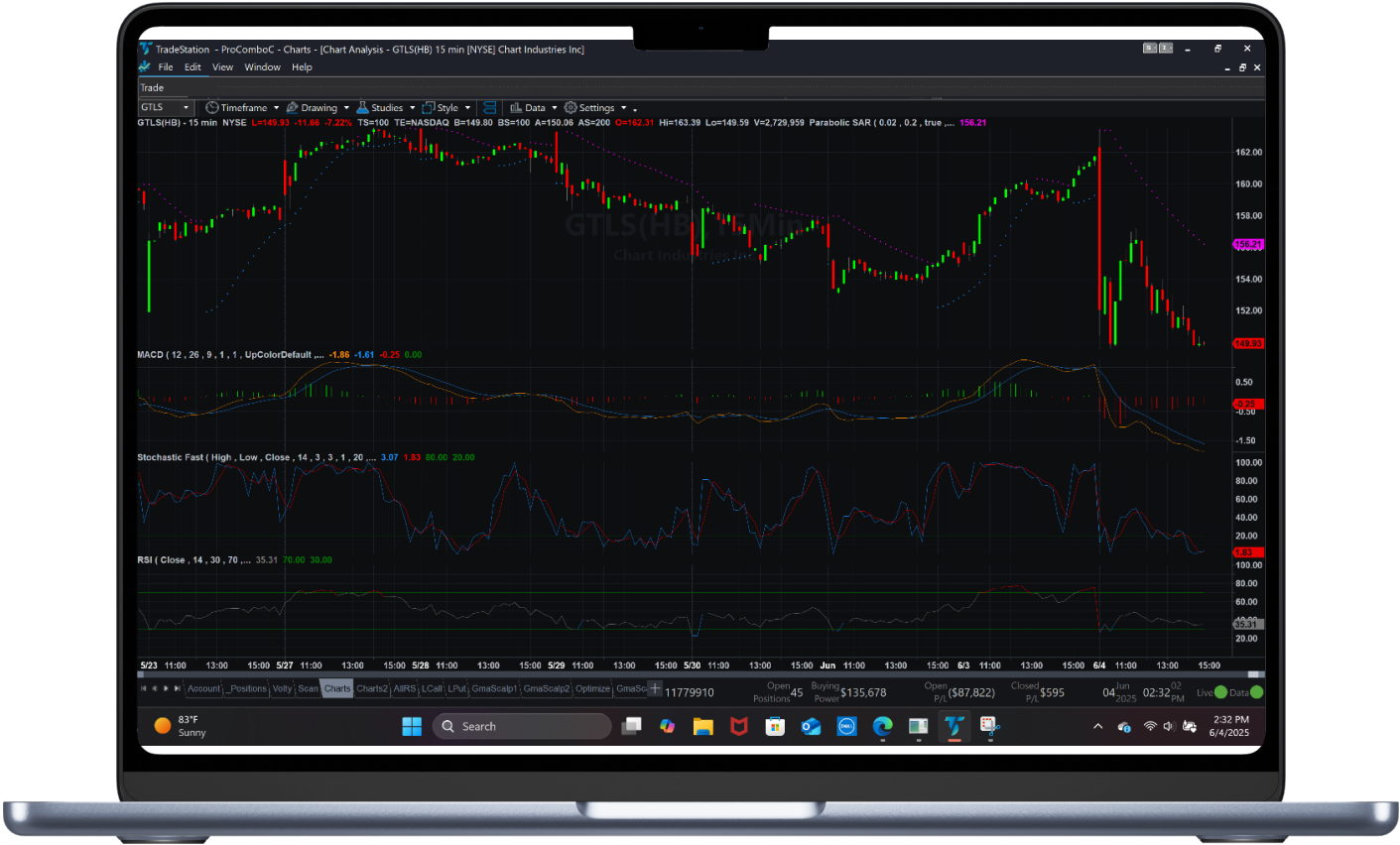
Long Dec 150 Call: 1 ea @ 21.60

The total buying Power required equals: \$1730 + \$2160 = \$3890

The largest potential gain is unlimited.

10 Days	20 Days	1 Month	2 Month	3 Month	4 Month	5 Month
39.52%	43.54%	43.54%	82.68%	77.61%	74.98%	74.98%

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In the next Newsletter (Q3'25) we will report the results of these trades including any adjustments that were made.

Until next time—stay sharp, trade smart, and let the volatility work in your favor.

🔥 – The Firebird Trading Systems Team Empowering Traders. Elevating Success.

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Legal Disclaimer: Trading involves significant risks. Our algorithms are based on simulated data with inherent limitations and may not accurately predict actual market conditions. While our algorithms are rigorously tested, their past performance does not guarantee future results. Always approach trading with caution and consider potential risks before utilizing any algorithm.

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