My preferred swing system:-

You can make this quite mechanical.

CE conditions

Daily chart:

1. NIFTY above 20 EMA
2. 20 EMA above 50 EMA
3. NIFTY breaks previous swing high/resistance
4. Daily candle closes above the level
5. Volume is above recent average
6. India VIX is rising from a relatively low/normal zone
7. Option IV isn't abnormally expensive

→ Buy ATM/slightly ITM CE

PE conditions

Daily chart:

1. NIFTY below 20 EMA
2. 20 EMA below 50 EMA
3. NIFTY breaks previous swing low/support
4. Daily candle closes below the level
5. Volume is above recent average
6. India VIX is rising
7. Option IV isn't abnormally expensive

→ Buy ATM/slightly ITM PE

---

5. Stop-loss

Don't make the option premium itself your only stop-loss.
For example, if you buy NIFTY CE at ₹250 and say:
"I'll exit if it falls 30%."
That can sometimes be too crude.
Instead, define the **NIFTY technical invalidation level**.
Example:
NIFTY breaks resistance at **25,000**.
You buy CE.
Your thesis is invalidated if NIFTY closes back below **24,850**.
So:
Entry → 25,000 breakout
Stop → daily close below 24,850
Target → next major resistance

Then you can translate that into the option's expected behavior.

---

6. Trailing stop

For a swing trade, I prefer trailing based on NIFTY rather than constantly watching the option premium.
Example:
Entry: NIFTY 25,000 breakout
SL: 24,850
Target: 25,500
If NIFTY reaches 25,250:
Move SL to approximately **25,000**.
If NIFTY reaches 25,400:
Move SL toward **25,200–25,250** depending on the structure.
This allows the option to benefit from a large move without exiting too early.