Download Bear Put Spread A Simple Options Trading Strategy For Consistent Profits

The purchase of a put spread (a "long put spread" or "bear put spread" position) is a bearish options strategy that consists of simultaneously buying a put option and selling the same number of put options at a lower strike price on a stock that a trader believes will decrease in price. Both options must be in the same expiration cycle.A bear put spread is a bearish options strategy used to profit from a moderate decline in the price of an asset.The Bear Put Spread Strategy The bear put spread is a popular options trading strategy to use when speculating on a security going down in price. It requires just two transactions to use, and is a good choice for beginners that are expecting the price of security to decrease by a fair to moderate amount.In that case, the options strategy called the bear put spread may fit the bill. To use this strategy, you buy one put option while simultaneously selling another, which can potentially give you profit, but with reduced risk and less capital.