

Description of Strategy

Algorithm Name: STExample
Author: Strategy Runner (Israel)
Date: 1.12.02
Contract: NASDAQ

Action		Description (by Algorithm)	Description (in words)
Preparation (What should be done before entering position)		Time > 9:15 AND PreviousProfit > MaxLoss AND PreviousProfit < MaxWin	Choosing contracts, for example, S&P E-Mini futures Profit and loss per previous day inside the restrictions Open time 9:15
Enter Position (which conditions should exist in order to enter position, how should these conditions be	Long	if Close - Delta > Low then buy #Contracts by Market	If close price per previous bar (5 min) more than low price of the same bar and difference between them more than parameter Delta than send market order to buy #Contracts

conditions be calculated)	Short	if $\text{Close} + \text{Delta} < \text{High}$ then sell #Contracts by Market	If close price per previous bar (5 min) less than high price of the same bar and difference between them more than parameter Delta than send market order to sell #Contracts	
Closing open positions: (Conditions for closing open positions, how should positions be closed)	Long	With Profit Target	1.5% from enter position point	Exit with profit after rise up 1.5% from enter position price
		With Loss	3% from enter position point	Exit with loss after shut down of price 3% from enter position price
		Other signals (i.e. trailing stop)	if $\text{CurrentPrice} - \text{EnterPrice} > \text{Epsilon}$ then $\text{StopOrder} = \text{StopOrder} + \text{BeAdd}$	Moving stop-signals that change together with Current price one time only
	Short	With Profit Target		Symmetrical to the long position
		With Loss		

	Other signals (i.e. trailing stop)		
After Position is Closed What should be done			Calculate profit and new contracts quantity
Additional Signals (all other signal for entering and closing position)			Don't' use the strategy if profit was more than \$3250 per previous day

Money Management for this Strategy (changing number of contracts according to P&L)	# Contracts = (PV/\$ Variable) PV= Either initial Portfolio value	Add contracts with every increase in system equity of profit Round down to the nearest whole number, and always use at least 1 contract. If # Contracts>Max Contracts Variable, then # contracts = Max contracts variable, else # Contracts.
--	--	--

Parameter Name	Description	Default (Initial) Values
Delta	Difference between prices for opening contract	0.5 (%)
#Contracts	# contracts	1 (contract)
Epsilon	price step for changing stop orders	0.7 (%)
BeAdd	value, that added to price for stop order	0.6 (%)
Wins	# permitted trades with profit	10
Total	# common permitted trades	20
Losses	# permitted trades with loss	10
End Time	Time for exiting all positions (stop time)	13:00:00
Enter End	Does not enter any positions after this time	11:00:00
Start Time	Start Observation	07:40:00
Enter Start	First Order can be placed after this time	08:30:00
Stop	Protective Stop Exit (not applicable here)	100%
Limit	Exit with profit (not applicable here)	100%
Without change		
After Win	Wait before using an indicator (sec)	0
After Loss	Wait before using an indicator (sec)	0
After Enter	Wait before using an indicator (sec)	0

General description of strategy:

1. Momentum indicator is used to open contract.
2. Moving average with special coefficient is used to close contract with profit
3. Predefined points are used to close contracts too.
4. Parabolic approach is applied for trial condition

Numerical Example of strategy:

