

done: 27N8, 19 days later.

date	time	BUY	SELL
08-Jul	8.43.19		822
08-Jul	10.02.54	836.5	

impact on capital: 165.00 -5%

First systematic trade.

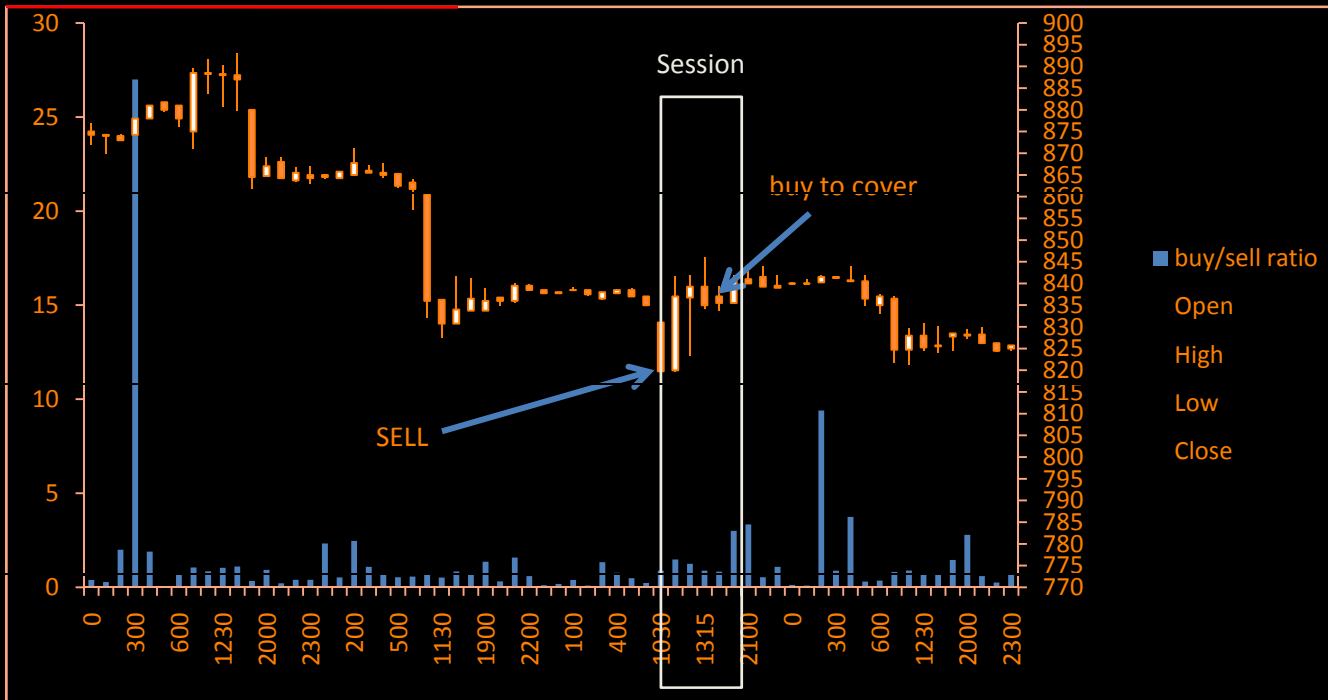
Executed in the mini wheat future.

Data from the future contract.

System logic:

If the day-to-day return is lower than 2% and the volume is above its 200d MA, then SELL and buy to cover at the close. Else, Hold. Stop loss @ 2% against, in price.

	mini	future
mm margin	800	2200
contract value	7600	38000



	returns	money
Sum	21.69%	2,416.50
trades	26	25
positives	11	11
pw	42.3%	44.0%
Avg	0.83%	96.66
stdev	3%	258.33
z value	1.69	1.87
Avg W	3.38%	349.77
Avg L	-1.03%	(102.21)
profit ratio	3	3
MINIMO	-2.0%	(210.00)
MAX	5%	575.00
days	113	112

SYSTEM

It was tested with data from 1960 year but almost all signals are given

flaws:

- 1) I had a behavior of a scalper when the strategy was systematic positional.
- 2) Entry and Exit were at the market price, not using limit orders. Probably This explains a lot of the losses because brought a very high bid ask spread.
- 3) This was the only systematic trade of 14 transactions.
- 4) The system is designed for trading the past, ie that the SELL comes after analyzing market behavior of the past 2 days and apply it at the opening of today.
- 5) It wasn't a market reversal, just a continuation.

during 2008. It is a shorting system only. It has sense that signals appears only during 2008 because W is bearish since March. Maybe it works in a longer term patter, ie monthly signals instead of daily. Or maybe Intraday, but with a mean reverting attitdde, buy when SHORTS are signaled. This system has a very low probability of win. It statistic value is very low and I decided to trade it just because I wanted to trade. The volatility is three times the average return. Even though I still like it and feel comofortable to trade with it. Unfortunately the corn market shows no profit potential with this algorithm. I look forward keeping it updatd and ready to trade it again when money be available; better if it is with the future and not the mini... liquidity.

LESSONS

Let the system do the job of signaling and back the system with adequate capital in line with a strong losing strake. Always work with limits. I don't feel guilty with this loss because stop loss was exected: not the case with the rest of the 13 trades that were with no strategy.

the buy/sell ratio (up volume devided down volume, trade station) Was significantly hight when the SELL order was indtroduced. Also near the exit, the buyers where in control. This could be a second guess for the system: SHORT when the singals are given but subject to the dominance in the market: buyers or sellers.