Strategy Settings Optimization — Executive Summary

Provider: openai | Model: gpt-4o-mini | Prompt tokens: 2143 | Output tokens: 877 | Total: 3020

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- **Ichimoku Parameter Adjustments:**
  - **Tenkan Period:** Reduce from 9 to 7 for improved responsiveness to price changes.
  - **Kijun Period:** Shorten from 26 to 20 to enhance entry timing during volatility.
  - **Senkou B Period:** Adjust from 52 to 50 for better alignment with market dynamics.
  - **Chikou Offset:** Decrease from 26 to 20 to align the lagging line with current price action.
  - **Senkou Offset:** Reduce from 26 to 20 to enhance predictive capability of the cloud.

- **Signal Logic Enhancements:**
  - Maintain current buy and sell logic to ensure strict adherence to confirmation signals.
  - Add condition: "ChikouAbovePrice" to filter trades more effectively.

- **Risk Management Improvements:**
  - Tighten stop loss from 5.0% to 4.0% to reduce maximum drawdown.
  - Introduce a take profit target of 10.0% to lock in gains.
  - Shift from fixed to volatility-based position sizing to optimize risk exposure.

- **Proposed Experiments:**
  - Conduct a walk-forward grid to optimize Ichimoku parameters.
  - Implement a trend filter A/B test to evaluate the impact of additional conditions on performance.

Recommended setting changes:
- tenkan_period: current=9, suggested=7. Reducing the tenkan period may enhance responsiveness to price changes, potentially capturing more short-term trends.
- kijun_period: current=26, suggested=20. A shorter kijun period can provide quicker signals, improving entry timing during volatile market conditions.
- senkou_b_period: current=52, suggested=50. Slightly adjusting the senkou B period may help in better aligning the cloud with current market dynamics.
- chikou_offset: current=26, suggested=20. Reducing the chikou offset can help in aligning the lagging line more closely with current price action.
- senkou_offset: current=26, suggested=20. A shorter senkou offset may improve the predictive capability of the cloud.
- Signal logic:
  • buy_logic: AND -> AND (Maintaining the current buy logic ensures strict adherence to confirmation signals.)
  • sell_logic: AND -> AND (Keeping the sell logic as is preserves the strategy's risk management integrity.)
  • add_conditions: ['ChikouAbovePrice']
- Risk management:
  • stop_loss_pct: 5.0 -> 4.0 (Tightening the stop loss can help in reducing the maximum drawdown and preserving capital.)
  • take_profit_pct: None -> 10.0 (Implementing a take profit target can help lock in gains more effectively.)
  • position_sizing: fixed -> volatility (Switching to a volatility-based position sizing can optimize risk exposure relative to market conditions.)

Experiments to run:
- Walk-forward grid: Optimize Ichimoku parameters through a systematic grid search.
- Trend filter A/B: Test the impact of additional conditions on trade performance.