

# Strategy Settings Optimization — Executive Summary

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- **Ichimoku Parameters Adjustments:**
  - **Tenkan Period:** Suggest adjusting to 7-11 for better short-term signal responsiveness.
  - **Kijun Period:** Consider a range of 22-30 to balance responsiveness and noise reduction.
  - **Senkou B Period:** Modify to 48-56 to enhance trend alignment.
  - **Chikou Offset:** Adjust to 20-30 for improved timing of signals.
  - **Senkou Offset:** Recommend a range of 20-30 for better future price alignment.
- **Signal Logic Enhancements:**
  - **Buy Logic:** Transition from AND to OR to capture more entry opportunities.
  - **Sell Logic:** Implement OR conditions for more effective exit strategies.
  - **Add Condition:** Introduce "ChikouAbovePrice" to filter trades based on trend strength.
- **Risk Management Improvements:**
  - **Stop Loss Percentage:** Suggest reducing to 3.0-7.0% to mitigate losses in volatile conditions.
  - **Take Profit Percentage:** Introduce a target of 10.0-20.0% to secure profits.
  - **Position Sizing:** Shift from fixed to volatility-based sizing to optimize risk exposure.
- **Proposed Experiments:**
  - **Walk-forward Grid:** Systematically optimize Ichimoku parameters.
  - **Trend Filter A/B:** Assess the impact of additional trend conditions on performance.

Recommended setting changes:

- **tenkan\_period:** current=9, suggested=[7, 11]. Adjusting the Tenkan period can help capture shorter-term price movements more effectively, potentially improving entry signals.
- **kijun\_period:** current=26, suggested=[22, 30]. A shorter Kijun period may provide more responsive signals, while a longer one can smooth out noise.
- **senkou\_b\_period:** current=52, suggested=[48, 56]. Tweaking the Senkou B period can enhance the cloud's predictive power by aligning it better with market trends.
- **chikou\_offset:** current=26, suggested=[20, 30]. Adjusting the Chikou offset can improve the timing of signals relative to price action.
- **senkou\_offset:** current=26, suggested=[20, 30]. Modifying the Senkou offset can help in better aligning the cloud with future price movements.
- **Signal logic:**
  - **buy\_logic:** AND -> OR (Using an OR condition may allow for more flexible entry points, capturing more trades.)
  - **sell\_logic:** AND -> OR (Implementing an OR condition for sell signals can help in exiting trades more effectively.)
  - **add\_conditions:** ['ChikouAbovePrice']
- **Risk management:**
  - **stop\_loss\_pct:** 5.0 -> [3.0, 7.0] (Reducing the stop-loss percentage can limit losses more effectively in volatile markets.)
  - **take\_profit\_pct:** None -> [10.0, 20.0] (Introducing a take-profit target can help lock in gains and improve overall profitability.)
  - **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 trend conditions on performance.