The ‘trades’ files contain historical features ahead of entering certain trades either long or short and your task is to find a model or filters that make this model lose less or make it profitable. There may not be a model or set of filters that makes this model profitable but please share your approach in as much detail as possible, i.e. if you tried something and it did not work we’re also interested to see what you tried. You may choose to initially focus on a subset of data or analyze the whole dataset at once. The files contain the following fields:
‘date_time’: this is the date and time a trade was entered
‘entry_side’: this represents whether the trade was entered long (1) or short (-1)
‘profit_loss’: this represents the profit/ loss a given trade realized
The other columns are named featuren where n is a natural number. There are three types of feature values:
Type 1: feature values that have the same value across records on a given date. You can use these to decide whether to trade or not to trade on a given date but you cannot use them to decide to only go long or short since that would create a model that is not market-neutral
Type 2: feature values that have different values for different records on a given date and are categorical or numerical and non-negative . You can use these to exclude certain trades but want to make sure that you’re still building a model that works both long and short
Type 3: feature values that have different values for different records on a given date and have both negative and positive values. You can use these to exclude certain trades but want to make sure that you’re creating symmetric filters, i.e. a filter such as long and featurex>y or short and featurex<(-y) would be valid; a filter such as featurex>y and (long or short) would not be valid.