

Trading Confusion Matrix (100 test days)

		Predicted UP	Predicted DOWN
Actual DOWN	False Positive	16	True Negative
	True Positive	34	False Negative
Actual UP	True Positive	36	False Negative
	False Positive	14	True Negative

Performance Metrics Explained

ACCURACY

70%

RECALL

72%

PRECISION

69%

F1 SCORE

0.71

Accuracy: Overall correct predictions

70/100

Precision: When we say BUY, how often right?

36/52

Recall: Of all UP days, how many caught?

36/50

F1 Score: Balance of precision & recall

harmonic mean

Trading Insight: 69% precision means ~1/3 of BUY signals are wrong!