



InferTrade
PREDICTIVE RESEARCH TOOLS

Trading Rule: CPS in signal form

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1 Rule Description

Given a Series of price and research, return a Series with the allocation positions.

2 Rule Parameters

Below is a table summarizing the parameters specific to this trading rule.

Parameter Name	Default Value	Description	Symbol
Constant Position Size	0.5	This is the fraction of the portfolio's value to invest in the position. Valid values range from 0 to 1.	Ω

3 Equation

Below are the equations which govern how this specific trading rule calculates a trading position.

$$z_t = \Omega \tag{1}$$

where z_t is the portfolio allocation at time t and Ω is a fixed constant.

4 Glossary

- **Bullish:** Positive outlook on the market. Expectation of positive returns.
- **Bearish:** Negative outlook on the market, Expectation of negative returns.
- **Allocation:** The allocation is the fractional amount of the portfolios value used to determine the size of the trading position.
- **Parameter:** Value used by the trading rule in the calculation for trading position
- **Trading Rule:** Strategy to determine when to buy, hold or sell a position.

Further Links

1. InferTrade: <https://www.infertrade.com>
2. Privacy Policy / Legal notice: <https://www.infertrade.com/privacy-policy>
3. InferStat Ltd: <https://www.inferstat.com>