



Predictive Relationship: RollingPriceLevelRegression

Contents

1	Trading Strategy Description	2
2	Rule Parameters	2
3	Glossary	2

1 Trading Strategy Description

Technical indicator: regresses the one-day price changes against the level of the price for the specified number of days.

2 Rule Parameters

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

Parameter Name	Default Value	Description	Symbol
Amplitude	0.1	Amplitude weighting (Kelly Fraction). 1.0 is maximum growth if regression is exact. <1.0 scales down positions taken.	Symbol
Regression Length	100	This is the number of days used to estimate the regression coefficients.	Symbol

3 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>