



Trading Rule: Integer Differential Moving Averages

0.1 Rule Description

These representations have the position dependent on comparing two moving average windows one is short and the other is Long when the short window average length L_1 is greater than the long one average length L_2 so the model will go for the long position and when the short L_1 is less than the long one L_2 , the position will be short

0.2 Rule Parameters

Parameter Name	Default Value	Description	Symbol
Long Window size	10	This is the number of time steps over which exponential contributions are sourced.	L_2
Short Window Size	5	This is the decay factor that reduces older contributions from the price series.	L_1

0.3 Equation

$$\sum_n^{L_2} p_{t-n} \quad (1)$$

$$\sum_n^{L_1} p_{t-n} \quad (2)$$

$$z_t = \begin{cases} 1, & \text{if } equ.2 > equ.1 \\ 0, & \text{if } equ.1 > equ.2 \end{cases}$$

where p_t is the price at time t ,

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>