



Trading Rule: ZScoredRegression

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1 Rule Description

A regression-type approach that directly calculates allocation from research level.

2 Rule Parameters

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

| Parameter Name | Default Value | Description | Symbol |
|------------------------------|---------------|--|--------|
| Constant Coefficient | 0.1 | The coefficient for the constant contribution. | Symbol |
| Level Dependence Coefficient | 0.1 | The coefficient for allocation size versus the z scored level of the signal. | 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>