KPI & Metrics Definition Pack

Version 1.0

KPI Definition Table

Part 1: Safety & Risk KPIs

KPI 1 — Risk Control (Single Trade)	
Business Objective	Prevent catastrophic loss from any single trade
Decision Criterion Linked	Maximum single-trade impact ≤ 5% of equity
KPI Name	Single-Trade Risk Exposure (%)
Definition	The theoretical percentage of account equity per single trade that would be lost if the hard Stop Loss is hit.
Calculation	((Stop Loss Distance in Points * Point Value * Lot Size) / Account Equity) * 100
Threshold	≤ 3% Justification: Operational threshold is strictly capped at **3%** (below the 5% theoretical limit). This ensures that if all 5 Step Index instruments trigger simultaneous trades, the aggregate portfolio risk (3% x 5 positions) will not exceed the **15% Max Drawdown** guardrail.
Type	Leading (Calculated before or at entry)
Action if breached	Immediate lot size reduction or trade rejection

KPI 2 — Capital Preservation (Session Drawdown - Max)	
Business Objective	Ensure survivability during adverse sequences.
Decision Criterion Linked	Floating drawdown ≤ 15%.
KPI Name	Maximum Floating Drawdown (%)
Definition	The largest percentage decline from the session's peak equity to the lowest floating equity point.
Calculation	(Peak Session Equity − Lowest Floating Equity) ÷ Peak Session Equity
Threshold	≤ 15.0%
Type	Lagging
Action if breached	Halt all trading and re-evaluate strategy

Part 2: Performance Metrics (Growth)

These metrics determine if the strategy is worth the risk.

KPI 3 — Capital Growth (Sessions Profitability)	
Business Objective	Achieve repeatable profitability rather than lucky spikes.
Decision Criterion Linked	Profit consistency
KPI Name	Reliability Rate (Daily)

Definition	Take note of the days that provide the most profitability in a week (Sunday – Saturday)
Calculation	*Count (Positive Days) ÷ Count (Total Days) (Day = 00:00–23:59 Server Time)*
Threshold	**≥ 60%** (4,5 out of 7 days)
Type	Lagging
Action if breached	Review trade timing and session volatility.

KPI 4 — Recovery Factor	
Business Objective	Ensure the reward justifies the risk taken.
Decision Criterion Linked	Count positive trading days in a week
KPI Name	Recovery Factor
Definition	The total accumulated profit per instrument over the test period must be at least 1.5x the maximum observed drawdown.
Calculation	*Total Net Profit ÷ Maximum Observed Drawdown*
Threshold	**≥ 1.5**
Type	Lagging
Action if breached	If <1.5, strategy is inefficient; consider pausing.

Part 3: Diagnostic Metrics (Behaviour)

This metric detects if the "Scalping" logic is failing or not.

KPI 5 — Scalping Logic	
Business Objective	Detect if "scalps" are turning into "holds".
Decision Criterion Linked	Determine average hold time of trades
KPI Name	Trade duration drift
Definition	The difference in the time taken to enter and exit a trade regardless of win or loss to determine if EA is "scalping" or "holding"
Calculation	*Exit Time − Entry Time (Average per Session)*
Threshold	*Threshold ≤ X minutes (or ≤ historical scalping average + tolerance)*
Type	Leading
Action if breached	Check for "stuck" trades or failed exit logic.