

Trading Confusion Matrix
(100 test days)

Actual DOWN	False Positive 16	True Negative 34
Actual UP	36 True Positive	14 False Negative
	Predicted UP	Predicted DOWN

Performance Metrics Explained

ACCURACY
70%

PRECISION
69%

RECALL
72%

F1 SCORE
0.71

Accuracy:	Overall correct predictions	70/100
Precision:	When we say BUY, how often right?	36/52
Recall:	Of all UP days, how many caught?	36/50
F1 Score:	Balance of precision & recall	harmonic mean

Trading Insight: 69% precision means ~1/3 of BUY signals are wrong!