



Algorithmic Trading A-Z

with Python and Machine Learning

Did you know...?

Assume you trade the Instrument EUR/USD

You take long and short positions (buy and sell)

on average you change position **every 2 minutes**

assuming **1-2 Pips Bid-Ask-Spread...**

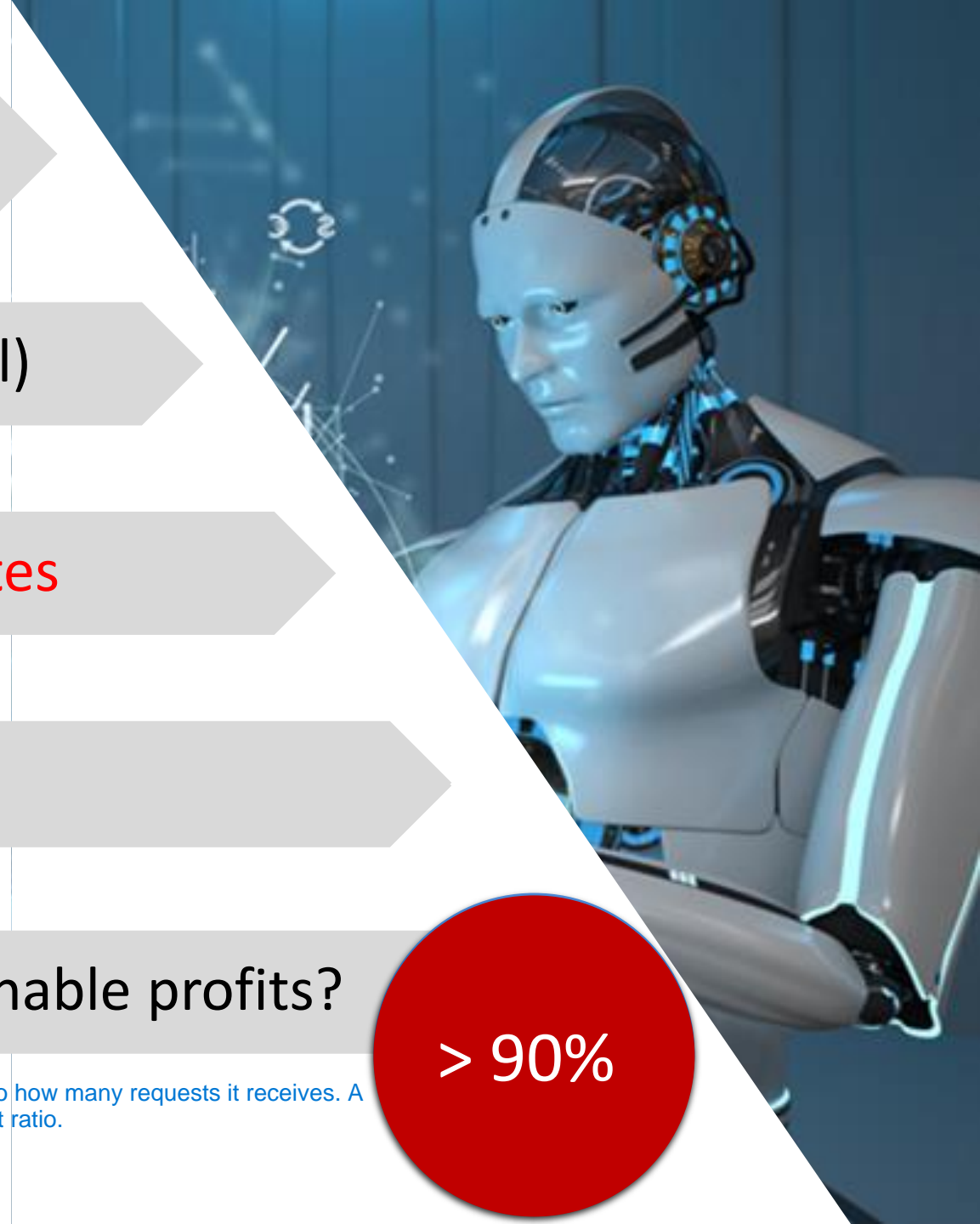
"Pip" is an acronym for percentage in point or price interest point.

... what's the required **hit ratio** to make sustainable profits?

> 90%

Cache hit ratio is a measurement of how many content requests a cache is able to fill successfully, compared to how many requests it receives. A content delivery network (CDN) provides a type of cache, and a high-performing CDN will have a high cache hit ratio.

analysis based on 2020-07-21 to 2020-2020-10-21 price data (source: OANDA)



Assume you trade the Instrument EUR/USD

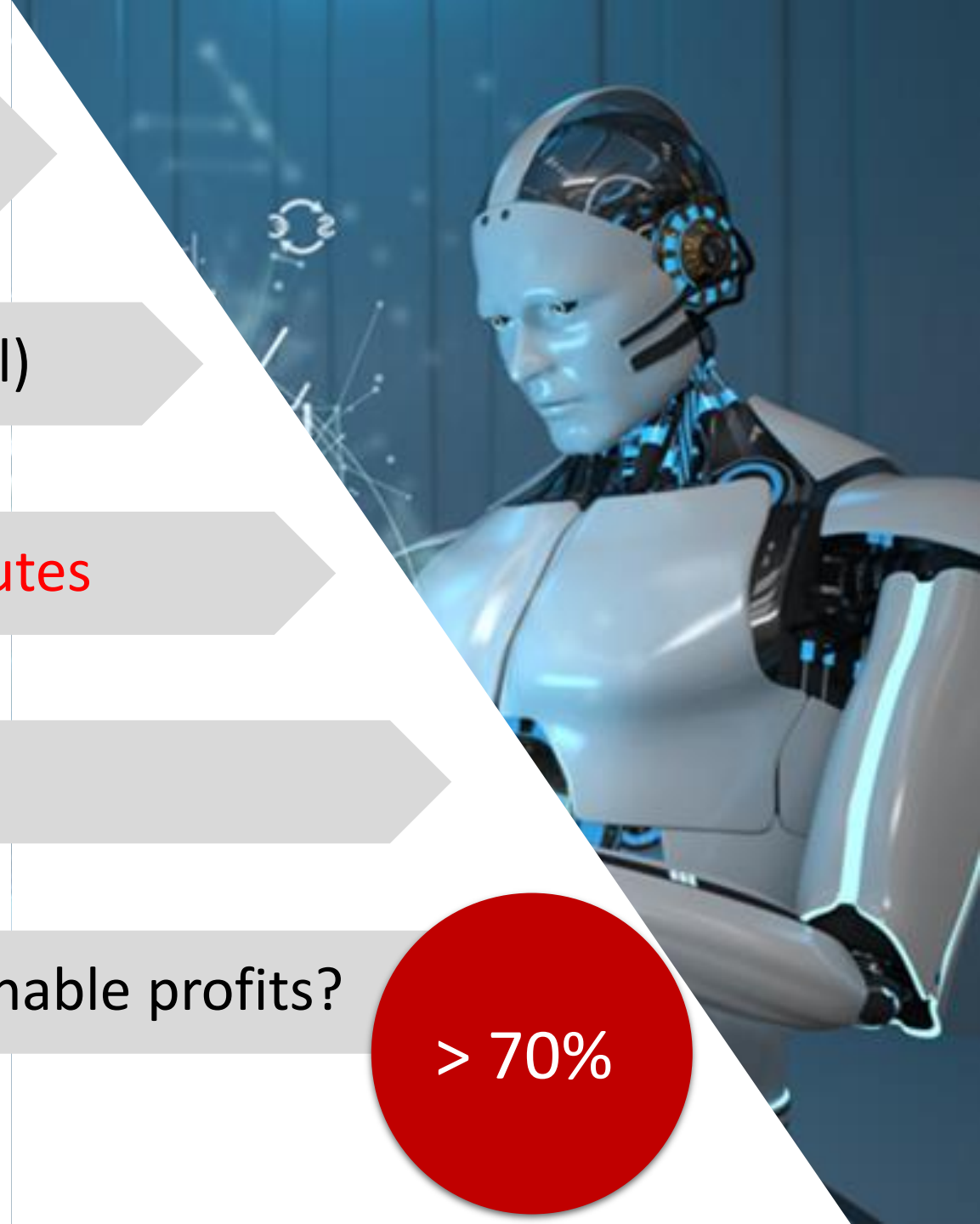
You take long and short positions (buy and sell)

on average you change position **every 10 minutes**

assuming **1-2 Pips Bid-Ask-Spread** ...

... what's the required **hit ratio** to make sustainable profits?

> 70%



Assume you trade the Instrument EUR/USD

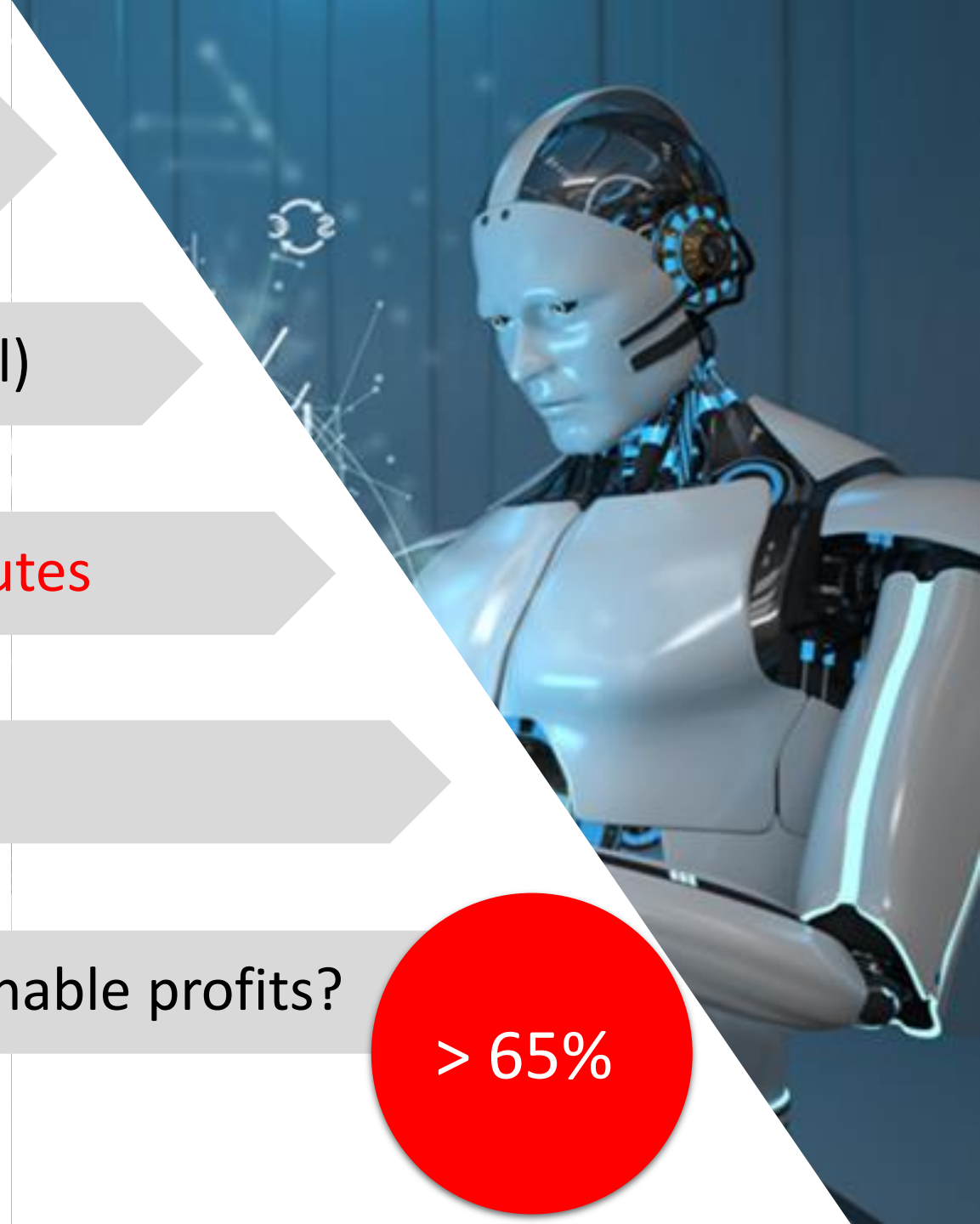
You take long and short positions (buy and sell)

on average you change position **every 20 minutes**

assuming **1-2 Pips Bid-Ask-Spread** ...

... what's the required **hit ratio** to make sustainable profits?

> 65%



Assume you trade the Instrument EUR/USD

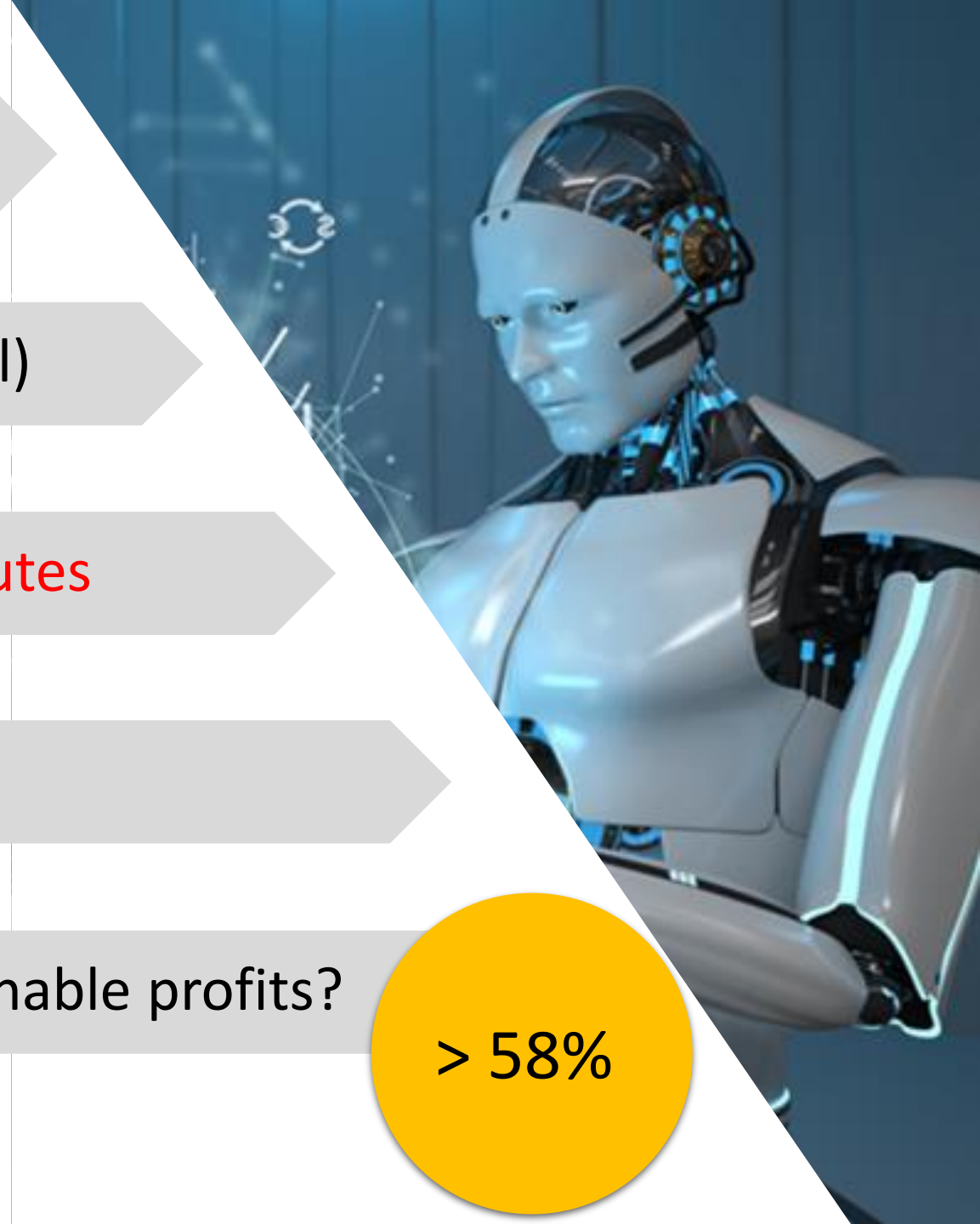
You take long and short positions (buy and sell)

on average you change position **every 60 minutes**

assuming **1-2 Pips Bid-Ask-Spread** ...

... what's the required **hit ratio** to make sustainable profits?

> 58%



Assume you trade the Instrument EUR/USD

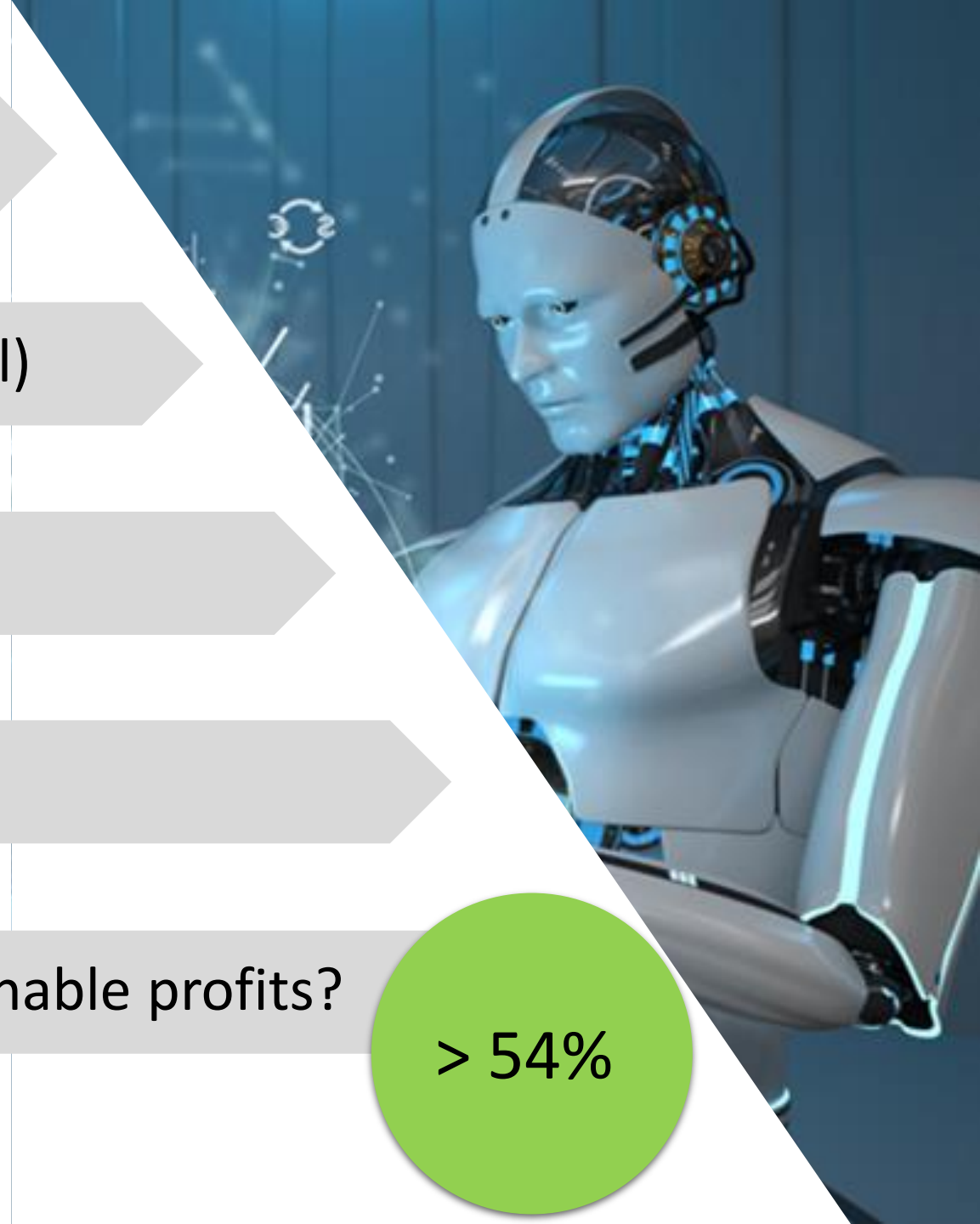
You take long and short positions (buy and sell)

on average you change position **every 4 hours**

assuming **1-2 Pips Bid-Ask-Spread** ...

... what's the required **hit ratio** to make sustainable profits?

> 54%



Assume you trade the Instrument EUR/USD

You take long and short positions (buy and sell)

on average you change position **once a day**

assuming **1-2 Pips Bid-Ask-Spread** ...

... what's the required **hit ratio** to make sustainable profits?

> 51%

