Document: In-App Help Snippets

Category: Trading Platform Technical Documentation

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Format: Professional PDF Documentation

In-App Help Snippets

Purpose: Short, contextual help text that appears as tooltips, info icons, or help panels throughout the platform.
Format: 50-150 words per snippet
Tone: Clear, friendly, actionable

Strategy Builder Tooltips

[1] Stop-Loss

Context: Appears when hovering over "Stop-Loss" field in strategy settings

Automatically closes your position at a specified price to limit losses. Set as a percentage below your entry price or as a fixed price level.

Recommended: 3-5% for crypto, 2-3% for stocks, 1-2% for forex.

⚠️ **Important:** Stop-losses protect against large losses but don't guarantee exact exit price during volatile markets (slippage may occur).

Example: Entry at $50,000, stop-loss at 5% = exit triggered if price drops to $47,500.

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[2] Take-Profit

Context: Appears next to "Take-Profit" field

Automatically closes your position when your profit target is reached. Optional but recommended for capturing gains without constant monitoring.

How it works: Set as percentage above entry (e.g., +10%) or fixed price level.

Tip: Many traders use a 2:1 reward-to-risk ratio. If stop-loss is 5%, set take-profit at 10%.

Can combine with trailing stops to lock in profits while letting winners run.

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[3] Leverage

Context: Risk management panel, leverage slider

Multiplies your position size using borrowed funds. Higher leverage = larger potential gains AND larger potential losses.

Example: 10x leverage on $1,000 = $10,000 position - 5% price gain = $500 profit (50% return) - 5% price loss = $500 loss (50% loss)

⚠️ **Critical:** At 10x leverage, a 10% price move against you = 100% loss (liquidation).

Recommendation: Start with 1-3x. Only increase after proven success.

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[4] Position Sizing

Context: Next to position size calculator

Determines how much capital to allocate per trade based on your risk tolerance.

Methods: - **Fixed %:** Risk same percentage each trade (1-2% recommended) - **Fixed $:** Risk same dollar amount - **ATR-based:** Adjust for volatility (larger positions in stable markets)

Critical rule: Your position size should be based on stop-loss distance, not leverage available.

Formula: Position Size = (Account × Risk %) ÷ Stop Distance

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[5] Backtesting

Context: "Run Backtest" button tooltip

Tests your strategy on historical data to see how it would have performed before risking real money.

What it shows: Total return, win rate, max drawdown, number of trades, and detailed trade-by-trade results.

Minimum standards: - ✓ 12+ months of data - ✓ 100+ trades - ✓ Profit Factor > 1.5

⚠️ **Remember:** Past performance doesn't guarantee future results, but it's essential validation before going live.

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[6] Paper Trading

Context: Deploy button, paper trading option

Simulated real-time trading with fake money. Your strategy runs exactly as it would live, but no real capital is at risk.

Simulates: - Real-time price data - Order execution and fills - Slippage and trading fees - Portfolio tracking

Recommended: Run paper trading for 2+ weeks before considering live trading. Verify strategy performs as expected in real market conditions.

Account & Risk Management

[7] Daily Loss Limit

Context: Account settings, risk management

Maximum loss allowed per day across all strategies. When hit, all strategies automatically pause until next trading day.

Purpose: Prevents catastrophic losses during bad market conditions or strategy malfunctions.

Recommended: Set at 5% of account value.

Example: $10,000 account → $500 daily loss limit. If losses hit $500 in one day, all trading stops automatically.

Resets: Midnight UTC (configurable in settings).

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[8] Maximum Drawdown

Context: Risk settings panel

Largest peak-to-trough decline in account value. Triggers automatic pause when threshold reached.

Example: Account peaks at $10,000, drops to $8,000 = 20% drawdown.

Recommended limit: 20-25% for most traders.

Why it matters: Protects against extended losing streaks. Gives you time to review and adjust before losses become unrecoverable.

Note: 50% loss requires 100% gain to recover. Risk management prevents this scenario.

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[9] Portfolio Heat

Context: Dashboard, active strategies overview

Total dollar amount at risk across all open positions if every stop-loss hits simultaneously.

Calculation: Sum of (Position Size × Stop Distance) for all positions.

Safe levels: - 0-5%: Conservative (recommended) - 5-10%: Moderate - 10-15%: Aggressive - 15%+: Dangerous

Tip: Even with 1% risk per trade, running 10 strategies = 10% portfolio heat. Monitor closely.

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[10] Win Rate

Context: Strategy performance metrics

Percentage of trades that are profitable.

Important: Win rate alone doesn't determine strategy success. A 40% win rate with 3:1 reward-to-risk can be very profitable.

Benchmarks: - 50-60%: Good for balanced strategies - 40-50%: Acceptable if winners are larger than losers - 60%+: Excellent, but verify it's not overfit

Compare with: Profit Factor and Risk/Reward Ratio for complete picture.

Performance Metrics

[11] Sharpe Ratio

Context: Backtest results, advanced metrics

Measures risk-adjusted returns. Tells you how much return you're getting per unit of risk taken.

Formula: (Return - Risk-Free Rate) ÷ Standard Deviation

Interpretation: - < 1.0: Poor risk-adjusted returns - 1.0 - 2.0: Good - 2.0 - 3.0: Very good - > 3.0: Excellent (rare)

Why it matters: A strategy with 50% return and huge volatility may be worse than one with 30% return and steady growth. Sharpe Ratio reveals this.

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[12] Profit Factor

Context: Strategy results summary

Ratio of gross profit to gross loss. Shows how much you make for every dollar lost.

Formula: Total Winning Trades ÷ Total Losing Trades

Interpretation: - < 1.0: Losing strategy (avoid) - 1.0 - 1.5: Marginal (risky) - 1.5 - 2.0: Good - 2.0+: Excellent

Example: Profit Factor of 1.8 means you make $1.80 for every $1.00 lost.

Note: Factor in trading costs. A 1.5 profit factor with high commissions may be break-even.

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[13] Maximum Drawdown

Context: Performance charts

Largest peak-to-trough decline during tested period. Shows worst-case scenario your strategy experienced.

Why it matters: Tells you the emotional and financial pain you must endure to achieve the returns.

Example: Strategy returns 100% but has 40% max drawdown. Can you stomach losing 40% to potentially make 100%?

Acceptable levels: - 10-15%: Low (comfortable for most) - 15-25%: Moderate (requires discipline) - 25-40%: High (difficult to stomach) - 40%+: Very high (most traders can't handle)

Order Types & Execution

[14] Market Order

Context: Order type selector

Executes immediately at current market price. Guarantees order fills but not the exact price.

Use when: - Need immediate entry/exit - High liquidity asset - Speed more important than price

Trade-off: May experience slippage (0.1-0.5% typical). In volatile markets, fill price can differ significantly from expected price.

Tip: Good for liquid assets (BTC, ETH, major stocks). Use limit orders for illiquid assets.

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[15] Limit Order

Context: Order type dropdown

Executes only at specified price or better. Guarantees price but not that order will fill.

Use when: - Specific entry/exit price required - Non-urgent order - Illiquid asset (control slippage)

Trade-off: Order may never fill if price doesn't reach your limit. May miss trades during fast moves.

Example: BTC at $50,000. Limit buy at $49,500. Order only fills if price drops to $49,500 or lower.

Additional Contextual Help

[16] Slippage

Context: Backtest configuration, trading costs

Difference between expected execution price and actual fill price. Occurs in all market orders.

Causes: - Order executed as market moves - Low liquidity (order eats through price levels) - High volatility periods - Large order size relative to volume

Typical amounts: - Major crypto: 0.05-0.2% - Altcoins: 0.2-0.5% - Stocks: 0.01-0.1% - Forex: 0.01-0.05%

In backtesting: Always model realistic slippage (0.1-0.2%) for accurate results.

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[17] Commission / Trading Fees

Context: Account settings, cost configuration

Fees charged per trade by exchange or broker. Directly impacts profitability, especially for high-frequency strategies.

Typical rates: - Crypto exchanges: 0.1% per trade (maker/taker fees) - Stock brokers: $0-10 per trade - Forex brokers: Spread (0.5-3 pips)

Impact example: 100 trades/month × 0.1% × 2 (buy + sell) = 20% annual cost.

Critical: Always include commissions in backtests. Strategies that look profitable may be break-even after fees.

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[18] Candlestick Timeframe

Context: Chart settings, strategy configuration

Time period each candlestick represents (1 minute, 1 hour, 1 day, etc.).

Common timeframes: - **Scalping:** 1m, 5m, 15m - **Day trading:** 15m, 1h, 4h - **Swing trading:** 4h, 1d - **Position trading:** 1d, 1w

Rule: Match strategy timeframe to your trading style. Don't run day-trading strategy on weekly charts or vice versa.

Tip: Test strategy on multiple timeframes. Robust strategies work across 2-3 adjacent timeframes.

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[19] Indicators

Context: Strategy builder component library

Technical analysis tools that derive calculations from price and volume data.

Common types: - **Trend:** Moving Averages, MACD - **Momentum:** RSI, Stochastic - **Volatility:** Bollinger Bands, ATR - **Volume:** OBV, VWAP

Important: More indicators ≠ better strategy. Simple strategies often outperform complex ones.

Avoid: Using 10+ indicators. Each added indicator increases overfitting risk.

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[20] Compound Returns

Context: Backtest settings, capital management

Reinvesting profits to grow position sizes over time vs. fixed position sizing.

Example without compounding: - Trade 1: $1,000 → +10% = $100 profit - Trade 2: $1,000 → +10% = $100 profit - Total: $200

Example with compounding: - Trade 1: $1,000 → +10% = $100 profit (balance: $1,100) - Trade 2: $1,100 → +10% = $110 profit (balance: $1,210) - Total: $210

Impact: Dramatic difference over many trades. Backtest both ways to understand potential.

Help Snippet Guidelines (Internal)

When writing in-app help:

1. **Length:** 50-150 words (users won't read more)
2. **Structure:**
    - What it is (1 sentence)
    - How it works (1-2 sentences)

- Why it matters (1 sentence)
- Example or recommendation

3. **Tone:**
   - Friendly but professional
   - Use "you" not "users"
   - Avoid jargon when possible
   - If technical term needed, define it
4. **Formatting:**
   - Bold for emphasis
   - Bullet points for lists
   - ⚠️ emoji for warnings
   - ✓ emoji for recommendations
5. **Actionable:**
   - Tell user what to do
   - Include specific numbers/benchmarks
   - Link to full docs if complex topic

Test: Read snippet aloud. If it sounds robotic or confusing, rewrite.

Last updated: December 2024 | For more help snippets, see platform help database

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