



PROJECT 2: GROUP 1 PROMINENCE ALGO

Prepared by
**Gino, Elliot, Jorge,
Jenny, & David**

Project Summary

The Prominence Algorithm uses prominence levels (volume) to execute buy and sell trades on an undefined timeframe. We then used ML to investigate how news impacted price movement and the overall success of these trades.

Our Approach

- Assigned individual responsibilities for each member of the group
- Met every Wed to review progress and ensure everything was moving smoothly

The Results

- Entry size: \$100,000 (08/05/2020)
- Total Size: \$233,445 (09/21/2022)
- Net profit: \$133,445 (over ~2 years)
- 52.8% CAGR
- 32.26% accurate

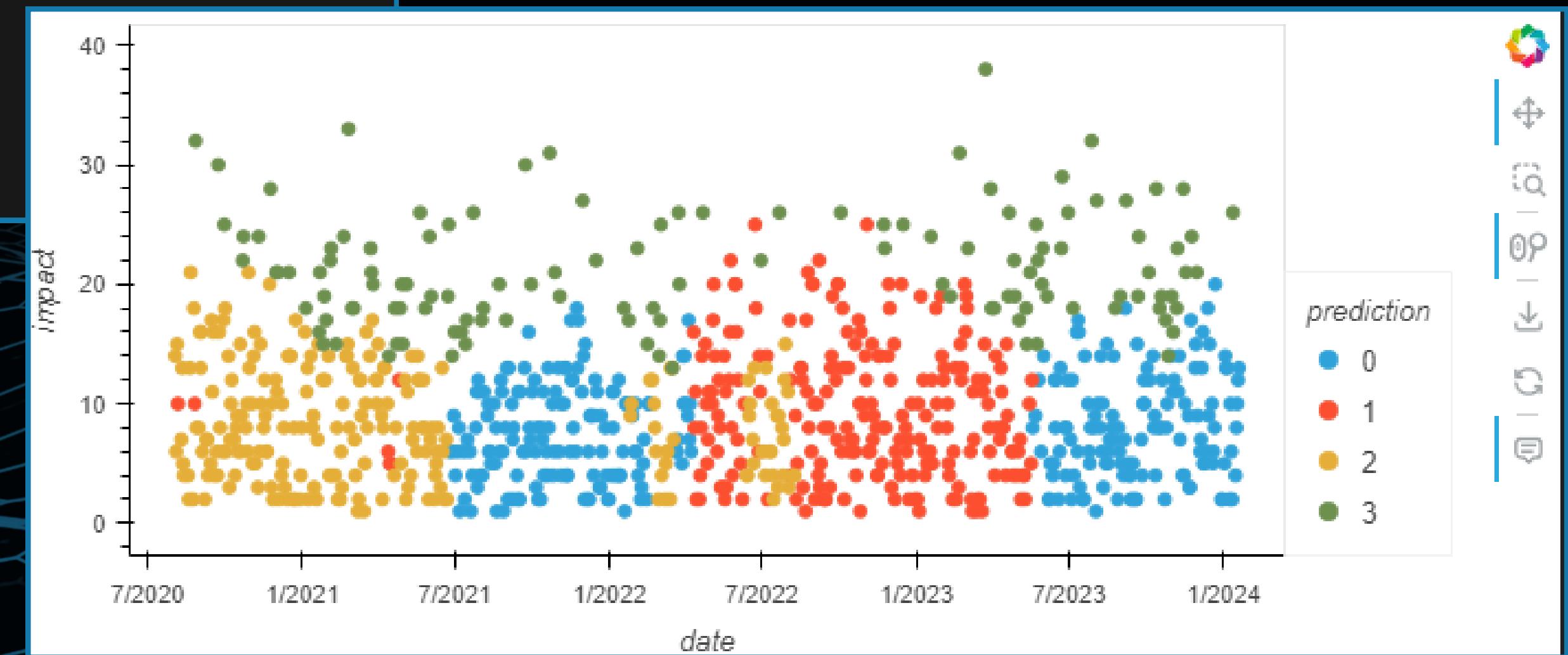
The News

January 24

| | | | |
|-------|--|------|--------|
| 03:30 | ● UK Services PMI Flash | 53.2 | 53.4 |
| 03:30 | UK Mfg PMI Flash | 46.7 | 46.2 |
| 03:30 | ● UK Composite PMI Flash | 52.2 | 52.1 |
| 04:00 | ● UK 4 Yr Bid-to-Cover | - | 2.601 |
| 04:00 | ● UK 4 Yr Gilt Yield | - | 3.958% |
| 05:00 | ● UK CBI Orders | -22 | -23 |
| 05:00 | ● UK CBI Business Optimism | - | -15 |
| 05:30 | ● AT&T Q4 2023 Earnings | - | - |
| 06:00 | ● US MBA Mortgage Applications | - | 10.4% |
| 06:00 | ● US MBA 30-Yr Mortgage Rate | - | 6.75% |
| 07:30 | ● AT&T Earnings Call | | |
| 08:15 | ● Trade BoC Rate with us LIVE!  | | |
| 08:45 | ● US S&P Services PMI Flash | 51 | 51.4 |
| 08:45 | ● US S&P Manufacturing PMI Flash | | |

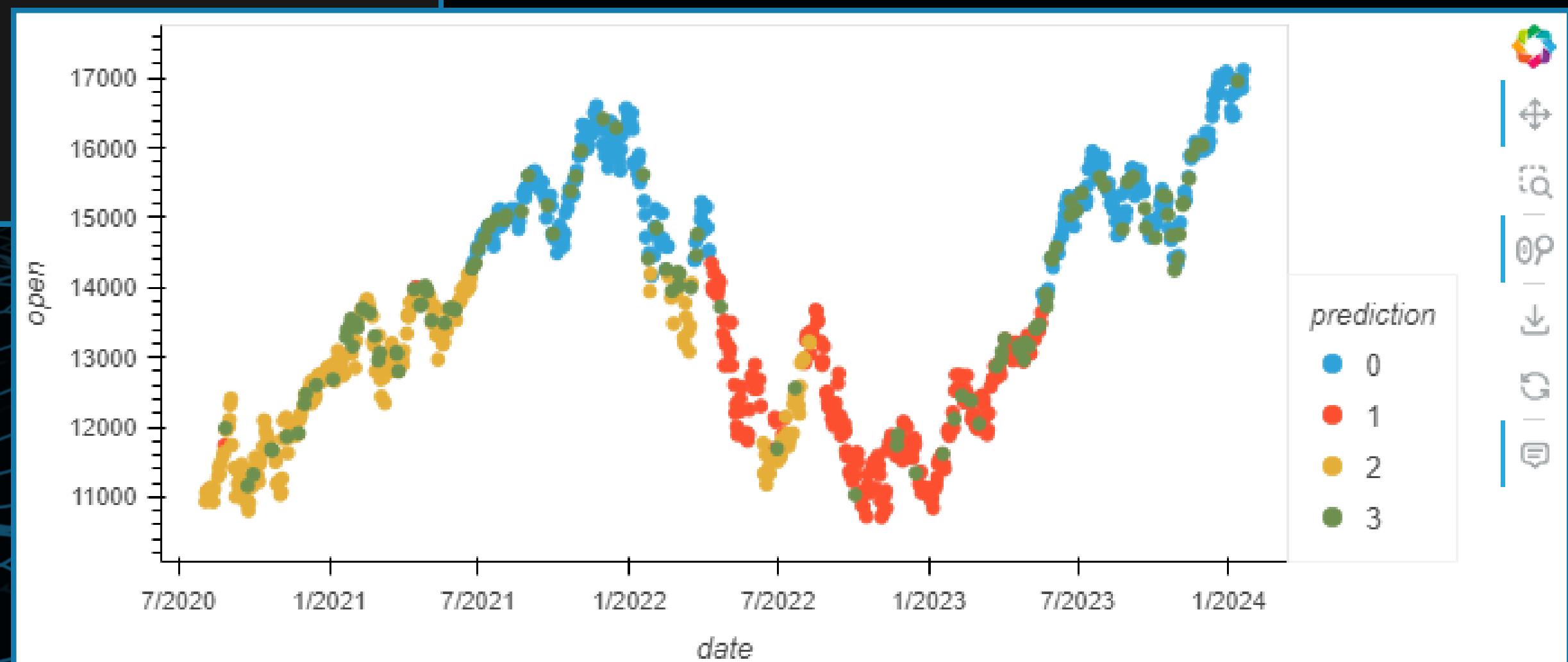
ML Outcome

```
features_scaled_copy.hvplot.scatter(  
    x="date",  
    y='impact',  
    by="prediction")
```



ML Outcome

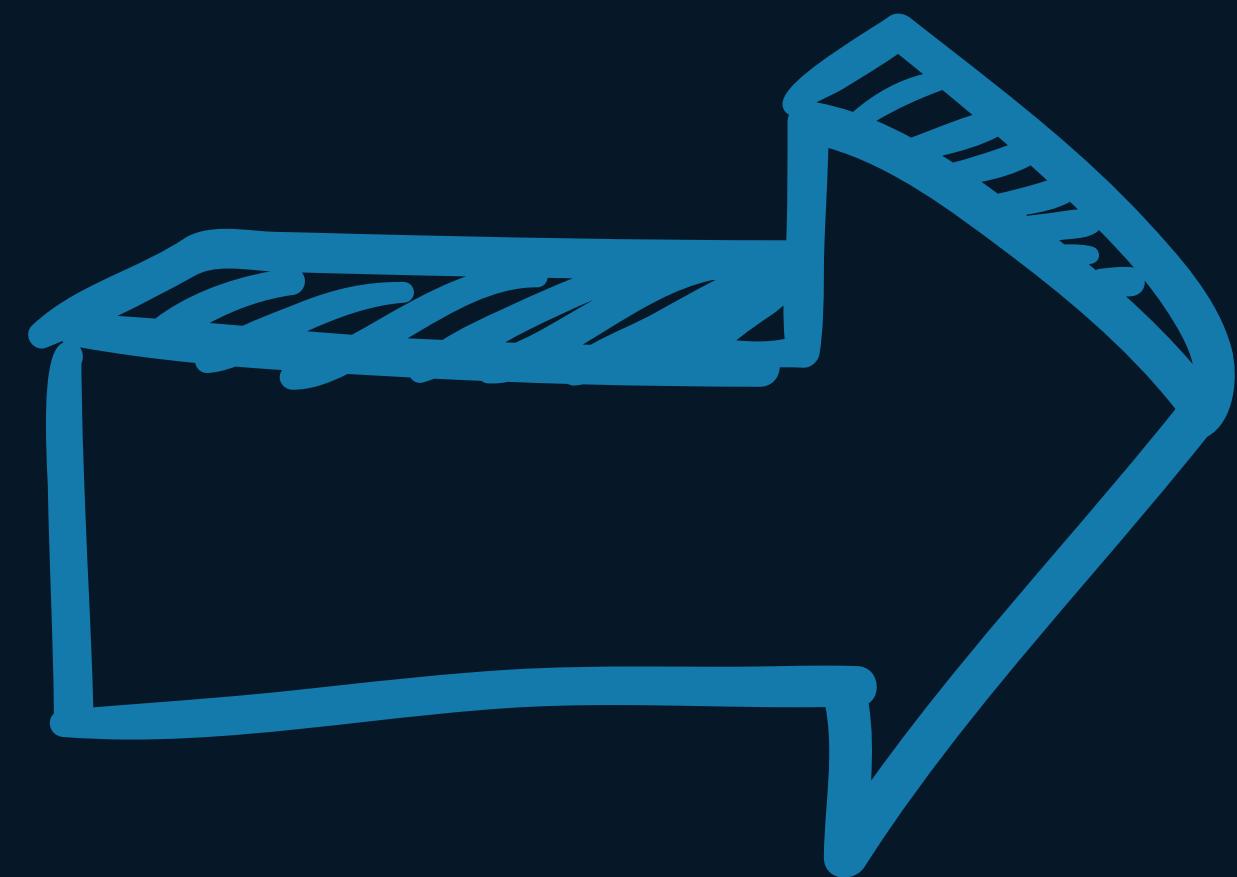
```
features_scaled_copy.hvplot.scatter(  
    x='date',  
    y='open',  
    by="prediction")
```



The Unexpected

- Low accuracy but still profitable
- Translating Code from pinescript to python was surprisingly difficult
- Mismatch in values

The Analysis



Future Projects will...

- Optimize trading parameters (exits, stoplosses, etc) using ML
- Use kelly criterion to determine size of initial entry
- Implement Pyramiding to capitalize on successful trades

Thank You

