**Explain general fund: systematic, we trade market neutral strategies. Part of CV talk.**

**Example of things I did:**

**EoM** Trade: Idea to go long equity at the last week of the month because of institutional buying.

We trade traded with fixed income hedge.

Back test using a correlation filter.

Idea is that is asset classes are highly correlated, the fixed income does not actually provide a hedge.

Looking at rolling 30 days correlations, split it into three buckets, low corr, med corr and high corr. And looked at returns for each correlation regimes.

The results are whilst med and high corr made no money,

Low corr risk parity makes 16bps daily, but during EoM period makes 34bps daily.

**Example of New things I developed:**

**VIX Trade:**

**Monthly trade, we hold it for 2 – 3 days.**

I read the news on VIX prices is being fixed on vix futures expiry date. Our exit day is often the day before the vix future expiry date. So, I took the is it worth it to hold an extra day.

Result is there is very small increase in mean but very large increase in volatility. We decide not go ahead.

Another observation is on vix trade. In June we usually trade July contract as on the day we enter the trade June contract already expired. But 4 out 12 month, the contract expiry after our trader period. I also did test on that.

During option expiry period it makes 80bps to 1percent daily.

**Dax Trade / Regression PM trade:**

We current have a regression PM model. It’s a reversal model on a spread ie VGES. where we regress the spreads overnight return on the daily return and PM return.

Where we split return components to daily return, PM returns and overnight return. Idea is if spreads moves off during pm session because of lack of liquidity, it will give us positive Expected returns and overnight return should be positive.

Paper I read on is a pairwise trading strategy of within a stock index. I tested on dax index.

Where I regress pairwise 5 days return on their past 5 days returns.

I ran the cross-section regression for each day since 2002. And average the get average beta and alpha. Used that to calculated expected returns, tried on fixed threshold of 5bps , 7.5bps and 10bps.

Stats have mean near 0.

**FX Trade: using forwards to trade.**

**MA Models : tested MA model using 900mintues moving average. With 3 levels, determined by last 3 days daily range. And 3 different profit takes.**

**Currently looking at applying Correlation filter on those trades, inter market correlations.**