Trading 20161024

**Monday, October 24, 2016**

RMB keeps depreciating which might put pressure on stocks.

Goals this week:

1. screen for good stocks
2. Sort out the brokerage accounts

@915 HK opens weak, supposed to open flat. RMB is putting pressure on A shares. Today it's more wait and see. Doesn't feel like a strong day.

Have to start rolling a lot of futures now.

Markets rallied after the initial weak open. I don't quite get this opening.

RMB goes to 6.78.

@1037 Markets are volatile, H share futures up and down. Equities are winning today (so far).

China is buying assets overseas similar to what Japan was doing in the 1980s.

USD, equity is up.

Rolling XIN costs 25 and rolling HHI costs 5.

@2226 VIX and QM is costing about 1600 USD. This is not my area of expertise and it is important to keep position small. Betting on oil price is not my area of expertise. Anything in the US is not my area of expertise. Be prepared to hold the position for a long time to let it play out. Vol is cheap but you will need to hold a few months at least to for volatility to pick up.

Tuesday, October 25, 2016

Expiry for both XIN and MCH is this Friday. Try to roll it and if not put on position next week.

Today is not positive for A shares in terms of history.

1. get all accounts up and running
2. Select key stocks (outperformers vs. underperformers) Select stocks which have arisen above the low of January.

Current target:

**Wednesday, October 26, 2016**

Oil down quite big to 49.2. Vix didn't rise much. Gold up a bit, but can't make up the loss on the two.

Keep developing tools on Ashare stocks. Possibly a screener that encompasses all A share stocks for selection and screener. Back test results with R.

@902

Be very careful of the possibility of a trump presidency. His poll numbers might be understated due to people's unwillingness to disclose their support for trump due to various reasons. However the suffering of ordinary US people and accumulation of wealth to the very top in the low interest rate environment, as well as increasing terrorist threat are driving many people towards Trump.

**Thursday, October 27, 2016**

More systematic approach on the A shares will need to be developed.

Currently making good progress.

@1031 HK is taking a heavy beating as it heads down vertically in the first hour. Rolled futures to Nov and added one. Market panics in the morning. Be careful of HK index though – it hasn't risen above the 2007 highs – it does not reflect inflation.

@1119 On H shares, markets very stably down. I need to reflect on the strategies with respect of H. The performance at the opening is quite important. Be careful with buying when market heads

@1517

H down 1%, oil getting smashed. Vix not picking up. The current position is long H+A and short US (through long VIX) and long gold and oil.

Something to protect against the downside.

@1608

Friday, October 28, 2016

HK is completely in ruins today. Index closing at the absolute lows and names like tencent are taking a beating. This market is really not that great. Looking at the market in the long run, it doesn't even beat inflation. Focus on stocks that beat the market in the long run. Things like H shares don't deserve much position. It is mainly used by foreigners to short against the US position.

@1515 H share is down almost vertically even after A close…quite amazing. Nothing seems to be able to help it. VIX is helping with the hedge a bit.

@1519 Going forward, hedge downside risk with a mixture of VIX and H share puts. H share as a global market is used by the foreigners to short China…therefore to be long H shares is where the profit is.