Trading 2016\_12\_19

Monday, December 19, 2016

Today market is still in bear market territory, if opens low or –f10, sell existing holdings.

Monday and thurs keep holdings under 25%.

Wed night before sleep around 11pm put on some hedges.

Direction of development this week: tracking idea list, live assessment of trading signals and success rate. Graph showing the latest ideas. How to rank ideas by importance.

1538

Size chasers lost money, and selling weak stocks in the morning lost money.

MTM was -7k.

Bought 35w delta which was deliberately controlled.

Fri-mon relationship isn't very clear and SR is quite low. After all this time I still haven't figured out what the correct strategy for Mon is.

Buy PnL has been negative for 3 weeks.

Tuesday, December 20, 2016

Cash shortage in the markets resulting in some sell-off.

End of year profit taking seen, also expecting US to take profits which might affect china.

Fear of last year's issue.

Today added >ma20 indicator which focuses on stronger stocks with strong opens.

Hold until thurs morning for liquidation.

Market in a full fledge downtrend. Trading pnl barely positive and even Tuesday's rebound is low. Bear market is established. Control risk now. Now market is approaching end of year and there is liquidity shortages. Keep risk taking low before then.

Today cob, market got forcibly pulled up, tomorrow going forward cut most of the positions.

Wednesday, December 21, 2016

Trading pnl for selling position was -10k. Sold a lot of position in a hurry, although knowing that Wed has a good average performance. There is distance between knowing and doing. I was being impatient while putting in the orders.

Trades done at Tuesday morning for morning high closeP did not work out well.

Moutai: -4k on the trade. This stock is good for rebound trading, especially day to day, chasing doesn't work for this.

Solutions:

Diversification of strategies: too little of buying dip now, all trading based on chasing size break.

AM/PM diversification. Now too much trading done in the am and not enough done in the pm.

The decision to sell should depend on weekday, percentileY and F10, but not universal.

Having the whole position tied up restricted my ability to trade the AM today.

Thursday, December 22, 2016

Parked all cash in gc at open.

Tool improvement: for stocks with rangeY<0.02, don't miss out trades.

Structure the presentation tree.

One solution is one allocating class and two display classes.

I want to catch all kinds of moves. Currently only see price and VR highs.

Start using these data to trade. Formulate entry point, exit point, sizing, build-up.

Strengthening of comparative advantage.

1. end of day (post 14pm) stealth rally. Defined as price/average(price)
2. Light trading near open, given low index close, tue/wed/fri.
3. Tue/Wed max trade 50% on day, leave 50% to next morning.
4. Mon/Fri 30%.
5. Thur 0% on high percentileY, 25% on low percentileY.

Issues:

Now the three lists are very similar to each other. The strategy needs to decouple to gain exposure to the maximum strategies.

Rebound play: Morning rebound/pm rebound. For morning rebound, V shape is negative for next day. For pm rebound, it will close low and open lower next day.

Buy at the open stocks that fell in the previous pm and with a strong force upward.

Criteria is pmChgPY < 0, retamco>0.

First is chase high (size ratio based), second is Y-based. Y based strategy is divided into two parts, one is morning rally and one is rebound play. You can either monitor all Y-based trades together or by rebound/chase play.

Fields with most advantage: understanding of index pmco negative serial autocorrelation. Tech wise: I have live monitoring of VR and price percentile. Develop these advantages more fully.

Friday, December 23, 2016

Position sizing to be decided before market opens based on ma20 and percentiley and f10.

Put 1.1m in gc, based on a strong thurs, well done.

Have about 350k delta to execute.

Shcomp takes a dive as new year comes.

Work on stealth risers to supplement morning chase.