4/10 Observations

R formula:

by(subset(apr8data[c('retCC','retCO','retOPC','retCL','retCH')],percentileY>0.8),list(amFirst10[percentileY>0.8]>0, retOPC[percentileY>0.8]>0, weekday[percentileY>0.8]), function(m) sapply(m, function(x) {c(mean(x),median(x),tail(cumprod(1+x),1), length(x),sd(x))}))

Monday:

: FALSE

: FALSE

: 1

retCC retCO retOPC retCL retCH

[1,] -0.004592740 -0.002011571 -0.002581169 0.009426471 -0.007918346

[2,] -0.004742515 -0.002370873 -0.001284479 0.005449991 -0.006037005

[3,] 0.829524536 **0.919885598** 0.901641099 1.452589631 0.726916751

[4,] 40.000000000 40.000000000 40.000000000 40.000000000 40.000000000

[5,] 0.011876725 0.012316564 0.002839964 0.010127655 0.006906190

---------------------------------------------------------------------------------------------------

: TRUE

: FALSE

: 1

retCC retCO retOPC retCL retCH

[1,] 0.003649911 0.008995406 -0.005345495 0.014454919 -0.006635278

[2,] 0.002183192 0.005116680 -0.003015651 0.008168811 -0.003689792

[3,] 1.119324999 **1.326974801**  0.841767684 **1.578062891** 0.807054672

[4,] 32.000000000 32.000000000 32.000000000 32.000000000 32.000000000

[5,] 0.015843935 0.015564375 0.006820766 0.014321684 0.009124307

------------------------------------------------------------------------------------------

: FALSE

: TRUE

: 1

retCC retCO retOPC retCL retCH

[1,] 0.004199221 -0.0010038429 0.005203063 0.009699724 -0.008116916

[2,] 0.003390541 -0.0003011496 0.002312857 0.006551507 -0.004826556

[3,] 1.433021090 **0.9064409938** 1.580092912 **2.352672377** 0.482134901

[4,] 89.000000000 89.0000000000 89.000000000 89.000000000 89.000000000

[5,] 0.017461659 0.0141289773 0.010241121 0.009124334 0.009595708

------------------------------------------------------------------------------------------

: TRUE

: TRUE

: 1

retCC retCO retOPC retCL retCH

[1,] 0.01668891 0.01159068 0.005098228 0.01489996 -0.003961797

[2,] 0.01385679 0.01067874 0.002876993 0.01287308 -0.002072248

[3,] 4.31224669 **2.77022334**  1.566845051 **3.71135748** 0.701387731

[4,] 89.00000000 89.00000000 89.000000000 89.00000000 89.000000000

[5,] 0.01663710 0.01251079 0.009158022 0.01076659 0.005579581

When amFirst10>0 and retOPC>0, compounded retCO is 2.77, and retCL is 3.7. This represents a tradable scenario. This is a bullish Monday.

When amFirst10<0 and retOPC<0, do not trade.

When amFirst10>0 and retOPC<0, this case is tradable.

When amFirst10<0 and retOPC>0, this is not tradable.

TUESDAY:

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: FALSE

: FALSE

: 2

retCC retCO retOPC retCL retCH

[1,] -0.009769967 -0.006228631 -0.003541336 0.007878448 -0.010699895

[2,] -0.007681353 -0.004647330 -0.001178497 0.005176130 -0.007632679

[3,] 0.545838517 0.679492125 0.804540658 1.611129723 0.516235572

[4,] 61.000000000 61.000000000 61.000000000 61.000000000 61.000000000

[5,] 0.014515174 0.013084561 0.005937084 0.007766589 0.012589422

------------------------------------------------------------------------------------------

: TRUE

: FALSE

: 2

retCC retCO retOPC retCL retCH

[1,] -0.001590104 0.002182050 -0.003772154 0.010799461 -0.009119879

[2,] -0.001035677 0.003582473 -0.001742023 0.009265871 -0.005434804

[3,] 0.931873868 **1.088831403** 0.855998083 **1.551398910** 0.683933308

[4,] 41.000000000 41.000000000 41.000000000 41.000000000 41.000000000

[5,] 0.016158920 0.014546289 0.005142974 0.008004304 0.014228488

------------------------------------------------------------------------------------------

: FALSE

: TRUE

: 2

retCC retCO retOPC retCL retCH

[1,] -2.246467e-04 -3.252257e-03 0.00302761 9.388014e-03 -0.009218819

[2,] 1.529480e-03 -3.730468e-04 0.00162811 7.394082e-03 -0.004496150

[3,] 9.612795e-01 **6.715683e-01** 1.42700315 **3.001035e+00** 0.331779118

[4,] 1.180000e+02 1.180000e+02 118.00000000 1.180000e+02 118.000000000

[5,] 1.472077e-02 1.508457e-02 0.00445646 8.018777e-03 0.013011186

-------------------------------------------------------------------------------------------

: TRUE

: TRUE

: 2

retCC retCO retOPC retCL retCH

[1,] 3.120154e-03 7.403547e-04 2.379800e-03 8.739217e-03 -0.007810733

[2,] 3.376900e-03 1.777047e-03 1.623160e-03 6.242392e-03 -0.004211401

[3,] 1.377964e+00 **1.071028e+00** 1.286162e+00 **2.507812e+00** 0.432921099

[4,] 1.060000e+02 1.060000e+02 1.060000e+02 1.060000e+02 106.000000000

[5,] 1.346868e-02 1.359008e-02 2.385503e-03 7.553591e-03 0.010502003

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Be careful of the case where retOPC>0 and amFirst10<0. It is expected to lose -32bps on the day, skewed negatively.

CL is not that impressive even for retOPC>0 and amFirst10>0, @ 87 bps.

RetOPC>0 constitute 224 cases out of 326 (69%) cases (conditional on the Monday before closing above 80% percentile). The situation is dangerous

Wed:

Thu:

: FALSE

: FALSE

: 4

retCC retCO retOPC retCL retCH

[1,] -0.010614598 -0.006990851 -0.003623748 0.006996805 -0.013770458

[2,] -0.007825385 -0.005333726 -0.002105813 0.003862611 -0.008302083

[3,] 0.442615972 **0.583169150** 0.761173145 **1.681493585**  **0.350676708**

[4,] 75.000000000 75.000000000 75.000000000 75.000000000 75.000000000

[5,] 0.019599033 0.018622988 0.004067473 0.009518868 0.014314348

---------------------------------------------------------------------------

: TRUE

: FALSE

: 4

retCC retCO retOPC retCL retCH

[1,] -0.004984026 -0.0007428057 -0.004241220 0.007883300 -0.012025229

[2,] -0.004626985 -0.0009197813 -0.002233255 0.006295071 -0.009556354

[3,] 0.795370439 **0.9637426791** 0.825499567 **1.421798827** **0.578815407**

[4,] 45.000000000 45.0000000000 45.000000000 45.000000000 45.000000000

[5,] 0.013594417 0.0125677493 0.004763464 0.008173747 0.010174868

---------------------------------------------------------------------------

: FALSE

: TRUE

: 4

retCC retCO retOPC retCL retCH

[1,] -0.0010023415 -0.003760481 0.002758140 0.007538163 -0.009700816

[2,] -0.0008674664 -0.003025704 0.001368017 0.005459673 -0.006559825

[3,] 0.8942233954 **0.682839459**  1.309823349 **2.098329375** **0.378502256**

[4,] 99.0000000000 99.000000000 99.000000000 99.000000000 99.000000000

[5,] 0.0160201346 0.013031097 0.007733941 0.006980715 0.011234614

---------------------------------------------------------------------------

: TRUE

: TRUE

: 4

retCC retCO retOPC retCL retCH

[1,] 0.005059947 0.002381021 0.002678926 0.008711048 -0.007201316

[2,] 0.003793152 0.001567099 0.001776450 0.007112252 -0.004319727

[3,] 1.438797093 **1.183082790** 1.215168721 **1.880443112** **0.587380755**

[4,] 73.000000000 73.000000000 73.000000000 73.000000000 73.000000000

[5,] 0.011381545 0.012293183 0.003428780 0.006836423 0.010910303

---------------------------------------------------------------------------

Thursday is only eligible for taking long position if retOPC>0 and amFirst10>0. Both retCO and retCL are positive. This constitutes 25% of the entire cases.

RetOPC>0 and amFirst10<0 is the most common scenario because Wednesday is usually strong.

34%. Shorting from the highs in this scenario is only next to if retOPC<0 and amFirst<0.

In all other cases, do not long. Short at the highs on Thursdays.

Friday:

: FALSE

: FALSE

: 5

retCC retCO retOPC retCL retCH

[1,] -0.003966037 -0.001899458 -0.002066579 0.008230893 -0.008342318

[2,] -0.003756181 -0.001552034 -0.001540021 0.005222280 -0.005591344

[3,] 0.850404250 **0.924039746** 0.920486433 **1.385747514** **0.714436880**

[4,] 40.000000000 40.000000000 40.000000000 40.000000000 40.000000000

[5,] 0.012548396 0.012287795 0.002304288 0.009327910 0.007643260

-------------------------------------------------------------------------------------

: TRUE

: FALSE

: 5

retCC retCO retOPC retCL retCH

[1,] 0.002200953 0.004538698 -0.002337745 0.010205047 -0.007158484

[2,] 0.001322721 0.003124985 -0.001176949 0.007362373 -0.004291901

[3,]  **1.088462551**  **1.194937100** 0.910512819 **1.498276258 0.749306236**

[4,] 40.000000000 40.000000000 40.000000000 40.000000000 40.000000000

[5,] 0.012796719 0.012568010 0.002553776 0.009821880 0.007874340

------------------------------------------------------------------------------------

: FALSE

: TRUE

: 5

retCC retCO retOPC retCL retCH

[1,] -0.001106011 -0.004202264 0.003096253 0.008358798 -0.009509312

[2,] -0.001163940 -0.004136567 0.002043722 0.006451505 -0.007897859

[3,] **0.914551693** **0.720231181** 1.268339294 **1.893538835 0.477890230**

[4,] 77.000000000 77.000000000 77.000000000 77.000000000 77.000000000

[5,] 0.010368290 0.010097618 0.002982343 0.008237143 0.008240420

-------------------------------------------------------------------------------------

: TRUE

: TRUE

: 5

retCC retCO retOPC retCL retCH

[1,] 0.007672288 0.004039446 0.003632842 0.010976421 -0.007101319

[2,] 0.006880844 0.004340231 0.002431106 0.008719675 -0.004591041

[3,]  **1.670088820 1.308359891** 1.279145159 **2.095502966**  **0.614430165**

[4,] 68.000000000 68.000000000 68.000000000 68.000000000 68.000000000

[5,] 0.014414302 0.012679698 0.003444831 0.008826349 0.008438609

Synapsis:

Opening high and going lower is a dangerous scenario. RetCO is negative and retCH is the most negative in all scenarios.

Opening up and going up is a good sign and should long in this case.

Opening down and going up is a good sign with positive CO and CL>CH. This calls for long.

Key conclusions:

Tuesday:

If it opens high, sell.

If it opens low, buy slowly, retPMCO>0. CL is 1.2% to capture.

What is buy slowly? 36.8% of AM min occurs after 11am. A position needs to be entered in this time slot.

Friday: