2016May30 Trading

3 Day R conference was over. What were your takeaways?

What was learned that can be applied to trading?

What were the useful R techniques learned?

KnitR:

Data.table:

Trading analysis: TTR.

Nullabor

Field of machine learning:

Deep learning

May302016

Shorted @ 9100. Reason: weak AM.

Markets gradually broke the highs and this position is underwater. Hold this position until tomorrow afternoon.

Markets are much stronger than expected. Am trading is quite uncertain because anything can happen and we need to wait until people’s energy wears out in the PM. At a 3% discount this position can be seen to be quite risky.

Covered the position at 9117, suffered a loss. However, this is the risk that I am not comfortable taking, so I exited. It is gambling to me.

I need to compute entrance and exit times for all trades and see which trades have the biggest probability of winning, and what kind of trades

May 31 2016

Markets rallied over 3% today. Clean session. Clearly no short was possible in this session. Markets were bullish due to GS raising probability of MSCI inclusion to 70%. There was no turnaround all day. Markets are very 1 sided currently. Positioning is heavily long.

Once recovered from cold, focus on building models to model patterns.

Continuation probability etc.

Yesterday’s flash crash seemed like a hedging trade, because not as many futures were bought back at the day’s limit down. If it was pre-meditated, more lots would be bought at the limit down level. In either cases, there were stop loss triggers hit during the process. There were no **爆仓**。 一手保证金40万， 波动10%早成市值10万市值的损失， 所以并没有爆仓。

2016/6/1 Trading

No advantage here. No research to support trading until observing the first few minutes of the session.

Morning is weak as people don’t know what to do. This will spark a sell-off in the PM. The level is basically not consolidated. Ignore AM session and focus on what’s statistically proven.

I gained an insight yesterday by looking at the weather report over the past 30 years.

Weekly review：

Monday：Negative first 5 caused me to short later. Covered the position.

Tuesday: Missed out on this rally. Intraday scenario classification is really important. From rising speed and consistency the output will be very high probability of move. Features: consistency of move, size of move, weekday.

Wednesday: Due to strength of Tuesday, nothing was done on Wednesday.

Thus: Bought near noon because Wednesday afternoon was down. This was a good trade.

Friday: sold position in the morning which was well done.

