Jun 6 2016 Trading

Monday

Tuesday, June 07, 2016

I need to dig into this more deeply.

Existing strategy needs to be better.

Trade in the direction of expected percentile change.

Wednesday:

Tomorrow and Friday are off.

This morning, computed how things will go given tomorrow being a holiday.

Unconditional case:

weekday pmPercentileChgYCat10 co am pm ..4

1 3 [-0.993,-0.523] 0.0044 -0.0021 0.0065 69

2 3 (-0.523,-0.359] 0.0066 0.0006 0.0058 69

3 3 (-0.359,-0.22] -0.0001 -0.0002 -0.0001 68

4 3 (-0.22,-0.0701] 0.0025 -0.0005 0.0029 103

5 3 (-0.0701,0.073] 0.0000 -0.0010 0.0010 68

6 3 (0.073,0.21] 0.0006 -0.0010 0.0016 79

7 3 (0.21,0.337] 0.0032 0.0028 0.0004 72

8 3 (0.337,0.463] 0.0015 0.0027 -0.0012 80

9 3 (0.463,0.615] -0.0010 0.0004 -0.0015 89

10 3 (0.615,0.982] -0.0006 0.0005 -0.0012 106

Unconditionally, today is poised for a small up.

Given tomorrow being a holiday,

weekday pmPercentileChgYCat10 co am pm ..4

1 3 [-0.993,-0.523] 0.0072 0.0023 0.0049 3

2 3 (-0.523,-0.359] -0.0077 0.0002 -0.0084 1

3 3 (-0.22,-0.0701] 0.0054 -0.0016 0.0073 1

4 3 (-0.0701,0.073] 0.0418 0.0393 0.0023 2

5 3 (0.073,0.21] 0.0080 0.0019 0.0060 2

6 3 (0.21,0.337] 0.0025 0.0003 0.0022 1

7 3 (0.463,0.615] -0.0040 -0.0013 -0.0027 2

8 3 (0.615,0.982] -0.0010 0.0044 -0.0054 1

Conditionally, people are more bullish because holidays are convex, however, sample is really small and the sensitivity to this parameter is quite high. (Looking at the negative PM return for category 7 and 8 shows that the result is not that stable.)

Using retPMCOYCat as a conditioner:

retPMCOYCat10 co am pm ..4

1 [-0.0688,-0.00972] 0.0047 0.0018 0.0031 2

2 (-0.00972,-0.00554] 0.0022 0.0018 0.0001 2

3 (-0.00298,-0.000888] 0.0241 0.0232 0.0011 2

4 (-0.000888,0.000902] 0.0408 0.0308 0.0098 1

5 (0.000902,0.00274] -0.0033 -0.0008 -0.0026 1

6 (0.00274,0.00471] 0.0194 0.0047 0.0146 1

7 (0.00471,0.00723] -0.0017 0.0005 -0.0022 4

You see that the results are not stable if retPMCOY was up. So today the advantage is not that clear.

Opened quite weak. Seems like it will be a tasteless session. XU sold off quite aggressively.

Markets continue to sell off. Nothing to do today.

Investors panic in early session. Early AM trading is quite tasteless.

Suffering loss on the position. In hindsight, could have been more patient and wait for the first 5 to come out to decide.

Investors have accumulated quite a bit of gains from last Tuesday, so there are more sellers to secure profits than buyers. Sample is too small 🡪 cannot draw a statistically significant conclusion.