Trading 2017\_1\_9

Monday, January 09, 2017

Last weekend, worked on some productivity boosters including

1. updating ftse weights
2. getting ETF premium/discount

get xin0u price and ftse price. (done)

Morning task streamline:

@1102

Morning trade under water.

Need to make sure amFirst1 covers all of opc to trade, if can't cover OPC, then its not good enough, need to have a ratio of first1 to opc.

Pmco/amco is important.

Issue:

popup time is wrong. popup is delayed by about 3 minutes.

**Tuesday**

Yesterday trades were not good, due to amcoy<0.

AmOpen strategy has been refined.

Mandatory conditions include amcoy>0 and pmcoy<0 and retopc<0 and f1>0 and abs(f1/reopc)>0.5. These ensure rebounding potential.

Yesterday closed at day highs, max 25% position.

1.4m in cash.

Focus on conditions for amOpen trades.

Mistakes:

1. participate in super low open stocks (information asymmetry), control OPC to be lower than -1% in general

Thursday, January 12, 2017

No trade was up today, methology was correct. Thurs rebound is weak as usual. On average trades were down more than 1%.

From the index move, tomorrow should be a day with good chances. Sell positions at tomorrow's close.

越秀金控: f1 didn't break half of the opc, stick with this.

必康: closed at the lowest point, f10 was neg.

Some takeaways:

Light positioning.

F1 needs to have strength, wait after F10 to make any major move.

The dip buying was good, only today the market is overall bearish.

Lessen position to smooth out the Pnl swings.

Make sure positional trades are mostly on mon-wed.

Thu is a funding issue day, rebound is the lowest as usual.

**Friday, January 13, 2017**

Down almost 10% on yuexiu. The was closed for half a year, then started selling out of it.

Cut on –f10 on positions.

Beginning of the year there are sells from companies insiders.

Reduce to 25% of trading position in Jan.

Cut Mon/Thu/Fri trading.

pmf10 negative – no pm trading.

for singles, amf10<0, cut the position.

解禁 causing a lot of sells.

IPO speed too quick causing an inadequacy of liquidity.

Further strengthening of advantage is needed.

Liquidation strategies is also needed.

weekly review:

Buying criteria needs tons of strengthening.

First 10 buying criteria:

F1>0, F10>0, F10MinT<9:31, F10MaxT~9:40.

AMCOY>0, PMCOY<0, MA20Ratio>1, VR>1,

dayMaxTY > 10:45

Friday

Saturday, January 14, 2017

This week trading + mtm pnl (excluding ipo) was -39370.86. Four stocks contributed mostly

通化东宝 -1.5, 越秀金控 -15.6, 中航机电 -4.4, 中科创达 -15.7.

中科创达: bought at Monday open when stock was opened down -4.8%, the rationale was that previous was a losing day and the stock opened low and shot up in the first minute. The issues include 1. opening down 5% indicates there might be hidden information held by the existing shareholders. For MTM, need to cut when f10 is negative.

Lesson: wait for 10 solid minutes before trading, first minute needs to cover at least 50% of OPC.

越秀金控: this stock was suspending since 2016 aug, and reopened 1/9 Monday. Wednesday was a strong day with a morning rally and a pm retreat, which tricked me into thinking into the strength. Stock opened down -2.5% and rallied for the first 2 minutes which led me into buying, it turned out that 9:32 was the highest point of the day.

Lesson: liquidate the next day on –f10.

Market was down, this required more trading skills.

First of all, size. Mon/Thur/Fri is a mandatory 25% with no exception. Previous day up, also 25%.

Given recent market condition, cap at 25% max for all days, weak days 12.5%.

Trading based on F1 shows inexperience, buying low opens on Monday is also not a sign of experience. This needs to be penalized.

Experiment until strategy works with positive expected return, until then, 25% delta (400k) buying max per day.