9.24

China closed

HK open/XU open/US open.

**HK**

1. HK pre open scanner
2. Huge open up/open down
3. Screen for big movers
4. 看新闻，找风口浪尖的股，收购，巨大，利好，利空
5. 巨大**振幅**，**量比,** IPO

**Selection mechanism for stock universe**

1. Previous day change (on T-1), 昨振幅
2. Open gap up or gap down (top n stocks) (focus on this, inspired by 1293), 高开低开
3. First tick moves the most (on T)
4. Volume explosion (on T) 量比
5. Recent realized volatility high (on T pre-market)

Start with 2 stocks, then limit to 5, etc.

**US:**

1. Figure out US trading cycle: (4am to 8 pm)
2. Pre-open gap up and gap down
3. Top previous day move
4. New IPO stocks
5. 每天交易量>1000万美金里面选最volatile的股票. Embrace volatility. IQ, bili good for day trading.

**Others:**

1. How to trade an insanely volatile stock? Moves a lot intraday.

**Disadvantage of HK:**

1. Trading cost is high
2. A lot of stocks cannot short, not as deep and broad as US
3. Only trade the most volatile ones – few 10s percent. (Take care of saving and loading errors)

**9.25**

XU’s volatility is too low.

Must expand to volatile IT stocks.

Index generally has low volatilility – I want volatility to be in the 50s for strategy to be worth while.

Potential changes to trading tool:

1. No more data from ytd, ytd becomes irrelevant.
2. No need hib morning (today -> ytd, ytd->y2)
3. Focus purely on volatility trading.

US stock selection

1. Expand to all shortable volatile stocks
2. Check shortability by monitoring tickSize when requesting

m\_client.reqMktData(reqId, ct, "236", snapshot, Collections.emptyList());

questions:

1. If shortability changes. How will that be reflected?

9.26

1. too many resubmits, stop outputting resubmits
2. Today the names are not volatile at all – no opportunity.
3. Always track ytd’s volatile stocks. Now the chinese names are losing volatility.

9.27

INDEX\_HILO #: 1 Tot Q: -2.0 121.99,|||

INDEX\_OPEN\_DEVI #: 1 Tot Q: -1.0 61.0,|||

INDEX\_POST\_PMCUTOFF #: 2 Tot Q: -2.0 34.95,|||

INDEX\_PM\_OPEN\_DEVI #: 3 Tot Q: -1.0 -14.51

INDEX\_PM\_HILO #: 2 Tot Q: 3.0 -186.04,|||

INDEX\_POST\_AMCUTOFF #: 1 Tot Q: 5.0 -332.52,|||

1. Remove reverseAddOn, keep trading to a minimum
2. Put in a cutoff cushion, about 10 futures points.
3. Test that trading pnl is ordered by profit on each strategy.

After 3pm:

Switch engine to IB Gateway. IB is too unstable, it breaks off without logging back in, interrupting trade flow.

For hk: deal with this error:

Default Order handler: ERROR 103 388 Order size 100 is smaller than the minimum required size of 500. hk1293 T: 09:30:11.086 Order: 2991 SELL DAY LMT 100.0 at 2.42 msg: Tradetype HK\_STOCK\_DEV Status: Created

ERROR LIVE ID: 2991 code 388 MSG Order size 100 is smaller than the minimum required size of 500. (temporarily solved by using 500 shares for)

Work on stock selection mechanism during holidays.

9.28

Separation of vol regimes

1. < 25v, put in trend delta and buy low sell high
2. > 25v, no trend delta and hilotrader.

Transition to high vol stocks (US)

1. More movement, more profit opportunity
2. If you want to grow fast, you must make the PNL that big banks don’t care about. (due to liquidity, profitability). You must find your niche.
3. Futures are liquid and is a big area for the banks. Playing hilo requires paying the PD too much.

Reform output

1. Now there is too many output functions, don't need them
2. Cut them all. Leave outputDetailed. Separate HK, US, XU.

Overnight US to do

1. Break down pnl by strategy, display the break down of strategy. Have a window to display. (partly done, no window yet, just print by pr)
2. Each stock outputs to 1 file (done)
3. Leave cushion for postCutoffTrader (done)
4. Stop deviation trader, focus on hilo (done)
5. Correct typo in default handler, make sure output for fills are saved (done)
6. Future flip size instead of equal size. (done)

9.29 Morning task

1. US stocks not saved overnight
2. PM trader didn’t start
3. Add bili
4. Pm trader start at 12pm
5. US max orders change to 6.
6. No more open deviation orders

**US selection mechanism:**

1. Rank by size
2. Pick the stock with biggest change on day.
3. Add it to chinaAll and ChinaAllWeight

**Strategy going forward**

1. Low vol environment: hold delta and do buy low sell high. (automate)

Ptf this week

1. Low vol environment, strategies are not working well
2. Build long term positions
3. Bull: buy first, bearish: sell first