

# **Trading Strategy Document - TrendTracker Ltd.**

## **Core Trading Strategies**

### **Momentum Trading**

Our primary strategy focuses on identifying and capitalizing on strong market trends. We use technical indicators including: - Moving Average Convergence Divergence (MACD) - Relative Strength Index (RSI) - Volume Weighted Average Price (VWAP)

### **Mean Reversion**

Secondary strategy targeting temporary market inefficiencies through: - Bollinger Bands analysis - Statistical arbitrage - Pair trading opportunities

## **Risk Management Approach**

### **Position Sizing**

- Maximum position size: 5% of portfolio
- Scaling in/out methodology
- Correlation-based position adjustments

### **Stop Loss Strategy**

- Technical stops based on ATR
- Time-based stops for mean reversion trades
- Trailing stops for trend following positions

### **Portfolio Risk Controls**

- Maximum portfolio heat: 15%
- Sector exposure limits: 25%
- Geographic diversification requirements