Mathematical Trading Strategies

Assignment 2

Description: From lead-lag analysis (Granger causality test, correlation factors), we conclude that NSE leads NASDAQ.

To get optimum returns using

Keltner Channel strategy-atr period value is taken to be 16 and ema period value is taken to be 25.

Bollinger Bands-The factor to be multiplied comes out to standard deviation comes out to be 0.1.

MACD-The setting is kept to be (15,50,10) to get maximum returns.

The amount invested was 1lakh.

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| --- | --- | --- | --- |
|  | MACD | Bollinger Bands | Keltner Channels |
| Cumulative returns | 223.079% | 40.165% | 203.678% |
| Sharpe Ratio | 0.9181 | 0.4584 | 0.637 |
| Max Drawdown | -3.13% | -11.354% | -11.35% |