TradeFoxx Auto-Bot Version 9  

How to use guide January, 2018

The Anatomy of an AUTOMATED ASSISTED TRADING SYSTEM (ATS) Strategy

TradeFoxx Auto-Bot an Automated Trading Strategy. One of the biggest attractions of strategy automation assistance is that it takes some of the emotion out of trading since trades are automatically placed once certain criteria are met. TradeFoxx establishes specific rules for both trade entries and exits that are programmed using TradeFoxx Indicators, and are executed via a Ninja Trader Version 8 platform.

Auto-Bot has the ability to be back tested through Ninja Trader Strategy Analyzer. Back testing applies historical market data to determine the viability and adjustment settings for optimized trades. Careful back testing will allow traders to evaluate and fine-tune to a specific market, and to determine the system's expectancy – like the average amount that a trader can expect to win (or lose).

The trade rules are established and trade execution is performed, discipline is preserved even in volatile markets. Human Discipline is often lost due to emotional factors such as fear of taking a loss, or the desire to squeeze a little more profit from a trade. Automated assisted trading helps ensure that discipline is maintained because the trading rules are absolute and will be followed exactly based on the adjusted settings.

There is no such thing as a trading Auto Trade that wins 100% of the time – losses are a part of Trading. TradeFoxx Auto Bot allows traders to achieve consistency by using absolute rules. TradeFoxx Auto Bot responds immediately to changing market conditions, it will generate orders as soon as trade criteria are met, a few seconds earlier can make a big difference in the trade's outcome, and this is one of many benefits of an Auto Assisted Trader.
Disadvantages and Realities of Automated Trading Systems

As stated before, there is no such thing as a trading Auto Assited Guide that wins 100% of the time. There are many advantages for using a properly designed Auto Bot, but we like to go over some disadvantages you need to be aware of.

Automated assisted trading is a sophisticated method of trading, yet not infallible. If an Internet connection is lost, an order might not be sent to the market or an order could have been sent and only the Stop Loss of the order fill will close it, other Auto Bot logic will not play a role in the exit with this issue.

There will be a discrepancy between the "theoretical trades" generated by the strategy analyzer and the order entry platform component that turns them into real trades, expectations vs reality will differ somewhat. Traders should expect a learning curve when using automated trading systems, and it is generally a good idea to start with small trade sizes while the process is refined.

Simulate with Ninja Trader SIM account for a month and never use the Auto-Bot for trading real money, until you can prove in simulation a profitable two week streak.

It must be monitored (baby sat). Automated trading systems do require monitoring. This is due to the potential for mechanical failures, such as connectivity issues, power losses or computer crashes, and system quirks. It is possible for an automated trading system to experience anomalies that could result in errant orders, missing orders, or duplicate orders. If the system is monitored, these events can be identified and resolved quickly.

Over-optimization during adjustments of settings and back testing can occur. Traders who employ back testing techniques can create systems that look great on paper and perform terribly in a live market. Over-optimization refers to excessive curve-fitting that produces a trading plan that is unreliable in live trading. It is possible, for example, to tweak a strategy to achieve exceptional results on the historical data on which it was tested and incorrectly assume that adjustments should have close to 100% profitable trades or should never experience a drawdown to be a viable plan. As such, parameters can be adjusted to create a "near perfect" plan – that completely fails as soon as it is applied to a live market.

Although appealing for a variety of factors, Mechanical failures can happen, and as such, these systems do require monitoring.

Warning this is a real Trade Bot and will trade live. Never Trade Live until you have proven in simulation that your ATM Strategy and the Bot is actually profitable after extensive simulations. There is no guarantee that this bot will make profits every time, it is not a holy grail profit machine.
An exponential moving average (EMA) is a type of moving average that is similar to a simple moving average, except that more weight is given to the latest data. It’s also known as the exponentially weighted moving average. This type of moving average reacts faster to recent price changes than a simple moving average.

- Fast EMA 3
- Mid EMA 7
- AVG EMA 14
- Trend line EMA 21

The default setting will work with any market as they are classical setting but adjustments can be made for market optimization. If you are in the strategy analyzer or in a chart activating the strategy to simulate or trade live you find the same parameters.

**Triple EMA and Fuzzy Parameters**

**EMA Indicators** is to change the momentum average period value for Market Adjustments. Try Defaults first.

**TSF Period Exit** works when Fuzzy Logic in on, period of 10 to 14 should be good for most markets.

Fuzzy Logic is an extensive logic that tries to be a baby sitter and limit loss and profits from your ATM Targets. It usually works to your favor, but will override your ATM profit targets, Chase Targets.

**Fuzzy Min Profits** and **Min Losses** should be around 50% of your Targets in the ATM.
**Session Parameters**

There is control of the Days to Trade. The value of 0 (zero) means that day is off and will not be traded. Saturday and Sunday are turned off by default. If you want to Trade Sunday set the value 1.

There is also control of the time to trade based on military time. 1:30 AM would be 13000, the default is the busiest morning session with a break for lunch. 7:30am to 11:40am = 7300 to 114000 There is two session control to leave out any side-ways time frame as in when trading Indices when usually leaves the least volatile side way market time frame of 11:40 to 2:00pm - 114000 to 140000 which the start of afternoon trading for most indices. This will allow the AutoBot take a break while you also take a lunch break.

<table>
<thead>
<tr>
<th>Session Parameters</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Sunday</td>
<td>0</td>
</tr>
<tr>
<td>Trade Monday</td>
<td>1</td>
</tr>
<tr>
<td>Trade Tuesday</td>
<td>1</td>
</tr>
<tr>
<td>Trade Wednesday</td>
<td>1</td>
</tr>
<tr>
<td>Trade Thursday</td>
<td>1</td>
</tr>
<tr>
<td>Trade Friday</td>
<td>1</td>
</tr>
<tr>
<td>Trade Saturday</td>
<td>0</td>
</tr>
<tr>
<td>Start of Morning</td>
<td>10000</td>
</tr>
<tr>
<td>End of Morning</td>
<td>120000</td>
</tr>
<tr>
<td>Start of Afternoon</td>
<td>130000</td>
</tr>
<tr>
<td>End of Afternoon</td>
<td>234500</td>
</tr>
<tr>
<td>Block Out Cry Start</td>
<td>92500</td>
</tr>
<tr>
<td>Block Out Cry End</td>
<td>93500</td>
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</tbody>
</table>

Zero Means Trading that Day is off.
One Means Trading will happen that Day.

There are three Trade Sessions, Default is meant to trade almost 24 hours.

For Day Trading you might use
83000 for 8:30 am Start of Morning
120000 for 12:00 pm End of Morning

The take a break for Choppy Time of Day
130000 for 1:00 PM Start of Afternoon
134500 for 3:45 PM to end before the closing bell.

Block out used to not trade the first 10 or 15 minutes of opening bell or outcry of a market.
Aggressor Event
Value  Zero  =  all logic Trade Setups Active.
Value 1 conservative Triple Ema
Value 2 less conservative Triple Ema
Value 3 Custom Setup use with Sub Events
1 = Crossover HMA,EMA,WMA
2 = Crossover SMA9 to SMA25
3 = Crossover Trix 14 to 9
4 = Crossover Trix 21 to 7

ATM Name, this is a ATM Strategy you must create and save the template with a name.
The Auto Bot will not function without a ATM. The name can be any name but it is case sensitive and must match the saved template.

Turn Off Buy to Sell is set to on value of one. If you just want to trade one direction set the value to Zero.

Trade Count Per Day, is how many Trades do you want to do per day before the Auto Bot turns off. If you turn the Bot off and on this resets. The Same is true for Daily Profit and Loss.

ATM-Limit Market Back-test is very important. 0=Limit Orders (Bid-Ask)
1=Market Orders, 3=Back-test used for Strategy Analyzer Testing.

Profit and Loss Ticks used only for Back Testing, not for live trading.
AudioLang 1 = English 2 = Spanish
Choose the instrument you wish to back-test. We recommend using Heiken Ashi or Renko to test the current Trade Setup. They also work well in simulated and live trading.

The Trade Setup will not work on all chart types and time frames; experimentation is needed to find best results for a particular market.

The Current Trade Setup is When the Triple EMA Fast Crosses the Trend line enter a trade, of course there are confirmations built in to make it as accurate as possible.

When you find a Chart Type and Time Frame and a Profit and Loss target that seems to deliver Positive results. You then use these values to create your ATM Strategy Template.

Extreme Simulation is needed to even consider using the Auto-Bot.

It is also possible to use the Auto-Bot as a signaler of a trade entry, and then in another chart enter the trade manually.

But you should always use a ATM Strategy.
Trade Parameters (more reading)

Fuzzy Min Profit Ticks

We added a Fuzzy Logic Profit Target many times your Reward (profit target cannot be reached) so maybe you be happy with ½ of your target, or 2/3 of your profit target. The Fuzzy logic algorithm is a currency evaluator. For instance, if your profit target value is 8 ticks 2 contract in the ES, your target is $200 profit. If you set your Fuzzy to 100, ($100) if this target is reached sometimes and not always the Auto Bot will exit at $100, instead of $200. This allows for exiting with positive outcome what could have been a loss if going for the full 8 ticks.

The Fuzzy Logic is what the name implies it will work sometimes and sometimes not, but its math is complicated and was created to offset the errors of any logical setup. You can see its benefits when back testing.

We have set the Auto-Bot with default settings that are optimal for trading the Indices, if you would like us to provide default settings for you market, send an email to support@tradefoxx.com.

We be happy to send you a starting point setting.

You can run a Ninja Script strategy in real-time in a live or simulation account.

- Ninja Trader MUST be connected to a live brokerage or market data vendor
- Strategy menu options will NOT work if not connected live
- You cannot run Chart Trader on a chart while you have a running strategy applied to the chart
- A Ninja Script Strategy is a self-contained automated trading system and orders generated are live and not virtual. Cancelling strategy generated orders manually can cause your strategy to stop executing as you designed it. If you want to manually cancel an order, terminate the strategy itself.

Running FX NinjaScript Strategies

Running FX Ninja Script Strategies on a Live Brokerage Connection
Running an FX strategy on a live brokerage connection either in a live funded account or a simulation (Sim101) account order quantities will reflect the lot size convention that your brokerage trades in. For example, if your brokerage has a lot size of 1 that equals 100,000 units of the base currency (a "standard" lot) then use a value of 1 to trade 100,000 base units.
HISTORICAL BACK TEST RESULTS

Hypothetical Performance Disclaimer: Hypothetical Performance Results Have Many Inherent Limitations, Some Of Which Are Described Below. No Representation Is Being Made That Any Account Will Or Is Likely To Achieve Profits Or Losses Similar To Those Shown. In Fact, There Are Frequently Sharp Differences Between Hypothetical Performance Results And The Actual Results Subsequently Achieved By Any Particular Trading Program.

Systems Trading Risks: Automated Trading Programs in General Are Also Subject to The Fact That They Are Designed with The Benefit of Hindsight. No Representation Is Being Made That Any Account Will or Is Likely to Achieve Profits or Losses. There Have Been No Promises, Guarantees or Warranties Suggesting That Any Trading Will Result in A Profit or Will Not Result in A Loss. TradeFoxx Does Not Guarantee the Accuracy or Completeness of the Information or Any Analysis Based Thereon.

Back testing Strategies

The Back Testing Strategies video walks through the process of configuring, running, and analyzing the results of a standard strategy back test in the Strategy Analyzer. All configurable back test properties are covered in this video.

Check this Video How to Back Test

Strategy Analyzer Overview

Ninja Script strategies can be back tested and optimized to test theoretical strategy performance on historical data within the Strategy Analyzer. The Strategy Analyzer Overview covers the basic layout of the Strategy Analyzer, and individual test types will be covered in greater detail in future videos.

Check this video How to use Strategy Analyzer

When your real time simulation test performs has expected more than two weeks, you could use the bot with real money if you wish. You must monitor the trades has you can manually exit any trade in profit or exit any trade that seems to be going wrong.
Results for YM
You could also use Market Replay to test the Auto-Bot.

Practice, Adjust, Practice, Adjust

Malcom Gladwell, staff writer at The New Yorker & author of bestseller, *Outliers*, popularized the theory that it requires 10,000 hours of practice for one to become a master of a particular skill.

Just like any other skillset, if you want to master trading, it requires practice. However, with the markets only producing a limited amount of live data per day, reaching that 10,000 hour threshold can appear daunting at best.

NinjaTrader’s Market Replay, a.k.a. Playback Connection in NinjaTrader 8 Beta, puts live on-demand data at your fingertips. This tool, included with every download of NinjaTrader, enables you to record, download and replay market data at your convenience. Whether it be aftermarket hours, or on the weekend, NinjaTrader’s Market Replay delivers data to all NinjaTrader windows as if it was happening in real-time.

Test indicators, strategies, entry/exit rules, or your tape reading skills on any market or timeframe. Furthermore, testing daily indicator or strategy performance doesn't have to take 7 or 8 hours. Market Replay offers the ability to playback data up to 500 times faster than normal market speed!

Master your trading skills and increase your exposure to live market data with NinjaTrader’s Market Replay! **Check this video**  [How to use Market Replay](#)

Optimizing Strategies
Strategy optimizations allow you to iterate over a pre-defined range of strategy input values to determine the combination of property values which score highest on a chosen performance metric. The Optimizing Strategies video covers the aspects of optimizations which differ from standard back