



xBRAT ALGO AutoTrader BASIC V1.0 for ES 24HS (SP500) User's Guide

Think of an Experienced Traders' Brain as a blueprint for a trading algorithm. Then the desire to keep charts as clutter free as possible. What you see below is a blueprint of Paul Bratby's thought process but even he admits, he is getting too old to focus on all of these!

- 9 Decision Points before Paul considers grading the trade a 3* trade
- Then another special Decision Point will make it a 4* trade
- Another for 5* trade
- And Finally, a total of 12 Decision Points being correct before he grades a trade 6* trade.

Now we have made this strategy to the next level and built an **Automatic Trading ALGO** so you can auto-trade this algorithm completely *automatic and unattended* (*). The **BASIC** version of the **xBRAT ALGO** has been optimized and backtested to get the best performance for the current **ES** market and is for accredited professional traders and Tradestation standard traders without the need to understand in-depth optimization settings mechanisms or additional features.

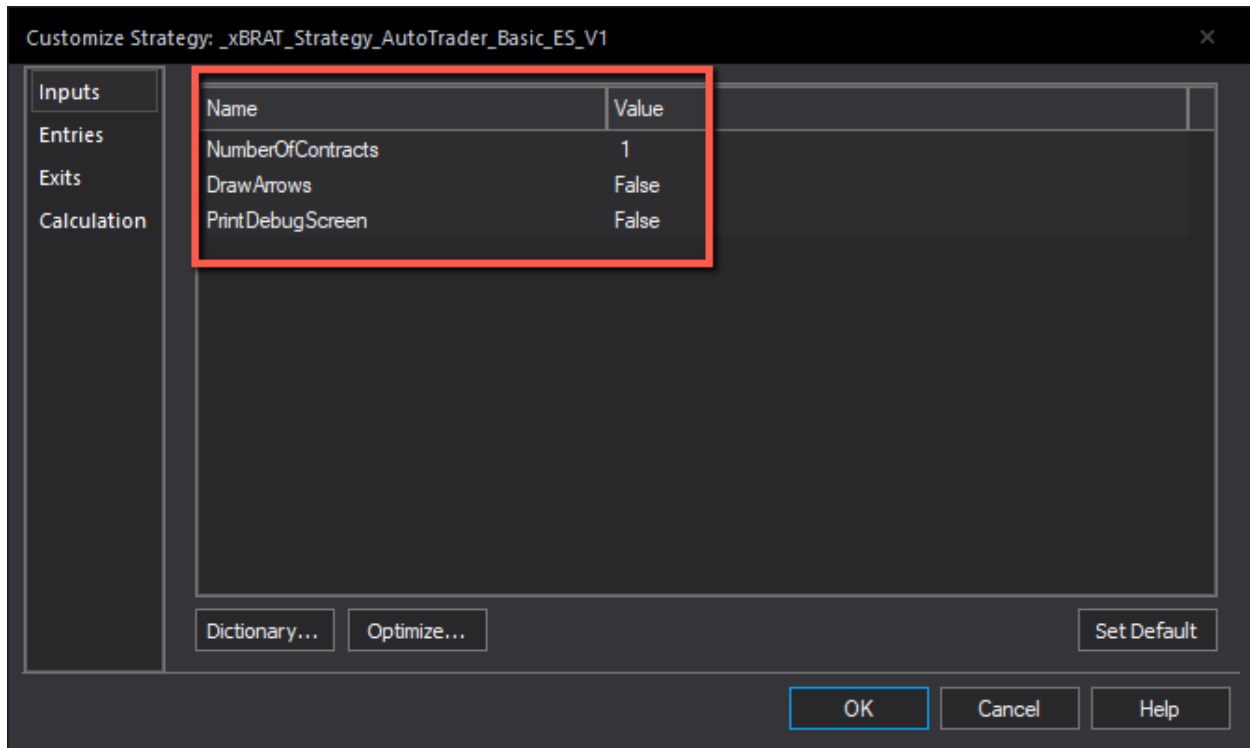
The **BASIC** version is out-of-the-box ready to trade the current ES continuous contracts (ie: **@ESH21**) and further contracts in **RTH** and **ETH (24hs Trading)**.

Suggested capital for trading **1 contract of ES is 25.000 USD**; all backtesting and optimization was performed using this initial capital.

In this guide will explain strategy parameter descriptions and advance configuration settings.

xBRAT ALGO Strategy Input Parameters

Below is the list and description for each input strategy parameter available for the user to change.



NumberOfContracts: The total number of contracts or shares the strategy will trade in each trade, long or short.

DrawArrows: valid values are **TRUE** or **FALSE**.

FALSE: Disabled.

TRUE: Display the arrows and entry starts (3*, 4*, 5* or 6*) entries on the chart like the xBRAT ALGO indicator.

PrintDebugScreen: valid values are **TRUE** or **FALSE**.

FALSE: Disabled.

TRUE: Display in the Print Log strategy debug information; this only needs to be set to true to debug purposes and only when asked by the developer.

Behind the Scenes Advanced Configuration Settings for BASIC Version

The **xBRAT ALGO AutoTrader BASIC V1.0 for ES** simplifies the automatic trading by having the following advanced configuration settings already setup for you in the code.

LongOrShortTrades: 0 – Long and Short trades allowed.

0: for Long and Short Trades.

1: for Longs only.

-1: for Shorts only.

xBratAlgoStarsLong: 0 – Only 6* Long trades allowed.

0: is all xBRAT Algo stars.

3: is 3* trades only.

4: is 4* trades only.

5: is 5* trades only.

6: is 6* trades only.

xBratAlgoStarsShort: -5 – All Short trades starts allowed.

0: is all xBRAT Algo stars.

-3: is 3* trades only.

-4: is 4* trades only.

-5 is 5* trades only.

-6: is 6* trades only.

EMACloudType: 0 – 21 EMA Trailstop behavior.

This parameter set the **% trailstop** exit mechanism for the strategy on Long or Short trades.

0: 21 EMA (Close).

1: 13 EMA Cloud (High/Low).

2: 21 EMA Cloud (High/Low).

3: 34 EMA Cloud (High/Low).

SetBuyLowSellPlus: 0 - Currently Disabled.

0: Disabled.

1: Enabled.

Enables or disables the "Buy on -/Sell on +" advanced order setting. This feature is only for listed orders. No validation of orders will be done. Any incorrect combination will result in the trade server rejecting the order. *Refer to Tradestation documentation for more information about this parameter.*

AdditionalTicksEntryLE: 1 – 1 additional tick to the entry price for Long trades.

0: Disabled.

>1: Enabled.

Is the amount of additional ticks for a Long entry to be made with the Stop Market Order (ie: value on 1 will add +1 tick to the entry level).

AdditionalTicksEntrySE: 1 – 1 additional tick to the entry price for Short trades.

0: Disabled.

>1: Enabled.

Is the amount of additional ticks for a Short entry to be made with the Stop Market Order (ie: value on 1 will add +1 tick to the entry level).

MaxRiskStopLossTicks: 148 – Risk is selected by the current market structure pivots High/Low.

0: Disabled.

>1: Enabled.

This parameter allows the user to specify the maximum stoploss risk in ticks to take per trade.

CAUTION: this is NOT the stoploss, the stoploss is automatically calculated based on the structure of the trade and can vary from trade to trade depending on the current structure and volatility of the market. This parameter will allow to specify the "**maximum**" risk to take per trade. (ie: value set to **10:** the strategy will only take a trade which the risk generated is not greater than 10 ticks. Trades with risk higher than 10 ticks will be skipped).

DoNotTradeOnMon: 0 – Trading on Mondays is enabled.

0: Disabled.

1: Do not trade on Mondays.

DoNotTradeOnTue: 0 – Trading on Tuesdays is enabled.

0: Disabled.

1: Do not trade on Tuesdays.

DoNotTradeOnWed: 0 – Trading on Wednesdays is enabled.

0: Disabled.

1: Do not trade on Wednesdays.

DoNotTradeOnThu: 0 – Trading on Thursdays is enabled.

0: Disabled.

1: Do not trade on Thursdays.

DoNotTradeOnFri: 0 – Trading on Fridays is enabled.

0: Disabled.

1: Do not trade on Fridays.

MaxTradesPerDay: 1 – Maximum 2 trades in the trade time specified by the parameters below.

0: Disabled:

>1: Allow this maximum number of trades for the time specified (see parameter below).

BeginTradeTime: 02:20 – Trading is enabled at **02:20 AM EXCHANGE TIME**.

0: Disabled.

This parameter controls the **start time** when the strategy can perform evaluation for entry trades.

EndTradeTime: 13:10 – Trading is disabled at **1:30 PM EXCHANGE TIME**.

0: Disabled.

This parameter controls the **end time** when the strategy can perform evaluation for entry trades.

Example: BeginTradeTime = 0900. EndTradeTime = 1200 and MaxTradesPerDay = 2.

The strategy will only perform a **maximum of 2** trades between **9AM** and **12PM** if a trade entry condition is true during this time only.

ProfitTargetTicksLE: 460 – 460 ticks profit target for Long trades.

0: Disabled.

> 1: Number of ticks to set for the Profit Target on a Long Trade from **BeginTradeTime** to **EndTradeTime**.

ProfitTargetTicksSE: 1260 – 1260 ticks profit target for Short trades.

0: Disabled.

> 1: Number of ticks to set for the Profit Target on a Short Trade from **BeginTradeTime** to **EndTradeTime**.

EndOfDayExitTime: 1900 – Close any open position at **7 PM EXCHANGE TIME**.

0: Disabled.

Any other value: controls the time when a position is closed. (ie: **EndOfDayExitTime = 1600**. The open position will be closed when **time >= 4PM**).

MaxProfitPerDay: 1025 – 1025 USD Maximum profit setting per day.

0: Disabled.

Any other value: controls the **start time** for a particular time the strategy is **NOT allowed** to perform any trade.

MaxLossPerDay: 350 – 350 USD Maximum loss setting per day.

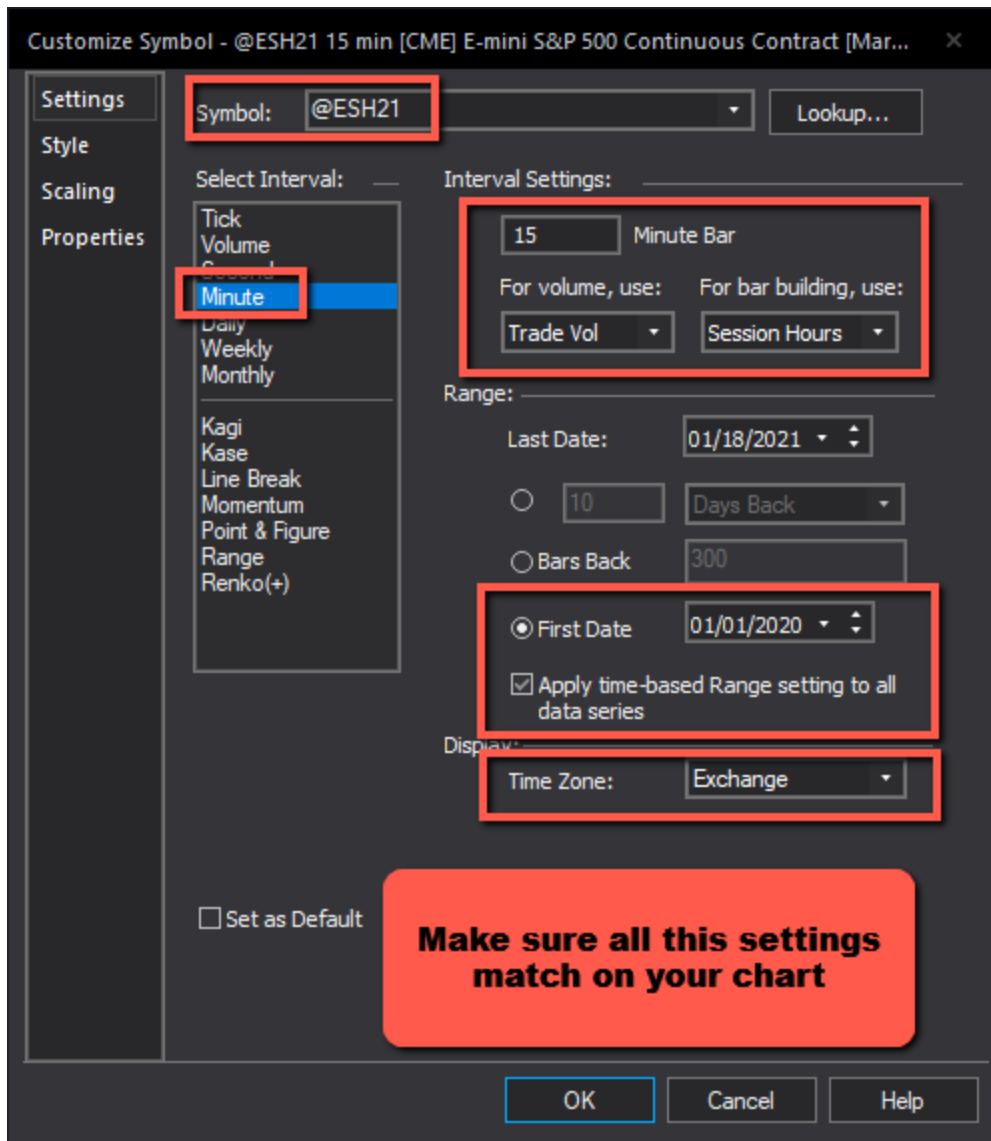
0: Disabled.

> 1: Maximum loss in USD per day. When the strategy hits this value will not perform any more trades until the next calendar day.

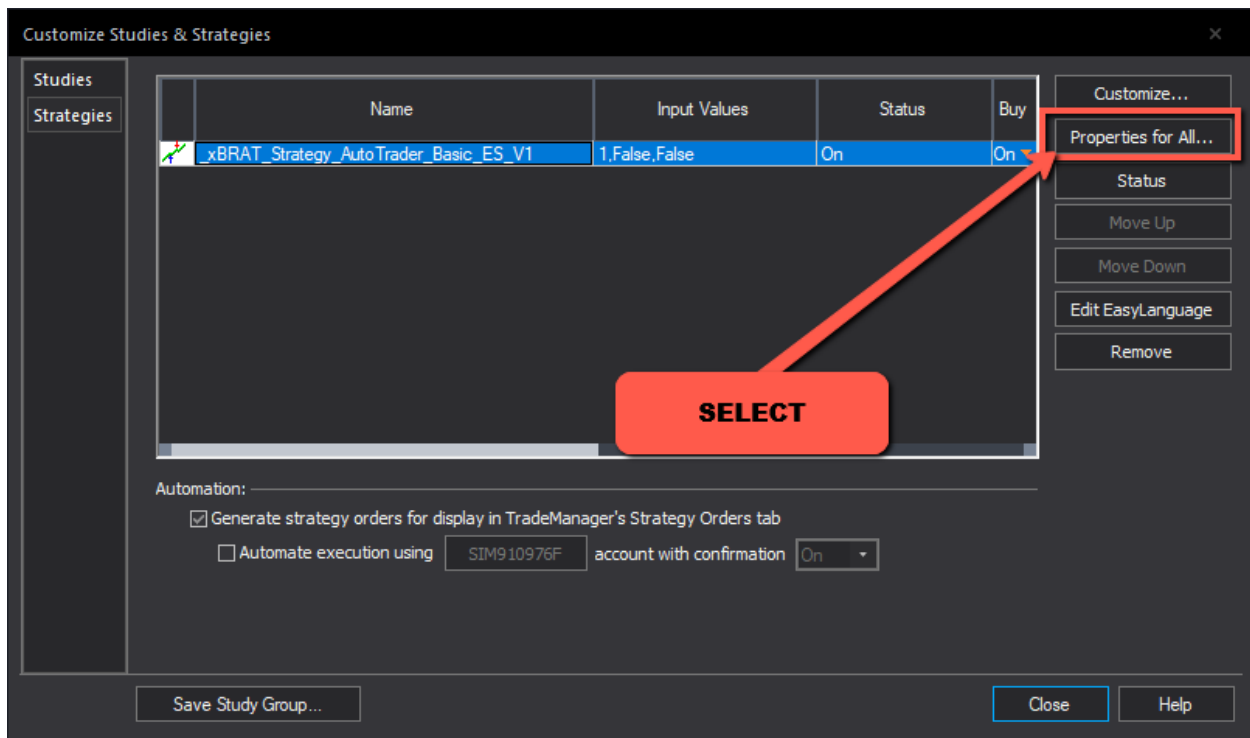
Additional Strategy Settings

The following settings must be performed completely for the strategy to function properly.

In **Tradestation V10**, select or create your ES chart and check the following settings (**NOTE:** all these settings must match exactly for the strategy to work properly):



Then select **Studies** → **Add Strategy...** and navigate to find the **xBRAT ALGO AutoTrader BASIC for ES 24hs V1.0** from **TradingApp Store Subscriptions**. (If you already subscribed but the strategy is not showing up, please restarts your Tradestation software and then try again, the strategy needs to get upload to your installation from Tradestation App Store).



After adding the strategy select this option and complete the following settings as shown below.

Strategy Properties for All Strategies on this Chart

General
Backtesting
Automation

Currency
Base currency: Symbol (USD)

Costs/Capitalization
Commission: \$ per Trade
\$ 0 0 %
Position Slippage: \$ 0 per Trade
Initial \$ 25,000 per Share/Contract
Interest 2 %
Note: Initial Capital and Interest Rate are used only in the Strategy Performance Report.

Back-testing resolution
 Use Look-Inside-Bar Back-testing
 Tick 1 tick
 Second 1 second
 Minute 1 minute
 Daily
Maximum number of bars study will reference: 500

Position limits (for pyramiding strategies only)
 Allow up to 50 entry orders in the direction as the currently held
 when the order is generated by a different entry order
 regardless of the entry that generated the order
Maximum shares/contracts/units per 1

Trade size (if not specified by strategy)
 Fixed Shares/Contracts/Units 1
 USD per trade \$ 10,000
Round down to nearest 100 shares/contracts/units
Minimum number shares/contracts/units: 100

set to your initial balance

set to 500

Set to the maximum allowed contracts you want to trade, then refer to NumberOfContracts parameter.

OK Cancel Help

Strategy Properties for All Strategies on this Chart

General
Backtesting
Automation

Limit Order Fill Assumptions

Fill entire order when trade occurs at limit price or better

Fill entire order when trade price exceeds limit price
Note: When back-testing some fills may occur outside the range of the bar (i.e. above the high or below the low). This occurs when a limit price is exceeded due to a next bar gap and filling inside of the new bar would introduce an unrealistic price improvement.

Fill order at limit price or better after shares already traded at limit price or better

Fill order at limit price or better after trades occur at limit price or better

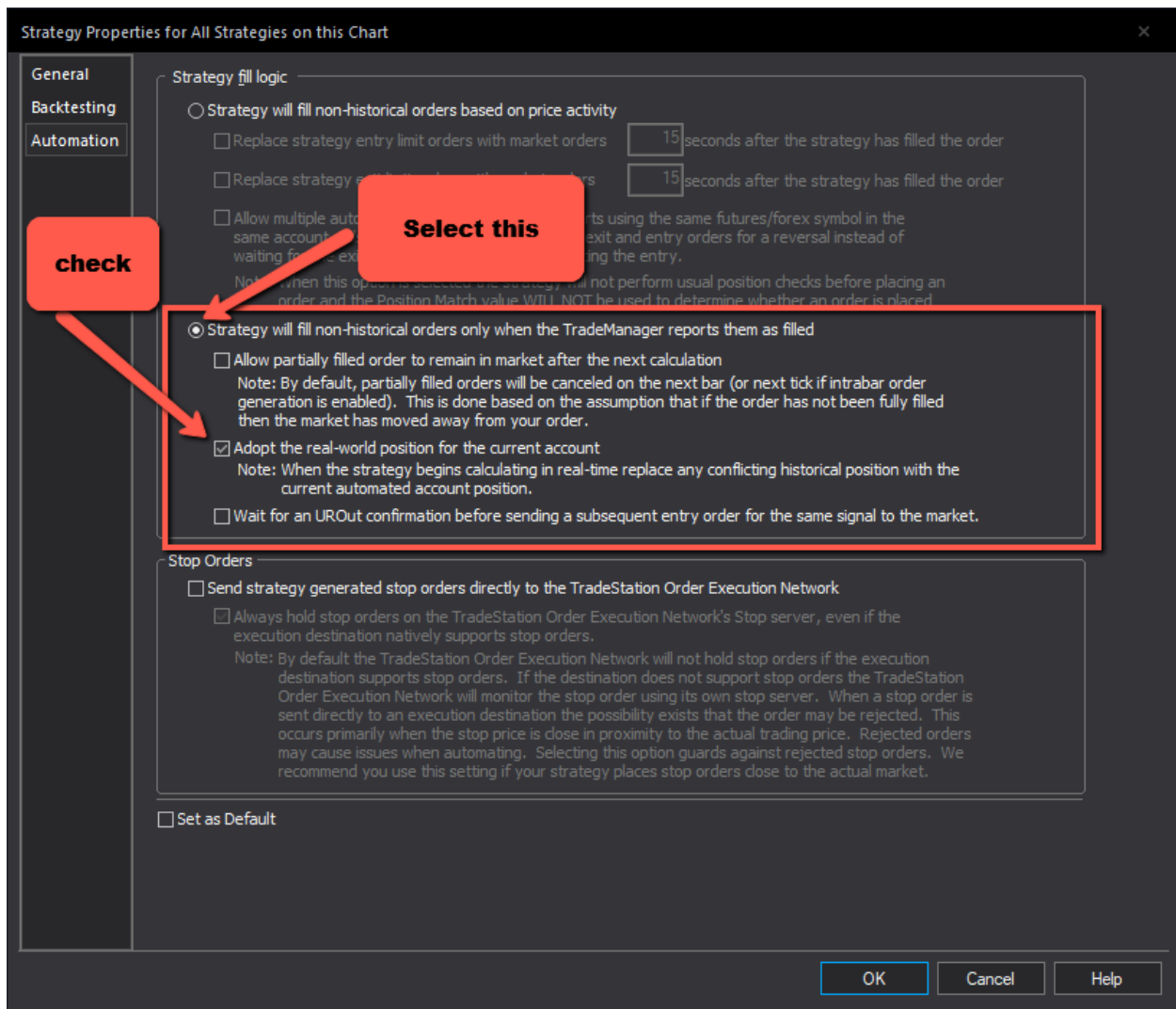
Market Order Fill Assumptions

Apply \$ slippage to market orders

Do not allow fill price to be outside of the bar high/low

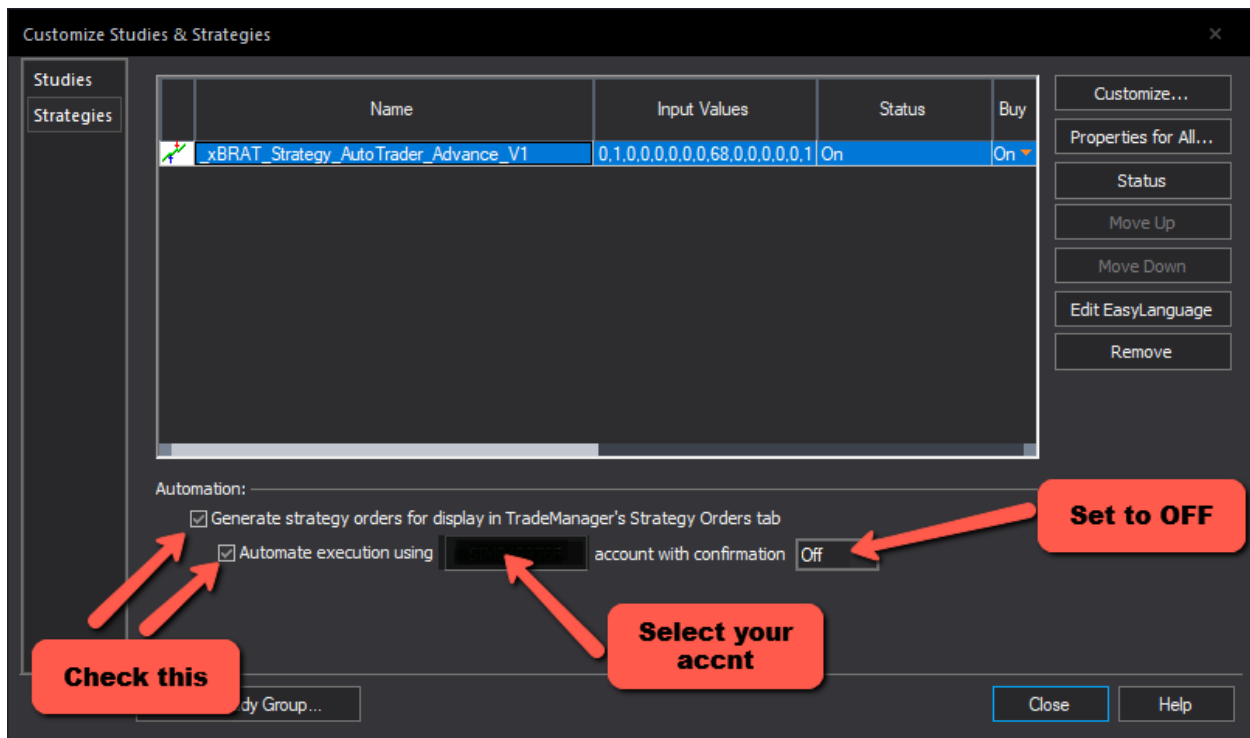
Enable Intra-bar Order Generation Optimization with Look-Inside-Bar Back-testing.
This optimization can significantly improve performance by evaluating the strategy only when the price changes within the bar. This optimization is only performed if the strategy does not contain certain reference types, such as Volume, RunCommand, dll functions and IntraBarPersist. Disabling this setting may result in a high consumption of system resources.

OK Cancel Help



Enable Full Strategy Automation

Once you have performed all the settings shown above and the performance report matches the profit results provided as a reference (please refer to the companion **xBRAT for ES Performance Report PDF** documentation) you can activate the strategy to auto-trade following these settings:



NOTE: We highly recommend testing the strategy automation in simulated accounts before trading in LIVE accounts.

Additional Considerations

While the strategy can run completely automatic and unattended, for live trading we do not recommend leaving the strategy alone; there are many things we cannot control and Tradestation platform is unable to handle like internet and power outages. When trading live, we highly recommend monitoring the correct trade and order execution.

RISK DISCLOSURE STATEMENTS

THE RISK OF LOSS IN TRADING COMMODITIES (FUTURES AND OPTIONS) AND STOCKS OPTIONS CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN COMMODITY AND STOCKS TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS. PAST RESULTS ARE NOT INDICATIVE OF FUTURE RESULTS. 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. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT.

Although the information provided to you is obtained from algorithmic computer trading programs tested and live traded and we believe to be reliable, we cannot and does not guarantee the accuracy, validity, timeliness, or completeness of any information or data made available to you for any particular purpose. We will NOT be liable or have any responsibility of any kind for any loss or damage that you can incur in the event of any failure or interruption of the trading programs/account/market or resulting from the act or omission of any other party involved, whether or not the circumstances giving rise to such cause may have been within the control of providing software or trading service support. In no event we will, or any such parties be liable to you for any direct, special, indirect, consequential, incidental damages, loss of entire account deposit or any other damages of any kind, this has been advised of the possibility thereof.

The information presented here is provided "AS IS." And we do not warrant the accuracy of the materials provided herein for any particular purpose and expressly disclaims any warranties or fitness for a particular purpose. We will not be responsible for any loss or damage that could result from any information made available to you via the related strategy trading programs.

Hypothetical computer simulated performance results are believed to be accurately presented. However, they are not guaranteed as to accuracy or completeness and are subject to change without any notice. Hypothetical or simulated performance results have certain inherent limitations. Unlike an actual performance record, simulated results do not represent actual trading. Since, also, the trades have not actually been executed; the results may have been under or overcompensated for the impact, if any, of certain market factors such as liquidity, slippage and commissions. Simulated 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 portfolio will or is likely to achieve profits or losses like those shown. All investments and trades carry risks.