

TradeSim - Introduction

TradeSim
for back-testing in BullCharts

Introduction
June 2018
Robert Brain

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The particular financial needs of any individual have not been taken into consideration.

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AGENDA

- TradeSim — what is it?
- How does it work?
- Overview of the process
- TradeSim scan — the special type of BullCharts scan
- How do we do it?
 - Create or modify a TradeSim scan
 - Set Trade Parameters
 - Run a Simulation
 - View the results

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TradeSim – What is it?

- Software package
- A “plug-in” for BullCharts (& MetaStock)
- For back-testing, to test **your own trading strategy** on a **particular group of stocks** within a **specific time period**.

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How does it work?

- In BullCharts, create a special “TradeSim” scan.
Note the symbol in Scan Manager:



- Specify:
 - Your trading strategy criteria (entry, exit)
 - Testing time period (“from” and “to” dates)
 - A watchlist of stocks to scan through

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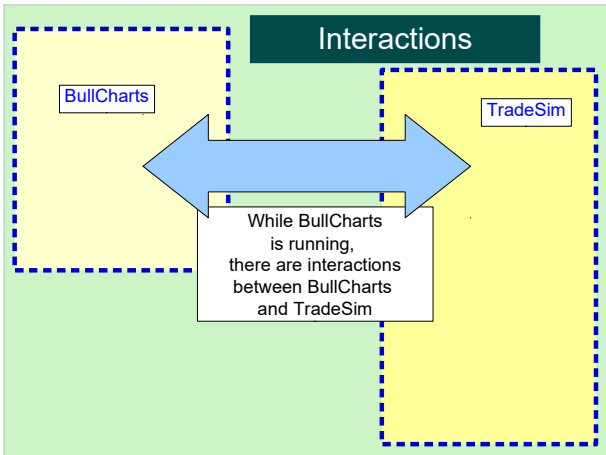
How does it work?

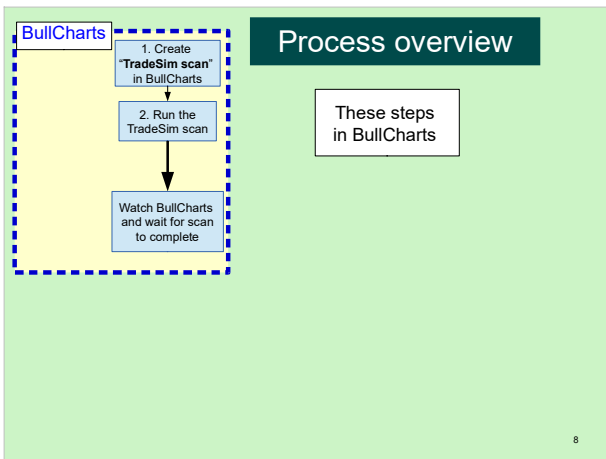
- Run the BullCharts scan to identify the possible buy and sell transactions
- Check the results in TradeSim
- Specify “Trade Parameters” (eg. starting capital, position size, etc.)
- Run a TradeSim “Simulation”

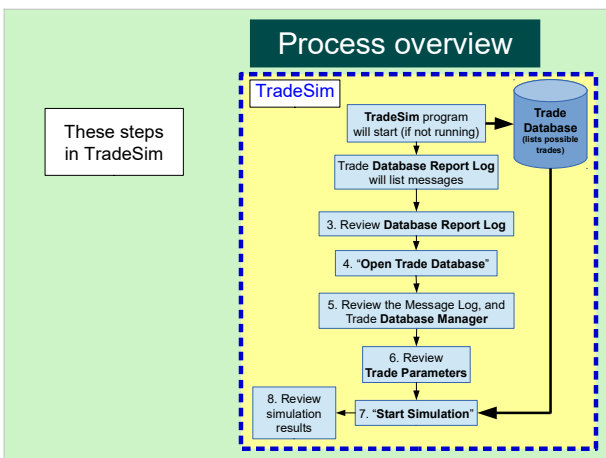
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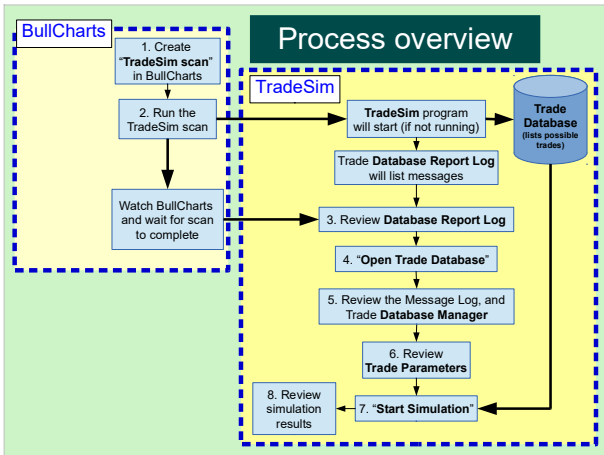
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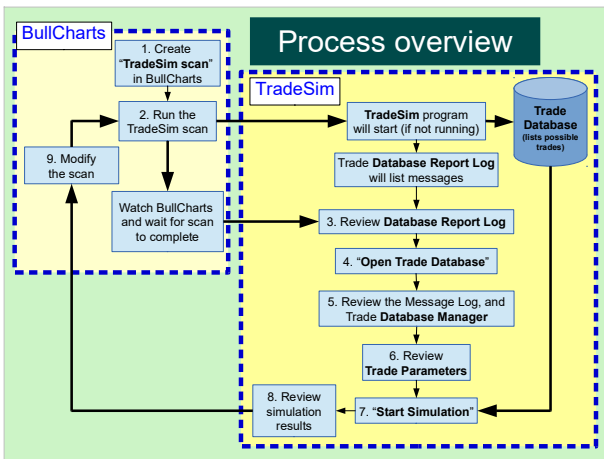






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1. BullCharts TradeSim Scan

The familiar BullScan dialogue, except for:

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2. Run the TradeSim scan

- In BullCharts run the “TradeSim” scan
- The scan output is a TradeSim “Trade Database” with a list of hypothetical trades.

CAUTION:

The scan will create a Trade Database file of the same name as the scan (.trb), and it will automatically over-write any existing Trade Database file.

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3. Review Message Log

- Watch BullCharts and wait for the scan to complete (Status Bar at bottom of window)

3% Found 67 from 67.

(otherwise it might appear that nothing is happening)

- Watch TradeSim Status Bar

BUSY / [Total]

- Review the Message Log

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3. Review Database Report Log

- Review the long list of log messages



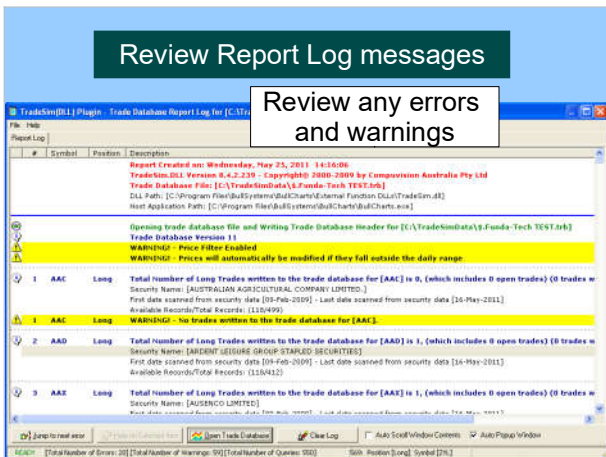
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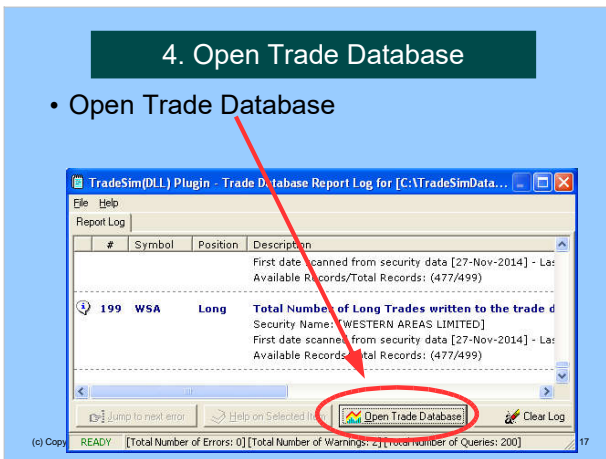
Review Report Log messages

Review any errors and warnings

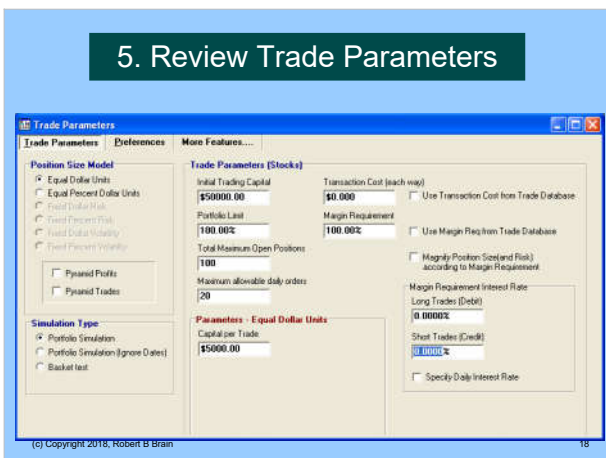


4. Open Trade Database

- Open Trade Database

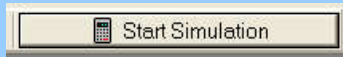


5. Review Trade Parameters



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6. Start Simulation



- Now run a TradeSim “simulation”.
- The result is a number of screens:
 - Trade Database Manager view
 - Trade Simulation report
 - Trade Statistics Table and graphs
 - Various Equity Charts...

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Trade Database

Trade	Sys ID	Pos	Symbol	Periodicity	CE	SBFTE	Entry Date-Time	Exit Date-Time
1	0	Long	ADU	Weekly	Yes	Yes	2/03/2009	2/05/2011
2	0	Long	ALD	Weekly	Yes	Yes	2/03/2009	4/05/2009
3	0	Long	AMK	Weekly	Yes	Yes	2/03/2009	27/04/2011
4	0	Long	BDW	Weekly	Yes	Yes	2/03/2009	6/02/2010
5	0	Long	CCV	Weekly	Yes	Yes	2/03/2009	6/04/2010
6	0	Long	CHN	Weekly	Yes	Yes	2/03/2009	18/01/2010
7	0	Long	CUS	Weekly	Yes	Yes	2/03/2009	6/02/2010
8	0	Long	DNG	Weekly	Yes	Yes	2/03/2009	13/07/2009
9	0	Long	DOM	Weekly	Yes	Yes	2/03/2009	13/07/2009
10	0	Long	DRA	Weekly	Yes	Yes	2/03/2009	6/02/2010
11	0	Long	ERA	Weekly	Yes	Yes	2/03/2009	1/02/2010
12	0	Long	ESG	Weekly	Yes	Yes	2/03/2009	30/11/2009
13	0	Long	EKT	Weekly	Yes	Yes	2/03/2009	23/11/2009
14	0	Long	FXL	Weekly	Yes	Yes	2/03/2009	18/05/2010
15	0	Long	IAJ	Weekly	Yes	Yes	2/03/2009	23/11/2009
16	0	Long	ICN	Weekly	Yes	Yes	2/03/2009	2/11/2009
17	0	Long	KCN	Weekly	Yes	Yes	2/03/2009	1/11/2010
18	0	Long	MML	Weekly	Yes	Yes	2/03/2009	1/02/2010
19	0	Long	MMS	Weekly	Yes	Yes	2/03/2009	1/02/2010
20	0	Long	XAD	Weekly	Yes	Yes	2/03/2009	6/07/2010

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Start Entry Date: 2/03/2009 Stop Entry Date: 26/10/2009 561 trades selected from a total of 56

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Trade Simulation Report

Trade Parameters and Preferences

Trade Database Name: C:\TradeSim\w\l\Funda-Tech_1997.tbl

Trade Parameters

- Initial Capital: \$50,000.00
- Portfolio Size: 100.00%
- Maximum number of open positions: 100
- Maximum allowable daily orders: 50
- Automatically Use Position Size Model from database: No
- Default Position Size Model: Equal Dollar Share
- Capital per Trade (if value): \$5,000.00
- Pyramid profits: No
- Transaction cost (Trade Entry): \$0.00
- Transaction cost (Trade Exit): \$0.00
- Automatically use Margin Requirement from database: No
- Margin Requirement: 100.00%
- Manually Position Size (tick) according to Margin Req: No
- Automatically select Position Size Model from database: No
- Enable Fractional Trades: No
- Ownership Bid Filter: No
- Margin Requirement Daily Interest Rate (Long Trades): 0.0000%
- Margin Requirement Daily Interest Rate (Short Trades): 0.0000%
- Margin Requirement Weekly Interest Rate (Long Trades): 0.0000%
- Margin Requirement Weekly Interest Rate (Short Trades): 0.0000%

Trade Preferences

- Trading Instrument: Stocks
- Process Open Trades: Process separately
- Trade Position Type: Process all trades
- Entry Order Type: Default Order
- Exit Order Type: Default Order
- Minimum Trade Size: \$0.00
- Accept Partial Trades: No
- Volume Filter: Ignore Volume Information
- Pyramid Trades: No

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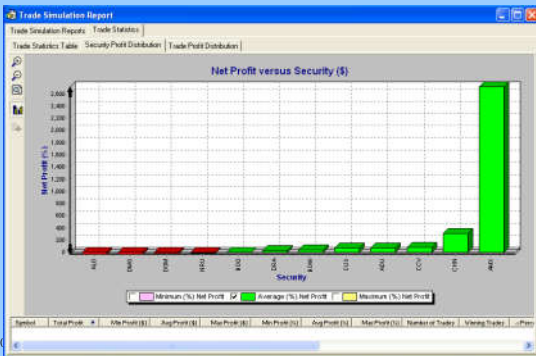
Trade Statistics Table

Symbol	Total Profit	Min Profit (\$)	Avg Profit (\$)	Max Profit (\$)	Min Profit (%)	Avg Profit (%)	Max Profit (%)	Number of Trades	Winning Trades	...
AMD	\$1,507.42	\$1,507.42	\$1,507.42	\$1,507.42	70.15%	70.15%	70.15%	1	1	100
AVGO	\$1,470.93	\$1,470.93	\$1,470.93	\$1,470.93	29.81%	29.81%	29.81%	1	1	100
AVO	\$136,009.36	\$136,009.36	\$136,009.36	\$136,009.36	2720.00%	2720.00%	2720.00%	1	1	100
CCF	\$245.06	\$245.06	\$245.06	\$245.06	4.91%	4.91%	4.91%	1	1	100
CCO	\$2,080.41	\$2,080.41	\$2,080.41	\$2,080.41	41.61%	41.61%	41.61%	1	1	100
CCV	\$3,994.37	\$3,994.37	\$3,994.37	\$3,994.37	79.89%	79.89%	79.89%	1	1	100
CLM	\$15,715.36	\$15,715.36	\$15,715.36	\$15,715.36	314.30%	314.30%	314.30%	1	1	100
CLT	\$3,482.79	\$3,482.79	\$3,482.79	\$3,482.79	69.66%	69.66%	69.66%	1	1	100
CLW	\$1,249.96	\$1,249.96	\$1,249.96	\$1,249.96	24.99%	24.99%	24.99%	1	1	100
CLX	\$980.00	\$980.00	\$980.00	\$980.00	19.60%	19.60%	19.60%	1	1	100
CLY	\$1,833.26	\$1,833.26	\$1,833.26	\$1,833.26	36.67%	36.67%	36.67%	1	1	100
CLZ	\$375.00	\$375.00	\$375.00	\$375.00	7.50%	7.50%	7.50%	1	1	100

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Trade Statistics — Security...



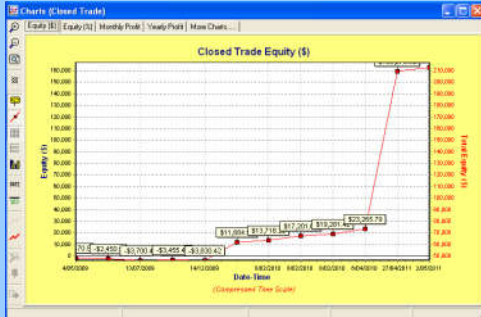
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Trade Log

Time	Trade ID	Symbol	Share	Price	Parity	Trade Date/Time	P Level	P Con.	Priority Type	Disc.	Quantity	Min Profit
1	1	AMD	Enter	Long	Market	20230308	0	0	Base		100	\$1,507.42
2	2	AVO	Enter	Long	Market	20230308	0	0	Base		100	\$136,009.36
3	3	CCF	Enter	Long	Market	20230308	0	0	Base		100	\$245.06
4	4	CCO	Enter	Long	Market	20230308	0	0	Base		100	\$2,080.41
5	5	CCV	Enter	Long	Market	20230308	0	0	Base		100	\$3,994.37
6	6	CLM	Enter	Long	Market	20230308	0	0	Base		100	\$15,715.36
7	7	CLT	Enter	Long	Market	20230308	0	0	Base		100	\$3,482.79
8	8	CLW	Enter	Long	Market	20230308	0	0	Base		100	\$1,249.96
9	9	CLX	Enter	Long	Market	20230308	0	0	Base		100	\$980.00
10	10	CLY	Enter	Long	Market	20230308	0	0	Base		100	\$1,833.26
11	11	CLZ	Enter	Long	Market	20230308	0	0	Base		100	\$375.00
12	12	AMD	Exit	Long	Market	20230308	0	0	Base		100	\$1,507.42
13	13	AVO	Exit	Long	Market	20230308	0	0	Base		100	\$136,009.36
14	14	CCF	Exit	Long	Market	20230308	0	0	Base		100	\$245.06
15	15	CCO	Exit	Long	Market	20230308	0	0	Base		100	\$2,080.41
16	16	CCV	Exit	Long	Market	20230308	0	0	Base		100	\$3,994.37
17	17	CLM	Exit	Long	Market	20230308	0	0	Base		100	\$15,715.36
18	18	CLT	Exit	Long	Market	20230308	0	0	Base		100	\$3,482.79
19	19	CLW	Exit	Long	Market	20230308	0	0	Base		100	\$1,249.96
20	20	CLX	Exit	Long	Market	20230308	0	0	Base		100	\$980.00
21	21	CLY	Exit	Long	Market	20230308	0	0	Base		100	\$1,833.26
22	22	CLZ	Exit	Long	Market	20230308	0	0	Base		100	\$375.00

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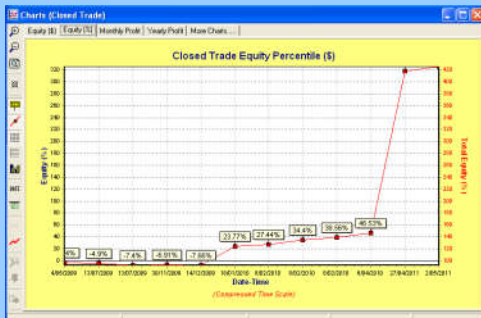
Equity Chart — Dollars \$



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Equity — %



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Warnings

- Your *stock universe* can make a big difference to the results
- The *exit strategy* can make a big difference
- Survivorship bias is not addressed

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More information?

- Tutorial guides (pdf), videos, etc.
- Robert's web site:
www.robertbrain.com/bullcharts/
- The official web site:
www.compuvision.com.au
- Pricing* (time unlimited versions):
Standard edition — \$198
Professional edition — \$484
Enterprise edition — \$1,520

* pricing as at 2016

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Questions / Discussions?

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The End

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