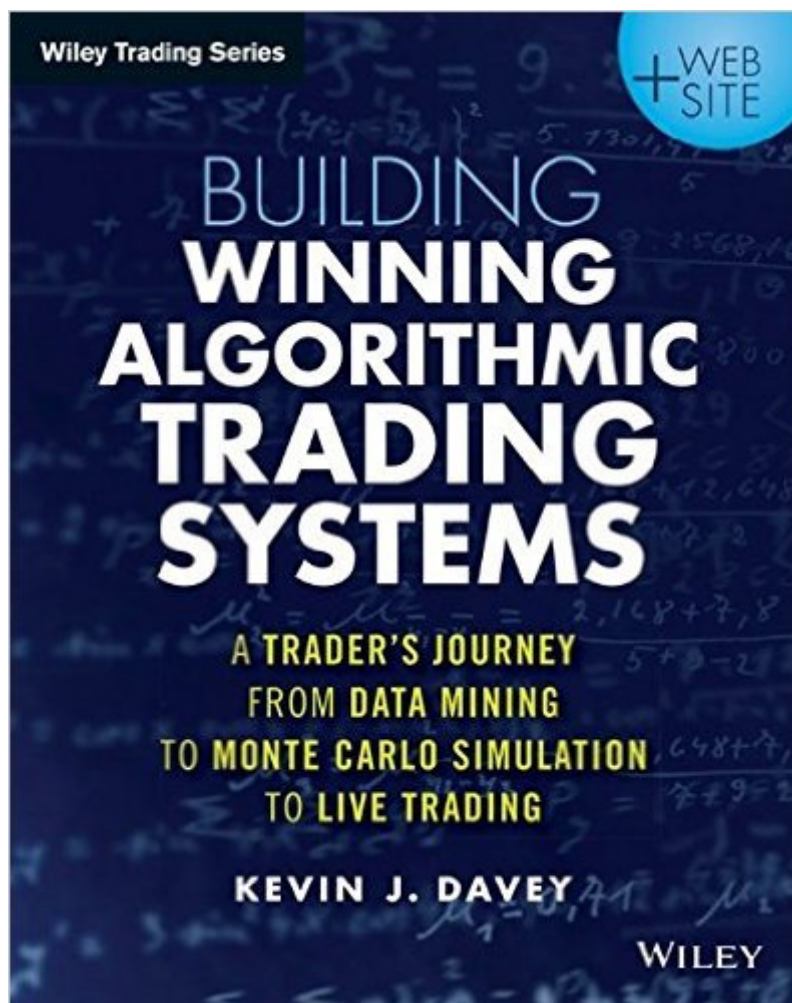# Building Winning Algorithmic Trading Systems, + Website: A Trader's Journey From Data Mining To Monte Carlo Simulation To Live Trading (Wiley Trading)

Synopsis

Develop your own trading system with practical guidance and expert advice In Building Algorithmic Trading Systems: A Trader's Journey From Data Mining to Monte Carlo Simulation to Live Training, award-winning trader Kevin Davey shares his secrets for developing trading systems that generate triple-digit returns. With both explanation and demonstration, Davey guides you step-by-step through the entire process of generating and validating an idea, setting entry and exit points, testing systems, and implementing them in live trading. You'll find concrete rules for increasing or decreasing allocation to a system, and rules for when to abandon one. The companion website includes Davey's own Monte Carlo simulator and other tools that will enable you to automate and test your own trading ideas. A purely discretionary approach to trading generally breaks down over the long haul. With market data and statistics easily available, traders are increasingly opting to employ an automated or algorithmic trading systemâ "enough that algorithmic trades now account for the bulk of stock trading volume. Building Algorithmic Trading Systems teaches you how to develop your own systems with an eye toward market fluctuations and the impermanence of even the most effective algorithm. Learn the systems that generated triple-digit returns in the World Cup Trading Championship Develop an algorithmic approach for any trading idea using off-the-shelf software or popular platforms Test your new system using historical and current market data Mine market data for statistical tendencies that may form the basis of a new system Market patterns change, and so do system results. Past performance isn't a guarantee of future success, so the key is to continually develop new systems and adjust established systems in response to evolving statistical tendencies. For individual traders looking for the next leap forward, Building Algorithmic Trading Systems provides expert guidance and practical advice.

Book Information

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Customer Reviews

I bought the Kindle version. Over the last two decades I've bought upwards of 250 trading books.Over the last few years I've bought very few. This one is one of the few and is one worth having.So I deliberated whether I wanted to write this review. I really didn't want others to learn what Kevin freely shares here.But the guy is so open - approachable - so helpful, it would be wrong not to post a review of this book.The difference in this work is that its written from some one who trades for a living and does it VERY successfully (look up his credentials).The trading style an approach that I can relate to, its quantitative, and it uses an evidence based analysis approach. Brainstorm trading ideas, 1 in 100 worth developing, back test, walkforward, holding period, trade it.If you appreciate the works of Howard Bandy, David Aronson, Pardo and Perry Kaufman then you will find this book invaluable.There is lots of original thinking here such as the use of performance bands around the equity curve to indicate when your trading system has stopped performing according to past behaviour. This is very much like how you set control limit bands on a manufacturing process. When your process goes outside the control limits you know that something in your process has changed and its time to reevaluate. So the same for trading systemsThe really important topic of position sizing and risk management is covered.The work of Ralph Vince is used in part. Kevin explains very elegantly and simply the maths for his position sizing. With four graphs and a few of lines of maths, he covers very simply what took me a struggle to get through in Ralph Vinces book - Ralphs books are gold but they aren't fun to read.

I recently purchased Building Algorithmic Trading Systems: A Trader's Journey From Data Mining to Monte Carlo Simulation to Live Trading (Wiley Trading) I found the book to be very detailed and true to its title.This book is a comprehensive look at the authors logical and honest comprehensive approach to algorithmic trading. I say logical because even the rank beginner to the experienced trader can learn from his logical stepwise approach. This isn't a book that bogs the reader down with mathematical formulas but clearly illustrates important concepts that must be understood to follow the authors thought process.What i appreciate are the clear lessons learned that are shared throughout the book. I find it rare that someone of his caliber(he is someone you can at least attempt to do due diligence on, a real algorithmic trader with verifiable multi-year experience with his

own real money accounts generating over 100% annual returns) would share not only his success but also his many failures that led to his growth and development as a trader. I found this a breath of fresh air given the number of books and educational content produced by people who flat out don't trade real money or hide the fact that they are so confident in their methods that all they can do is trade sim instead of real money and have a multitude of excuses of why they don't have any verifiable performance yet can talk a good sales game selling you on their confidence in their methods.Well back to the book.

Building Winning Algorithmic Trading Systems, + Website: A Trader's Journey From Data Mining to Monte Carlo Simulation to Live Trading (Wiley Trading) The Ultimate Algorithmic Trading System Toolbox + Website: Using Today's Technology To Help You Become A Better Trader (Wiley Trading) Data Structure and Algorithmic Thinking with Python: Data Structure and Algorithmic Puzzles Case Studies in Certified Quantitative Risk Management (CQRM): Applying Monte Carlo Risk Simulation, Strategic Real Options, Stochastic Forecasting, ... Business Intelligence, and Decision Modeling Forex Trading: A CT Style Guide(Forex,Currency Trading,Forex for beginners,forex trading strategies,forex scalping,forex day trading,forex algorithmic trading,forex guide,forex investing) Forex: A Powerful MT4 Trading Robot to Maximize Profits and Minimize Losses (Expert Advisor EA, algorithmic trading, black-box trading, trading system, automated trading) Analytics: Data Science, Data Analysis and Predictive Analytics for Business (Algorithms, Business Intelligence, Statistical Analysis, Decision Analysis, Business Analytics, Data Mining, Big Data) RapidMiner: Data Mining Use Cases and Business Analytics Applications (Chapman & Hall/CRC Data Mining and Knowledge Discovery Series) Web Data Mining: Exploring Hyperlinks, Contents, and Usage Data (Data-Centric Systems and Applications) Making Monte Carlo: A History of Speculation and Spectacle Monte Carlo Methodologies and Applications for Pricing and Risk Management Monte Carlo Methods in Financial Engineering (Stochastic Modelling and Applied Probability) (v. 53) Options Trading: A CherryTree Style Trading Book(Options Trading,Options Trading for Beginners,options trading guide,options trading tips,binary options trading,trading options,option strategies) Day Trading Strategies: A Beginners Guide To Day Trading (Day Trading, Trading, Day Trading Strategies,Day Trading Books,Day Trading For Beginners,Day Trading Stocks,Options Book 1) Trading Systems and Methods + Website (5th edition) Wiley Trading Data Analytics: What Every Business Must Know About Big Data And Data Science (Data Analytics for Business, Predictive Analysis, Big Data) Data Analytics: Practical Data Analysis and Statistical Guide to Transform and Evolve Any Business. Leveraging the Power of Data Analytics, Data ...

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