

**eASCTrend 6.0<sup>®</sup>**

# **Manual**

**Version 6.02**



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## **What is eASCTrend 6.0 ?**

eASCTrend 6.0 is a mechanical trading system software along with the award winning eASCTrend indicators. eASCTrend 6.0 provides automatic buy/sell signals with back testing reports. It uses online data from a source such as eSignal or it can input data in an ASCII data format. The system can be used to trade all markets.

**eASCTrend 6.0 provides a complete set of trading solutions:**

### **eASCTrend 6.0 - The Mechanical System Trading Method (Part One)**

The mechanical trading method works well for swing trading and position trading with 30-minute charts or above. Mechanical means that the computer program will make all the trading decisions during trading and no human discretion is needed. Broker-assisted trading is available through AbleSys broker partners. You can skip Part One and read Part Two directly if you only conduct day trading with small time intervals (below 30-minute)

### **eASCTrend 6.0 – The Hybrid Trading Method (Part Two)**

The hybrid trading method works well for day trading with 30-minute charts or below. It can also be applied to any time interval and used for swing trading and position trading. Traders' discretion is needed in making trading decisions. Please read Part One if you would like to have 100% mechanical trading.

## Part One

### eASCTrend 6.0 - The Mechanical System Trading Method

#### A. What makes eASCTrend 6.0 desirable as a mechanical trading system?....page 1

1. Provide precise buy/sell signals
2. Robustness
  - 1) Back testing
  - 2) Forward testing
  - 3) Real time tracking records
3. Time-Proven/Universal
  - 1) Time proven winning software
  - 2) Proven in a variety of markets
  - 3) Proven by a variety of users
4. Easy to use
5. Enables money management strategies
6. Test for yourself before trading
7. Enables broker-assisted trading

#### B. Is the Mechanical System trading the right solution for you?.....page 3

1. Understand draw downs
  - 1) Concept of draw down and maximum draw down
  - 2) Draw down is the cost of doing business
  - 3) Accept draw down as inevitable
  - 4) Taking the long-term view to system trading
  - 5) Risk the only capital that you can afford to loss
2. Commitment
  - 1) Commit with the understanding of draw downs
  - 2) Sufficient capital
  - 3) Build trust in the system
  - 4) Persistent after consecutive losing trades

#### C. Getting Started.....page 5

1. System Requirements
2. Getting Familiar with Your Platform
  - 1) Microsoft Windows
  - 2) eSignal

<b>D. Getting Started with eASCTrend 6.0.....</b>	<b>page 6</b>
1. Installation and Setup	
2. Internet Connection	
3. Data Receiving	
4. eSignal and Other Data Vendors	
5. Start eSignal	
6. Start eASCTrend 6.0	
7. Change Password	
<b>E. Working with Charts .....</b>	<b>page 10</b>
1. Insert a Chart	
2. Format a Chart	
3. Copy and Paste	
4. Arrange Windows	
5. Bar Spacing	
6. Info Window	
7. Holiday List	
<b>F. Working with Workspaces .....</b>	<b>page 12</b>
1. New Workspace	
2. Save Workspace As	
3. Save Workspace	
4. Save All Workspaces	
5. Open Workspace	
6. Close Workspace	
7. Delete Workspace	
<b>G. Working with Indicators.....</b>	<b>page 14</b>
a. Format an Indicator	
b. View ASCTrend Values from Info Window	
c. Status Line	
d. Refresh an Indicator	
e. Save Indicators with the Chart	
f. Status Bar	

<b>H. Concepts of TS.....</b>	<b>page 15</b>
1. TS	
2. TSPC	
3. Deviation	
4. Real Time Signal Accuracy	
<b>I. Execution Methods.....</b>	<b>page 17</b>
1. EBC Execution	
2. Dynamic Execution	
<b>J. TS Functions.....</b>	<b>page 18</b>
<b>K. Explanations TS functions .....</b>	<b>page 19</b>
1. Input Parameters	
2. Mini Report	
3. Scan TSPC	
4. Scan DEV	
5. Entry at Bar Close	
6. Enable Alert	
7. Exit Rules	
8. Format Style: Color, Style or Weight	
9. Reset eASCTrend Defaults	
10. Save as Custom Defaults	
11. Reset to Custom Defaults	
12. The No Trade Zone Feature (optional)	
<b>L. TS Report.....</b>	<b>page 26</b>
<b>M. Advanced Features of eASCTrend 6.0 – Professional Only.....</b>	<b>page 27</b>
1. Money Management (MM)	
2. Auto Order Execution	
3. Instant Order Entry	

## Part Two

### eASCTrend 6.0 – The Hybrid Trading Method(HTM)

A. What is HTM?.....	page 31
1. Ideal solution for day trading	
2. TS provides a winning platform	
3. Confirm with classic ASCTrend indicators	
B. What makes eASCTrend 6.0 HTM desirable?.....	page 31
1. Higher trading confidence within the winning frame work	
2. Low risk with small stops.	
3. Increase winning rate and performance by avoiding choppy markets	
4. More objective rules makes day trading less discretionary	
5. Virtual Paper Trading (VPT) to improve the trading skill	
C. Indicators supported by eASCTrend 6.0.....	page 32
1. ASCTrend1 (T1)	
2. ASCTrend2 (T2) and ASCTrend3 (T3)	
3. ASCTrendSig (TSig)	
1) ASCTrendSig in different modes	
2) Working with AutoScan	
3) Input parameters of ASCTrendSig	
D. Hybrid Trading Method Entry Rules.....	page 37
1. TS/T2/TSig agreement and	
2. Break out the narrow range	
E. Exit Rules.....	page 40
F. Avoid the Choppy Markets	
G. Some Tips.....	page 43
H. Virtual Paper Trading.....	page 44

## Part One

### eASCTrend 6.0 – the Mechanical Trading System For chart interval 30-minute and above

*(Please skip Part One and read Part Two directly if you conduct day trading)*

#### A. What makes eASCTrend 6.0, the mechanical trading system, desirable?

##### 1. 100% computer-generated buy/sell/exit signals

eASCTrend 6.0 provides 100% computer-generated buy/sell/exit signals with sound alerts. Signals are precise and timely for both real-time or end-of-day market data. No more guesswork in trading.

##### 2. Robustness

###### 1) Back testing

Back testing is used to validate the trading system and derive the best system settings. Detailed back testing results are posted at the AbleSys web site.

###### 2) Forward testing (Walk forward/Simulation)

The key system settings (TSPC/DEV) are derived from the sample data first (by back testing) and then the settings are used for the *out-of-sample forward* data. Forward testing is the true simulation of the real world situation where traders can only use the recent past data to derive (learn) the settings for the upcoming trading. Forward testing results are available at the AbleSys web site.

###### 3) Real-time tracking records

###### a. System Performance Tracking Results

Current open positions with filled prices as well as on-going system performance are posted online ([www.ablesys.com](http://www.ablesys.com)) on a daily basis. Those trades are using the settings derived from the historic data long time ago (several months or a year). The settings have been fixed for that period. Those are real time ongoing tracking of the system results. Although most of those trades are actual trades taken by our broker-assisted program, the number of customers participating in each trade may vary and no one individual customer has necessarily taken all trades. Real-time tracking results are much real than the forward testing results because it will include erroneous trades and slippages.

###### b. System in Action

- ND(NQ)/SP(ES) Swing Trading
- Commodities Futures Portfolio Trading
- Stock Trading

It is critically important for you to validate the system by comparing your results with the signals generated by the AbleSys postings. Traders will have much higher confidence in the system by going through this exercise.



### 3. Time-Proven/Universal

#### 1) Time Proven Winning software

Other programs on the market work only under certain market conditions, for example, some work only with bull markets, but not bear markets; or vice versa; others work only for a while and then fail. Unlike those programs, ASCTrend has been on the market for seven years now, and it is a time proven winner by a variety of markets and a variety of users worldwide.

#### 2) Proven in a Variety of Markets

Seven years after its introduction, thousands of copies of ASCTrend have been sold. ASCTrend is used today by trading firms, banks, fund managers, trading advisors, professional and individual traders in a variety of markets worldwide. This includes markets in the United States, Canada, Japan, Switzerland, Belgium, Hong Kong, Germany, Netherlands, Italy, France, Australia, and Singapore.... Users are universally enthusiastic about the program's performance.

#### 3) Proven by a Variety of Users

From 1997 until now, five years in a row, ASCTrend was honored with the Readers' Choice Awards of *Stocks & Commodities* magazine in Futures Trading Systems, Stock Trading Systems, and Options Trading Systems. ASCTrend has convinced some of the most market hardened traders, money managers and CTAs that it can improve their trading results.

### 4. Easy to use (100% mechanical trading)

- No complicated charts to interpret.
- Colored bars/dots to indicate market directions.
- Precise buy/sell/exits signals with sound alerts.
- No need to use other indicators.
- No need for constant setting changes once tuned.

### 5. Enables money management strategies

#### **A winning system is the foundation for efficient money management**

**Money Management** (MM) is a very important issue in trading. A good MM strategy can help a winning system to make much more profits. However, MM is not a trading system, it cannot turn a losing system into a winner. Therefore, you must first have a winning trading system before applying the MM strategy. eASCTrend 6.0 has MM for professional version.

## 6. Test for yourself before trading

- Test the specific market you are trading
- Validate the settings with significant length of days (multiple years)

## 7. Enables broker-assisted trading

### 1) Broker trade the system signal, you verify it at home

Since you and your broker have synchronized signals generated by eASCTrend 6.0, you may now easily verify the accuracy of the execution done by your broker.

### 2) No more broker discretionary trading.

## B. Is the Mechanical System Trading the Right Solution for You?

Although some of the mechanical trading systems were profitable year after year, there are people who regret not following the system. People quit when the system experiences draw downs, especially major drawdowns. Lack of understanding the nature of Maximum Draw Down (MDD) is one of the major reasons that people failed to follow the mechanical system.

### 1. Understand Draw Down

#### 1) Concept of Draw Down and Maximum Draw Down

Drawdowns are an inevitable part of system trading. The system might have a few consecutive losing trades, which will cause drawdowns in the account equity. MDD occurs in a choppy market. Adequate capitalization is needed to sustain the MDD. It is suggested:

Initial Account Balance = Minimum Margin + 1.5 x MDD (using 5-year MDD)

## MAX DRAW DOWN (MDD)

The maximum consecutive draw down for the account equity (balance).

A trading system might have a few consecutive losing trades. The losing trades will cause draw down in account equity.

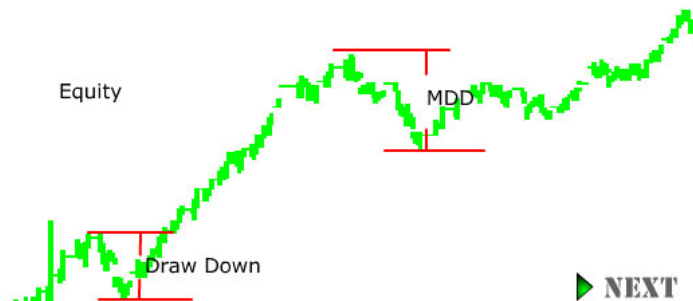


Figure 1 Draw Down and Maximum Draw Down (MDD)

**2) Draw Down is a cost of doing business**

To start a business, you plan all the costs. You wouldn't say, "I wish I don't have to buy inventory, to lease office space, or to hire people to do the job." Likewise, if you trade, you can't say, "I hope I don't have any losing trades!"

**3) Accept draw down as inevitable**

Picking only winning trades is a wishful thinking, it is impossible.

As a trader, you cannot hold yourself to the standard of the impossible. Instead, you should make your mind clear: It's not your job to know whether a trade will be a winner or a loser while you do the system trading. Your job is to recognize the signals and execute. Losses are an expense of system trading. Expenses are planned for and accepted. Making new highs in the equity curve occurs in a very short period of time. All trading systems spend most of the time in some sort of draw down after reaching the occasional highs.

**4) Taking the long-term view to system trading**

By taking the long view, a system trader can remain optimistic while the system experiences a draw down period. When a draw down is believed to be merely transitory, it won't discourage a trader's faith in his proven strategies. Trading is about winning over time. It's about gradually building a growing equity curve. Day-to-day trades are only part of a much larger picture. If you will be unhappy unless your system is constantly showing a profit, then consider that system trading might not be appropriate for you.

**5) Risk the only capital that you can afford to lose**

Risk capital is the money that you can lose and still maintain your life-style. You don't start trading with capital that you need to live on. The market takes scared money.

**3 Commitment**

Trading as a business, it requires a serious commitment. Commitment is the start of any great success.

**1) Commit With The Understanding of The Nature Of Draw Downs**

Once you have verified a system that works for the most part, you would be comfortable with the draw down. By knowing that system trading will win over time, you are willing and able to tolerate losses. With the knowledge that losses are part of the system trading process, fear should no longer be an issue and will be replaced with confidence.

**2) Sufficient Capital**

A system trader needs to have sufficient capital. In order to sustain the maximum draw down, the initial account balance is recommended to be: minimum margin + 1.5 x MDD (using 5-year MDD to be conservative)

**3) Persistent after consecutive losing trades**

Experienced system traders are persistent in taking trades after consecutive losses. Some traders even purposely start to trade after consecutive losses, because they know that draw downs are usually followed by periods of large profit.

## C. Getting Started – Technical Section

Before you start, keep in mind, AbleSys **Online Help** provides good resources for you to keep up with new developments and learn new techniques. **From the software's Help, click Help Topics.**

**Read Chapter 3 “Learn eASCTrend in 4 hours” from the Online Help.**

### 1. System Requirements

- Windows XP, 2000, 98 or NT 4.0 (service pack 3 or higher)
- 233 Mhz Pentium or compatible
- 128 MB RAM
- 20 MB available disk space
- 28.8K modem or faster (Cable, DSL etc)
- An Internet Service Provider (ISP)\*
- Microsoft Internet Explorer browser version 5.0 or higher
- Data Feed: eSignal data, (you may choose Real-Time, 15-minute Delayed or End-of-Day data), QChart, FuturesSource
- Suggest using minimum screen resolution 1024 x 768 or above

We recommend: WinXP, 2000 or WinNT, Pentium CPU 500 MHz, 512 MB RAM, 20 GB high speed hard disk, DSL or Cable modem. Sound card and speakers are needed for the alert feature.

\*Based upon subscriber experience, we recommend the following ISPs: EarthLink, AT&T WorldNet, or your local phone Company (i.e. Pacific Bell, Bell Atlantic)

### 2. Become Familiar with Your Platform

Before installing eASCTrend, please make sure that Windows and your data provider are installed and running properly.

#### 1) Microsoft Windows

Before installing eASCTrend, please make sure that Windows is installed and running properly and you are familiar with the following topics:

- How to run Programs from Windows
- Windows Explorer (Folder, Copy, Paste, View Details...)
- Internet Explorer 5.0 or above
- Downloading Files from the internet
- Dial-Up Networking Setup
- E-Mail
- Creating “Shortcut” icons.

The above topics are basic and essential for using eASCTrend and other Windows applications. If you have any questions about these issues, please read the Windows user's online help.

## 2) Your Data Provider

Your data provider may include a real time data provider such as eSignal or a text data provider such as CSI Data. Before installing eASCTrend, please make sure that your data provider is installed and running properly and that you are familiar with the following topics:

- Data Communication Settings
- Inputting data passwords

The above topics are basic and essential for using your data provider and eASCTrend. If you have any questions about these issues, please read your data provider's online help.

## D. Getting Started eASCTrend 6.0

The following topics are designed to help you to a quick start. By no means do they replace the online help for eASCTrend and eSignal. If you have further questions, you may refer to the online help.

1. Internet Connection
2. Installation and Setup
3. Data Receiving
4. eSignal and Other Data Vendors
5. Start eSignal
6. Start eASCTrend 6.0
7. Change Password

### 1. Internet Connection

If an Internet connection has been setup at your computer, you may omit this part. Otherwise, use WinXP, Win2000, WinNT or Win98 to setup the "Dial-Up Networking".

#### Procedures:

- 1) Double click "**My Computer**" icon at your computer desktop. It will bring you to My Computer windows. Click **View** menu, choose **Large Icons...**
- 2) Double click "**Dial-Up Networking**" icon.
- 3) Double click "**Make New Connection**" icon. Make New Connection dialog box will popup. Follow the online instructions to input proper information.

- 4) Input **Computer Name** and choose a **Modem or Device**, then click **Next** button
- 5) Input local Internet connection **Phone Number ...**
- 6) Click **Finish**. You are ready to make the connection now. When you double click the newly created connection icon, you are starting to make the Internet connection.
- 7) You are requested to input **User Name** and **Password**.
- 8) Check the box of "**Save password**"
- 9) Check "**Dial Properties...**" button on your phone line information.
- 10) Double Click "**Connect**" to start the dial-up process for your Internet connection.
- 11) You can make a copy of the Internet Dial-Up icon on your desktop. Highlight (one click) the icon, then right-click, choose "Create Shortcut" menu. It will ask you to make a copy to your desktop.

## 2. Installation and Setup

Read the License Agreement before opening the installation program.

Procedures:

- 1) Close all Windows applications and run your Internet browser.
- 2) Go to [www.ablesys.com](http://www.ablesys.com) on the Internet.
- 3) Click on Download at the top of our home page and select eASCTrend 6.0.
- 4) Choose the red link to have the installation key e-mailed to you.
- 5) Choose the black link to download the Trial/Full Version.
- 6) Read and follow the instructions provided here.
- 7) Click on Download Trial/Full Version eASCTrend 6.0
  - i. You may download easctrendv6\_0.exe to any of your downloading directories (for example, c:\Windows\Temp). Please record in which directory you download this file. Make sure you can find this file later after finishing the download.
  - ii. After downloading, using Windows Explorer to locate this file, **easctrendv6\_0.exe**. Double click on the filename to run the installation.
  - iii. You may simply accept the default directory or choose your own directory. Click on the "Finish" button to run. You must enter an installation key to extract the file (password used during the installation, see step 4 above about e-mail). Use the "Always" button to Overwrite all old files if you did the installation before.
  - iv. Setup program will start to install files to the correct directory. The simple and easy way to install is to click "Next", "Next" or "Yes"...until "Finish". Follow the instructions of the installation program to finish.
  - v. Do not run the eASCTrend program at this time. You must have your data provider's account setup. When you run eASCTrend, the data provider and AbleSys Login dialog box will show up. You must input correct Usernames and Passwords for eASCTrend and your data provider. An invalid Username or Password will cause failure of obtaining data from the servers.

- vi. Also, You will use your AbleSys.com log in user ID (your e-mail address) and the password, as well as the license serial number (you will get it in the e-mail once we have processed your order. It should take less than 24 hours) at the eASCTrend log in window.
- vii. Quick start, instructions, and manual are located in the C:\Program Files\AbleSys\eASCTrend60 folder.

IMPORTANT: One license of eASCTrend can only work at one time, you may not run two copies of eASCTrend simultaneously with two computers.

### 3. Data Receiving

Both eASCTrend and your real time data provider track data reception on the **Status Bar** at bottom of the screen. GREEN means the connection is healthy, RED or yellow means there is a problem. ABLE is the AbleSys server, HIST is your data provider's historical server, TIC is your data provider's tick history server, and DM is your data provider's real time server. When you first start up eASCTrend, there may be a short period where the status is red while the software on your computer is connecting with the software servers on the Internet. If you are using eASCTrend Non Real Time, the DM light is always red.

### 4. The Servers for Your Data Provider

**The History Server** provides historical daily, weekly and monthly bars on an end of day basis. **The Tick Server** provides two types of data, intraday bar data and tick data. Intraday bar data includes open, high, low, close and volume for a period specified in minutes. Tick data includes a price and a number of shares sold. Tick data includes one record for each trade, which can amount to a lot of data for volatile stocks. **The Data Manager** provides real-time streaming data of various kinds, including a record for every tick and every bid. Unlike the history and tick servers, the data manager server includes a process running on the client (i.e. your) system.

Daily, Weekly and Monthly charts use data from the history server supplemented by real-time data from the data manager. Generally, the history server provides data up to the close of the previous day, and the data manager fills in the current day information.

Intraday interval charts use historical bar data from the tick server plus real-time data from the data manager. Accumulation of data into bars is done on the server, so that as the specified interval gets longer, the volume of data downloaded becomes less.

Tick bar charts use historical tick data from the tick server plus real-time data from the data manager. Regardless of the specified number of ticks per bar, every

tick for required period is downloaded. This is because accumulation of ticks into tick bars is not a feature of the tick server.

AutoScan charts obtain data similar to Daily, Weekly and Monthly charts. If the real-time box is checked, AutoScan data is kept up to date in real time from the data manager. If the real-time checkbox is unchecked, the real-time data feed is initially enabled, but is then disabled once data for the current day has been received. Note however, that if a non-AutoScan chart exists for the same symbol, then the corresponding AutoScan symbol is kept up to date in real time (since the data is available). This can result in some symbols in an AutoScan being kept updated, and some not.

## 5. Data Vendors

eASCTrend works with the following data feeds: eSignal, QChart with On Demand Server. Other vendors will be available in the future such as, FutureSource and RealTick. Before starting eASCTrend, your data vendor's software must be installed in your computer. Run a test to see whether you can receive data from eSignal, QChart or other data vendor's data servers properly.

In the future, it will be possible to switch datafeeds from Tools, Data Feed Module... by selecting the data feed that you use.

## 6. Start eASCTrend

You can start eASCTrend from a desktop icon or by clicking Windows **Start** button, **Programs, AbleSys Corporation, eASCTrend...**

Before starting eASCTrend, you must have your Internet connection. **eSignal must be installed. You may run eASCTrend alone or you may have option to run both eASCTrend and eSignal at the same time.** You can start by clicking Windows **Start** button, **Programs, AbleSys Corporation, eASCTrend...**

When you start up eASCTrend software at the first time, a Login window will popup. You need eSignal and AbleSys password. For AbleSys password, you need to input Username: as your full e-mail address, Password and Product Serial Number. If you use Proxy server, you also must fill-in the corresponding information.

eASCTrend can be started without starting eSignal software. It will require starting your Internet connection if you are not online yet. **We suggest you start eSignal first**, make sure the Internet connection, password and data reception are good before starting eASCTrend. From the **Communication** menu of eSignal's **Data Manager**, you may check your communications settings.



## 7. Change Password

One license of eASCTrend can only work at a time, you cannot run two copies of eASCTrend simultaneously. To change password, click **Tools, Change Password**, then input Username, Password and Product Serial Number for the AbleSys product.

## E. Working with Charts in eASCTrend 6.0

### 1. Insert a Chart

a new chart can be inserted into a workspace by clicking on file, new window, and then chart window, or by clicking on insert and then symbol. as a shortcut, you may use the ctrl-n keys directly.

### 2. Format a Chart

You may format a chart by following the procedures below. note that the format criteria is retained for each chart from the time the chart was created. if you want to make a global change to all chart formats, save all workspaces, close the workspaces, change the chart format, and then open the workspaces.

- Click Format menu
- Click Chart to start formatting the chart.
- Chart Format dialog box will pop up. You may format the following items for the chart:

- Axis Line – Format color
- Grid Line – Format color
- Background – Format color
- Splitter Bar – Format color
- Label Font – Format font of Label
- Status Line Font - Format font of the status line
- Bar Spacing – Format spacing of bars

- The default value is 40
- A higher value of 60 moves the bars closer together
- The current chart is not changed - the change occurs on opening subsequent charts
- Max. Bar Width – Format the width of the bars
- The default value of 0 gives automatic bar width and works well with OHLC bars
- For candlesticks, an even value of 4, 6, or 8 can be very effective
- The current chart and all subsequent charts are changed

- Show Grid – Turn Grid ON/OFF
- Show Status Line – Turn Status Line ON/OFF
- Click the color drop-down list, you may format the colors. See below.

After changing settings, you may save the settings as your custom defaults by clicking "save as custom defaults" button. you may also click the button of "reset to eASCTrend defaults" or "reset to custom defaults" for a quick formatting.

### **3. Copy and Paste**

After you have the first chart window created, you may simply use the copy and paste icons on the toolbar to generate new chart windows very quickly. if you have indicators and parameters set on the first copy, they will all be included in the copy. you may quickly change the time interval by typing the new number of minutes and pressing enter on the keyboard, or you may quickly change the symbol by typing the new symbol and pressing enter on the keyboard.

### **4. Arrange Windows**

There are three menu options to arrange windows automatically: Cascade, Horizontal Tile, and Vertical Tile. You may reach the menu options from Window on the menu bar. If there are three charts in a workspace and you click on Horizontal Tile, the charts will be arranged three in a row. If there are three charts in a workspace and you click on Vertical Tile, the charts will be arranged on top of each other. If there are four charts and you click on either Horizontal Tile or Vertical Tile, the charts will be set up two on top and two on the bottem.

If you rearrange any of the charts in a workspace, be sure to save the workspace so the new positions will be there next time you open the workspace.

### **5. Bar Spacing**

The spacing between bars is controlled by two factors, the setting for bar spacing from 1 to 180 in the format chart at the time the chart was opened, and the setting for an individual chart with the + and - icons. Pressing the - icon moves the bars closer together and pressing the + icon moves the bars further apart. if you hold down the ctrl key while clicking on the + and - icons, the rate of moving the bars is increased.

Also at the time the chart was opened the Max. Bar Width formats the width of the bars

- The default value of 0 gives automatic bar width and works well with OHLC bars
- For candlesticks, an even value of 4, 6, or 8 can be very effective

### **6. Info Window**

The Info Window gives detailed information for each bar. By clicking the Info Window icon, you will see a cross hair cursor. By clicking any bar on the chart,

the Info Window will pop up. It shows the Symbol, Date, Time, Volume, High, Low, Open, Close and Indicator values. The information for the last bar will be updated with every new tick in real time. You may move the location of the Info Window, fix it for a specific bar, or close it.

If you want to move the Info Window to another location, click on the blue arrow at the top-right corner, then the arrow becomes a dot. Now you may move the Info Window to any location. Simply click and hold close to the top and drag to the desired location. When you click any bar, the detailed information for the bar will appear in the Info Window. Click the X at top-right corner to close the Info Window.

The values for high, low, open, and close are normally shown in decimals. the following bonds are traded in 32nds and their prices are shown in 32nds: us, ty, fv, and tu in the regular session, and zb, zn, zf, and zu in the night session. 103<sup>06</sup> means 103 and 6/32 and it is equal to 103.1875.

In the Info Window, you may also see values of "Will change to BUY/SELL at xxx (price)", TPLP and TEP.

If you are in a long position, when you click the last bar, you will see "Will change to SELL at xxx (price)". It means the system would reverse to a sell position when the price reached xxx. Similarly, if you are in a short position, when you click the last bar, you will see "Will change to BUY at xxx (price)".

TPLP is "Trailing Profit Level Price"(Initial Profit Floor). It is a price value at which the profit-trailing algorithm will be activated.

TEP is Trailing Exit Price. It can be higher than TPLP or lower than the TPLP. It depends on the trailing percentage as well as the market movement. TEP will only show up when the current position profit is greater than Trailing Profit Level/Initial Profit Floor.

## **7. Holiday List**

Some markets are traded almost 24 hours a day. Therefore, you may see some market data show up in "holidays", which are very thinly traded. This holiday data might cause a problem for trading signals. if you want to remove such data, you may setup your own "filter for holidays" by clicking on the holiday icon, in the toolbar.

The Filter for Holidays dialog box will pop up. You may choose the holiday date that you do not want plotted on the chart, and then click the Add button to add it to your custom holiday list.

When you want to remove a holiday from your custom holiday List, you may highlight the date, then click the Delete button to delete it.

## **F. Working with Workspaces**

After setting up charts in a workspace, it is important to save that workspace. This makes the charts available the next time you start eASCTrend 6.0. A workspace in eASCTrend corresponds to a page or a layout. It contains one or more charts with your

specified settings. You may have intraday charts, daily and/or weekly charts on the same workspace. You may insert one or more indicators to each chart. Settings for symbols, indicators, and charts can be set to the default values or to values you specify. Workspace options can be accessed from the File menu in the menu bar.

### **1. New Workspace**

From the File menu, click New Workspace to create a new blank workspace. You may also simply type the Ctrl-W short cut keys to open a new workspace. Another method to get a new workspace is to simply click on an unused workspace tab at the bottom of the screen.

### **2. Save Workspace As**

After creating a new workspace, you must save the workspace to keep all of your settings. You may give the workspaces any name, such as SP, My Stocks or DailyCharts, by using the File, Save Workspace As... menu. The default working directory is eASCTrend C:\Program Files\AbleSys\eASCTrend60\Workspace. All workspaces are stored in this working directory. File names of the workspaces will use the .aws extension.

- Tip: the Save Workspace As... menu is also a quick way to create new workspace. You may open an existing workspace, then change its settings for symbols, indicators, and charts, then Save Workspace As another name.

### **3. Save Workspace**

After you change any settings on the workspace, you must save the workspace to keep all of the changes. To save a workspace, click File, Save Workspace menu. You may simply use the short cut keys Ctrl-S to save the workspace. You may also simply click the Save Workspace icon on the toolbar to save the workspace.

### **4. Save All Workspaces**

The Save All Workspaces menu item is a quick method of saving all of the workspaces that are currently open. Click on File and then Save All Workspaces. The short cut keys Ctrl-A has the same function.

### **5. Open Workspace**

Open Workspace menu allows you to open workspaces existing in your working directory. From the File menu, click on Open Workspace or simply use the short cut keys Ctrl-O to open workspaces. Open A Workspace dialog box will pop up and you may highlight a workspace to open. You may also press the Ctrl key to highlight more than one workspace to open.

### **6. Close Workspace**

The Close Workspace menu item allows you to close a workspace that is selected. You may also simply click on the Close Workspace icon to close the workspace.

## 7. Delete Workspace

The Delete Workspace menu item allows you to delete a workspace that is selected. The Short cut keys Ctrl-D has the same function.

## G. Working with Indicators

Indicators are plotted with default settings. However, you change the default settings by formatting them.

### 1. Format an Indicator

There are two ways to Format indicators:

- 1) You may format an indicator when you insert the indicator by clicking the **An** icon, then clicking the **Format Indicator** button on the resulting dialog box. This formatting method is for formatting the indicators on the specific chart which is chosen (menu bar highlighted).
- 2) You may also format indicators by clicking **Format** menu, then **Indicators**. By doing so, the **Format Analysis** dialog box will display. Using the Format menu is for global settings of indicator formats on the current selected chart and on any new charts for which indicators are requested.

You may format settings for **Parameters, Style, Color, Weight, Subgraph** and **Enable Alert**.

### 2. View ASCTrend Values from Info Window

Click any place on the selected chart, Click "**View**", then click "**Info Window**". Or, simply click the "**Inf**" icon on the Toolbar. The Info Window will appear on the screen. If you use ASCTrendSig, click the bar, look for the cyan "SigBStop" value in the data window, the cyan "SigBStop" value is the protection stop for the long position. Look for the magenta "SigSStop" value in the data window, the magenta "SigSStop" value is the protection stop for the short position. ASCTrend stop values are: "BuyStop2" and "SellStop2" are for ASCTrend2. "BuyStop3" and "SellStop3" are for ASCTrend3.

### 3. Status Line

**The Status Line** shows the Date, Time, Symbol, Net Change, Close, High, Low and Volume of the last bar of symbol on the chart. The Status Line will display at the left-top corner of the chart if you choose to turn ON the Status Line. The eASCTrend default has the status line enabled.

There are three ways to toggle the status line on/off:

- 1) You may use **Format, Chart** menu to turn ON/OFF "**Show Status Line**" by checking or unchecking the box in the **Chart Format** dialog box.

- 2) The on/off state of the Status Line display can also be toggled from **Tools, Status Line** menu. Choosing the status line item toggles the state of the status line on the selected chart.
- 3) You may also format the **Color, Font** and **Size** of the Status Line by clicking the “**Status Font**” button in **Chart Format** dialog box.

#### 4. Refresh An Indicator

In real time, indicators are updated with every incoming tick. Before the bar closes, High, Low or Close prices keep changing, therefore, the values of indicators on the chart keep changing too. When you get a buy or sell signal, be sure to refresh the indicator calculations before applying. A simply way to refresh is the following:

- Click the “**An**” (Analysis Setup) icon.
- Click **OK** button to perform the calculation again.

#### 5. Save Indicators with the Chart

After you setup the first chart window with ASCTrend indicators added, you may simply use this chart window as a “template”. You can use the **Copy** and **Paste** icons to create chart windows quickly. After pasting, select the new chart and type in a new symbol name (the first key-press opens a dialog box) in order to complete your quick formatting. See **Tips for Chart Window** for details in above section I - **Chart Window**.

#### 6. Status Bar

**The Status Bar** is the bar near the bottom of the eASCTrend window screen. The status bar is used mainly for display of data reception status. It shows status of the DBC Connection via **GREEN** and **RED** lights. eASCTrend connects to three DBC servers: the history server, the tick server, and the Data Manager. The status of each of these connections is shown in the status bar. The status bar also displays a progress bar during the AutoScan calculation process.

You may turn the Status Bar ON/OFF from **View, Status Bar** menu.

### H. Concepts of TS

#### 1. TS

**TS** is an automatic and mechanical trading system. You may insert the “Trade Signal” (TS) to a chart by clicking the icon “Apply Trade Signal Using Global Format”. The “Format Trade Signal For Active Chart” dialog will popup. Simply click “\$” button (Mini Report Optimized TSPC) to place the eASCTrendTS for the chart selected, then click OK to insert it to the chart. Buy and Sell signals will

be displayed on the chart. You may view the system performance report by clicking the “Display Trade Signal Report” icon.

## **2. TSPC**

TSPC means "Trading Signal Performance Control." It is typically an integer from 0 to 10. The smaller the TSPC number, the more sensitive the system and the more trades triggered. TSPC is a key parameter for a dynamic and self-adaptive trading system. Choosing "Scan TSPC" when creating a chart will select a TSPC to generate the best net profits or the best AbleSys Index. Normally you select the best profit, but you might choose to select the best AbleSys Index if you want fewer trades. Note that TSPC is similar to RISK in the classic version of ASCTrend/eASCTrend.

## **3. Deviation**

"Deviation" (DEV) is another key parameter that may be adjusted to improve system performance. The main function of Deviation is to adjust eASCTrend stop values by a certain percentage. eASCTrend initially calculates stop values based on market conditions according to your risk preference. In practice, these theoretical calculations often deviate from real-time market conditions. Adjusting the value of the deviation will account for the difference between theoretical calculations and real data. For example, if the buy stop (small blue dot) value is 100, Deviation 1.0 (%) will adjust the buy stop value to 99. Inversely, if the sell stop (small red dot) value is 100, Deviation 1.0 (%) will adjust the sell stop value to 101. Since changing the DEV will vary the stop values, the entry points will also be changed accordingly. In general, when the market price crosses a sell stop, a buy signal is issued. And when the market price crosses a buy stop, a sell signal is issued. There is an interaction between Deviation and TSPC. When TSPC has a larger value, the market price may need to make a greater movement in crossing a stop. The info window for the last bar on a chart will give the price that will trigger a reversal of the position.

“Best Deviation” can be checked to include this parameter selection along with “Scan TSPC” for best profit or best AbleSys Index. As an alternate to “Best Deviation”, “Scan Deviation” can be used to select this parameter for best real time signal accuracy. “Scan Deviation” is available only when you are not using entry at bar close and entry at bar close is necessary if you have chosen to follow the system for mechanical trading.

## **4. Real Time Signal Accuracy**

Real Time Signal Accuracy (RTSA) is calculated by the ratio of bars that have accurate trade signals to the total bars that have signals triggered in real time.

When using the eASCTrend system in real time trading, you will notice signals that appear and then disappear before the bar closes. RTSA measures how accurate the trading signals are in real time. Conversely, RTSA measures how many bars with unstable or false signals the system will give in real time.

RTSA is not to be confused with system winning rate. System winning rate is the ratio of winning trades to total trades. If there were 10 trades total and 6 of them were winning, the winning rate is 60%.

As indicated previously, because eASCTrend uses real time tick data, market conditions may dictate that a trading signal appears and then disappears before the bar closes. An unstable trading signal is one that is gone after the bar closes. Some traders don't wait for bar close to take a trading signal, and therefore make trades according to an unstable signal. If you wait for the bar close to take trading signals, you can avoid the unstable real time signals and the RTSA will be 100%.

Calculating RTSA is useful when selecting which execution method is appropriate for your trading style. A detailed look at execution methods follows.

## I. Execution Methods

The two different execution methods to use with a mechanical trading system are: (1) Entry at Bar Close (EBC), (2) Dynamic. Only the first method is 100% mechanical. The second method combines elements of human discretion to the mechanical system.

1. **EBC Execution:** Entry at Bar Close (EBC) Execution is the simplest approach to using eASCTrend. After you have chosen your parameters, the system will generate buy and sell signals. By waiting until the bar closes to enter a trade, you will achieve 100% RTSA and therefore avoid trading according to unstable signals. Buy or sell with an online market order at the close of bars according to the eASCTrend trading signals. You will know the buy/sell signals before or far before the bar closes, but will wait until the bar closes to execute your order. EBC is simple and less risky than any other execution method. The downside of using the EBC execution method is that often there is large slippage and less profit than with the other execution methods. Although the EBC execution method can be applied to charts using any time intervals, it has been found to be very effective on 30-minute charts.

Trading with the EBC execution method removes all uncertainties about executing your online market order using the real time trade signals. As already indicated, RTSA will be 100% by using this execution method. Because you will almost always be in a trade, stop loss protection is not significant when using this method. eASCTrend Deluxe Plus has a special feature to include Entry at Bar Close in the back testing report and in the auto selection of TSPC. Some traders prefer to enter trades when the next bar opens, which is almost the same as EBC.



2. **Dynamic Execution:** Dynamic Execution allows you to enter trades based on the trade signals before the bar closes or at bar close according to certain guidelines. If the trade signal is unstable (appearing and then disappearing several times), wait for the bar close to enter a trade. Take the trade if the TS is stable and 80% of the bar time has passed. Take the trade aggressively if it is a "sure" TS in the early stage of the bar formation or under the conditions of a fast market with momentum. The Dynamic Execution method will result in less slippage but is riskier than the EBC execution method. You need to place a very tight (a few points) real time position protective stop order when you enter a trade. This kind of stops will protect a position that has been filled before the bar closes. Cancel the stop order when the bar closes. If you use the eASCTrend Stop exit rule, you need to place a Position Trailing Stop (PTS) according to the stop value of the previous bar. (Use eASCTrend13 value from the previous bar) If you don't use the eASCTrend Stop exit rule, you don't need to set any stop. You exit your position only when you get an exit signal or a reversal signal (a Sell signal when you are in a long position). The Dynamic Execution method requires more attention and experience than either EBC execution methods. A trader must have strong discipline to apply the Dynamic Execution method successfully.

In order to trade according a reliable signal and retain as much profit as possible, RTSA should be set at 50 to 60% or higher if you decide to use this execution method.

## J. TS Functions

In eASCTrend version 6.0, the classic ASCTrend indicators as well as trading rules are integrated into a single trading signal called eASCTrendTS. This one mechanical buy/sell signal eliminates the need for further chart interpretations or trading rules. The confirmation comes from back testing done prior to the trading session. The eASCTrendTS signal pinpoints the exact entry and exit points for trading. Because the eASCTrendTS is a purely mechanical system based on one signal, it is very easy to learn and use even for traders new to the market or to ASCTrend technology.

This section introduces the basic eASCTrendTS functions and how to use them. First, you must click on the "Rainbow" button on the software toolbar to open the "***Format Trade Signal for Active Chart***" dialog box.

In the dialog box, you will see the following functions available in eASCTrendTS:

1. Input Parameters
2. Mini Report
3. Scan TSPC
  - Best DEV
4. Scan DEV

5. Entry at Bar Close
6. Enable Alert
7. Exit Rules
8. Format Plot Style (Style, Color and Weight)
9. Reset eASCTrend Defaults
10. Save as Custom Defaults
11. Reset to Custom Defaults.

## K. Explanations TS Functions

### 1. Input Parameters

There are 11 input parameters.

- **TSPC** – Trade Signal Performance Control is a **key parameter** for achieving results in different markets or at shorter or longer time intervals. You may select any positive integer usually from 0 to 10 but above 10 on occasion. A smaller number makes the system more sensitive and produces more trades. A larger number makes the system less sensitive and will produce fewer trades. The default TSPC value is 4. eASCTrendTS can automatically select this parameter-
- **MONYRISK** – Calculated in units of average 10-bar range. It is the same as used in eASCTrend indicators. If the position profit is greater than the set MONYRISK, the software will start to tighten the protection stops accordingly. Default value is 2.0. Many traders do not adjust MONYRISK from the default value.
- **DEVIATION (DEV)** - For a stop adjustment in % of the symbol value. Default value is 0.0. You may enlarge the stop by setting it between 0.1 to 3.0- eASCTrendTS can automatically select this parameter.
- **Nth Bar** - The bar to exit using Nth bar exit rule or intelligent Nth bar exit rule. Default value is 3. Using Nth bar exit rule will help to increase system winning rate and overall AbleSys Index, but normally will reduce total net profits.
- **ProfitLevel %** - Above this level, break-even and trailing stop exit rules become active- The default is 5.0 (i.e. 5.0% of the symbol value).
- **Trailing %** - The default value is 50 (i.e. reserve 50% of the maximum position profit if the maximum position profit in percentage is greater than “ProfitLevel”). A value of 80% or 90% can be very effective in a choppy market. Use 100% to exit at the Profit Level with no trailing.
- **ExitMA1** - Moving average period 1 for Moving Average exit rule.
- **ExitMA2** - Moving average period 2 for Moving Average exit rule.
- **ContractSize** - # shares or futures contracts you trade. We suggest using 500 or 1000 shares for stock trading, or 1 contract for futures trading.

- **PointValues** - Dollar amount per unit, for common stocks = 1, SP 500 futures = 250, NASDAQ 100 futures =100, T-Bonds futures = 1000, Crude Oil = 1000, Soybean futures = 50, etc.
- **CostPerTrade** - Commission plus slippage cost per trade in Dollar amount. It is typically 100: (\$) 30 for trading 500 shares of stock or 1 futures contract in round trip plus an amount to cover slippage of (\$) 70.

## 2. Mini Report

The Mini Report gives you a quick method for back testing your ideas about various input parameters without leaving the dialog window of "**Format Trade Signal for Active Chart**".

Clicking the "Mini Report" icon will display key system performance results in the Mini Report. Among the items displayed are: Net Profit, Trade Number, Winning Rate, Max Draw Down, Profit Factor, AbleSys Index and Real Time Signal Accuracy. You may change input parameters such as TSPC, MONYRISK, DEV etc., then click the Mini Report icon to see the results without leaving the dialog window.

## 3. Scan TSPC

To run the Scan TSPC function:

- Select the chart time interval manually, 30-min or daily. Mechanical settings are used for swing/position trading only. Multiple year data is recommended for selecting the TSPC/DEV. If you trade market with intervals smaller than 30-minute, you don't need to scan TSPC. Please just use default settings for the hybrid trading method(for any intervals, including very small intervals, e.g. 1-5 minute charts)
- From the "Format Trading Signal for Active Chart" dialog box, click "Reset to eASCTrend Defaults" button. The default values of TSPC = 4 and Deviation = 0.0 will appear.
- Input ContractSize (typically 1 contract for futures or 1000 shares for stocks), PointValue (typically 250 for the S&P or 1 for stocks) and CostPerTrade (such as commission plus slippage, \$100 etc). Do not leave CostPerTrade at zero.
- Apply all the exit rules(see below).
- Now you are ready to run Scan TSPC. Click the "\$" icon (Scan TSPC icon) and the program will automatically calculate the most profitable TSPC for the dates you have selected. After the calculation the software will automatically input the suggested TSPC value for you.
- The Mini Report will display the result summary for your review.

### Best DEV

The "Best DEV" function will auto-select the best pair of integers for DEV and TSPC for the most profitable result.

To use the Best DEV function, check the box of "Best DEV", input start, end and step values for DEV routine (or use the default values of start -0.5, end 1.2 and step 0.1), then click the "\$" icon. Notice that you may change the start, end and step values to your preferences. The system will run to find the best pair (combination) of DEV and TSPC for the most profitable results. It is a two dimensional process that will find the highest performance peak among many peaks. The Mini Report will display the best result, and the best TSPC and DEV will be input directly into the Format dialog box.

This is only applicable if the chart intervals are 30 minutes or above. It is recommended that a trader uses longer term data such as multiple years.

#### **4. Scan DEV(only when "EBC" is unchecked)**

If you use the "Dynamic" execution method, you don't need to check "EBC" and you will take the real time Trade Signal before the bar closes. You need a relatively high RTSA in order to use the "Dynamic" execution method. As previously discussed, the main function of Deviation is to adjust both the number of trades triggered and the real time signal accuracy. Increasing the Deviation will increase the stop size thereby reducing the number of trades and increasing the real time signal accuracy. Decreasing the Deviation will decrease the stop size thereby producing more trades and decreasing signal accuracy. The "Scan DEV" function is designed to find the best Deviation value for a balanced RTSA and the most profit.

- The main guideline for selecting the Deviation parameter is that a larger TSPC is normally associated with a smaller Deviation, and a smaller TSPC is associated with a larger Deviation. For example, if TSPC = 8, then you might use DEV = -0.1. Inversely, if TSPC = 1, then you might use DEV = 0.5. The purpose of maintaining the inverse relationship is to avoid choppy markets and not to over trade.
- It is appropriate to use Scan DEV only if you are using the "Dynamic" Execution method, and you want to adjust RTSA while TSPC is fixed.

To use the Scan DEV function:

- Click the "Target" (bulls eye) icon, it will run the Scan DEV routine. Review the results in the Mini Report.
- Normally, a higher RTSA will sacrifice profits. Therefore, you might not want to adjust the DEV for the highest RTSA. RTSA between 60% to 80% is practical. See the following section about how to enter trades under such RTSA conditions.

## 5. Entry at Bar Close

Selecting the "Entry at Bar Close" (EBC) option will give you a 100% mechanical trading system and the most conservative performance results. If you don't check this box, all the back testing results will be based on computer calculated real time triggered prices. If you check this box, bar close time is the entry/exit point for trades. In other words, the back testing results will be calculated with the bar close prices. You may check "EBC" before clicking the "\$" icon (Scan TSPC).

If you compare the results with EBC selected and without EBC selected, you will see what appears to be a profit advantage of using real time signals rather than EBC. It is because the real time signal back testing results only include those stable signal (signals stay at the bar close). There are certain cost associated with the trades that are triggered by the unstable signals (triggered in real time and disappeared at the bar close). Thus, the real time signal back testing results need to be discounted by this. When you use EBC execution method, the back testing results with EBC checked will simulate the execution results. When you use "Dynamic" execution method, the back testing results with EBC checked will give you the most conservative results and the back testing results with EBC unchecked will give you a relative close simulation of the "Dynamic" execution results.

## 6. Enable Alert

This option enables buy/sell signals with sound alerts and an alert window popping-up on the screen.

## 7. Exit Rules

The eASCTrendTS default setting is to have no exit rule box checked. With no exit rules selected, you may simply follow the Buy/Sell signals of eASCTrendTS and always have a position.

**If you check some of the Exit Rules, the "Auto Select" functions will include the exit rules in the calculations.**

Because eASCTrend has been designed to be a universal trading system, all of the following exit rules are included although you will find that only one or a few of the exit rules may be useful according to the characteristics of the market you are trading. It is possible to select exit rules for non-symmetric entry and exit. If you select certain exit rules, you may not hold a position all the time. Using exit rules may reduce your risk; however, it may also sacrifice your profits.

- Nth Bar: Exit on the n-th bar after entering a buy/sell position. Use nth bar exit mainly for choppy markets, such as S&P futures daily chart etc., to

increase system winning rate. Need N-th bar parameter above. This exit should be executed at the end of the bar when the alert is issued.

- Intelligent Nth Bar: Exit on the n-th bar for a choppy market and stay on the trend for a trending market (for mix of choppy/trending market). This exit includes a re-entry algorithm and it should be executed at the end of the bar when the alert is issued.
- Green Bar: Exit on the green bar under certain conditions. This exit should be executed at the end of the bar when the alert is issued.
- eASCTrend Stop: Exit at the eASCTrend stop hit. This exit should be executed in real time. You can either place a limit order with the stop value (via info window/eASCTrend13—BuyStop/SellStop) of the previous bar (last closed bar/limit order needs an update whenever there is a change in stop value) or exit the position when you see the exit alert if you don't like to place/update the limit order in advance.
- Moving Average: Exit on the cross of MA1 and MA2. This exit should be executed at the end of the bar when the alert is issued.
- Break Even: Exit when the price returns to the Entry Price having first reached the Initial Profit Floor (set by "Profit Level"). This exit should be executed in real time.
- Trailing Stop: Exit when the price returns to a point between the Entry Price and the last Profit Floor (determined by the "Trailing %" from the Entry Price) having first reached the Initial Profit Floor (determined by the "Profit Level"). E.g. if we enter at 100 and "Profit Level" is 4%, the initial profit floor will be 104. When the market reaches a new profit floor (last profit floor) at 110, the difference between the last profit floor and entry price is  $110 - 100 = 10$ . If the trailing % is set to 80%, the exit alert will be issued when the market pulls back to 108 ( $100 + 10 * 0.8$ ). If 100% is used for the trailing value, this becomes an exit at profit level and you should exit in real time when you see the exit alert. Or you can place a limit order in advance with the TPLP value in the info window in order to avoid the slippage (see Info Window at page 11.) Otherwise, whether you exit in real time or at the end of bar close depends on which of the following options are checked.
  - APL: Exit based on a computer generated Automatic Profit Level. Exit should be executed in real time. "Profit Level" is not used.
  - ATE: Exit based on a computer generated Automatic Trailing Exit. Exit should be executed at the end of the bar. "Trailing %" is not used.
  - EBC: Exit should be executed at the end of the real time/last bar.
  - Re-enter: After an exit, this option will issue a re-enter alert.

- ½ Position: Exit ½ position and hold the other half until the position reverses.
- Day Trading Only: It will automatically exit all positions at market close. You will not hold any position overnight. The system will re-enter positions when market conditions remain at the opening of next day.
- Intra Trade Risk Control Exit and Re-enter: It reduces the intra-trade draw down in some markets. This exit should be executed at the end of the bar. (This exit is not available in the Trial version of eASCTrend 6.0)
- Extreme Intra Bar Risk Control: It exits a losing trade when extreme market conditions are detected during the creation of a bar. This exit should be executed in real time. (This exit is not available in the Trial version of eASCTrend 6.0)

## 8. Format Style: Color, Style or Weight

You may format plot color, style or weight changing them from the eASCTrend defaults to your preferences.

## 9. Reset eASCTrend Defaults

Clicking the "*Reset eASCTrend Defaults*" button will restore all settings to eASCTrend defaults.

## 10. Save as Custom Defaults

After you finish formatting eASCTrendTS, you may click the "*Save as Custom Defaults*" button to save the formatting changes as your custom defaults.

## 11. Reset to Custom Defaults

Clicking the "*Reset to Custom Defaults*" button will restore all settings to your custom defaults.

## 12. The No Trade Zone (NTZ) Feature

- 1). In order to apply the advanced features of the eASCTrendTS Filter Chart, you must first have another chart in the same workspace with eASCTrendTS previously applied with the parameters set as you would normally trade the symbol. Entry at Bar Close **must** be checked.
- 2). Open a new chart and check Filter Chart in the Format Active Symbol Window.
- 3). Choose the filter type for No Trade Zone.
- 4). If there are two charts with eASCTrendTS, you may select which chart to apply the filter.
- 5). After the Filter Chart is created, eASCTrendTS must be applied to it using the eASCTrend default values for all parameters except TSPC, Contract Size, Point Values, and Cost Per Trade

- 6). Contract Size, Point Values, and Cost Per Trade are set to the same values as the original chart.
- 7). Entry at Bar Close must be checked on both the original and the filter charts.
- 8). Do not use any exits and do not check Best Deviation.
- 9). Click on Scan TSPC and then click on OK.

You do not trade when the NTZ chart is in a short position, but you do enter both long and short positions as directed from the original chart when the NTZ chart is in a long position. The NTZ report is now integrated with the report from the original chart. The Mini Report shows the total profit and the Maximum Drawdown for all trades, long trades, and short trades. Depending on market conditions, the NTZ filter may increase profits, but the main goal is to reduce Max DD.

The data on the line labeled Buy/Hold Profit in the Mini Report is to be ignored since it is not related to our trading. Look on the Mini Report of the original chart for Buy/Hold Profit.



## L. TS Report

For Automatic, Deluxe+ and Professional versions, eASCTrend 6.0 gives back testing reports on the trading system performance. By clicking the “Display Trade Signal Report” icon, you will see the report. Here is the typical report format:

### Performance Summary

(For Symbol from mm/dd/yy to mm/dd/yy)

Total Net Profit	Buy/Hold Net Profit
Total % Net Gain	Buy/Hold % Gain
Max Draw Down	Buy/Hold Max Draw Down
% Max Draw Down	% Buy/Hold Max Draw Down
Gross Profit	Total Trades
Gross Loss	Winning Trades
<b>Win/Loss Ratio</b>	<b>Winning Rate</b>
<b>Profit Factor</b>	<b>AbleSys Index</b>
Avg Winning Trade	Consecutive Winning Trades
Avg Losing Trade	Consecutive Losing Trades
Avg Trade	Avg Holding Bars
Largest Winning Trade	Avg Winning Bars
Largest Losing Trade	Avg Losing Bars

Total Net Profit is our goal in trading. Three key factors of a trading system will help us to reach this goal.

(a) Winning Rate = (Winning Trades / Total Trades) • 100%.

(b) Win/Loss Ratio = Avg Winning Trade / Avg Losing Trade.

(c) Profit Factor = Gross Profit / Gross Loss.

Among above three factors, the Profit Factor is the most important. If Profit Factor is greater than 1.0, it means that the trading system is a winning system. Profit Factor greater than 1.5 is a tradable system.

AbleSys Index is an overall performance factor, which equals the product of (a), (b) and (c), i.e.,  $\text{AbleSys Index} = (a) \times (b) \times (c)$

If AbleSys Index (or simply “ABC Index”) = 1.0, it means the trading system is just break even. ABC Index > 1.0 is a winning system. In trading software industry, ABC Index > 1.2 means a tradable system. However, with eASCTrendTS, typically, look for ABC Index > 2.5 as your tradable system. Don’t trade any symbols or charts which ABC Index less than 2.5 even through the symbols or charts are your favorite.

## M. Advanced Features of eASCTrend 6.0 – Professional Only

### 1. Money Management (MM)

Money Management is a very important issue in trading. A good MM strategy can help a winning system to make much more profit. However, MM is not a trading system, it cannot turn a losing system into a winner. Therefore, you must first have a winning trading system before applying the MM strategy. MM does not deal with entry or exit rules. It only calculates the trading size (shares for stocks or contracts for futures) based on your current account equity (or balance). A state-of-the-art Money Management formula is included in the Professional configuration of eASCTrend and it is available as an optional extra in Deluxe Plus. The "Fixed Ratio" strategy is used by our MM routine. It uses eASCTrend system performance data or your manually input data to run the calculations. The MM routine outputs the trading size for your current account.

An innovated Money Management Calculator is also created by AbleSys. It is associated with any chart that has Money Management enabled. You get the optimal trading size information easily available at your figure tips.

System performance requirements for applying the mm strategy:

- i) A winning system with Profit Factor > 1.50.
- ii) Lower Max Draw Down (MDD), < 1/4 of initial account balance.
- iii) Higher winning rate, > 60%.
- iv) sufficient number of trades within a given time period.

Here, the Net Profit value is not very important. As long as the system can meet the above requirements, the MM strategy will significantly increase the net profit along the trading process.

By clicking the Money Management icon on the toolbar, the Money Management (MM) Calculator will pop up. The first level in the Money Management Calculator is the initial balance and the initial contract size (or number of shares). You never trade fewer contracts or shares than this initial contract size.

When your account balance increases to the second level, click on the plus sign in front of the u on the second level. You will see a sub-chart with instructions on the number of contracts or shares to trade as long as you are at that level.

When your account balance increases to the next level, click on the minus sign on the previous level to close that sub-chart. You will not go back to that level again. Then click on the plus sign in front of the U on the next level. You will see a sub-chart with instructions on the number of contracts or shares to trade as long as you are at that level. You never go back to a previous level. You trade using the instructions in this sub-chart until your account balance increases to the next level.

Important Note: If you select the Order Execution module, the "Auto Exec. Contract Size" is the actual trading size automatically filled into the order entry form. Before

each trade, you must double check this number based on the MM Calculator information.

For the above example, the initial account balance is \$50,000 and the trading size = 1 contract. If the account balance increased to \$60,000, then you would click on the plus sign in front of \$60,000 and follow the instructions to trade 2 contracts. If the system was losing, but the account balance was still above \$60,000, you would still trade 2 contracts. However, if the account balance were to drop below \$60,000, you would trade 1 contract.

After the account balance increased to \$80,000, you would click on the minus sign in front of \$60,000 to close that level and click on the plus sign in front of \$80,000 and follow the instructions to trade 3 contracts. If the system is losing, but the account balance was still above \$80,000, you would still trade 3 contracts. However, if the account balance were to drop below \$80,000, but above \$70,000, you would trade 2 contracts. If the account balance were to drop below \$70,000, you would reduce your trade to 1 contract. Once the account balance reached \$80,000 and declined below \$70,000 you are trading only 1 contract. You do not trade 2 contracts until it moves up above \$70,000 even though originally you went to 2 contracts at the \$60,000 level. Your increase is more cautious until you get back to the original high.

Here, the green u means the condition of the account is up and the red d means the condition of the account has declined.

## **2. Auto Order Execution**

Order execution is included in the professional configuration of eASCTrend and it is available as an optional extra in deluxe plus. from the dialog window of "format trade signal for active chart", placing a check in the box called enable order execution will turn on the automatic order execution module. with this mode, eASCTrend will automatically fill in the order entry information to the order entry form (your selected "clients"), such as Leoweb, Interactive Brokers, Madware, OpenEx etc. the order entry information includes (1) account number, (2) symbol, (3) action (buy or sell), (4) order type (market, limit, stop etc), (5) price (for stop or limit order only), (6) number of contract size (or shares for stocks). Default length of order is "day order".

Clicking on the "setting" button will take you to the dialog box for order execution. The following terms are used there:

- First Trade Size is set to the default as the "Contract Size" in "Format Trade Signal for Active Chart". This is the number of contracts for futures or shares for stocks that you are going to trade for the first trade. If you are not going to use money management calculations, you may or may not change the default setting here. You may also use "Double Contract Size" or manually input the value.
- Slippage Setting: You may input the allowed slippage for Buy or Sell entries with stop or limit orders.
- Trading Methods:

- 1). Full Auto-Pilot – For special institutional version only. Auto-fill and auto-submit orders.
  - 2). Semi Auto-Pilot – Auto-fill order entry form, user needs to click "Submit" to send out the orders.
  - 3). Manual – Don't fill or submit orders.
  - 4). All Trades – This will enable auto order execution for all trades.
  - 5). Close Position – This will only enable the auto order execution for next trade to just close the current position and stop trading. It will not reverse your position. It is used when you want to take a break for the day.
  - 6). Long Trades – A check mark enables long trades.
  - 7). Short Trades – A check mark enables short trades.
- Order Type: This option allows the trader to specify market order or limit order.
  - Trading Symbol: This option allows the trader to trade a symbol other than the symbol of the chart. For example, a trader could have a chart for the S&P 500 and use automatic order execution for the e-mini.
  - Separate SHORT and SELL: This option is used for stock trading only. For futures trading, it is not applicable. Here, SHORT means "Sell Short" stocks.
  - Account: Input account number.
  - Select Clients: Click the drop-down selections, pick one of the order entry form, such as Leoweb or IB.
  - Reset to eASCTrend Defaults
  - Save as Custom Defaults
  - Reset to Custom Defaults
  - Apply: Click on Apply to apply the settings for the active chart.

### **3. Instant Order Entry**

Instant Order Entry offers a convenient method to manually augment the semi auto-pilot or full auto-pilot order execution. It works with the Automatic Order Entry (AOE) that is available in the Professional configuration and as an optional extra in Deluxe Plus. If you have AOE in your software configuration, you must open the order entry platform when starting eASCTrend in order to use the Instant Order Entry. You can see the order entry application in the taskbar of Windows. If you do not have AOE in your software configuration, or if you do not have your order entry platform started, the Instant Order Entry will only function as Virtual Paper Trading.

To enter an order manually, either click on the instant order entry icon for the instant order execution form or right click on the last bar of the chart and clicks on place order at this bar.

In the Instant Order Execution dialog box, the trader needs to place a check in the Manual Override and enter the contract size or number of shares in the field called Size. Click on Buy to manually enter a long position or exit a short position or click on Sell to manually close a long position or enter a short position. With some trading platforms, it is necessary to click on Short to enter a short position, otherwise you can ignore the button labeled Short. Go to the order entry form to submit the order.

## Part Two

### **eASCTrend 6.0 – The Hybrid Trading Method (HTM)**

**For any chart interval, including 30-minute and below (day trading)**

*(Please read Part One if you would like to trade the markets mechanically)*

#### **A. What is HTM?**

Most mechanical trading systems on the market are for trading chart time interval of 30 minute and above. It is not efficient to trade smaller time intervals (e.g. 2 minute/5 minute) mechanically due to the price action noises associated with the smaller time intervals. HTM offers very simple trading rules for the combined setting of mechanical TS signals and two classic ASCTrend indicators so that traders are able to trade the smaller time intervals with higher performance and minimum discretionary.

##### **1. HTM is an ideal solution for day trading**

HTM applies Trade Signal (TS) (generated by the mechanical system eASCTrend 6.0. See Part One of this documentation) along with (e)ASCTrend2 (T2) and (e)ASCTrendSig (TSig) –the two main classic indicators of ASCTrend, to trade any time intervals (e.g. tick chart, 1 minute, 2 minute etc. charts)

##### **2. TS provides a winning framework**

Since TS generated by eASCTrend 6.0 Deluxe Plus has the back testing capability, and real time TS back testings will yield profitable performance results, HTM is mainly using TS as a winning frame work. TS is very similar to (e)ASCTrend1(T1) mentioned below. But it has back testing capability.

##### **3. Confirmed with classic ASCTrend indicators**

T2 and TSig are the two classic ASCTrend indicators. They are independently calculated based on different data sets and different algorithms.

#### **B. What makes eASCTrend 6.0 HTM desirable?**

##### **6. Higher trading confidence within the winning frame work**

HTM is mainly using the back testable mechanical TS signals.

##### **7. Low risk with small stops**

HTM enables traders to use relatively smaller stops associated with the smaller time intervals.

##### **8. Increase winning rate and performance by avoiding choppy markets**

TS and T2/TSig confirmation will help to avoid choppy markets.

##### **9. More objective rules makes day trading less discretionary**

HTM provides much more objective rules for day trading than the traditional way of discretionary trading. The entry and exit rules are significantly simplified and less dependent on subjective opinions.

## 10. Virtual Paper Trading (VPT) to improve the trading skill

VPT is offering the trading simulation without using the real money. Traders can conduct the VPT for the historic data as well as the real time streaming data to practice the trading strategies.

### C. Indicators supported by eASCTrend 6.0

In addition to the TS, eASCTrend 6.0 provides proprietary ASCTrend indicators as well as other common indicators.

**ASCTrend1** (T1)  
**ASCTrend2** (T2)  
**ASCTrend3** (T3)  
**ASCTrendSig** (TSig)

Exponential Moving Average  
MACD  
Moving Average  
PercentR  
RSI  
Stochastic  
Volume  
Weighted Moving Average  
Bollinger Band

When you click **Insert, Analysis**, the **Insert Analysis** dialog box will display allowing you to select indicators for the chart. You may also simply click the “**An**” icon on the toolbar to open the **Insert Analysis** dialog box.

#### 1. ASCTrend1(T1) – Similar to TS but without back testing

**T1 is an immediate market “DIRECTION” indicator.** It shows current price move direction via colors, when the market changes to or stays in an up-trend, the bars become or remain BLUE. When the market changes to or stays in a downtrend, the bars become or remain RED. When the market goes sideways or is not strong on either side, the bars become or remain GREEN. The **T1** indicator can work with any time bar charts.

“**RISK**” level of **T1** can be changed from 1 to 10. “1” is the most sensitive with minimum delay and “10” is the least sensitive. **The default value of RISK is 3.** Under normal conditions, the default setting should be your first choice. You may adjust the “**RISK**” level by clicking *Format, Indicator...*, select an indicator to format and change the parameters. *RISK for T1 is very similar to TSPC for TS.*

The paint-bar size is the same as your chart bars. You can format the bar weight from **Format, Symbol (or simply click the “S” icon)**, you may change the **Weight** of bars. The paint-bar color can be changed to your preference. Click **Format, Indicators**, and click **Color** to change the color of the bars. Please note that if you change the color choices from their default colors, you will have to perform a ‘color translation’ when reading the AbleSys documentation. This documentation presumes you are using the default eASCTrend colors. Until you are experienced with the indicators, we suggest you do not change the colors of bars or indicators.

There are a total of four signal display modes in **T1**. Details of the modes are listed below:

1. **ASCMODE 0** – Classical blue bars and red bars.
  2. **ASCMODE 1** - Classical blue bars and red bars with Significant Trend Change (STC) signals.
  3. **ASCMODE 2** - Classical blue bars and red bars with T1 Long Term signals (LT). This is the default mode.
  4. **ASCMODE 3** – All signals of MODE 0, 1, and 2.
2. ASCTrend2(T2) and ASCTrend3(T3)

**T2 and T3 are relative longer time frame price move direction prediction and price channel, and are demonstrated by BLUE DOTS and RED DOTS.** For distinguishing purposes, T2 uses Cyan (light blue) and Magenta (pink) dots, and T3 uses Blue and Red dots. Both T2 and T3 must identify a longer term trend first then begin to paint the dots. This is why you may not see any blue or red dots sometimes.

BLUE DOTS below the lows of the bars indicate two things: (1) the market is in an up-trend; (2) the values of the BLUE DOTS are the protection stops or the profit target stops (if the position had profit) for the long position. The value of the BLUE points can be seen in the Data Info Window. Click **Tools** menu, then click **Info Window**. The Info Window will appear on the screen. You may also use the **Inf** icon from the toolbar to pop up this Info Window. Click a bar, look for the **BuyStop2** value in the Info window if you use T2. Look for the **BuyStop3** value in the Info window if you use T3.

The RED DOTS above the highs of the bars indicate two things: (1) the market is in a down-trend; (2) the values of the RED DOTS are the protection stops or the profit target stops (if the position had profit) for the short position. The values of the RED points can be seen in the Info Window. Look for the **SellStop2** value in the Info Window if you use T2. Look for the **SellStop3** value in the Info window if you use T3.

Many studies reveal that it is more difficult to know how to exit the market than to enter the market. One can get into the market at any time if one knows how to



get out of the market. **T2 and T3 are TREND-STOPS indicators** which are precisely and objectively defined by the market's own prices. They help traders enter and stay in the right market direction with minimal risk. **T2 and T3** work in very similar ways, but the trend definition and stop calculations are different. **T3** is about 50% more sensitive than **T2**.

The beauty of ASCTrend stops is that the stops change along with the market. The stop values are determined by the market's prices objectively. When you enter the market, the stops will continuously indicate the optimal stops guiding you to lock in your profit, and to approach maximum profits step by step.

A new concept of range is used in this version to define the best stops. eASCTrend now can dynamically adjust internal settings according to the market moves. Default values of the inputs should be your first choice. With this new version of eASCTrend, the RISK and MONYRISK settings become less important. However, you still can change the settings to best fit your personal risk level.

### **Adjust the RISK and MONEYRISK**

RISK and MONEYRISK are two inputs of the trend-stop indicators. From *Format, Indicator* menu, select T2 or T3. You can change **RISK** and **MONEYRISK** parameters.

#### **RISK:**

**ASCTrend** provides flexibility. “**RISK**” factor for both **T2** and **T3** can be adjusted from 1 to 10, “1” is the most sensitive with minimum delay and “10” is the least sensitive. **The default value of RISK is 3.**

#### **MONEYRISK:**

**MONEYRISK** is an optional input for T2 and T3. This option affects the trend-stop values only. It does not affect the trend determination. A specific range unit for MONEYRISK is used here. This unit varies with the volatility of the markets and is defined by market movement. When you change this input value, you have a choice to enlarge or reduce the stops. The amount of money risky for different markets varies. For example, MONEYRISK 1.0 for common stocks means \$1.00 per share; MONEYRISK 1.0 for S&P 500 futures means \$250 per contract; MONEYRISK 1.0 for currencies means \$125,000 per contract and MONEYRISK 1.0 for T-Bonds means \$1000 per contract...

Why use this specific unit? Because it avoids “Symbol Universe Settings”. There are over 25,000 security symbols in the U.S. alone. It is hard to check and setup each symbol universe accurately and individually. Further more, when you use third party data, different data vendors use different symbol names and different units for the same security. Symbol Universe Settings become very complicated.

The MONYRISK factor would be applied to ASCtrend calculations only when the LONG or SHORT positions had profits. When profit is greater than the MONYRISK unit set, extra protection for the profit will be activated automatically. ASCtrend2 or ASCtrend3 TREND-STOPS will start to tighten the stops. It will also affect the calculations for the low risk entry points. **The default value of MONYRISK is 1.50 for T3 and 2.0 for T2 respectively.** In another words, after the profit for the position become greater than 1.50 times the average market movement, ASCtrend will begin to tighten stops. MONYRISK can be adjusted from 0.5 to 5.0. If you like to use the Fibonacci number, you may use them as inputs, such as: 0.382, 0.618, 1.000, 1.382, 1.618, 2.000, 2.382, 2.618...

If you do not want this option at all, simply input a big number, such as 1,000,000. Under this 1,000,000 unit setting, T2 or T3 will only follow the market own price projection to decide the stops.

### 3. ASCtrendSig(TSig)

**TSig will study the current price actions and offer the best entry points near the key supports/resistances in conjunction with the price direction prediction.**

#### 1) TSig in Different Modes

TSig will provide a buy signal with a big BLUE dot when buy conditions are met. The value of the big blue dot is the initial stop for the position. TSig will provide a sell signal with a big RED dot when sell conditions are met. The value of the big red dot is the initial stop for the position. There are seven signal modes in TSig. You may select buy signal only, or sell signals only, or select both buy and sell signals. See next section, **Input Parameters of TSig**, for more details concerning **ASCmode**.

#### 2) Working with AutoScan (for eASCtrend 6.0 only)

TSig can be applied to both price charts and AutoScan. It provides an audible alert. In AutoScan, TSig can be used to scan for buy and sell signals and stop values for a large number of market symbols. TSig works with both real-time and end-of-day data.

#### 3) Input Parameters of ASCtrendSig

From “*Format*” menu, click “*Indicators...*”, select **ASCtrendSig**. You may change the **Parameters** of ASCtrendSig. You can adjust the variables of **RISK**, **MONYRISK**, **OFFSET** and **ASCmode**.

## RISK

“**RISK**” can be changed from 1 to 10. “1” is the most sensitive with minimum delay and “10” is the least sensitive. **The default value of RISK is 3.** It is recommended to use the default value when you first start. You may choose to change values after you are familiar with the markets you are trading.

## MONYRISK

The variables of **MONYRISK** affect the ASCTrend stop values only, it will not alter the trend determination. It has the exact same meaning and usage as the MONYRISK for T2 or T3. See the corresponding section for MONYRISK. **The default value for MONYRISK is 1.50.** It should be your first choice when you start. It can be adjusted from 0.5 to 5.0. For those who like Fibonacci numbers, you may use inputs such as: 0.382, 0.618, 1.000, 1.382, 1.618, 2.000, 2.382, 2.618...

## OFFSET

**Default value of OFFSET is 1.0.** When you choose value 1.0 for OFFSET, you accept the signals defined market. Using OFFSET 1.0 means you choose the market self-defined dynamic factors. You may also loosen or tighten signal conditions by adjusting the value of OFFSET. OFFSET must be a positive number ranging from 0.3 to 3.0.

The smaller the number, such as 0.3, the less trading signals will be generated, and the higher accuracy. The bigger the number, such as 3.0, the more trading signals will be generated, and the lower the accuracy. Default value for OFFSET is 1.0. You should use the default value when you first start.

## ASCMODE

For convenience and clarity in searching, you may choose different signal modes from the following. **There are seven signal modes in ASCTrendSig.**

- 1) ASCMODE “1” : Classical ASCTrendSig **BUY and SELL** signals.
- 2) ASCMODE “2” : Classical ASCTrendSig **BUY** signals.
- 3) ASCMODE “3” : Classical ASCTrendSig **SELL** signals.
- 4) ASCMODE “4” : ASCTrendSig **Long Term BUY and SELL** signals.
- 5) ASCMODE “5” : ASCTrendSig **Color Change BUY and SELL** signals.
- 6) ASCMODE “6” : Signals of ASCMODES **4 and 5.**
- 7) ASCMODE “7” : **All ASCTrendSig signals.**

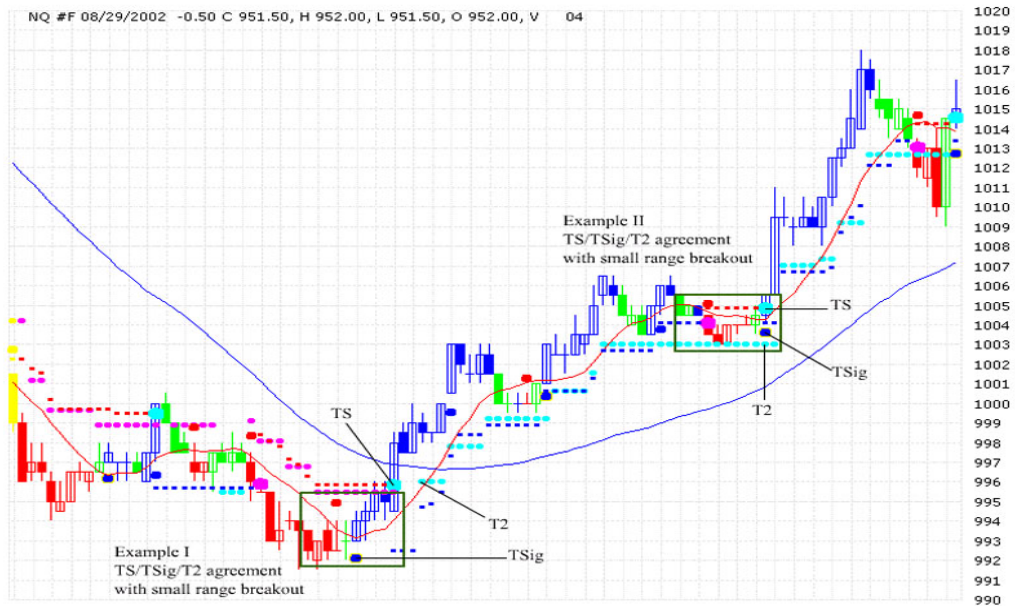
## D. HTM Entry Rules:

( Following examples use NQ 2 minute chart with default settings of eASCTrend 6.0 for TS/T2/TSig)

### 1. TS/T2/TSig agreement.(indicator users use T1/T2/TSig agreement)

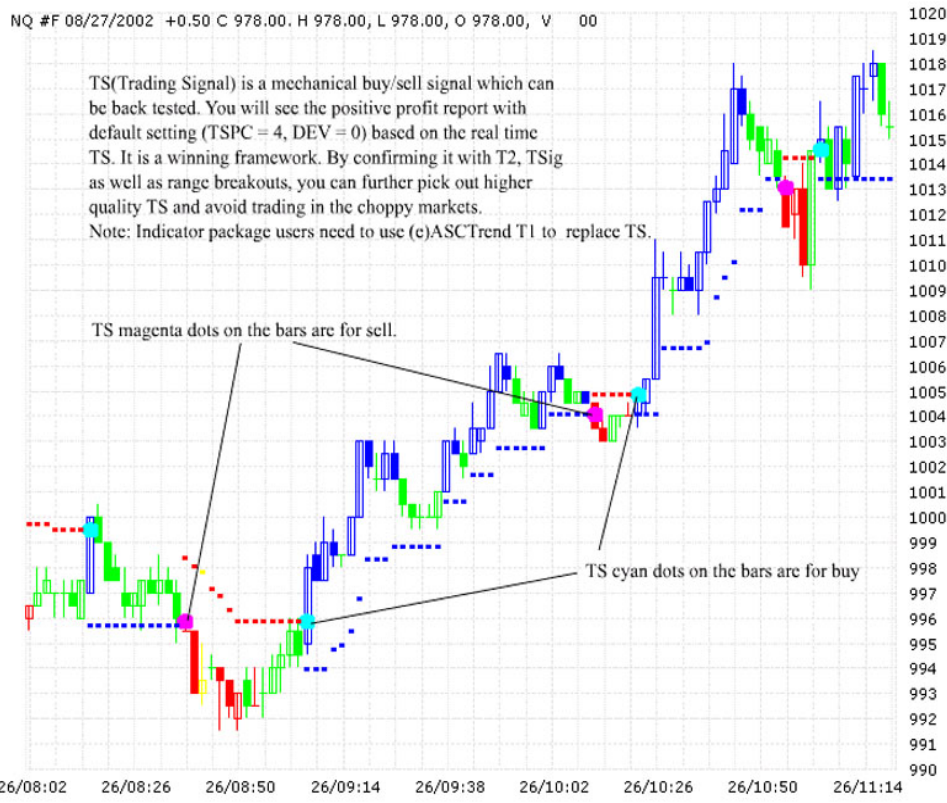
- 1) TS cyan dots on the bars are for buy; TS magenta dots on the bars are for sell.
- 2) T2 cyan dots below the bars are for buy; T2 magenta dots above the bars are for sell.
- 3) TSig large blue dots below the bars are for buy; TSig large red dots above the bars are for sell.

### 2. And break out the narrow range of the current 5 to 9 bars.

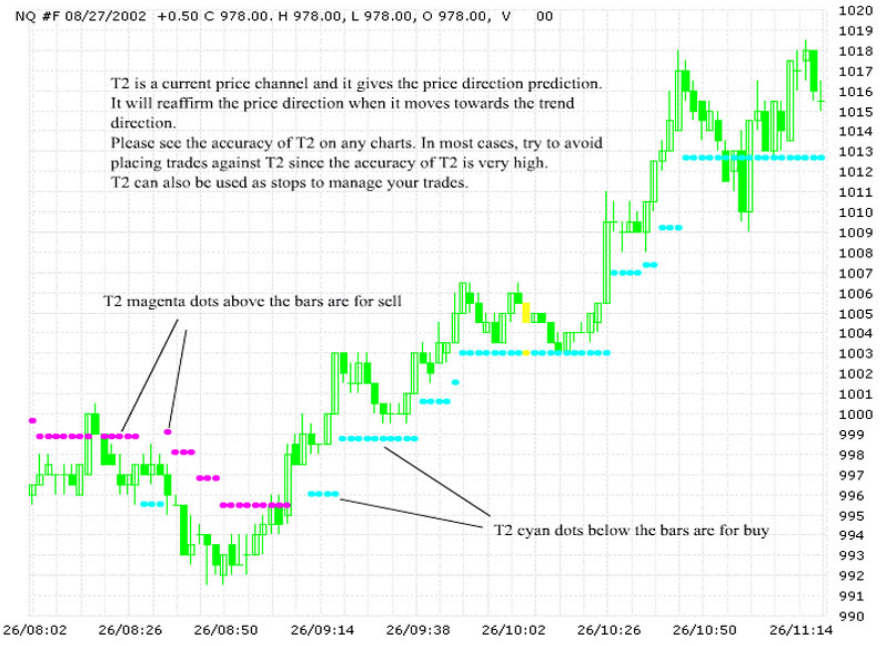


**Figure 1. Hybrid Trading Method (HTM) overview.**

Note: If you are a new user and don't know which dot is TS, T2 or TSig, please create three charts and apply one indicator to each chart so that you will know which is which when you apply TS, T2 and TSig to one chart in trading.



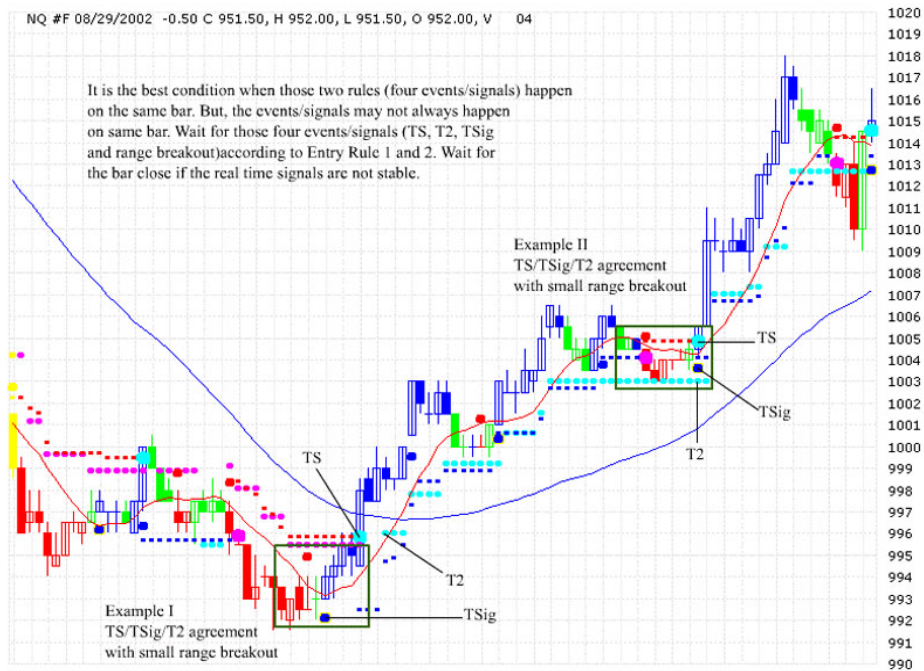
**Figure 2. eASCTrendTS Buy/Sell signals.**



**Figure 3. eASCTrend2 Stops**



**Figure 4. eASCTrendSig Buy/Sell signals**



**Figure 5. Break out the narrow range.**

## E. Stop/Exit rules

1. TSign as initial stop
2. T2 as follow up stops
3. Major support/resistant levels (using S/R distribution tables from longer interval charts).
4. Trail the market until you get stopped out.



Figure 6. eASCTrend tracks key support and resistance levels.

## F. Avoid Chippy Market

The key to success in day trading is to know **when not to trade**. eASCTrend 6.0 and all indicator packages have their unique ways to show you the chippy market.

Here are some rules:

1. Don't trade when the bar colors are green. Sometimes, you have several signals in agreement. But the bar color is green.
2. Don't trade when there are conflicting signals.
3. Don't trade when there are large size green bars going up and down, overlapping each other.
4. Don't trade when large size bars are opposite to each other.
5. Don't trade when the bar colors keep changing.

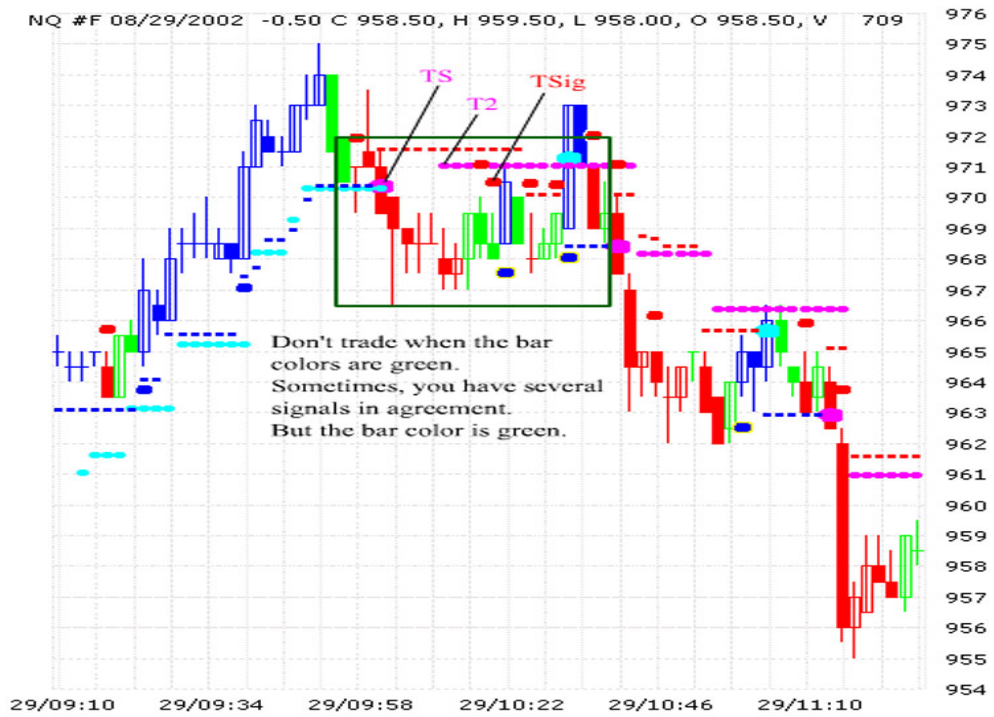


Figure 7. Don't trade when the bar is green.

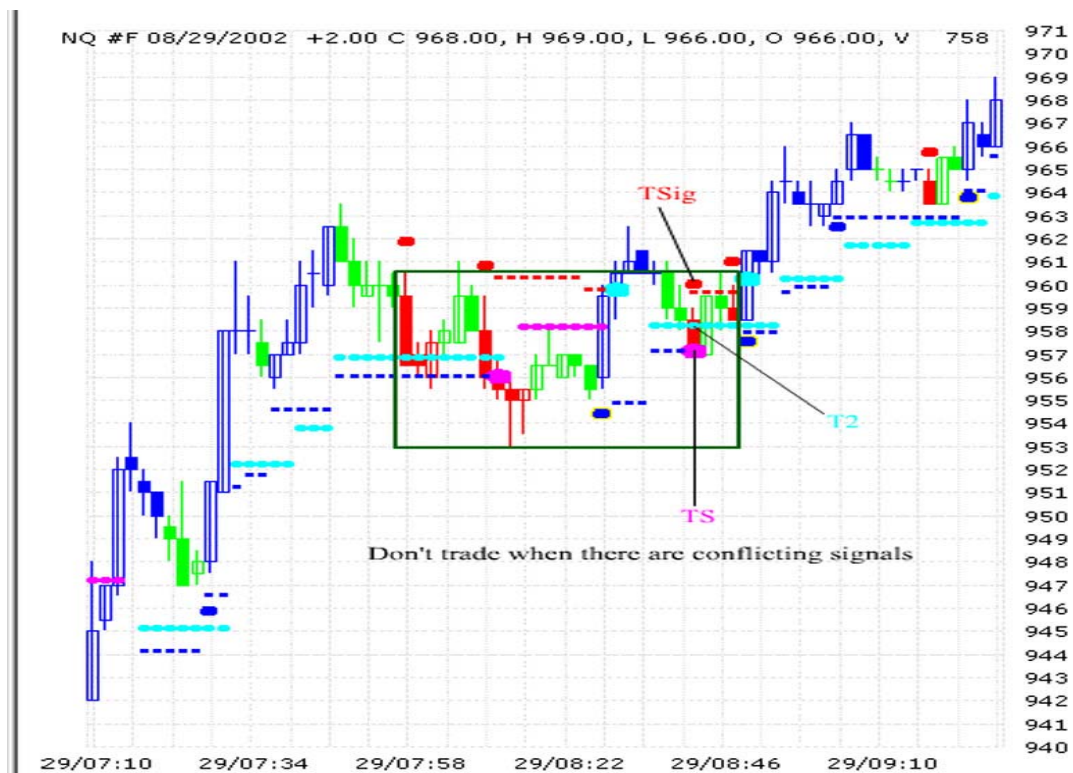
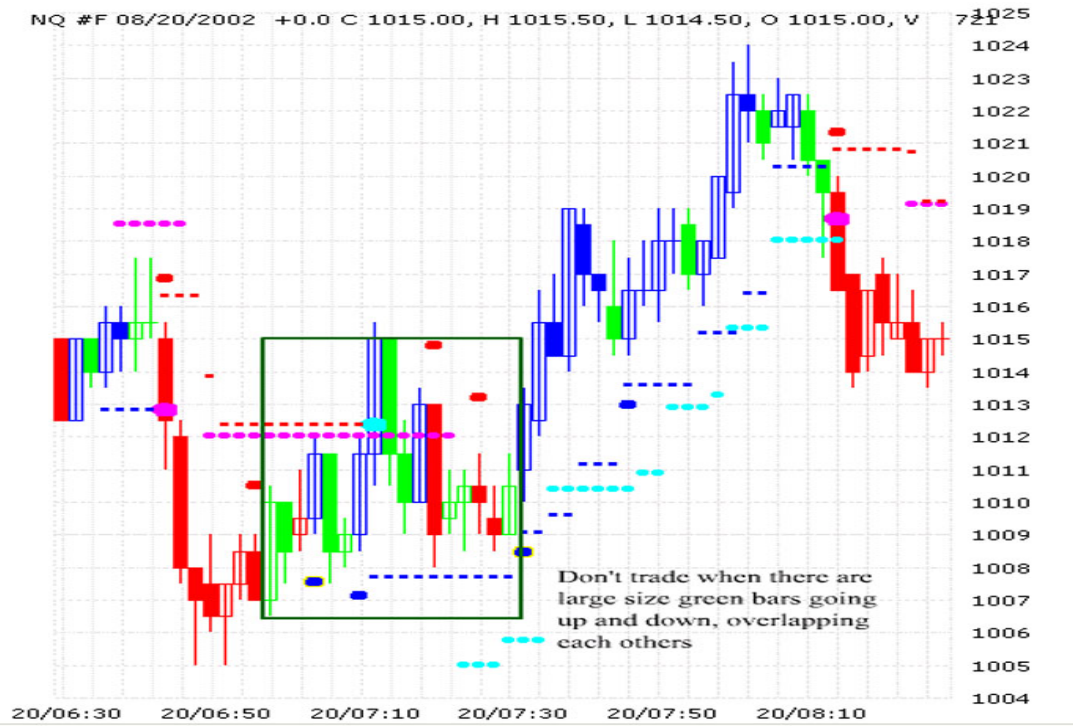
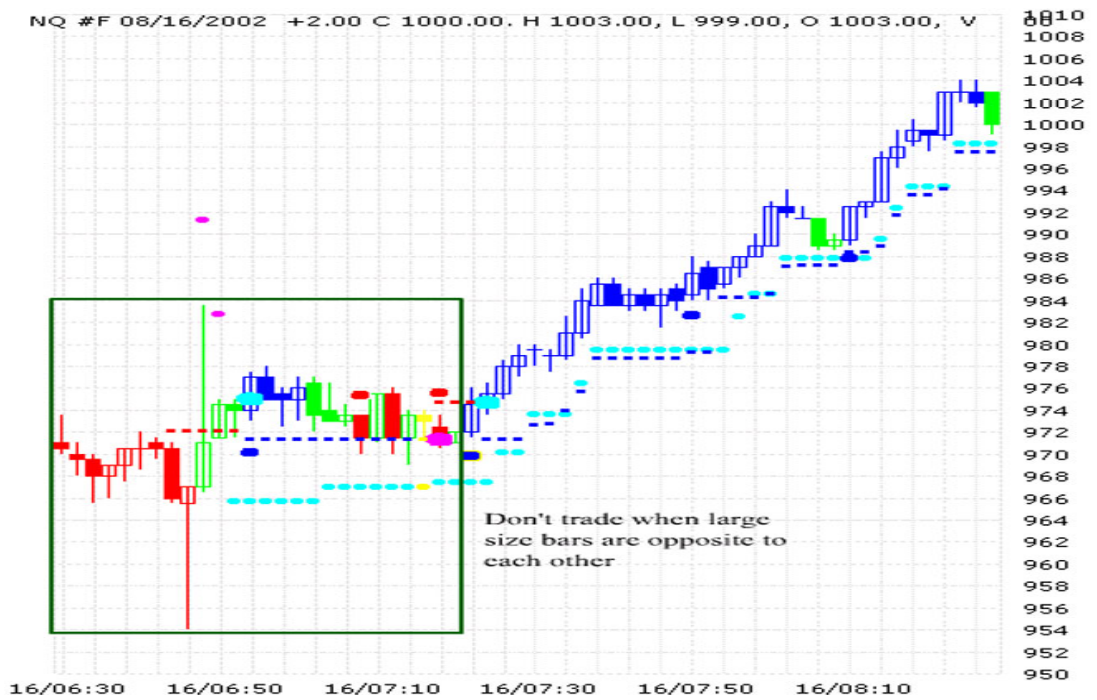


Figure 8. Don't trade when there are conflicting signals.

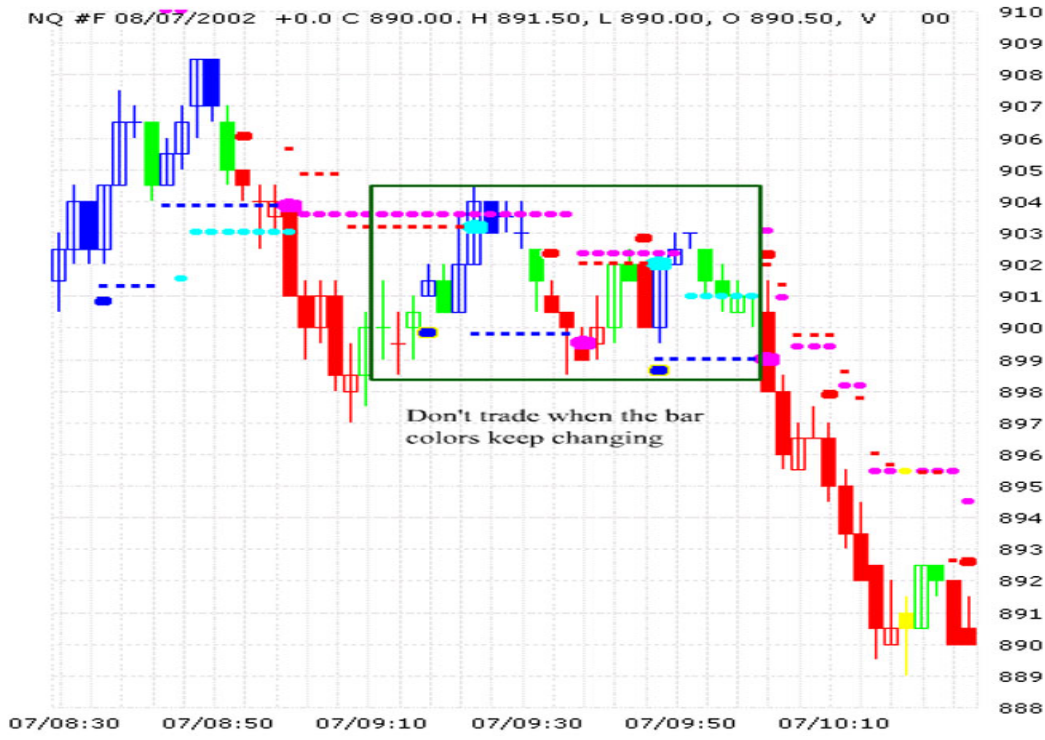




**Figure 9.** Don't trade when there are large size green bars going up and down, overlapping each other.



**Figure 10.** Don't trade when large size bars are opposite to each other.



**Figure 11. Don't trade when the bar colors keep changing.**

**G. Some Tips**

1. Since T1/TS are relatively short term price move direction (blue is up and red is down) before you reach a key support/resistance, try to hold your position if the bars are still blue when you hold a long position or the bars are still red when you hold a short position. Get ready to tighten the stops after you have seen green bars.
2. Give more weight to the reappearance of the same color bar, e.g. after a relatively large red bar and followed by several green bars, then you see a red bar again, this is the reappearance of the same color bar. It is significant if the new red bar can break the previous low/support. The same is true for the blue bars.
3. Give more weight to T1/TS right after a strong pattern in a quick moving market, e.g. a sell T1/TS after a double tops.
4. Give more weight to the fresh T2 (the first few dots or move to a higher value in a up trend or move to a lower value in a down trend) and give less weight to the late part of a long line of T2.
5. Due to the accuracy of T2, try not to place trades against T2 direction unless there is a very significant price action (key support/resistance rebound with strong volume and pattern, etc.).

6. Try to be aggressive in taking trades at the end of a long period of narrow range consolidation (TS/T2/TSig agreement at the end of a flat line is the best). Try to be very conservative in taking trades after a significant market price movement.
7. Try to be very aggressive in the morning and afternoon sessions when the volume is up. Try to be less aggressive in the lunch hours, especially after a significant price movement.
8. Normally, the trend is up if you see higher highs and higher lows and the trend is down if you see lower highs and lower lows. The TS (T1)/T2/Tsig agreement will work the best if you can define the trend direction by the above traditional trend definitions.
9. The volume can be used to qualify some potential trend development. E.g. when you see volume build-up for the up-tick bars in a potential up trend formation and you see smaller volume for the down-tick bars in a potential up trend formation, the up trend has a high likelihood to be real. Volume needs to be viewed for a group of bars. Relatively large volume associated with a single bar may be misleading since the outcome could be uncertain. It will be ideal to see the breakouts with volume support and follow-through price actions.
10. Don't be afraid of missing out since you always have more opportunities ahead of you. You need to find the best time to enter. You need to control your emotion and plan a trade, then execute with discipline.
11. Don't trade if you feel that you are compelled to trade by the market price movement instead of your intention (plan). Stop trading (cooling off) if you are making several trades in a very short time frame. Don't trade if you don't see a clear volume association with the trend development. Don't trade if you cannot clearly define a trend (higher highs and higher lows for up trend/lower lows and lower highs for a down trend). Don't trade if you don't see the TS (T1)/T2/TSig agreement with range breakouts.

## **H. Virtual Paper Trading**

There are two types of virtual paper trading that give traders a great power and flexibility in testing their strategy, Virtual paper trading with historic data and Virtual paper trading with real time data.

### **1. Virtual paper trading with historic data**

Traders can validate their trading strategy with historic data going beyond back testing reports. Traders can choose which indicators they want to include in their strategy and they can set the rules they want to use in interpreting the indicators. They can use subjective indicators alone using the Classic configuration of eASCTrend or they can combine the subjective indicators with the mechanical trading system in the Deluxe Plus configuration. No other software gives you such power: subjective indicators, mechanical trading system, and the means to perform virtual paper trading. The trader right clicks on a bar and clicks on Place Order at This Bar to enter the closing price of that bar. The trader can also point to a bar and use the <Ctrl>Z shortcut.

### **2. Virtual paper trading with real time data**

Traders can experience real time virtual paper trading to closely simulate real time

trading without risking any money. This can be very effective with subjective indicators, the mechanical trading system, or a combination of both. The trader right clicks on the last bar of a chart and clicks on Place Order at This Bar (or uses the <Ctrl>Z shortcut) to enter the real time bid price if Sell is chosen or the real time ask price if Buy is chosen. Using real time bid and ask prices closely simulates real time order fill prices. The dynamics involved in real time trading is included in virtual paper trading without any limitation to entry at bar close.

Date	Time	Symbol	A...	Orde...	Order Ty...	Order Price	Orde...	Execution...	Status
03/04/02	07:30:00	ND #F...	M...	SELL	MARKET	1471.0000...		MANUAL	Placed
03/01/02	10:00:00	ND #F...	M...	BUY	MARKET	1418.0000...			
02/27/02	11:00:00	ND #F...	M...	SELL	MARKET	1382.0000...			
02/25/02	12:00:00	ND #F...	M...	SELL	MARKET	1413.0000...			
02/25/02	08:00:00	ND #F...	M...	BUY	MARKET	1383.0000...			
02/15/02	11:00:00	ND #F...	M...	BUY	MARKET	1444.0000...			
02/15/02	06:30:00	ND #F...	M...	SELL	MARKET	1464.0000...			
02/13/02	06:30:00	ND #F...	M...	SELL	MARKET	1491.0000...			
02/11/02	06:30:00	ND #F...	M...	BUY	MARKET	1459.0000...			
02/04/02	12:00:00	ND #F...	M...	BUY	MARKET	1482.0000...			
02/04/02	07:00:00	ND #F...	M...	SELL	MARKET	1507.0000...			

ND #F(NQ with confirmation)	
Total Trades:	11
Times of Buy:	5
Times of Sell:	6
Open Entry:	None
Open Position:	None
Open Size:	0
Close Profit:	124.0000

The Trading Log window is opened by clicking on File and then Show Trade Log or using the shortcut <Ctrl T>. The summary window can be displayed for any line in the log by clicking on that line.

A user can use the Trading Log window as a Virtual Paper Trading system. To enter a virtual trade into the Trading Log, the trader right clicks on a bar and clicks on Place Order at This Bar. The closing price of that bar appears in the Instant Order Execution form. The Close Profit is in points for futures and needs to be multiplied by the point value. The cost per trade needs to be subtracted just as in paper trading.

Instant Order Execution

Symbol: NQ #F

OE Client:

Account:

Manual Override Size: 1

Buy Sell Short

In the Instant Order Execution dialog box, the trader needs to place a check in the Manual Override and enter the contract size or number of shares in the field called Size. Click on Buy to enter a virtual long position or exit a short position or click on Sell to close a virtual long position or enter a short position