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Capitalise.ai

Automated Trading: Everything you need to know about code free trading automation

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Webinar Presentation For InteractiveBrokers

Everything You Need To Know About Code-Free
Trading Automation & How Automated Trading Can
Help Improve your Portfolio.





In the Webinar, we'll discuss how you can leverage automation tools to optimize your strategy performance, save time and eliminate emotional influence. We will scope the limitations, discuss best practices and delve into some interesting example strategies.

We'll also show how you can automate your trading strategies using free style text - no code or technical background needed.

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WHAT MAKES A TRADER?



Following Through On Your Trading Plans;

Simple? Not Really.

Greed

Can turn a successful trading plan into a losing one when we wait to exit beyond when we had planned and end up losing.

Fear

Keeps us from cutting our losses when we should and then losing more than expected.

Boredom

Propels us to enter into a trade before we should, undermining our original plan.

Limitations

The human limitations of time, sleep, and focus mean often missing important opportunities.



Finding 1

More than 80% of global trading is done via automation.

Opinion 1

A small number of market players are responsible for the majority of global trading volumes

1. Finding: <https://www.cnbc.com/2019/06/28/80percent-of-the-stock-market-is-now-on-autopilot.html>



InteractiveBrokers

ENGLISH SEARCH LOG IN OPEN ACCOUNT FREE TRIAL

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Order types and algos may help limit risk, speed execution, provide price improvement, allow privacy, time the market and simplify the trading process through advanced trading functions.

Use the links below to sort order types and algos by product or category, and then select an order type to learn more.

Filter by Product:

- All
- Stocks
- Options
- Futures
- Futures Options
- Forex
- Bonds
- Funds
- Warrants
- ETFs
- Combs
- CFDs

Filter by Category:

- Advanced Trading
- Algorithmic Trading
- Limit Risk
- Price Improvement
- Privacy
- Speed of Execution
- Time to Market

Accumulate/Distribute	Adaptive Algo	All or None	Arrival Price	At Auction
Auction	Balance Impact and Risk	Basket	Block	Box Top



Algo Trading Can Now Recognize A Wide Variety Of Events, Including:

- **Fundamental Indicators**

- **Macro & Microeconomic Events**

- **Technical Indicators**

- **Social Sentiment**

- **Weather**

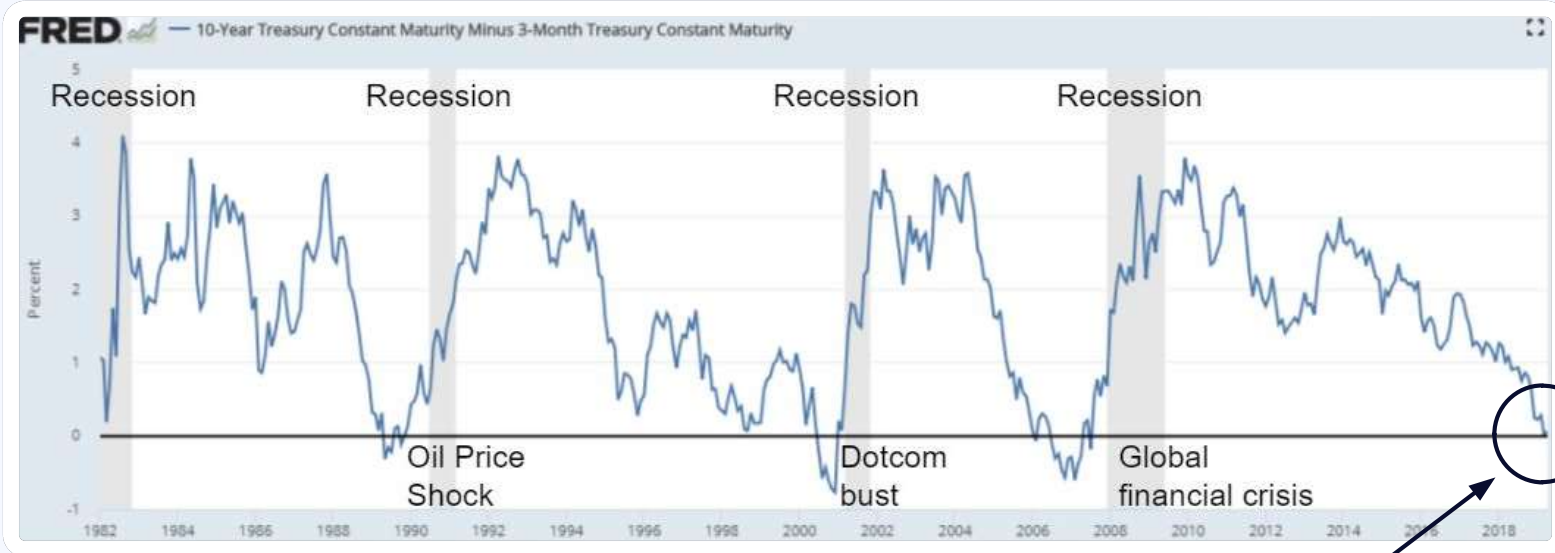


December 19; The US Fed Updates The Interest Rate.

Sets it At 2.5% & Sends The Markets On A Bear Run.



LONG TERM TO SHORT TERM YIELD SPREAD



March 22: Spread dips below zero for first time since 2007





The screenshot shows a Twitter interface with a tweet from Elon Musk (@elonmusk) dated 7:48 PM on August 7, 2018. The tweet text reads: "Am considering taking Tesla private at \$420. Funding secured." It has received 15,817 retweets and 87,263 likes. Below the tweet is a reply from the same user: "Shareholders could either to sell at 420 or hold shares & go private" with 1.3K retweets and 2.1K likes. The interface includes navigation tabs for Home, Notifications, and Messages, a search bar, and a "Tweet" button. A circular profile picture of a rocket launch is visible on the left side of the tweet.



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Opinion 1

The advent of cryptocurrencies starting with Bitcoin and leading to the creation of thousands of “altcoins” has changed the nature of value and currencies.

Opinion 2

Due to the fact that these cryptocurrencies are traded 24/7, it has become extremely difficult to monitor the market and execute a trading plan manually and faithfully.

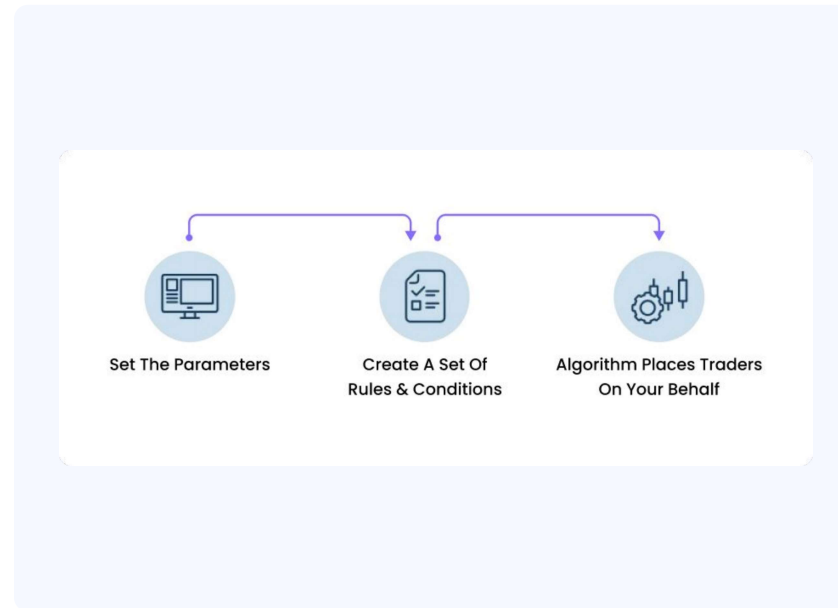


Understanding The Limitations & The Benefits



Automated trading is the use of a predefined set of rules written into computer code to automate the process of buying or selling assets.

- Algorithmic trading is a method of executing orders using automated pre-programmed trading instructions accounting for variables such as: Time, Price, Volume & More.
- This type of trading attempts to leverage the speed and computational resources of computers relative to human traders.





Reason 1

Automated tools execute trades the instant a profitable opportunity is calculated. The decisions these systems make are objective and uniform because they are not subject to intuition or emotion.

Reason 2

Automated trading systems can compute vast amount of variables, scan an enormous amount of information, and process everything in large or infinitely small time frames.

This the most significant strength because it allows for recognizing opportunities which are not available to the masses of traders. This enables the potential for abnormal profit taking.



#1

Eliminating Emotions

With automation we can disable our human emotions and bias.

We can plan our trading ahead of time and the machine will take care of it.

No more greedy trades or trades that are generated by boredom.



#2

Preserving Discipline

Successful traders plan their trades, and trade their plan.

Making objective and repeated trading decisions at all times, regardless of the market conditions.



#3

Speed & Accuracy

Automated trading solutions monitor the markets faster and more accurately than any human mind can manage.

They are able to track trading opportunities across multiple assets and make accurate trading decisions in real-time.

Trade orders will be executed as soon as set conditions are met, with no human errors involved.



#4

Trade Sophisticated Strategies

Automated trading solutions can help traders apply complex trading strategies in the market.

Whether it is applying complicated exit and entry conditions, or intricate trade management using trailing stops and time-sensitive alerts, you can achieve precision and complete objectivity using automated trading solutions..



#5

Backtesting

Automated trading solutions allow for easy backtesting on actual quantifiable data to determine their effectiveness, or lack thereof.

Backtesting is a time-consuming activity, but with a trading robot doing the activity, results can be seen quickly, and appropriate tweaking or optimization can then be done, if necessary.



#6

Time-Saving

Human beings are inherently constrained by time; but traders can free up their time by using automated trading strategies.

You are no longer a prisoner of your charts, and you can actually utilise your time expanding your knowledge or even optimizing other strategies.



#7

Managing My Risk

Even in the most volatile of markets, automated trading is hugely beneficial to protect your bank.

By abiding by automated trading rules and conditions, you can be sure that your trades are only executed at the right time and your orders will always be closed once your profit and loss benchmarks are hit. Your trading plan can be followed to the absolute letter.



Over Optimization

In search of a trading "Holy Grail", traders may fall into the trap of over tweaking and over optimising an otherwise working strategy. Traders can be tempted to continually adjust trading parameters to achieve 100% profitable trades. It is important to note that the goal when developing a strategy is not perfection, but rather profitability; which essentially means that the strategy will generate more profits overall than losses.

Tech dependence

Technology failures and inflexibility. Automated trading solutions are computer software that remains vulnerable to random mishaps, such as downtime or crashes of the host computer. Because the software is programmed to adhere to set parameters, it can be very inflexible when market conditions change suddenly due to unforeseen factors, such as major political or economic events.



FOMO

Experienced traders execute their strategies manually and don't have the time to make all the trades they want to in a 24/7 market.

Emotion Are Bad For Good Trading

Whether it's FUD or greed, emotions often cause traders to deviate from the plan and result in expensive consequences.

There's A High Barrier to Entry

Only those with advanced technical knowledge or money to spare have access to the trading tools that make it easier to profit.



ENTRY

If **AAPL** $RSI_{(14, 1h, Close)}$ crosses above 60 then buy 10 AAPL and

EXIT

Close position at trailing stop of 1% #

RUN STRATEGY

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MAIN ADVANTAGES FOR USERS



Automate

Quickly, Precisely & Free From Emotional Influence

Analyze

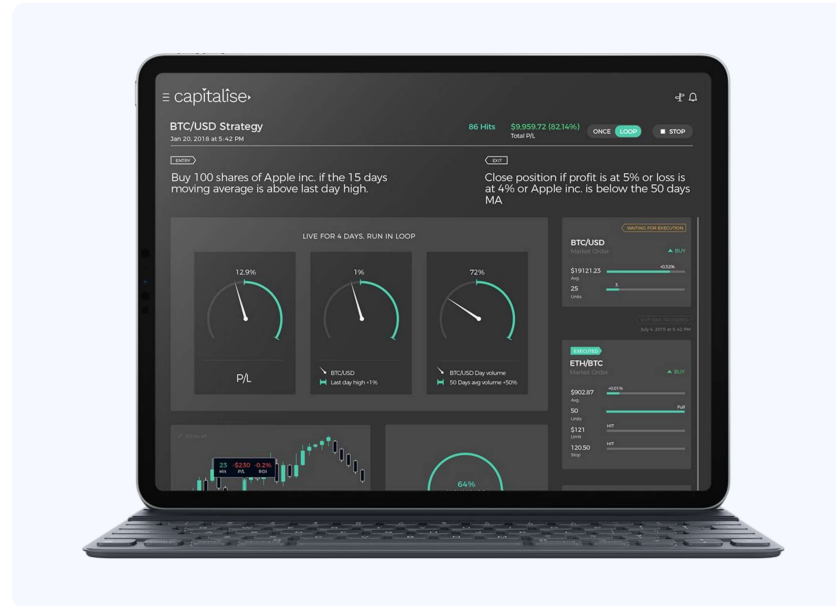
Make Informed Strategic Decisions

Monitor

Stay In Control - Anytime, Anywhere

Explore

Live Examples





Watch & Learn

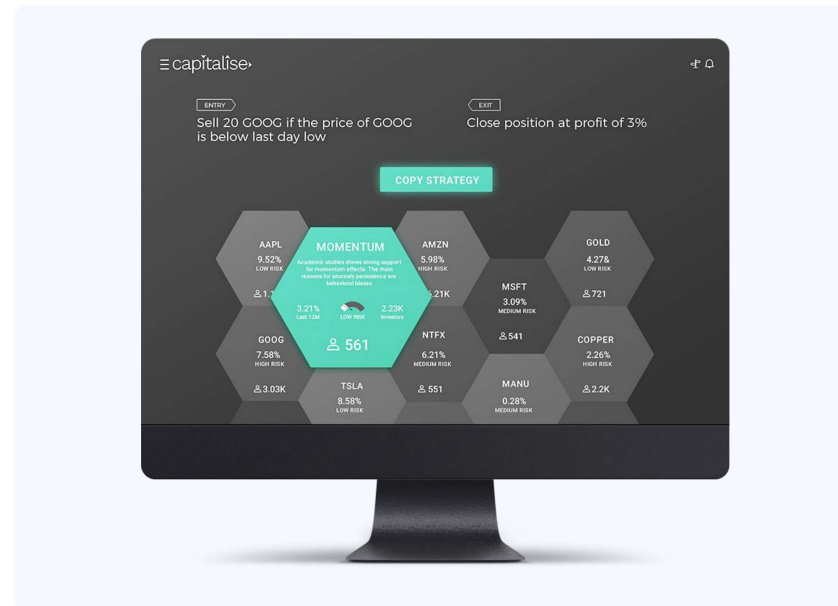
See the strategies of more experienced traders and the returns they generate.

No Prerequisites

Program strategies using everyday English words and phrases.

Easy As 1 - 2 - 3

Use our platform without any overly complicated technology.





Never Miss A Deal

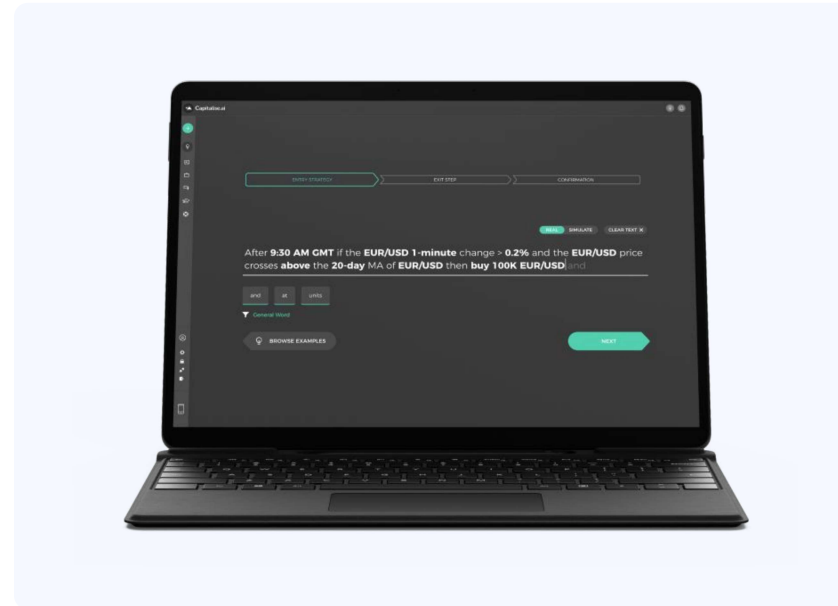
Our platform automates trades.

Get The Best Tech

Access tools traditionally available only to professionals or highly technical people/programmers.

Build Sophisticated Strategies

Our analytical triggers and tools make it simpler to trade smart.



THANK YOU

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