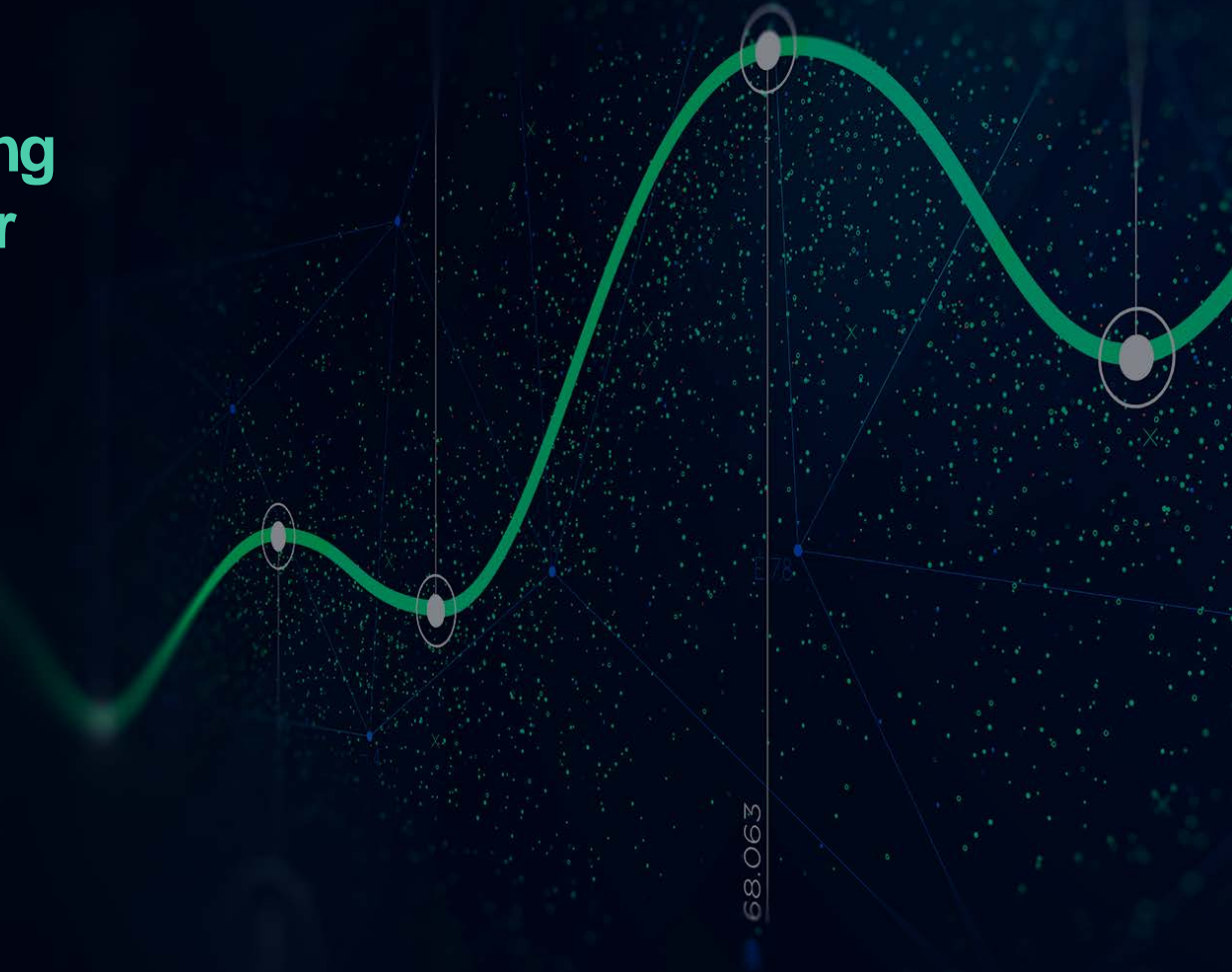
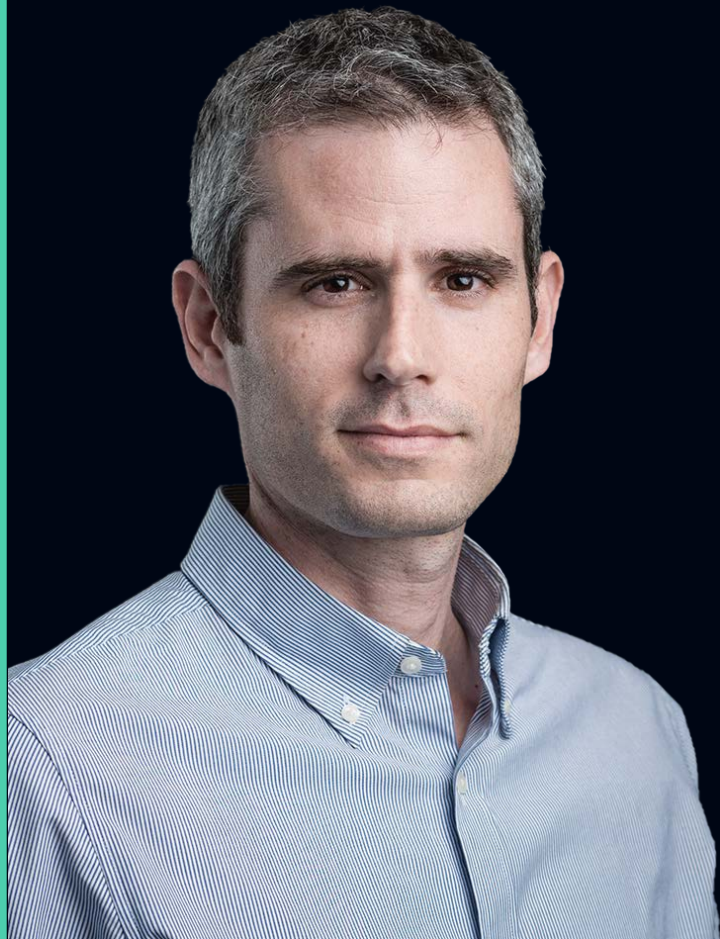


# How Automated Trading Can Help Improve your Portfolio

Between the increasing presence of social media and the accelerated dissemination of information, there are more factors influencing markets than ever before. This onslaught of communication makes it both more difficult and more important than ever for traders to stay disciplined and stick to their hard-won trading plans. In this webinar we want to discuss how automation can help by following the traders' plan round-the-clock without the influence of human emotion or bias.





## Who is Shahar?

Shahar hails from the world of day trading, where he traded in traditional markets for over 15 years. As an engineer, he developed automated trading systems for the derivatives markets. He has vast experience as a day trader, and has worked as a product manager at various technology companies. Shahar is a DIY enthusiast, favoring projects that use electronic or mechanical tools to provide tangible solutions.

**What makes a trader?**

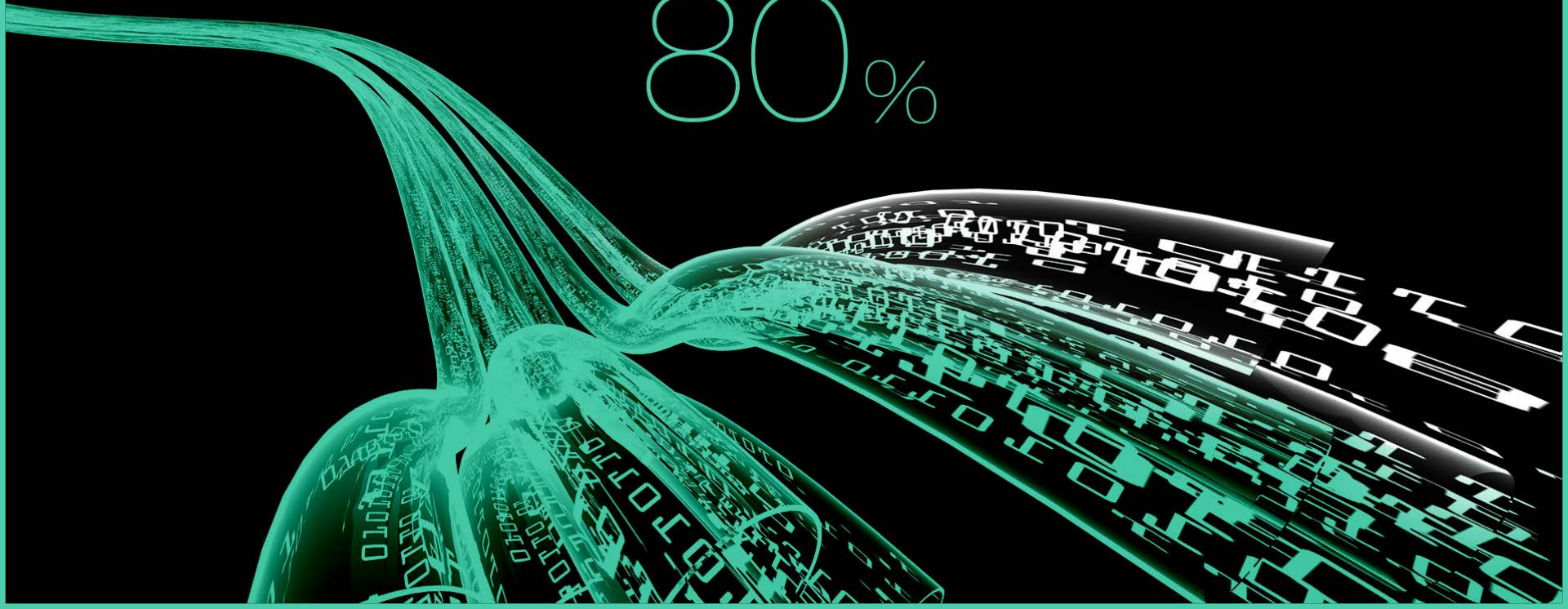


## Following through on your Trading Plans. Simple? Not really

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

# How trading has changed in the past few years

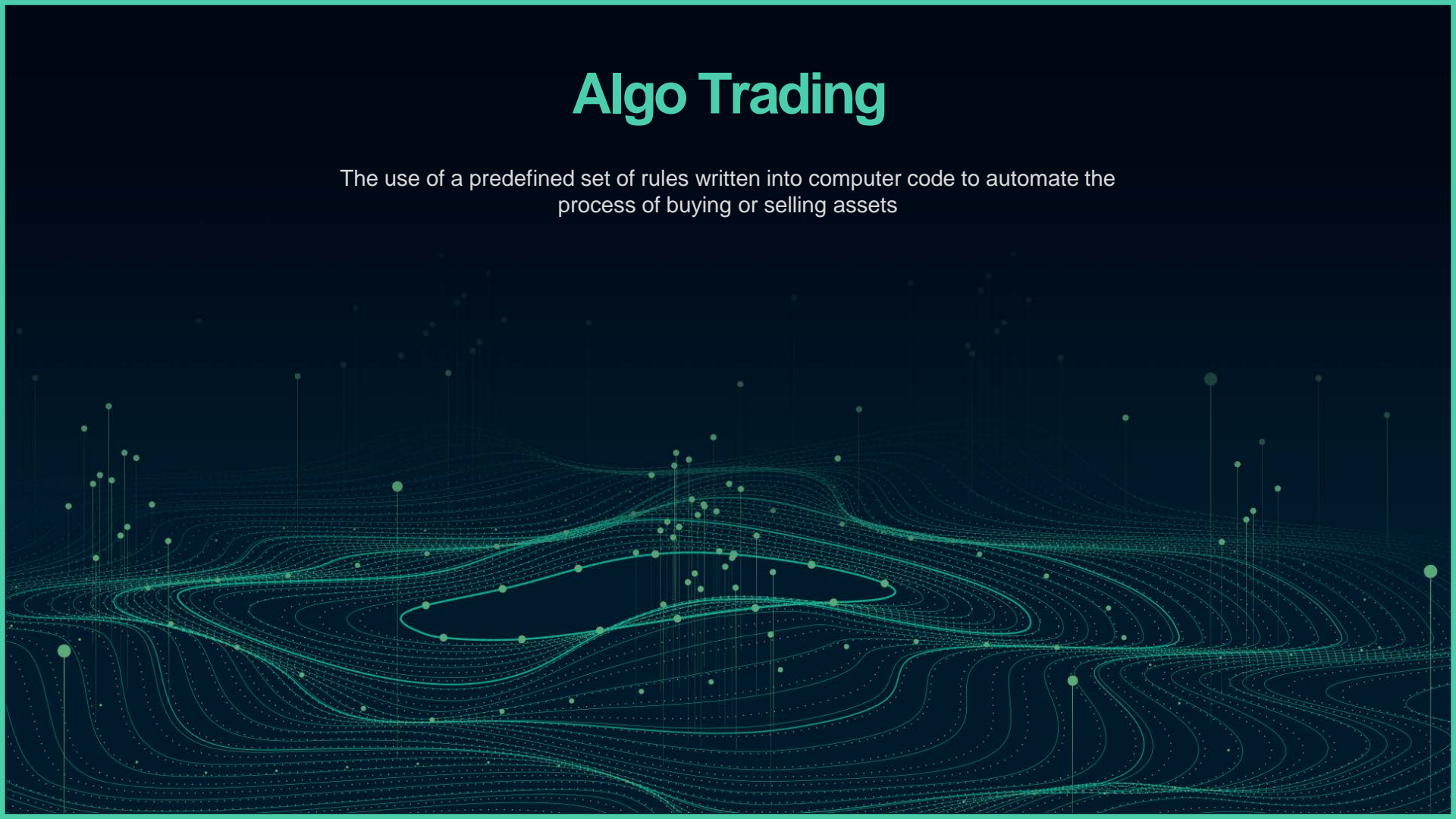
80%





# Algo Trading

The use of a predefined set of rules written into computer code to automate the process of buying or selling assets



# Interactive Brokers' Execution Algorithms

The screenshot shows the Interactive Brokers website interface. At the top, there is a navigation bar with the logo, language selection (ENGLISH), a search bar, and buttons for 'LOG IN', 'OPEN ACCOUNT', and 'FREE TRIAL'. Below the navigation bar is a secondary menu with links for 'HOME', 'WHY IBKR', 'PRICING', 'PRODUCTS', 'TECHNOLOGY', 'EDUCATION', 'ABOUT IBKR', and 'CONTACT US'. The main content area features a heading about order types and algorithms, followed by a filter section with two rows of buttons: 'Filter by Product' (All, Stocks, Options, Futures, Futures Options, Forex, Bonds, Funds, Warrants, EFPs, Combos, CFDs) and 'Filter by Category' (Advanced Trading, Algorithmic Trading, Limit Risk, Price Improvement, Privacy, Speed of Execution, Time to Market). Below the filters is a table listing various execution algorithms.

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 EFPs Combos 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
Bracket	Conditional	Close Price	Dark Ice	Discretionary

# How trading has changed in the past few years

Algo trading can now recognize a wide variety of events, including:

Fundamental  
indicators

Macro and  
microeconomic  
events

Social sentiment

Technical  
indicators

Weather



# Macroeconomic events

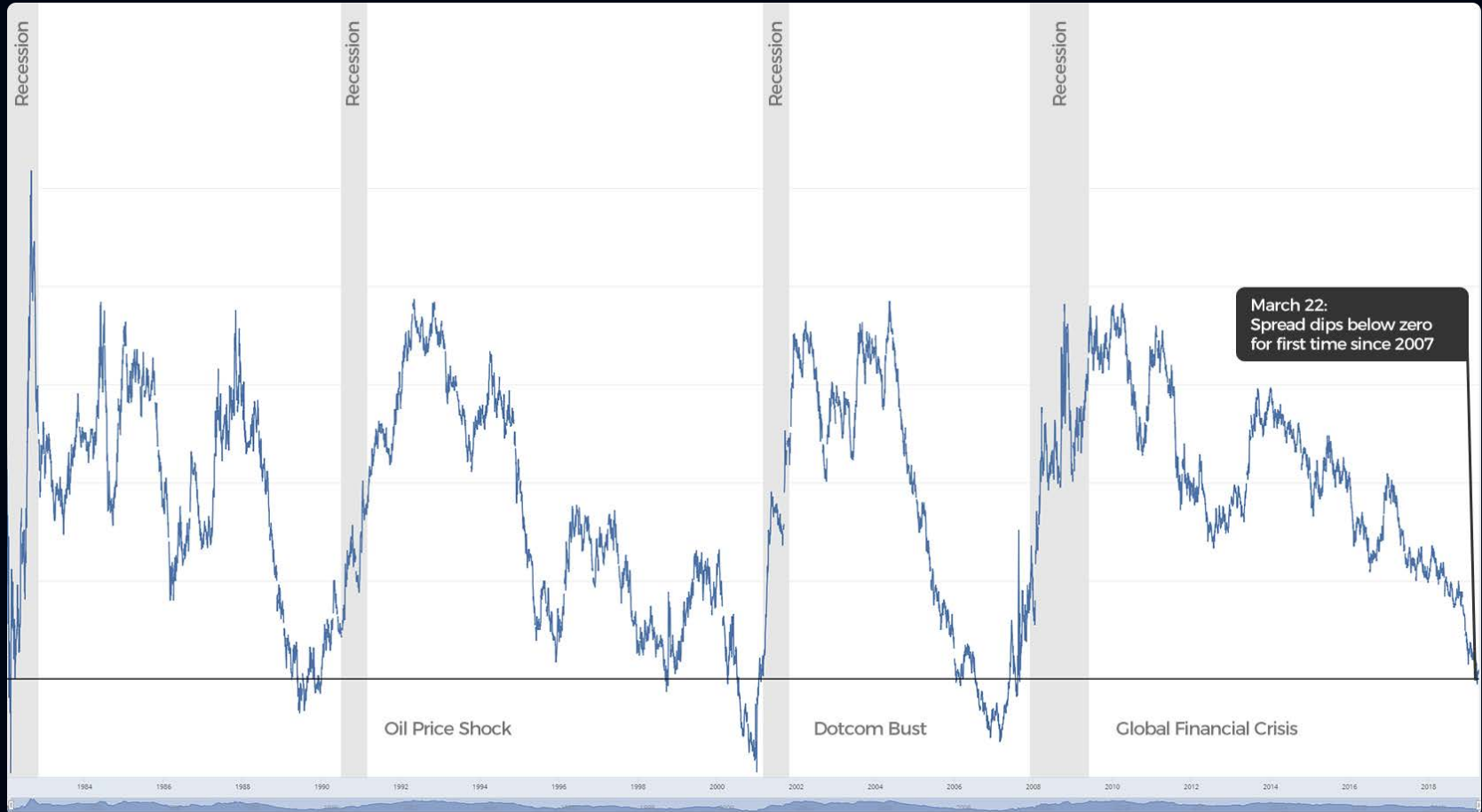
Source: TradingView



December 19; the US Fed updates the Interest Rate. Sets it at 2.5% and sends the markets on a bear run.

# Long term to short term yield spread

Source: fred.stlouisfed.org/series/T10Y3M



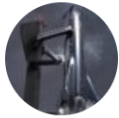
# Yield curve effect

Source: TradingView



# Social impact

Source: Twitter



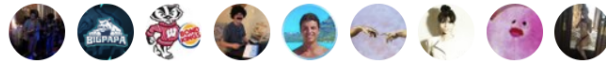
**Elon Musk** 

@elonmusk

Am considering taking Tesla private at \$420. Funding secured.

7:48 PM - 7 Aug 2018

**15,792** Retweets **87,205** Likes



6.2K



16K

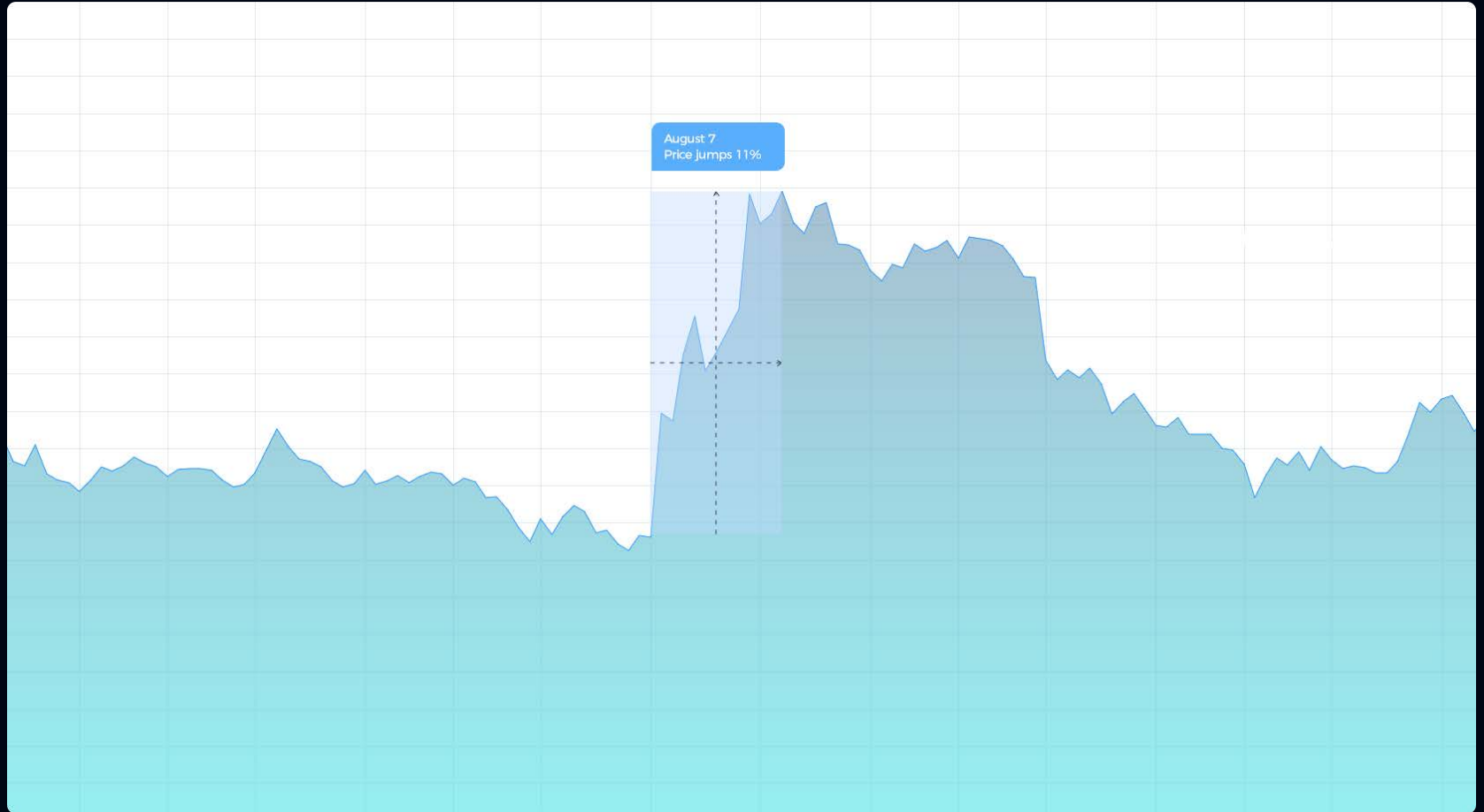


87K



# Yield curve effect

Source: TradingView





# How trading has changed in the past few years

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

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

# The advantages of trade automation

**Eliminates influence of human bias and emotion**

**Minimises time spent monitoring market and manually executing trades**

**Traders reap benefits of reliable, methodical machines following their strategies**

**Manages risk effectively**

# capitalise

Plan like a **human**. Trade like a **machine**.



**Q&A**