# TRAIDY: A Stellar Trading Solution

What is TRAIDY?

In the dynamic world of financial markets, a well-executed trading strategy can be the difference between success and failure for investors. The TRAIDY strategy is a systematic approach designed to capitalize on market trends while actively managing risk exposure. The strategy makes use of a blend of innovative technical indicators, which are based on the Directional Changes framework, with an original AI algorithm designed specially to capture profitable patterns in financial time series [here is a reference to the strategy behind TRAIDY]. TRAIDY is a fully automated trading solution. On any given day, TRAIDY
1. conducts the necessary analysis to decide which stock to buy/sell at which prices,
2. manage the sizes of the positions, and
3. do some risk analysis and act accordingly.
All of these 3 actions are fully automated. TRAIDY is one of the best hand-off trading solutions to manage portfolios with capital larger than 1 million USD.

Central to the success of TRAIDY strategy is its robust risk management framework. The strategy employs a multi-tiered risk management approach that encompasses:

1. Diversification: The portfolio is carefully constructed to include a broad range of assets from different sectors and geographies. This diversification reduces the impact of isolated market events on overall performance.

2. Position Sizing: Each position's size is determined based on its inherent risk and correlation with the existing portfolio. This ensures that no single position dominates the portfolio, maintaining a balanced risk profile.
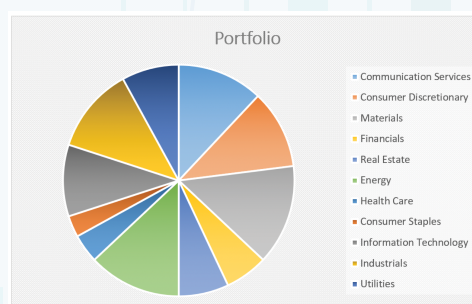

Performance Evaluation

Between 15th Aug 2022 and 14th Aug 2023, TRAIDY has successfully completed one year of automated live trading via the Interactive Broker platform. It conducted more than 7000 buy/sell trades. TRAIDY outperformed major market indices, generating an annualized return of 8.6% (as shown in the bar chart below).

Moreover, TRAIDY also outpaced the market indices in terms of risk measured in term of max drawdown and in term of fluctuation/uncertainty of monthly returns (as shown in the table below). These results suggest that TRAIDY can provide higher return while maintaining lower risk than major market indices. Note: the numbers shown in the chart and the table below are based on the net profits (after deducting all brokerage commission/transaction fees).

Normalized Equity Curves
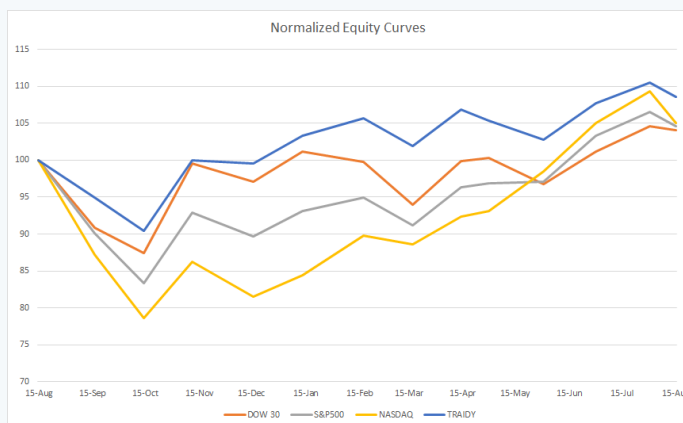
	Return	Max DrawDown	Standard deviation of Monthly Returns
Russel 2000	-4.8%	-16.8%	7.1%
DOW 30	4.1%	-12.6%	5.8%
SP500	4.5%	-16.6%	5.7%
NASDAQ	5.0%	-21.4%	6.6%
TRAIDY	8.6%	-9.6%	4.4%

Quick Q&A

Q1: What is the expected annual return of TRAIDY for the next 10-5 years?
A1: For the period between 2023 and 2030, we are expecting an annual return of 13% ± 3.5%

Q2: Can TRAIDY manage a large portfolio (50+M USD)? If yes, what might be the anticipated annual returns?
A2: Of course, TRAIDY can manage large portfolios. This is because TRAIDY does, easily and automatically, manage 100s of positions at the same time. The anticipated annual return, for the next 5 years, is 13% ± 3.5%

What's next

Recently, FINAID's R&D unit has successfully tested a new AI-based algorithm for "Systematic Risk Detection", or SRD for short. With the help of SRD, we are convinced that TRAIDY's performance will improve significantly in terms of A) annual return, and B) maximum drawdown.

To sum it up

TRAIDY is a fully automated trading solution that serves as a great example of how a well-structured and disciplined approach can yield attractive risk-adjusted returns. Through a combination of rigorous risk management techniques, diversified asset allocation, and active adaptation to changing market conditions, TRAIDY has outperformed the benchmark index while maintaining a balanced risk profile. As good as this is, FINAID Tech Solutions Ltd. is perfectly sure that TRAIDY will only get better with continuous innovation and dedication.

Sounds promising?
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