



AlgoLab School

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Who is AlgoLab School for?

- AlgoLab demo users who might be considering opening an AlgoLab funded account some day
- New AlgoLab funded users
- Old AlgoLab funded users who want to learn more about the AlgoLab trading environment.
- Anyone who is interested in learning more about AlgoLab

What is AlgoLab

- [Automated algorithmic trading software. Also known as:](#)
 - Blackbox, algorithmic trading, automated trading, trading robot, automated trading advisor, quant trading
 - AlgoLab connects to your interactive Brokers account and automates trading based on it's built-in technical algorithms.
 - WE DO NOT have access to your IB account, or your capital in your IB account
 - We are software developers, not financial advisors, portfolio managers, or a hedge fund.
 - AlgoLab is fully automatic based on your capital and risk settings, but also provides you with a more control if you want to use it. Examples of this kind of manual override:
 - You can stop trading any time by pausing your trading
 - You can change the default symbols that AlgoLab trades
 - You can increase or decrease your LEVERAGE (change your risk value).
- [AlgoLab Dashboard](#)
 - Tour of dashboard
 - USD base currency
 - Brokerage fees are already removed from PL and other metrics in PV and dashboard.
 - Alert status lights
 - Pmargin field (margin alerts - talk about that later)
 - How to change settings using your credentials
 - To manage settings or not to manage settings? This is the question.

- Examples of no management: [HouseAccount](#), [TenderFlake](#), [Galway](#), [DUNE](#)
- Examples of actively managed AlgoLabs: [passtime](#), [BlueSky](#), [BB](#)
- Example of a low capital account: [Excalibur](#), [bbr](#) (IRA)
- [New study showing weak increase in performance based on using previous % winning trades as an indicator](#)
- New “timing” study using recent string of % wins does not improve automated results.

HOW TO KNOW WHAT RISK TO USE?? [Previewing performance using the Performance Viewer](#)

- Changing risk, changing capital - metrics, ave drawdown, max drawdown explanation
- Close-up view of a drawdown period
- Equity is NOT compounded ie: profits are not reinvested.
- Trading fees are INCLUDED in PV results

AlgoLab “under the hood”

- [What are futures?](#)
 - AlgoLab trading system strategy
 - [Long AND short unlike stocks](#)
 - [Three main algorithmic strategies:](#)
 - Trend following - it works & there is LOTS of history
 - Reversion to the mean - does NOT work. RANDOM
 - Range breakouts - Works better than trend following
 - [Algorithmic trading works because it trades many uncorrelated markets simultaneously](#)
 - Expected performance:
 - 40% winning trades, ave win double ave loser
 - [AlgoLabHouseAccount](#) serves as real world evidence that the raw algorithm (no changes) works
 - Difference between [SuperSystem](#) and [DifferenceEngine](#) & [TwentySomething](#)
 - Order entries STOP LIMIT (no slippage, we let missed trades go - also why there might be differences between accts)
 - Order exits TRAILING STOP (market, ave slippage = 1 tick)
 - Entry offsets
 - Do not stress over every single trade. Differences are normal and ok
 - [Margin violations](#)
 - AlgoLab autopause, and “Pmargin” field

BREAK - SIGN [SOFTWARE LICENSE AGREEMENT!](#)

Subscribing to AlgoLab

- IB account application
 - US base currency
 - US FUTURES trading permissions
 - NO LINKED accounts
 - [Using IB Key to authenticate](#)
 - [Using challenge to authenticate](#)
 - Review of [IMPORTANT POINTS and RISK document](#)
 - DO not log into web trader, TWS or CLIENT PORTAL!!!
 - When speaking to IB, remember this is software that YOU control - we are NOT qualified to provide you with trading advice, and we DO NOT have control over your IB account. This is YOUR account, you control access, you start, stop and control software settings.
 - Adding and withdrawing capital
 - IRA and RRSP accounts
 - IB emails
 - IB account in CAD, but reporting in USD
- [AlgoLab subscription form](#)
 - Return and fee estimator
 - MAX risk explanation
 - What is access fee? what is \$150 sub fee?
 - Fees in USD
- Upgrading your AlgoLab subscription
 - If you are increasing your max risk, or adding more capital, just submit a [CHANGE SUBSCRIPTION](#) form for a new total, and we will cancel your existing recurring payment and issue a PayPal credit for the remaining portion of the month that your last recurring payment covered.
- [AlgoLab referral program](#)

Technical support

- [Read User Guide](#)
- [Read FAQ](#)
- [sign up for forum](#) <— everyone do it now
 - Subscribe to system update at forum
 - Search forum or post question
- Email tech support (me) greg@theAlgoLab.com

Additional resources:

- Books:
 - Greg's book "[Disrupting Wall Street](#)"
 - [Quants](#)
 - [Predictive Analytics](#)
 - [Fooled By Randomness](#)

- [The Drunkards Walk](#)
- Web sites:
 - [Trading View Charts](#)

Future dev

- [DB v2](#)
- [Crypto trader](#)

Closing words: [WHY ALGORITHMIC TRADING???](#)

