

# Factor Members Private Twitter Feed - September 21, 2023

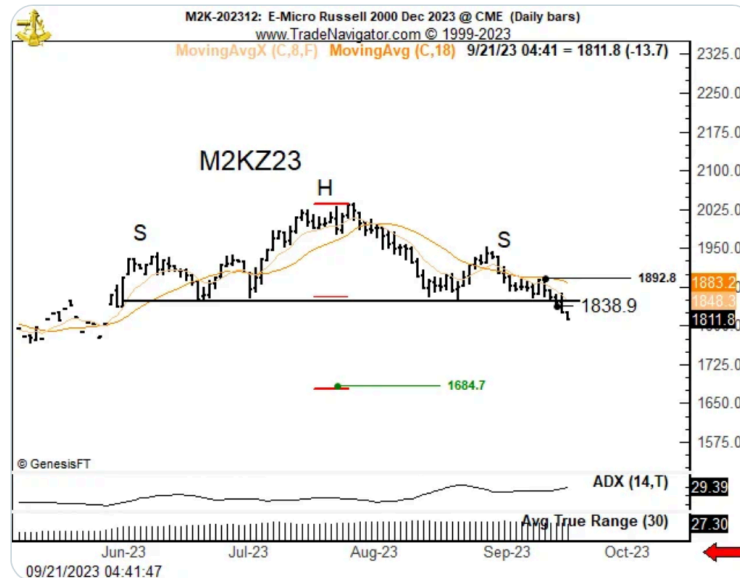


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Chart of positional interest - Russell \$RTY \$M2K

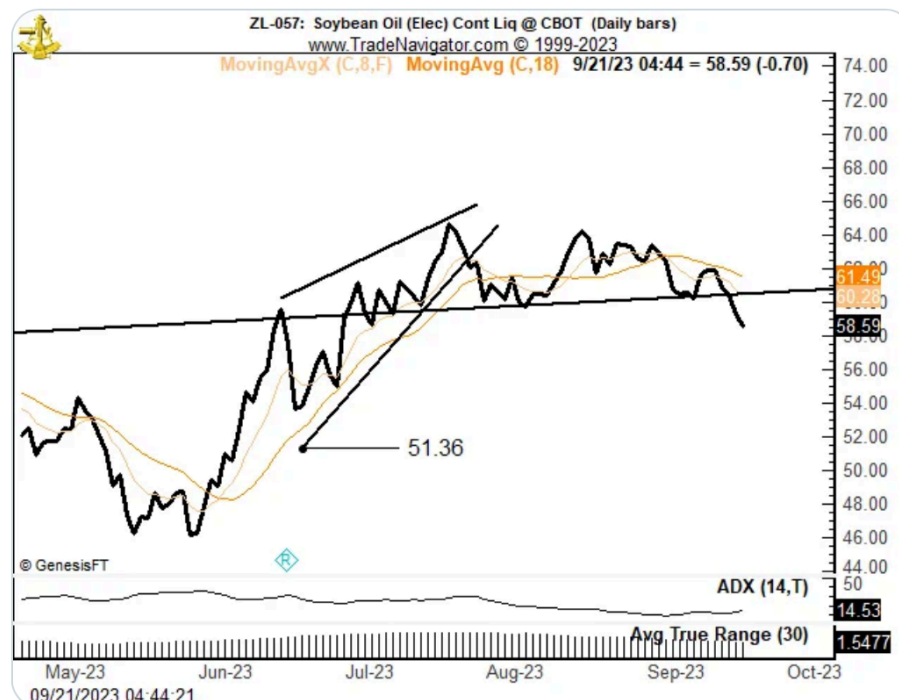
Here is the trade

A move above Wednesday high would knock me out while a close above 1893 is needed to negate the pattern



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Soybean Oil is completing a rounding top as shown on line chart. The rounding pattern is tactically difficult to trade \$ZL\_F

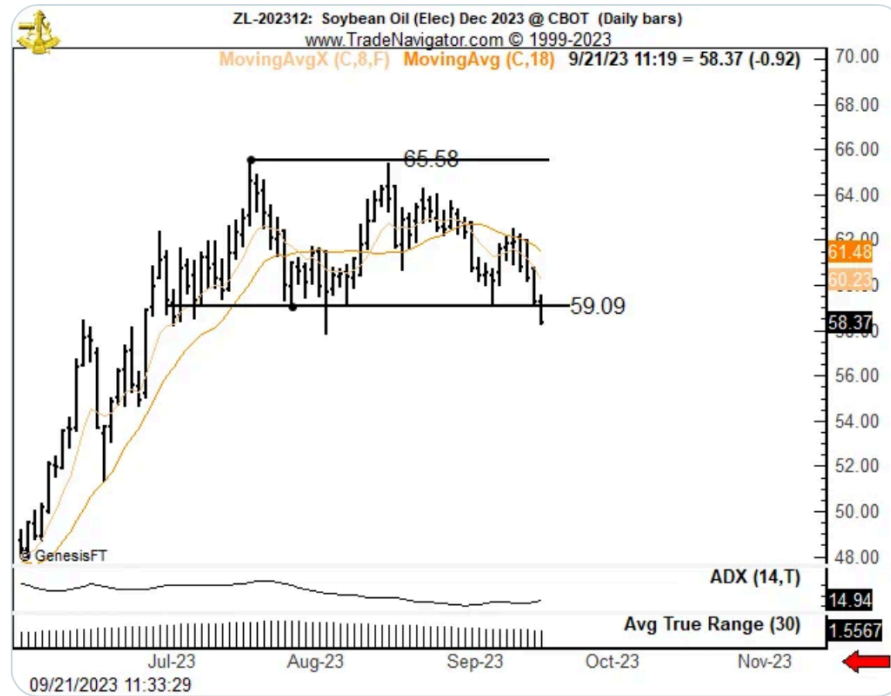




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Chart of tradeable interest - Soybean Oil \$ZL\_F

I have placed orders to sell a retest in Dec Oil if one occurs, otherwise I miss the trade



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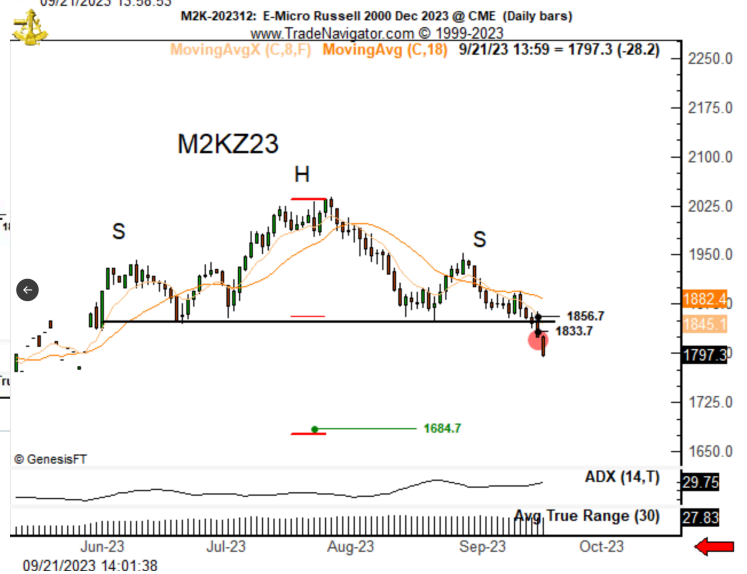
Add to my seemingly never ending series of round-trippers, I was stopped out of half my Topix position today and will likely be stopped out of other half on Friday





### Market in review - Russell 2000

When will we get some follow through? Will it be in the Russell?  
 Weekly chart in huge rectangular range 1640 to 2020.  
 Daily chart has completed a H&S top within larger trading range.  
 As of now, stops just above 1857 and 1834  
 Trade sizing was 30 micros with target 1686





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A breakout of a channel typically will move a distance equal to the width of the channel, so in the case of nearby \$ZNZ23 that is about 106.



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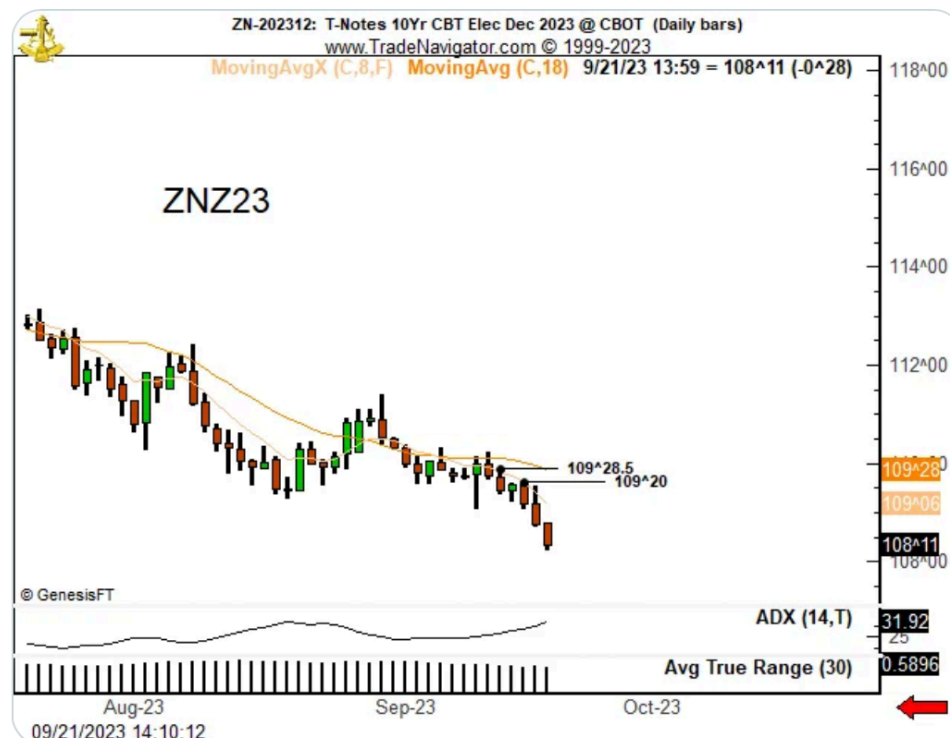
1,038



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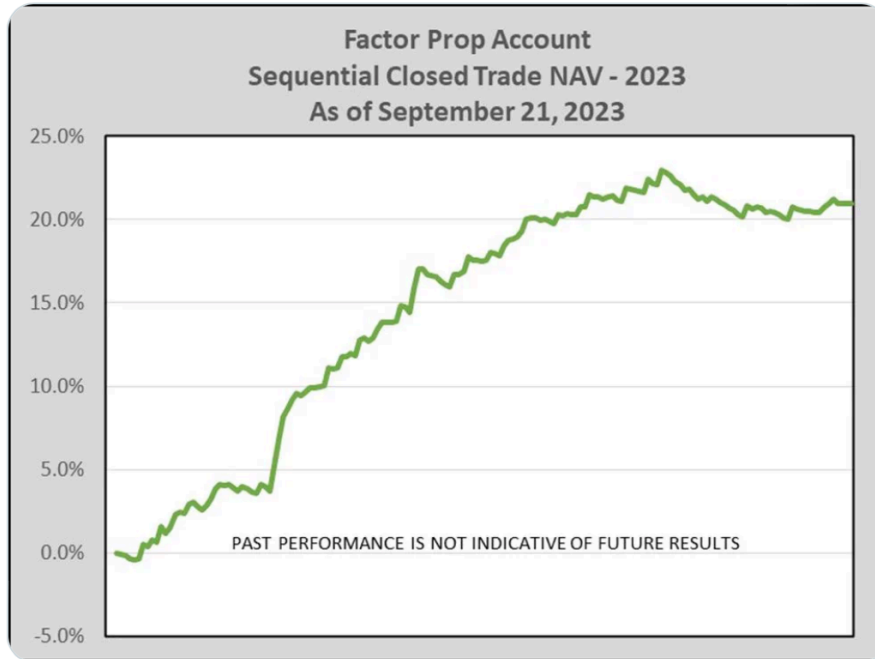
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Factor Prop Account stops are just above the call-out prices





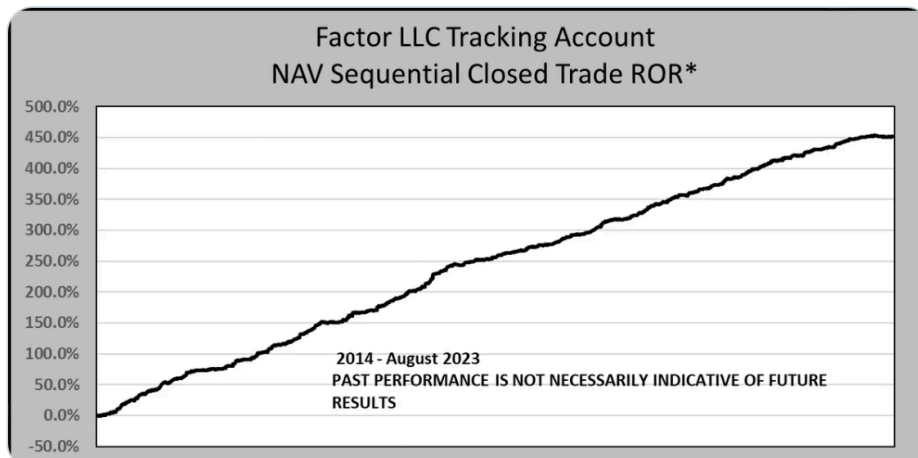
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Underwater on sequential closed trade basis since Jul 27



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Drawdowns can last for seemingly forever. Present DD dates back to Jul 27 - eight weeks since the last ATH NAV. Just a split second compared to my **year and a half** DD in 2013-2014. I'd need to do some looking, but probably the longest DD since inception of Factor Service in 2014. **Don't let the graph shown fool you.** The NAV since Factor Service inception is based on sequential **CLOSED** trades and does **NOT** reflect marked-to-market (MTM) asset volatility. Worst annual DDs for Prop Account on sequential closed trade basis have been around 3%. As general rule, MTM asset volatility can be two- to-three times greater than sequential closed trade basis. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS





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I really do not want to experience a DD that is not FULLY recovered by one or two good trades. This is why it is VITAL for me to keep sizing under control (30 or so BP per tranche, 60 or so BP per trade). With strict risk management I can survive a DD and quickly recover.

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1,817



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Here is how 2023 is comparing to the 2014-2023 averages.

Year	2023 (Jan-Aug)	Non-weighted Avg (2014-Aug23)
Win rate	50.4%	54.2%
Trading frequency (RT)*	141	164
Avg Gain (BPs)	46	64
Avg Loss (BPs)	-14	(16)
Ratio win size to loss size	3.3	4.1
ROR	23.0%	44.2%
Profit Factor	4.0	5.2
<b>% of total profits from largest 15%</b>	<b>99%</b>	<b>81%</b>
<b>Avg. BP profit of Net Bottom-Liners</b>	<b>101</b>	<b>159</b>