

Mechanical Trading with ShareFinder

G.B, Perth, Western Australia. January, 2006.

I have been a client of ShareFinder since 1999, and an Osprey user since 2003. In particular, I have traded the Australian Sectors using Contracts For Difference (CFD's) since October 2004. Prior to 1999, I had been more of a passive investor, "buy and hold" blue chips according to funds available.

My introduction to mechanical trading has resulted in a huge, and very profitable learning curve. Having "dabbled" in a semi-mechanical system (non-ShareFinder) early in 2004, I soon realised the massive worth of a purely mechanical system (Osprey). Osprey has transformed my trading in a number of ways:-

- **Time** – I now spend less than ½ an hour a day on trading work – that's less than a TV program a day!!
- **Angst** – I no longer worry about whether I have interpreted the signals correctly. I simply record the potential breakouts for tomorrow and process them with automation. More importantly than entry choices, Osprey documents the exit points, so the difficult decision of closing a losing trade is made far easier. Add to that the ability of being able to set "Stop Entry" and "Stop Exit" Orders out of market hours; I don't need to monitor the market during trading hours. My orders are processed while I'm busy doing other things.
- **Confidence** – ShareFinder provides years of back-testing results with which I can "tweak" my trading profile, until I find a selection that best suits me. I am then able to view the profit curve over that 5 year period. This process aids confidence in the system, so that when drawdown inevitably occurs, I can plough on, knowing that new equity peaks will eventually follow.

In terms of statistics, please see below for results of my Osprey Australian Sector CFD trading for the period 28/10/04 – 24/01/06 (15 months).

Initial capital :	\$11,073.38
Portfolio balance as at 24/01/06 :	\$58,853.08
Net profit for period :	\$47,779.70
Number of completed trades :	95
Profitable trades :	46
Loss Trades :	49
Profit to Loss Ratio :	0.484
Average Profit trade :	\$2421.15
Average Loss trade :	\$1,381.78
Profit Ratio :	1.75
Average \$ return per trade :	\$459.64
Average % move per trade :	0.40% (unleveraged)
Most consecutive profit trades :	3
Most consecutive loss trades :	4
Average Hold period :	4.32 days
Current position size :	3.24% of total available capital
Leverage :	100 : 1

The above data may be confusing for those not familiar with statistics. However, the reality for my family and I is that trading Osprey is a simple, daily task that I feel will continue **whilst we have a measured edge**. Our family is now able to make significant lifestyle choices that would otherwise not be available to us.

I have worked in the finance and book-keeping area for over 25 years, and have seen the struggles of many a small business owner. Issues of stock, staff, competition, debtors and creditors all detract from the joy of running your own business. My husband and I are partners with another family in running a manufacturing business. We have the same issues to deal with.

But with our "part-time" sector trading business, we have **none** of these issues. Certainly, we are constrained by the CFD platform provider (currently CMC) and their need to run **their** business at a profit. However, we believe that there is still a very high probability that by strictly following the Osprey methodology, with its positive mathematical expectation, we will continue to reap large rewards.