

Why I Stopped Coding My Own Trading Strategies

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BK TRADERS VIDEO ANALYSIS: WHY I STOPPED CODING MY OWN TRADING STRATEGIES

1. EXECUTIVE SUMMARY

Ramon, a computer engineer turned full-time algorithmic trader, shares how he transitioned from unprofitable manual and self-coded trading to using Strategy Quant to generate robust algorithmic strategies. His core teaching centers on treating trading as a business by running multiple strategies across multiple accounts, selecting trending assets, and maintaining strict risk management based on fixed dollar risk rather than lot size. He also discusses his experience with the Axi Select funded trader program, including reaching and losing Prom status due to a human configuration error.

2. KEY CONCEPTS

[1:43] Transition from manual to algorithmic trading: Ramon spent 4 years as an unprofitable manual trader before discovering algorithmic trading in 2018, which better suited his engineering background and emotional temperament.

[3:36] Strategy Quant as a strategy generator: Rather than coding strategies manually, Ramon uses Strategy Quant to automatically search for profitable edges across instruments, timeframes, and indicators.

[5:07] Configuration steps for Strategy Quant: Users must define the instrument, timeframe, indicators/behaviors, and minimum performance criteria (e.g., 40%+ win rate) before the tool searches for strategies.

[10:03] Instrument selection based on trend behavior: Forex pairs are in range 70% of the time; JPY crosses and American indices trend more reliably, making them better candidates for algorithmic trend strategies.

[12:10] Risk-to-reward as primary KPI: Ramon defines his key metric as total profit divided by maximum drawdown, prioritizing strategies with lower drawdown even if they earn slightly less.

[13:31] Win rate floor: Ramon requires a minimum 40% win rate from any strategy he considers working with.

[0:00] ATR-based dynamic position sizing: Stop losses are set using the ATR volatility indicator; when volatility increases, stop loss widens and lot size decreases proportionally to keep dollar risk constant.

[14:34] Two turning points to profitability: Moving from one strategy to multiple strategies per account, and then from one account to multiple accounts, were the two decisions that transformed his results.

[22:04] Manual vs. algorithmic trading equivalence: Both approaches fight the same market; algorithmic trading simply removed the emotional and screen-time pressure that prevented Ramon from being profitable manually.

[30:09] Strategy lifecycle management: New strategies go to demo for a minimum of one month before live deployment; older demo strategies with longer track records are preferred over recently created ones.

3. TRADING STRATEGIES MENTIONED

ATR Volatility-Based Algorithmic Strategy

- **Strategy name:** ATR Dynamic Stop Loss Robot (generated via Strategy Quant)
- **Entry rules:** Defined by Strategy Quant output; example given uses trend-based indicators such as moving averages with price above/below MA and a pullback condition before re-entry
- **Exit rules:** Stop loss determined dynamically by ATR indicator; wider stop in high-volatility conditions, tighter stop in low-volatility conditions
- **Risk management:** Fixed dollar risk per trade (e.g., \$200 per trade); lot size is calculated automatically to match that dollar risk given the ATR-derived stop distance; if calculated lot size falls below minimum (0.01), a default lot parameter must be manually set to avoid errors
- **Example given:** One lot in gold was accidentally opened due to a misconfigured default lot parameter when ATR-calculated lot size fell below 0.01, resulting in a 10% account loss

Trend-Following Multi-Strategy Portfolio Approach

- **Strategy name:** Multi-strategy, multi-account algorithmic portfolio
 - **Entry rules:** Individual strategies generated by Strategy Quant targeting trending assets (gold, NASDAQ, USD/JPY); entries based on combinations of trend indicators (e.g., moving averages, pullback conditions)
 - **Exit rules:** Each strategy has its own stop loss and take profit as defined during Strategy Quant generation
 - **Risk management:** 1%–1.5% risk per trade during growth phases; reduced to 0.5% or less during drawdown or conservative periods; maximum historical drawdown used as a circuit breaker — if a live strategy approaches its historical maximum drawdown, it is replaced with a better-performing demo strategy
 - **Example given:** Gold strategies from a demo account started in May/June of the prior year are preferred over newer 2–3 month demo strategies because the longer track record provides stronger statistical confidence
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4. ACTIONABLE TAKEAWAYS

- Choose trending instruments first — prioritize JPY crosses, gold, and US indices over range-bound forex pairs before building any strategy
 - Configure Strategy Quant with a minimum 40% win rate filter and a strong profit-to-max-drawdown ratio as core acceptance criteria
 - Set dollar-based risk per trade (not lot-based) so position size adjusts automatically with ATR stop distance
 - Always manually verify the default lot size parameter in your robot to prevent it from opening oversized positions when ATR-calculated lots fall below the broker minimum
 - Run new strategies in demo for at least one month (minimum 15–20 trades) before moving them to live accounts
 - Prioritize demo strategies with longer track records (e.g., 12 months) over recently created ones when replacing underperforming live strategies
 - Run multiple strategies simultaneously in each account to diversify across different edges and instruments
 - Operate multiple accounts in parallel to increase the probability that at least one is profitable at year-end
 - Set a maximum historical drawdown threshold for each strategy — remove and replace any strategy that approaches that threshold
 - Do not become emotionally attached to your first account; treat every account as one unit in a broader business portfolio
 - Do not expect profitability in the first or second month — commit to a multi-year learning timeline
 - Consider the Axi Select funded program if you trade algorithms, as it is algo-friendly, free to enter, and allows you to drop a stage rather than lose everything upon a drawdown breach
 - Reduce risk per trade significantly during difficult market periods (e.g., drop from 1.5% to 0.5% per trade) to protect capital and stay in the program
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5. IMPORTANT TIMESTAMPS

[0:00] ATR-based stop loss and dynamic lot sizing explained — the core risk management mechanic of Ramon's robots

[1:43] Ramon describes starting manual trading in 2014 with zero market knowledge from his computer science degree

[2:53] Ramon admits he was not profitable as a manual trader — the main driver for moving to algorithmic trading in 2018

[3:36] Ramon reveals that every strategy he coded himself failed backtests — the reason he stopped coding his own strategies

[4:09] Discovery of Strategy Quant as an automated strategy generation tool

[5:07] Step-by-step walkthrough of how to configure Strategy Quant for the first time

[10:03] Key insight on instrument selection: forex is 70% range-bound; JPY crosses and US indices trend more reliably

[12:10] Explanation of his primary KPI — profit divided by maximum drawdown — and why he prefers lower-drawdown strategies even with lower returns

[14:34] The two pivotal moments that took him from unprofitable to consistent: multiple strategies per account, then multiple accounts

[15:55] Ramon discloses going from \$1 million in funded capital (Prom status) down to Pro-500 due to a single human error

[18:23] Ramon reached Prom status in 11 months — the minimum time allowed through each Axi Select stage

[22:04] Ramon argues manual and algorithmic traders have equal opportunity — algorithmic trading simply removed emotional pressure for him personally

[24:13] Explanation of Axi Select's structure: traders use their own money but trades are replicated to a mirror account with much larger capital

[25:52] Critical advantage of Axi Select over other prop firms: dropping a stage instead of losing everything when a drawdown breach occurs

[30:09] Strategy lifecycle system explained: demo accounts act as a pipeline; older demo strategies with longer history are prioritized for live deployment

[32:35] Human error that caused the drop from Prom to Pro-500: default lot parameter set to 1.0 instead of 0.01, opening a full lot in gold during a high-ATR period

[35:08] Core mindset advice for students: treat trading as a job requiring years of study, not a casino with fast returns

[38:04] Ramon's biggest single payout: \$24,000 in one month at Pro-500 stage, achieved two weeks into that stage

6. VOCABULARY/TERMS DEFINED

ATR (Average True Range): A volatility indicator used to measure how much price moves on average over a given period; Ramon uses it to set dynamic stop loss distances that widen in high-volatility conditions and tighten in low-volatility conditions.

Strategy Quant: A third-party software platform that automatically generates, backtests, and filters algorithmic trading strategies based on user-defined parameters such as instrument, timeframe, indicators, and performance criteria.

Edge: A statistically favorable condition in the market that a strategy exploits to produce positive expected value over many trades.

Win Rate (Win Ratio): The percentage of trades that close profitably; Ramon uses 40% as his minimum acceptable threshold.

Drawdown: The peak-to-trough decline in account equity during a given period; Ramon uses maximum historical drawdown as the denominator in his primary KPI and as a circuit breaker for removing strategies.

Risk-to-Reward (Profit-to-Drawdown ratio): Ramon's primary KPI defined as total profit generated divided by maximum drawdown experienced; a higher ratio indicates a more capital-efficient strategy.

Swap: The overnight financing cost (or credit) applied to positions held past the daily rollover; a critical parameter to configure accurately in backtests for strategies that hold positions overnight.

Default Lot: A fallback position size parameter in a trading robot that activates when the calculated lot size falls outside allowable bounds (e.g., below the broker minimum of 0.01); must be set conservatively to avoid oversized accidental positions.

Axi Select: A funded trader program offered by broker Axi that is free to enter, allows traders to grow allocated capital through stages, and uniquely permits traders to drop a stage rather than lose their account entirely upon a drawdown breach.

Prom (Prom Status): The highest tier within the Axi Select program, granting the trader access to approximately \$1 million in replicated capital.

Pro-500: A stage within Axi Select representing approximately \$500,000 in allocated capital; one level below Prom.

Metatrader: The trading platform Ramon uses to deploy his Strategy Quant-generated robots via drag-and-drop onto charts.

Microlot: A position size of 0.01 lots, the minimum tradeable unit on most retail forex brokers.

KPI (Key Performance Indicator): A measurable metric used to evaluate strategy performance; Ramon focuses primarily on profit-to-drawdown ratio and win rate.

7. QUOTES & INSIGHTS

"Everything that I was programming was not profitable. So any strategy I learned through manual trading — once you program it, you can know all the profitable years that strategy has taken, and none of them were profitable in the past."

Insight: Backtesting your own manually learned strategies is a fast way to discover that most discretionary setups have no statistical edge — a humbling but essential step before moving to systematic generation.

"If you are building several accounts, you have more probabilities to be profitable in one of them at the end of the year. Remove the love that you have to the first account and start thinking as a business."

Insight: Emotional attachment to a single account is one of the most common and costly beginner mistakes in algorithmic trading.

"The drawdown is my cost. One strategy that wins \$10,000 in a year with a \$2,000 drawdown is not the same as a strategy with a \$5,000 drawdown. I have to risk double for the second strategy to win the same."

Insight: Framing drawdown as the cost of returns reframes risk management from a defensive afterthought into the central lens for strategy evaluation.

"I am not using only one strategy. I am using several strategies into the same account."

Insight: Portfolio-level thinking — diversifying across uncorrelated strategies — is as important in algorithmic trading as it is in traditional investing.

"I go down from one million in Axi Select to Pro-500 again — for one human mistake."

Insight: Even fully automated systems have human failure points at the configuration stage; the most dangerous moment is when you deploy a new robot to a live account without verifying every parameter.

"Don't wait for trading to provide you money in the first month, neither in the second month. This is a job. Everybody that wants to learn a job spends years studying."

Insight: The expectation of fast profits is the single biggest mindset error new traders carry — reframing trading as a multi-year professional skill acquisition changes behavior immediately.

"I am looking for the ones coming from last June — one year ago — if they are still profitable. It has a stronger reason for me to put them in a real account rather than ones that were in demo for only two or three months."

Insight: Time in demo is not just a waiting period — it is active validation. Strategies that survive longer in demo across changing market conditions carry far more statistical credibility than newly generated ones.

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