

EON LABS| ML STRATEGIES

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This document aims to detail one of our short term alpha ML strategies (internally named 0727) that we are ready to deploy with EON LABS.

STRATEGY DESCRIPTION

1. The strategies are mainly based on Machine Learning (ML) predictions. A sophisticated engine has been built after prototyping a combination of Gradient Boosting Machine (GBM), LSTM and Transformers.
2. On top of these predictions given by the models, many rule-based decision engines are applied to validate the trade opening.
3. The strategies are based on predefined and dynamic TakeProfit (TP) and StopLoss (SL).

So far, the ML strategies have been tested and aim to be deployed for :

- BTC Futures
- ETH Futures

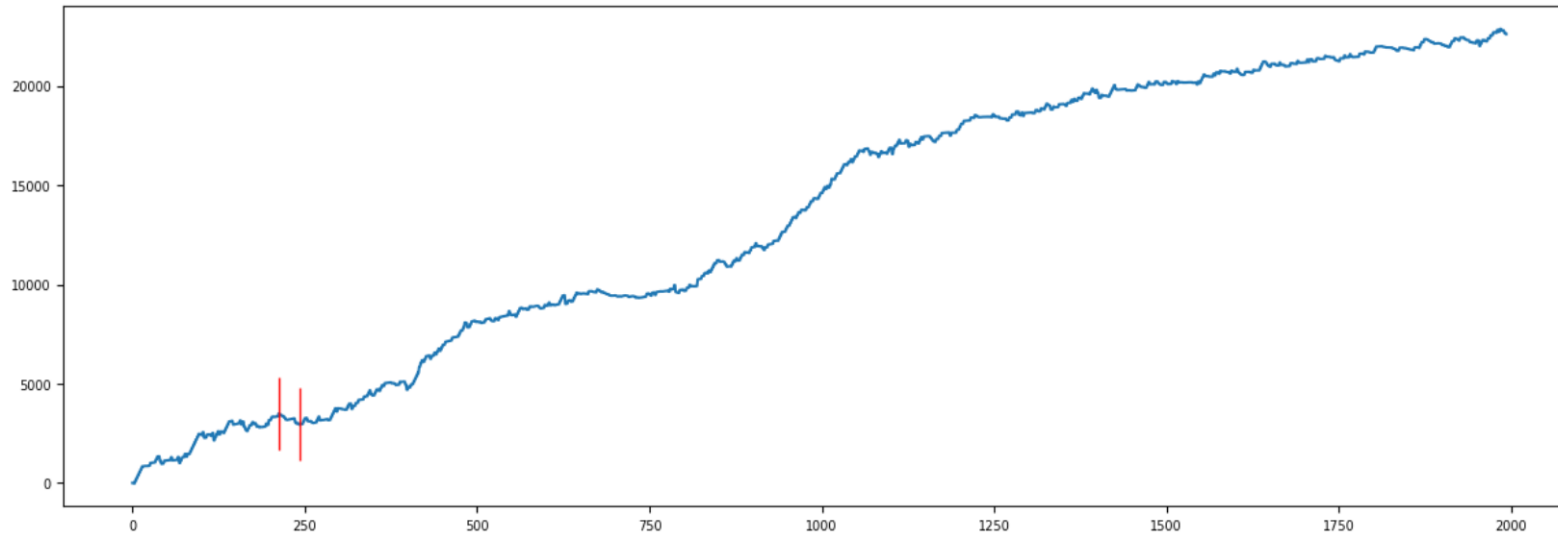
Note: it has also been tested with EURUSD and performs very well.

BACKTESTING METHODOLOGY

Our backtesting methodology is designed to leverage ML out-of-sample techniques, ensuring a striking 94.8% similarity with live trading results.

Note: Drawdown is based on the daily P&L

Here below is the strategy backtest with our bespoke tool. It runs from 2022-09-01 to 2023-08-24.



Instrument: **ETH-PERP FUTURES** | INITIAL CAPITAL : **10 000** USDT | Fees level: **0.014%** Binance (VIP 9)

LEVERAGE : **4**

Backtesting period from 2022-09-01 00:00:00 to 2023-08-24 09:15:00

TOTAL TRADES: 997

TOTAL TP: **653** | SUM(TP): 44416.07

TOTAL SL: **343** | SUM(SL): -21795.52

SHARPE Ratio: **5.67**

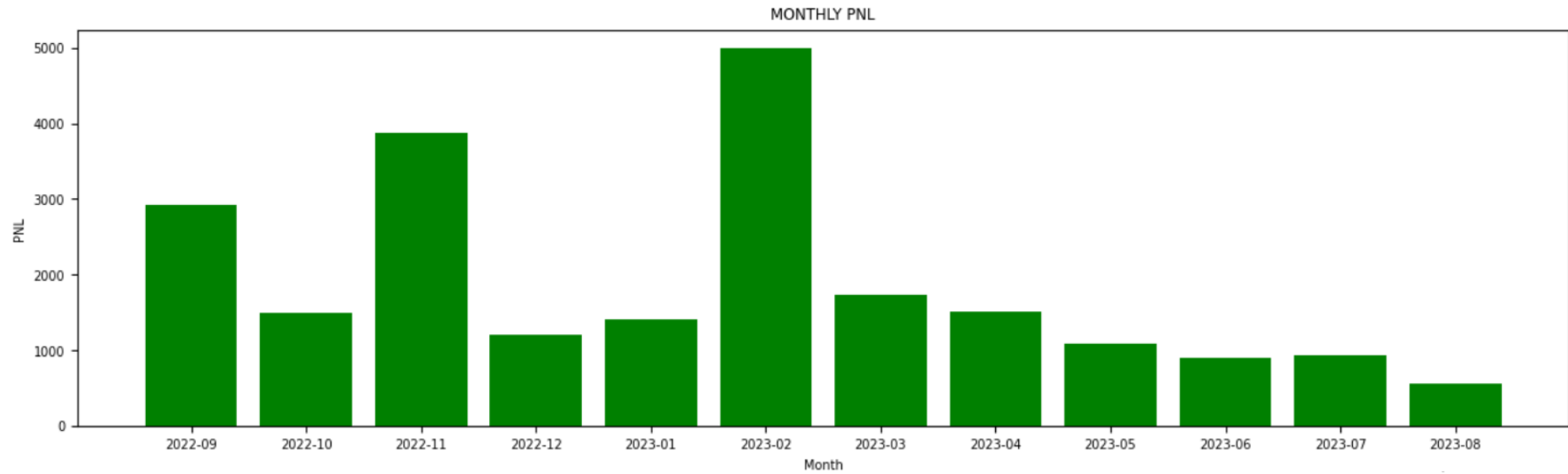
MAX DRAWDOWN: **555.43 USDT (5,55 %)**

NET PNL in USDT: **22620.54**

AVERAGE MONTHLY PERF %: **18.85**

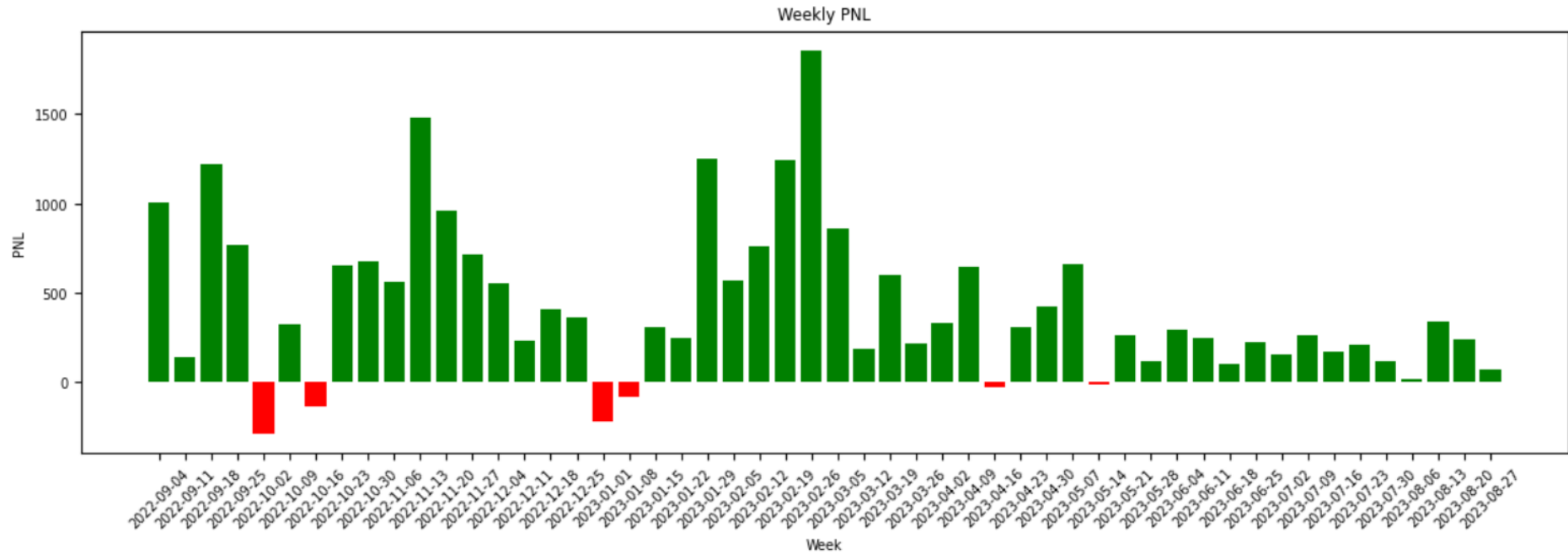
MONTHLY P&L

ETH-PERP FUTURES from 2022-09-01 to 2023-08-24.



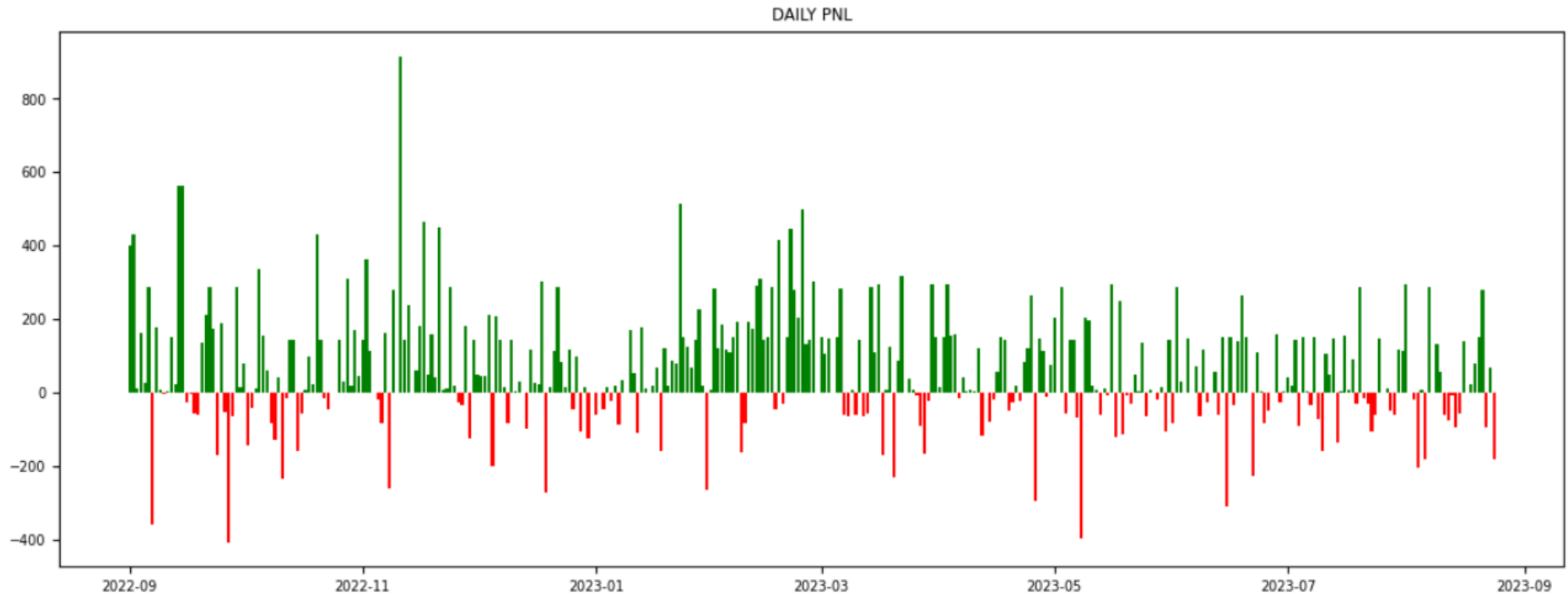
WEEKLY P&L

ETH-PERP FUTURES from 2022-09-01 to 2023-08-24.

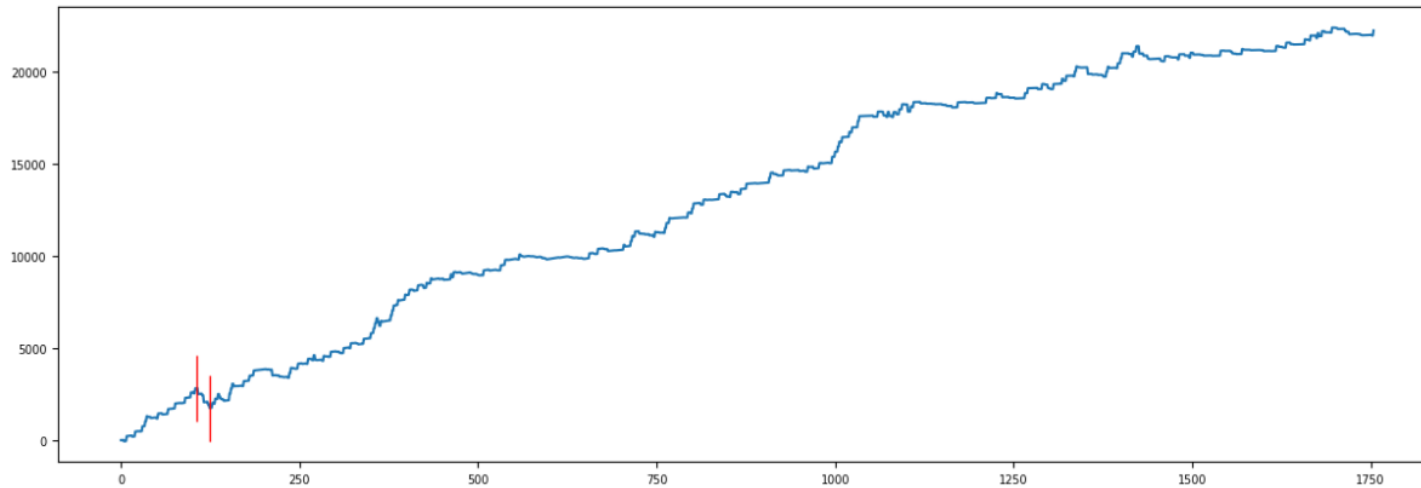


DAILY P&L

ETH-PERP FUTURES from 2022-09-01 to 2023-08-24.



Same strategy backtested on BTC Futures :



Instrument: **BTC-PERP FUTURES** | INITIAL CAPITAL : **10 000** USDT | Fees level: **0.014%** Binance (VIP 9)

LEVERAGE : 4

Backtesting period from 2022-09-01 00:00:00 to 2023-08-23 23:45:00

TOTAL TRADES: 877

TOTAL TP: **626** | SUM(TP): 35654.89

TOTAL SL: **251** | SUM(SL): -13423.06

SHARPE Ratio: **5.22**

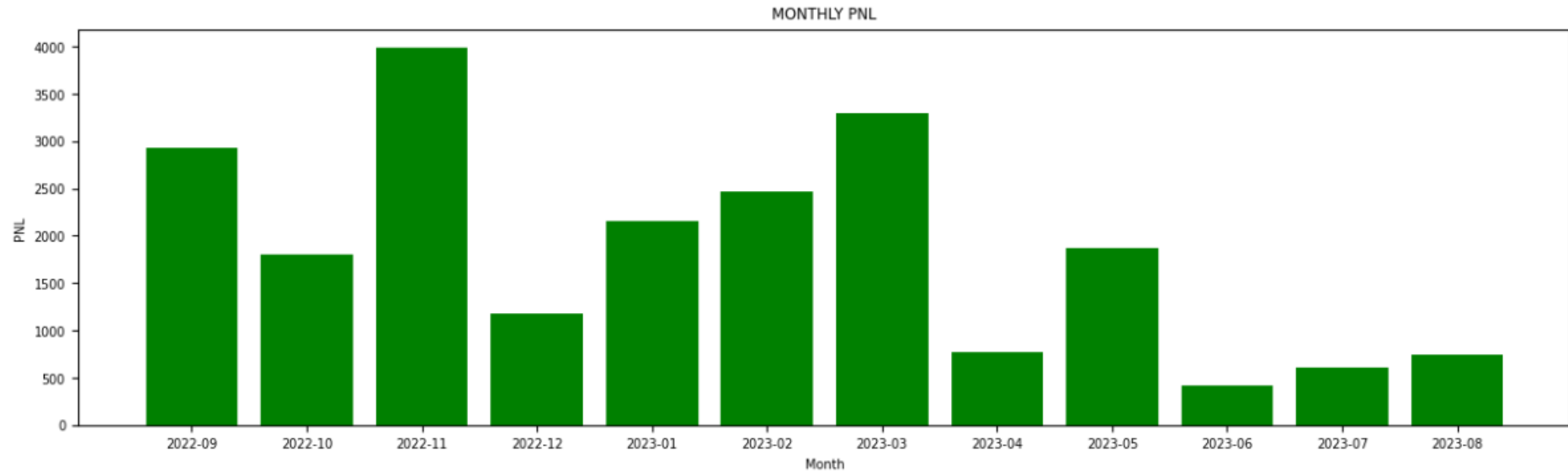
MAX DRAWDOWN: **1068.28** USDT (**10,68 %**)

NET PNL in USDT: **22231.83**

AVERAGE MONTHLY PERF %: **18.52**

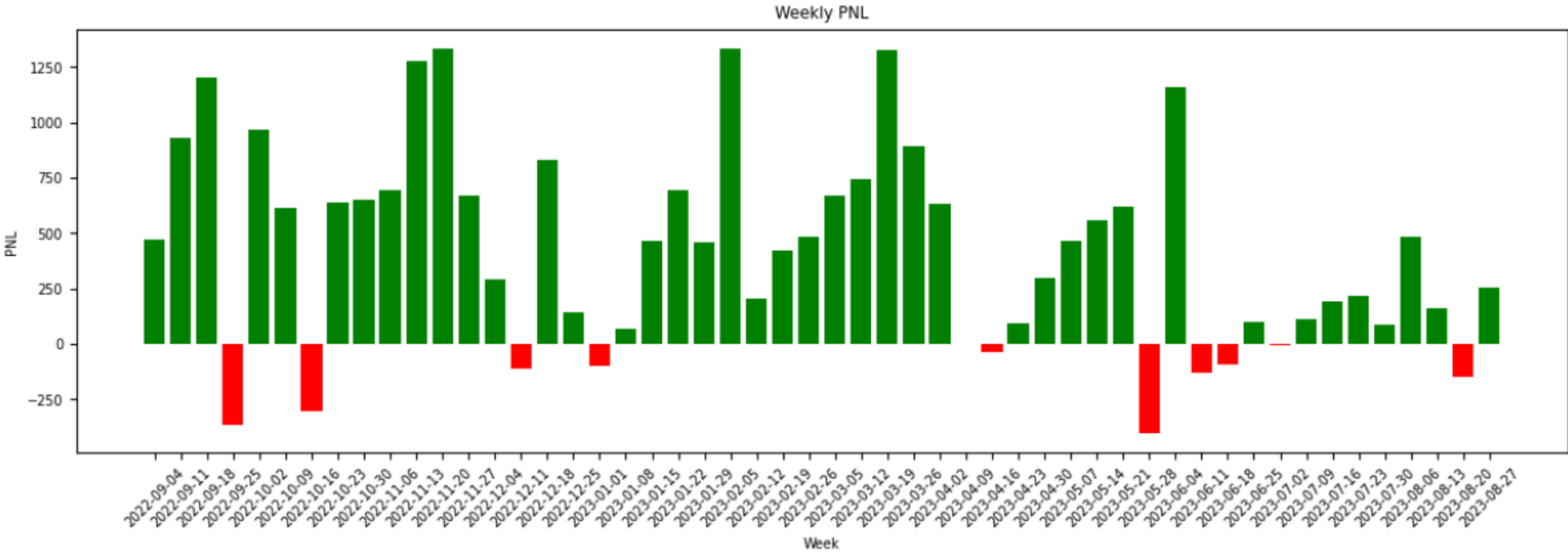
MONTHLY P&L

BTC-PERP FUTURES from 2022-09-01 to 2023-08-24.



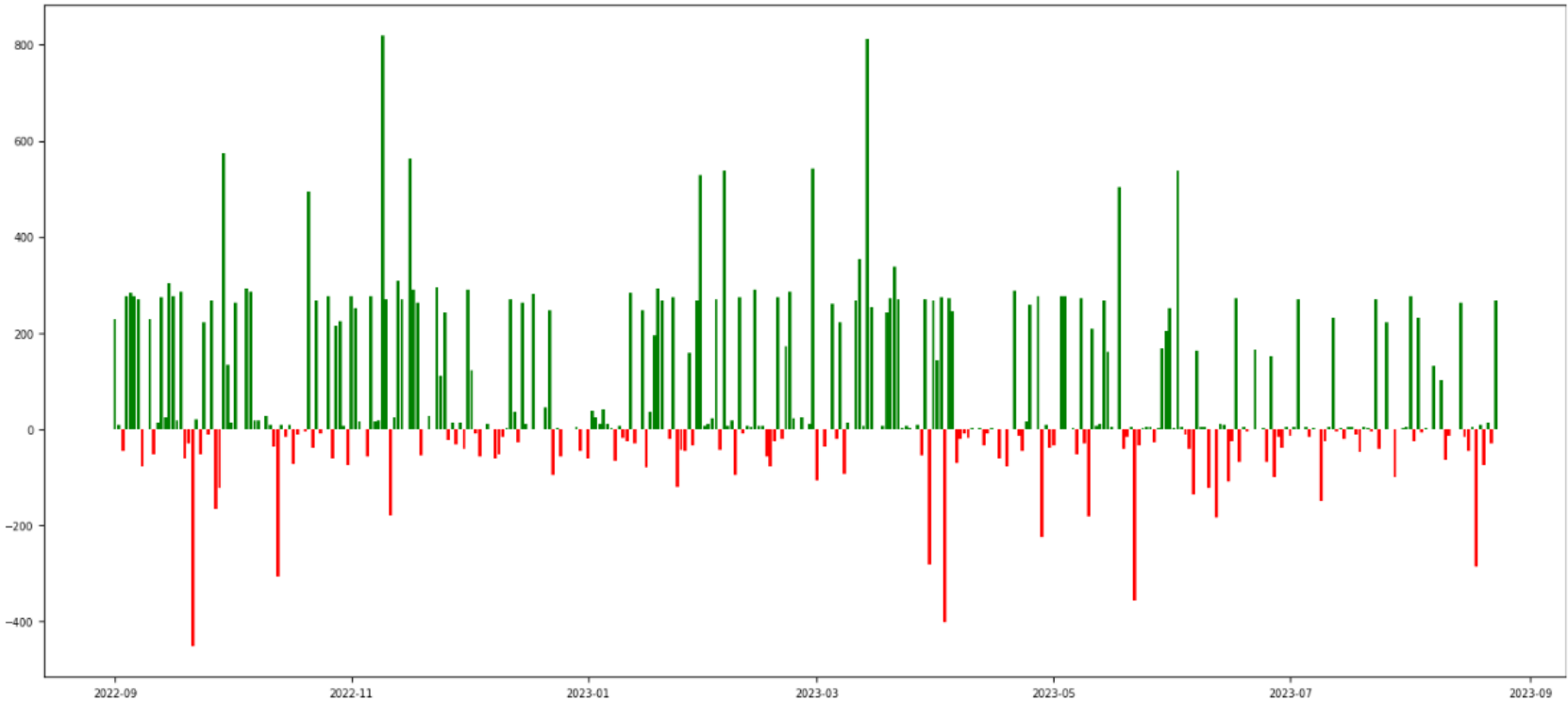
WEEKLY P&L

BTC-PERP FUTURES from 2022-09-01 to 2023-08-24.



DAILY P&L

BTC-PERP FUTURES from 2022-09-01 to 2023-08-24.

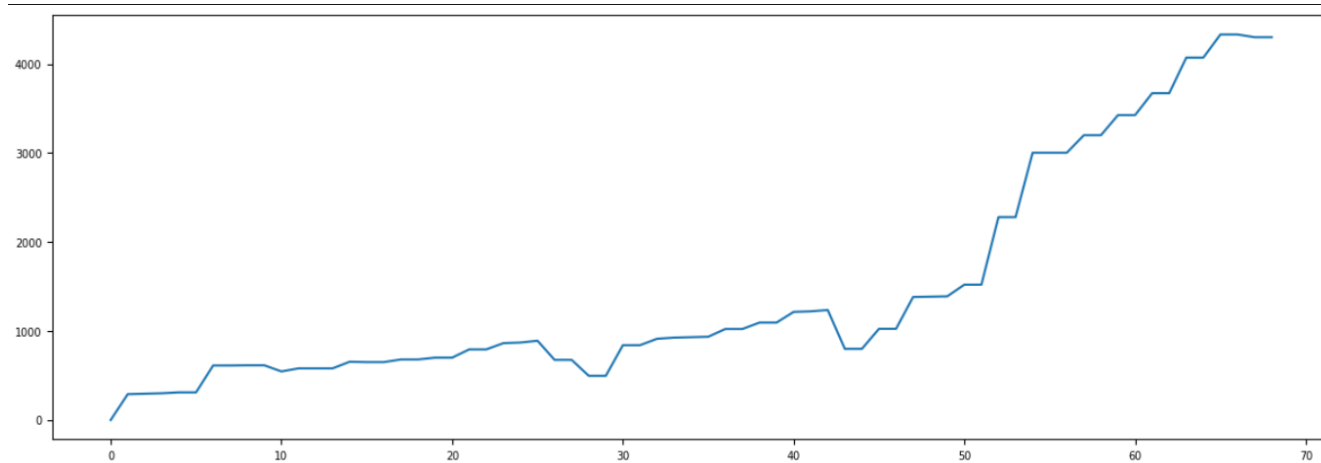


Here below is a live sample track record of another strategy (internally named 0722 and not part of those we will deploy) mirrored in another crypto exchange over the past month that shows our backtest accuracy.

Note : The exact same leverage was used - namely : 2



BACKTEST WITH STRATEGY 0722



Instrument: **ETH-PERP FUTURES** (strat 0722) | INITIAL CAPITAL : **10 000 USDT** | Fees level: 0.014% Binance (VIP 9)

Leverage : **3**

Backtesting period from 2023-08-04 00:00:00 to 2023-09-02 09:15:00

TOTAL TRADES: 59 (= 118 orders)

SHARPE Ratio: **4.61**

MAX DRAWDOWN : **391 USDT (3.91 %)**

NET PNL in USDT: **4288**

AVERAGE MONTHLY PERFORMANCE %: **42,88**

LIVE PERFORMANCE : **+46.04** vs BACKTEST PERFORMANCE : **+42,88**