"ENTRY AND EXIT CONFESSIONS" – BOOK ERRORS

Here are corrections to errors that readers have reported. You might find that the book version you have has already been corrected, but if not, here are corrected sections. Corrections are identified with large red text.

ENTRY #22 – "ASYMMETRIC AGAIN"

General Concept

Here is another asymmetric entry. Obviously, you could come up with all sorts of variations on this – both symmetric and asymmetric. As I mentioned, I am not a huge fan of these.

Why?

Having separate calculation methods for long and short entries leads to more degrees of freedom in the strategy. Simply put, there are more things possible to tweak and optimize. More optimization will yield better backtest results, but my experience is that does not usually work well going forward in real time.

So, if you must use asymmetric entries, make sure first the market is amenable to it (like the stock market, which has an upward bias), then use it with minimal optimization.

Tradestation Code

```
var: EntryL(0),EntryS(0),ATRmult(0), Length1(10),Length2(12);
var: EntCondL(False), EntCondS(False);

EntryL = OpenD(0) + ATRmult * AvgTrueRange(14);
EntryS = LowD(0) - ATRmult * AvgTrueRange(14);

Value1 = OpenD(0);

Value2= CloseD(1);

EntCondL = Value1>=Value2;
EntCondS = true;

If EntCondL then  Buy next bar at EntryL stop;
If EntCondS then  SellShort next bar at EntryS stop;
```

Plain English Code

First calculate the long and short entry prices. The long entry price is the daily open plus *ATRmult* times the 14 period Average True Range. The short entry price is the day's low minus *ATRmult* times the 14 period Average True Range. Note that these are not symmetric prices.

If today's open is greater than yesterday's close then you can place a long order. Otherwise, no long order can be placed.

The short order can always be placed.

Finally, if a long entry is possible, buy the next bar at *EntryL* on a stop. Similarly, sell short the next bar at *EntryS* on a stop.

ENTRY #38 – "START WITH AN AWESOME OSCILLATOR"

General Concept

As I have mentioned a few times in this book, I usually get my ideas, or at least the start of my ideas, from somewhere besides my brain. I try to build on and improve what others have created, and in that way make it my own.

Such is the case with this entry, which is based on the Awesome Oscillator by Bill Williams. I do not use it quite the way he does, but I have found times when it is effective.

This entry is still fairly simple, but also can be varied in numerous ways. One idea, that I have never tested, is to have an awesome oscillator calculation for the high, and another for the low. Perhaps they may converge and diverge, and that might lead to some interesting results.

Tradestation Code

```
vars: aback(1),bback(1); // Awesome oscillator lengths
vars: v1(5),v3(2); //average lengths
Vars: fatr(.5); //threshold for stochastic length
Vars: AO(0);
Vars:Price(0);

Price=(H+L)/2.;
Value1=average((H+L)/2,v1);

Value2=average((H+L)/2,v1+v3);

AO = (value1-value2);
//Bullish divergence
Condition1=AO[aback]>AO[bback];

//bearish divergence
Condition2=AO[aback]<AO[bback];

condition3=low<low[1] and (close-low)/(high-low+.000001)>fatr;
condition4=high>high[1] and (close-low)/(high-low+.000001)<(1-fatr);


if condition1 and condition4 then sellshort next bar at market;
if condition2 and condition3 then buy next bar at market;
```

Plain English Code

Calculate value1, which is the average of (high + low)/2 over last *v1* bars.

Calculate value2, which is the average of (high + low)/2 over last *v1+v3* bars.

Calculate *AO* = value1 – value2

Condition1 is true if *AO* of *aback* bars is greater than AO of *bback* bars
Condition2 is true if *AO* of *aback* bars is less than AO of *bback* bars

Condition3 is true if both parts below are true:
1. Current low less than previous low
2. (close-low)/(high-low) is greater than *fatr*

Condition4 is true if both parts below are true:
1. Current high greater than previous high
2. (close-low)/(high-low) is less than 1-*fatr*

Then, if Condition1 and Condition4 are both true, sell short the next bar at market;
Conversely, if Condition2 and Condition3 are both true, buy the next bar at market;