

NeuroShell Trader

The simple stochastic trading system described by John Ehlers and Ric Way can be easily implemented with a few of NeuroShell Trader's over 800 indicators. Simply select 'New Trading Strategy ...' from the 'Insert' menu and enter the following in the appropriate locations of the Trading Strategy Wizard:

BUY LONG CONDITIONS:	CrossBelow(Stoch%K(High,Low,Close,5),30)
LONG TRAILING STOP:	PriceFloor%(Trading Strategy,3.8)
SELL LONG CONDITIONS:	BarsSinceFill>=X(Trading Strategy,14)

If you have the NeuroShell Trader Professional, you can also choose whether or not the parameters should be optimized. After backtesting the trading strategy, use the 'Detailed Analysis ...' button to view the backtest and trade by trade statistics for the strategy.

You can also create another Trading Strategy using the Center of Gravity indicator referenced in the article along with a one period lag of the same indicator called the Trigger. Both indicators are part of Ehlers' Cybernetic Analysis add-on for NeuroShell Trader.

BUY LONG CONDITIONS:	Center of Gravity > Center of Gravity Trigger
SELL LONG CONDITIONS:	Center of Gravity < Center of Gravity Trigger

Users of NeuroShell Trader can go to the STOCKS & COMMODITIES section of the NeuroShell Trader free technical support Website to download a copy of any of the traders' tips.

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Figure 1: A NeuroShell Trader chart that shows the simple stochastic trading system as well as a trading system based on Ehlers' Center of Gravity indicator.

