

NeuroShell Trader

The indicators described by Steve Palmquist in his moving average short (MAS) system can be easily created using NeuroShell Trader's point and click indicator wizard. To create the indicators, select '**New Indicator ...**' from the '**Insert**' menu and proceed through the Indicator Wizard to create the following:

Pullback MAS

SimpleMovAvg (close, 35)

Lower Closes

$A < B$ (Max Close, 5), (Lag(Min(Close,20)20))

CloseAbovePullbackMA

If Close > PullbackMAS, 1, 0

NotAbovePullbackMA

If sum (CloseAbovePullbackMA,15) < 1

ClosePullbackMA

Sub (PullbackMAS,Close) < (0.01 * Close)

setupA

And3 (all 3 are true): LowerCloses, NotAbovePullbackMA, and ClosePullbackMA

MAPullbackShort

And3 (all 3 are true): setupA, Volume > 200000, and Close > 15

Short Trigger

Low < Lag(Low,1)

StochOK

Lag (Stoch#K,21),1 < 80

MAPullbackShortYesterday

Lag(MaPullbackShort,1) = 1

SMAPS1

And3 (all 3 are true): MAPullbackShortYesterday, ShortTrigger, and StochOK

To create Palmquist's MAS trading system, select 'New Trading Strategy ...' from the 'Insert' menu and enter the following entry and exit conditions in the appropriate locations of the Trading Strategy Wizard:

Generate a buy short **MARKET** order if **ANY** of the following are true:
SMAPS1

Generate a short exit order if any of the following are true:
Bars Since Fill = 3

If you have the NeuroShell Trader Professional, you can also choose whether or not any of the indicator 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 Palmquist MAS trading system.

Marge Sherald, Ward Systems Group, Inc
301 662 7950, E-mail sales@wardsystems.com
<http://www.neuroshell.com>

Figure A: NeuroShell Moving Average Short (MAS) Trading System

