Subject: Re: MO WF periods difference
From: "Dave Fisher" <dave@multiopt.net>
Sent: 10/7/2020 2:53:30 PM
To:

Hi Antonio,

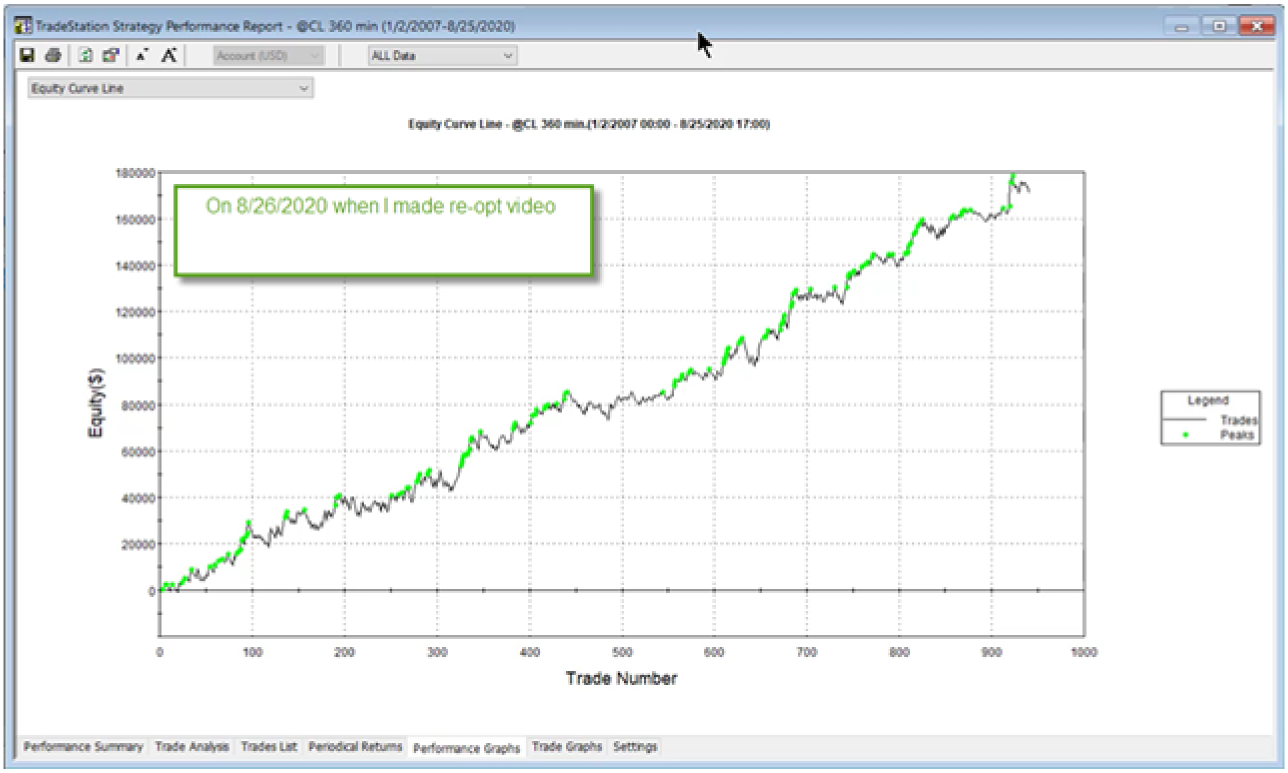
Sorry for the delay. I looked into this issue and it does look like it is related to some kind of change in the data. For me, this is one of the most frustrating aspects to our backtests and the weakest link. Since we never know when TS is going to change/correct the historical data, or what the effect of rollover will be on their continues data, we never know when this issue will effect our strategies and trading. I am currently working on a project that will reassess the walkforwards on all my strategies weekly. It builds on MultiOpt. I'll release more info on that as my work progresses.

I was able to replicate your results with the CL strategy. I actually still had all the original optimization files from the 8/26 video. I reran the walkforward and got same results as in the video. I reran the entire optimization + walkforward and got the same results you saw:

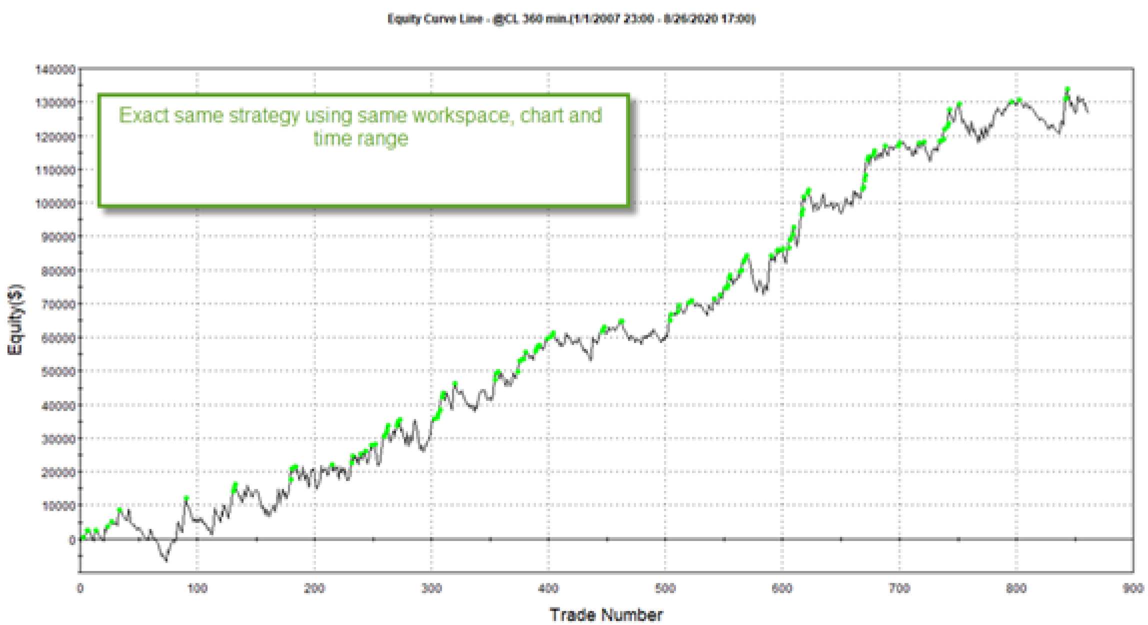
The only thing different? The CL data.

Plus... even the chart of the current optimized CL strategy is different.

From the video on 8/26 using @CL data:



Today on 10/7 (just a little over 1 month) using the EXACT same strategy as in the video:



What's amazing to me is that I haven't seen anything like this happen with the CL strategy since I created it in 2018! And, to be honest, I'm kind of curious what will happen when it is time to reoptimize in March 2021. Will the data change again? Will it look differently than it does today?

Right now there are probably two things that are different -- data corrections and contract rollover. Either or both can effect and shift, as you have noted, the dates of the optimization and change the outcome.

To me, this is why it is important to have a strategy that works across a wide range of parameterizations.

To understand the *why* of this issue is pretty complex and I've spent hours trying to nail down a solid and definitive answer. One attempt I made to explain this is here:

https://strategyfactory.boardhost.com/viewtopic.php?id=478

I also have other examples that I am putting into an FAQ that I hope to have done by end of this year.

I wrote Kevin about this very exact issue and he replied:

"Realize, the reason I do the reopt method the way I do (and the way you do) is PRECISELY BECAUSE of this sort of thing! I have seen it many times before. It freaked me out the first time. I spent hours trying to figure it out, but without having the original market data to go back to, it is impossible to say what is going on. It is probably rollover related."

So, in order to preserve the original optimization as much as possible, only new parameters are copied to the end of the optimization list. I'm going to start tracking the real-time fills for this strategy so that I can compare them to the backtest.

But, as far as this whole issue is concerned, I think there may be a better way to handle it. Now that I have written my own walkforward processor, I can explore some alternatives. More on that as my work progresses.

But, for now, hope this helps answer your question!

Dave

On 10/7/2020 4:42:04 AM, "Antonio wrote:

> Hi Dave,
> Thanks for that. Problem with the TS data corrections is that the jump in days is too large, not just one or 2, but about 2 weeks extra per periods. So definitely something I would like to understand. Additionally, this is actually linked to an issue i have been having lately. When I reoptimize, I usually check that the last couple of reopmitizations done automatically by MO match the ones calculated by TS in the old way. Unfortunately, too many times the parameters are sometimes slightly different, some other times the difference is quite important. I will send you an example once I need to reoptimize a strat.
>
> Cheers,
> Antonio
>
> El lun., 5 oct. 2020 a las 21:03, Dave Fisher (<dave@multiopt.net>) escribió:
>> Hi Antonio,

Usually when I start seeing shifts in the date ranges of optimized parameters, it is because TS made corrections to the data stream (especially if they delete erroneous days, such as holidays). But I'll look into it tomorrow to find out.

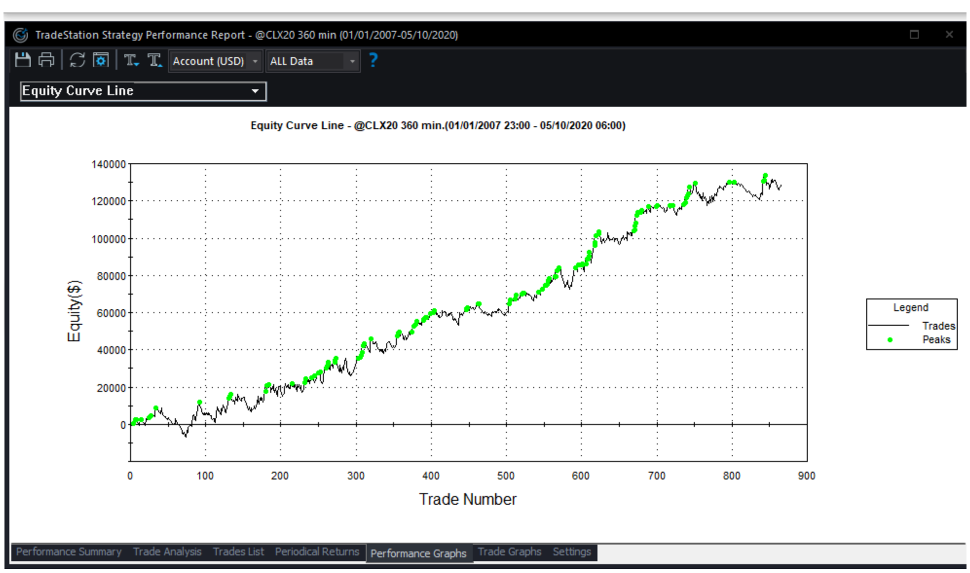
And glad that the daily timeframe issue is resolved!

Dave

On 10/5/2020 5:11:08 AM, "Antonio wrote:

Hi Dave,

hope you are well. First of all, thank you again for your great work with MO. It has saved me hundreds of hours of work and thousands of clicks to have all those tasks automated.
Secondly, after working a bit with it, i came back to check your MO CL-360 strat, and tried to reproduce your results with my computer, entering the same set ups (actually using your workspace).
My surprise is that the curve i get to is far worst than yours, as you can see below:



Then, looking at the details comparing the strat you sent me and the one generated by my MO copy, I can see that although the start date and WF I/O periods are the same, the dates start to differ greatly very since the start, and they grow apart very quickly, as you can see below:

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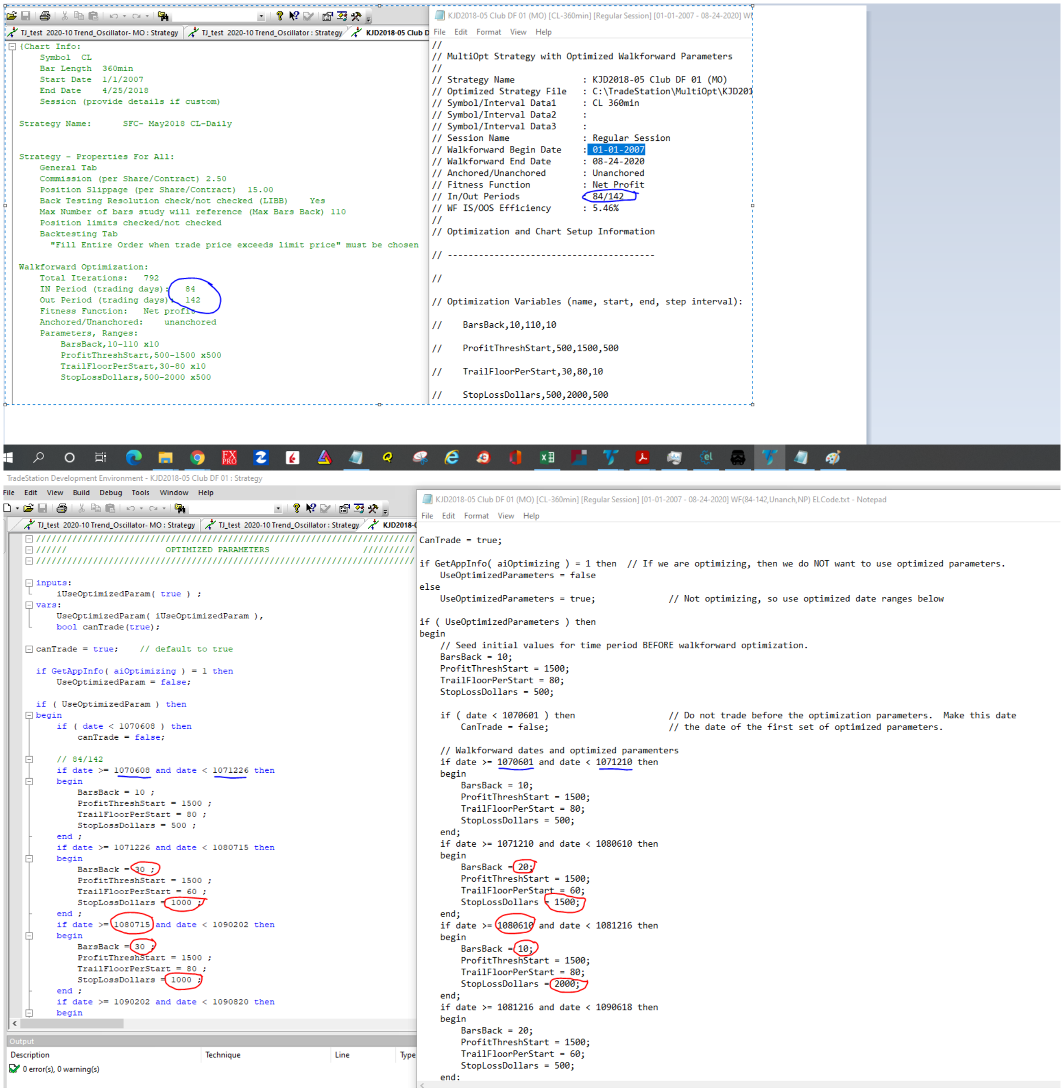

is this something you think I may be doing wrong or differently on my end?
without you to have to look too deeply, any idea on what I can check that would explain the difference?

Thanks for your help!

Antonio