



Seasonal Trading Strategies in FX-Markets

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Heiko Seibel



- Master in Economics
- Worked as a market maker in Europe and Asia
- Founder and portfoliomanager of a brokerage house
- Founder and partner of **Oktavest**, an asset management company
- Hedgefunds management in 2008 for international institutional investors (AUM > 200 Mio. USD)
- Initiator of two investment funds (AUM > 100 Mio. USD)
- Development of trading and investment strategies for more than a decade
- Coach for professional traders in prop trading houses or am companies.
- Blog: www.trading-stories.de

Agenda

- Basics Seasonality
- Concepts of Seasonality in Trading
- Seasonal Strategies



Tools of the Trade

- (1) Chartpatterns
- (2) Indicators
- (3) Market Structure
- (4) Sentiment
- (5) Mean Reversion
- (6) Trendfollowing
- (7) Seasonal
- (8) Cycles
- (9) Arcane



Tools of the Trade

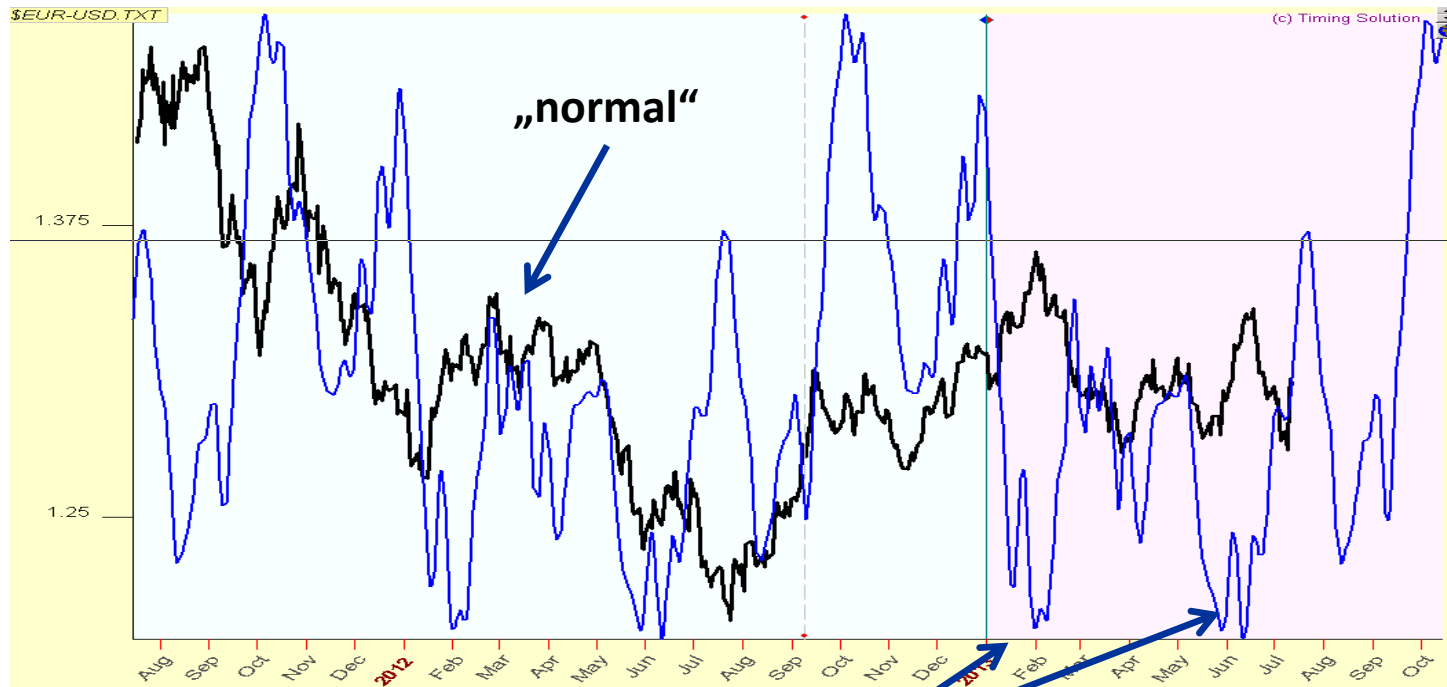
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Seasonals

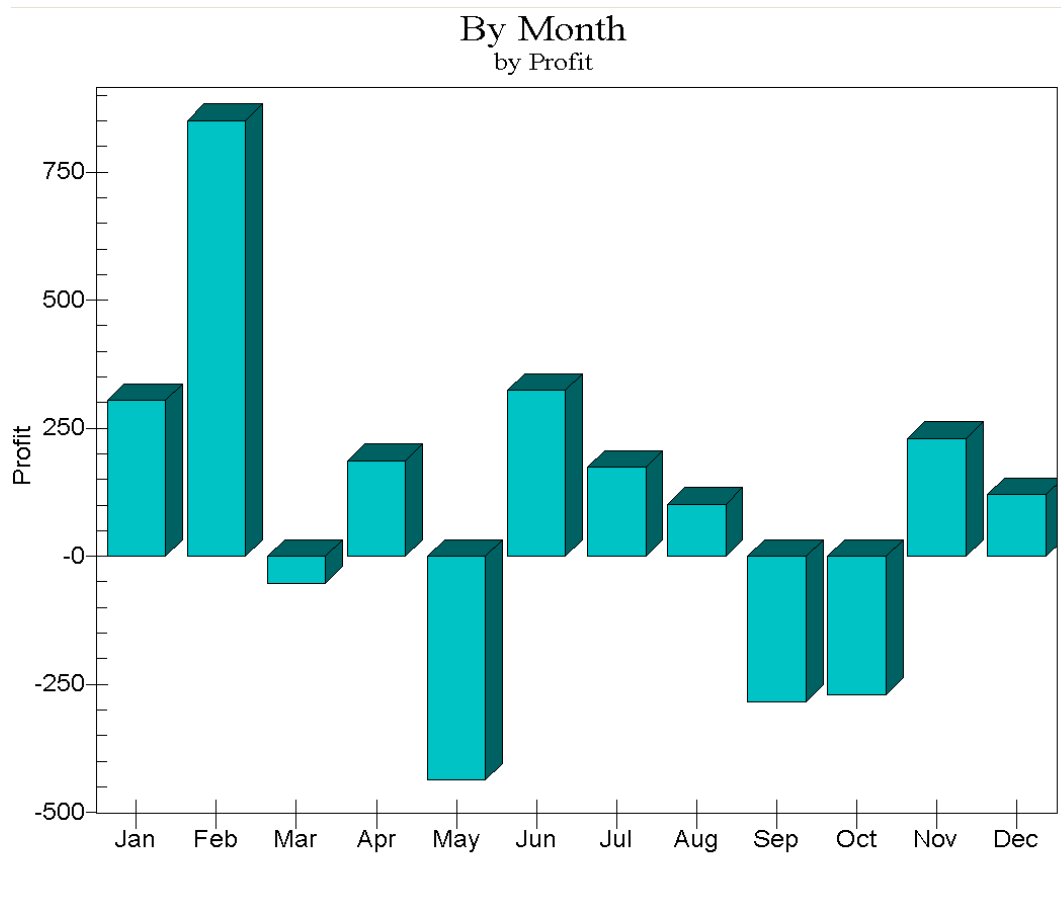
- natural phenomenon: day&night, seasons, phases of the moon, ...
- seasonality = sun cycle
- component of a time series
- influences price fluctuations
- recurring phenomenon at reasonably regular intervals within a calendar year
- guideline: use seasonals as a trading-setup
- exception: pure seasonal strategies

Yearly Seasonal Pattern EURUSD

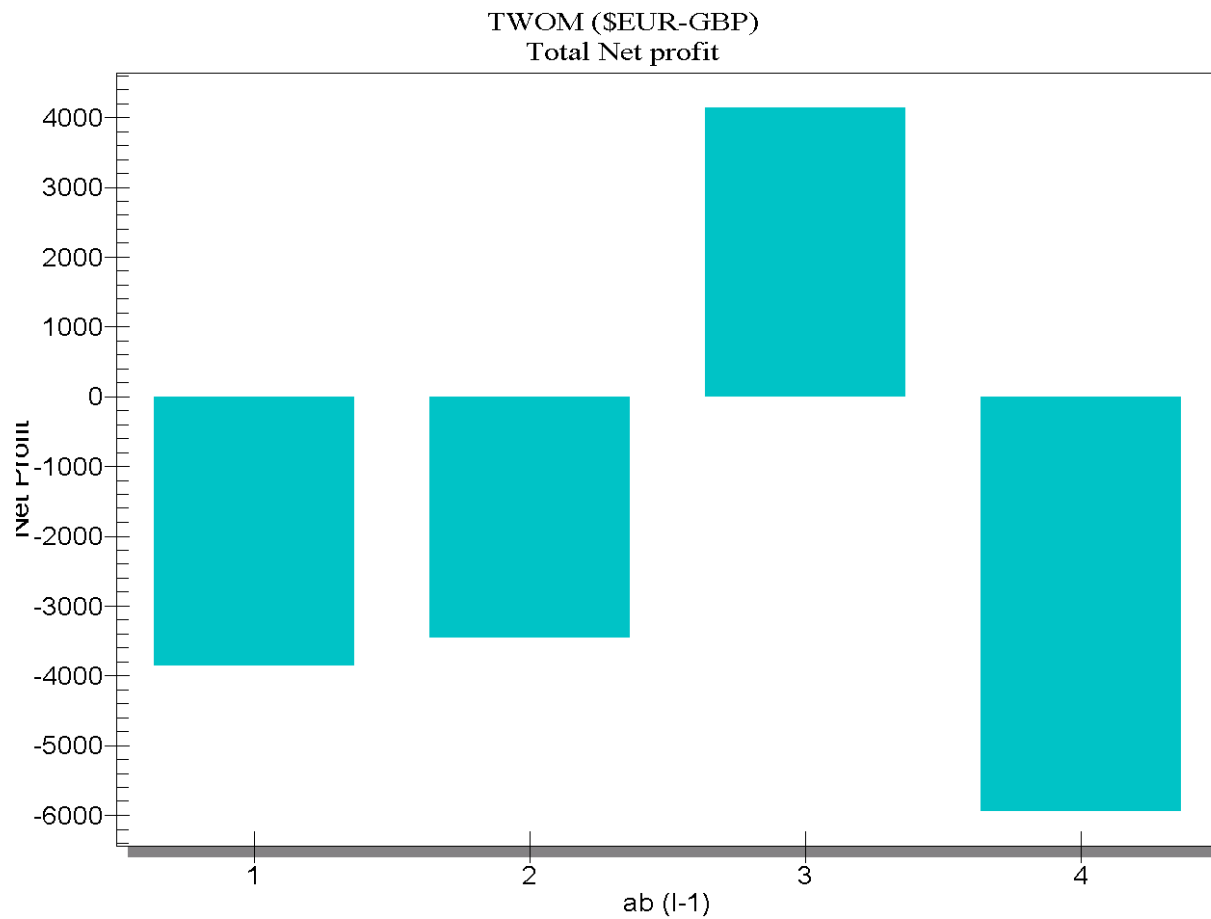


Inversion

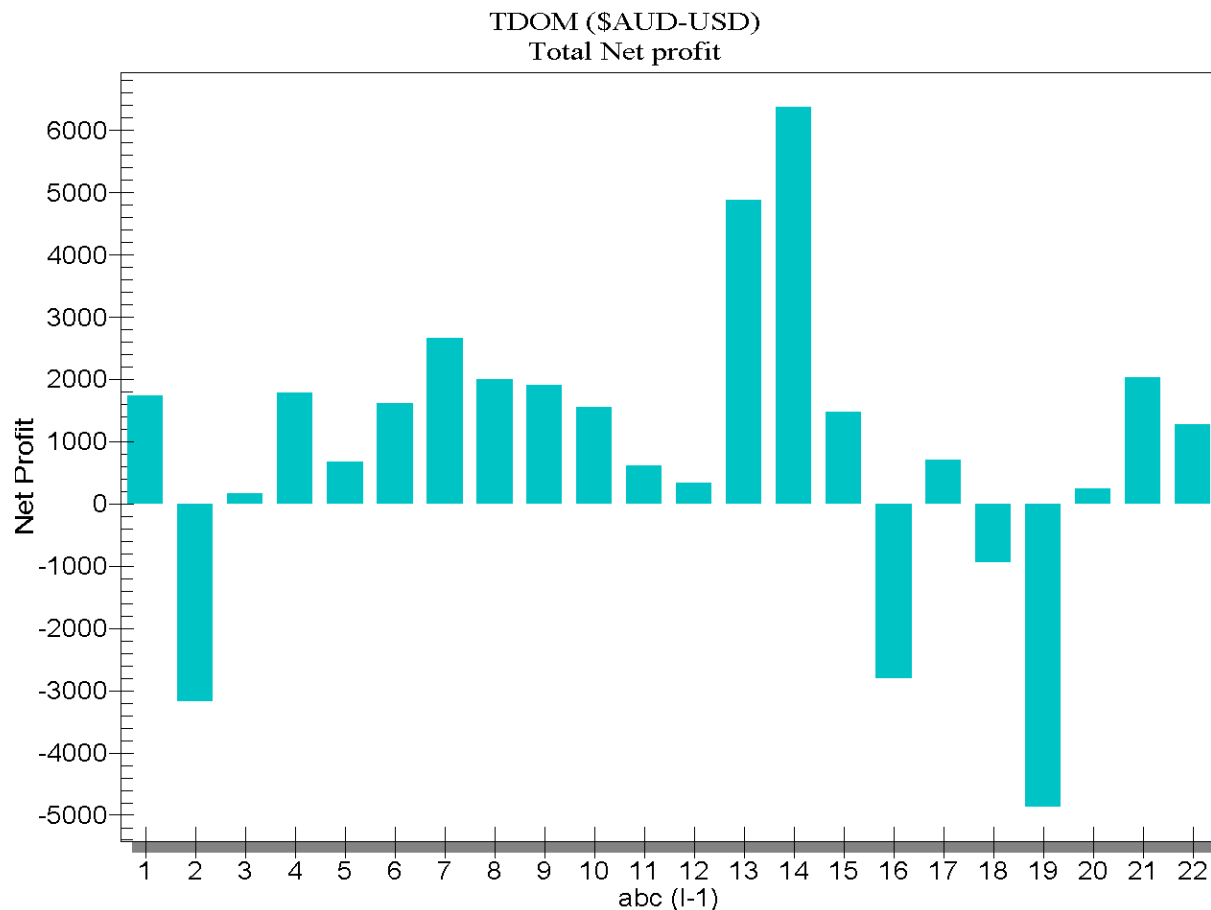
„Month of the Year“ Seasonality



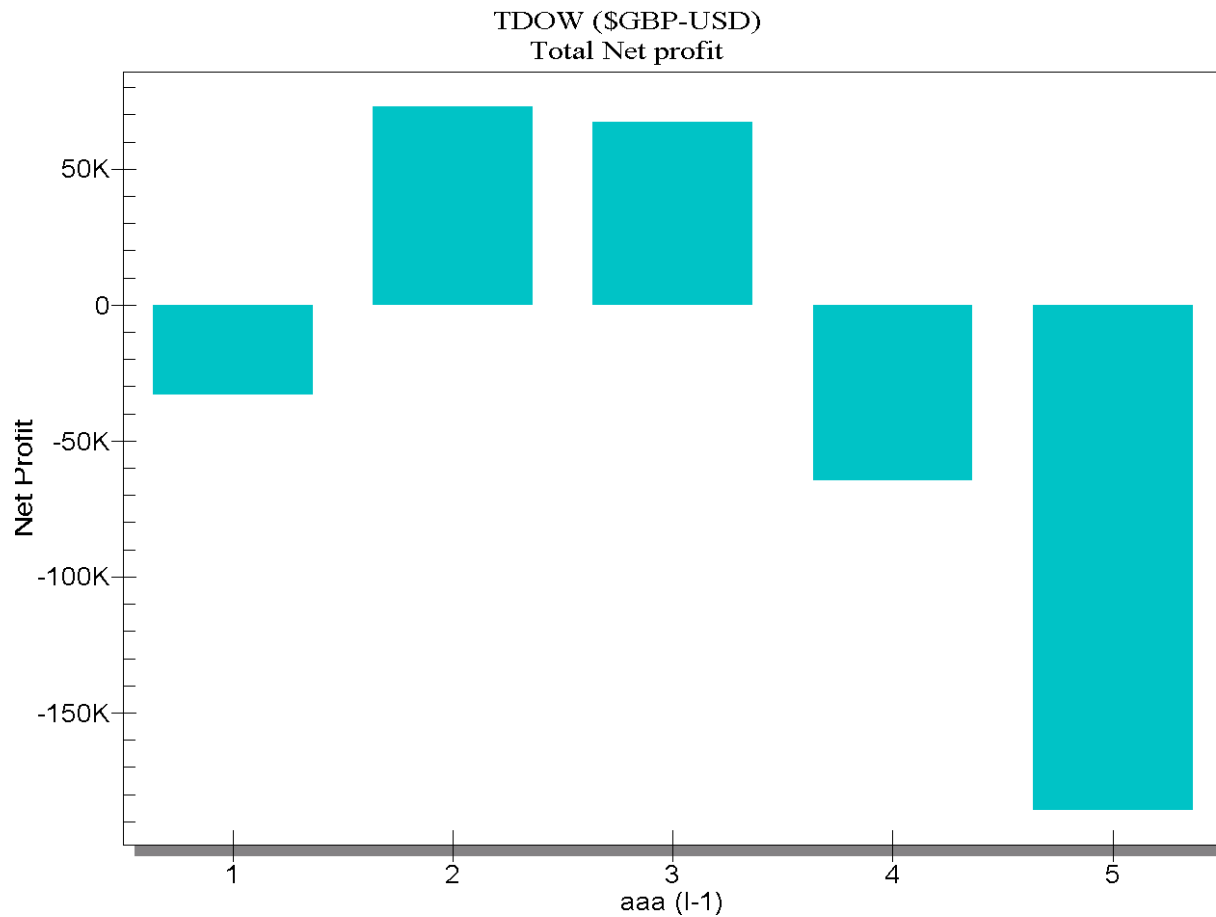
„Week of Month in July “Seasonality EURGBP



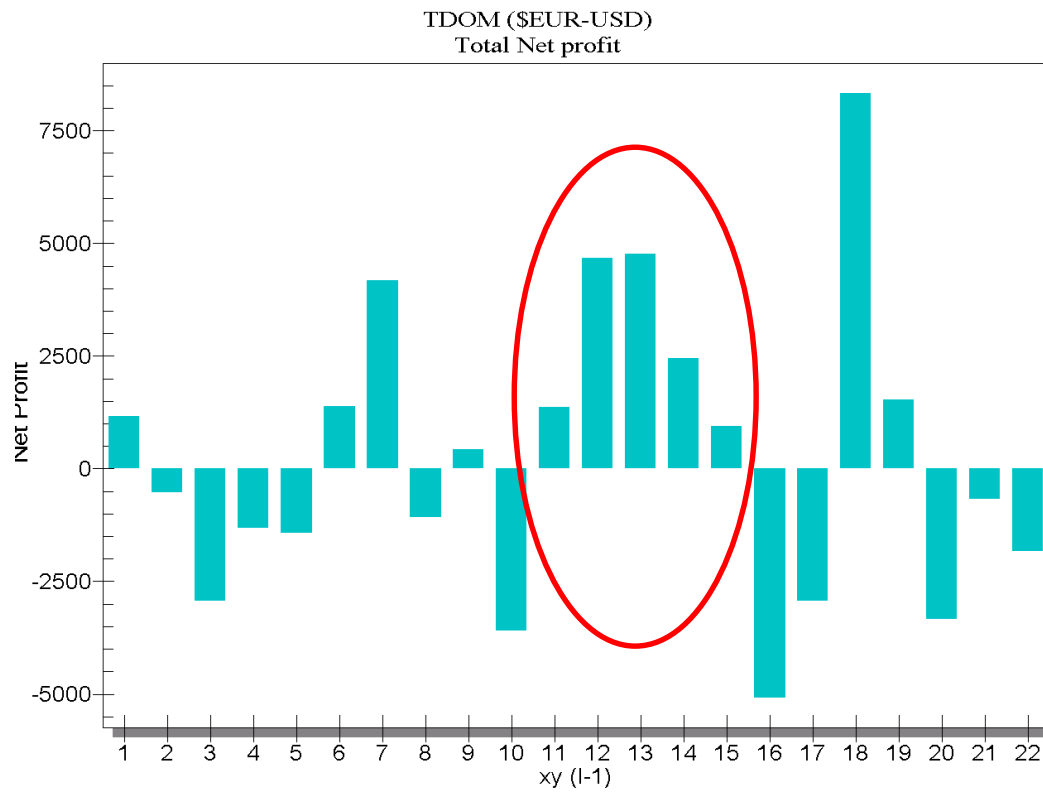
„Day of Month“ Seasonality AUDUSD



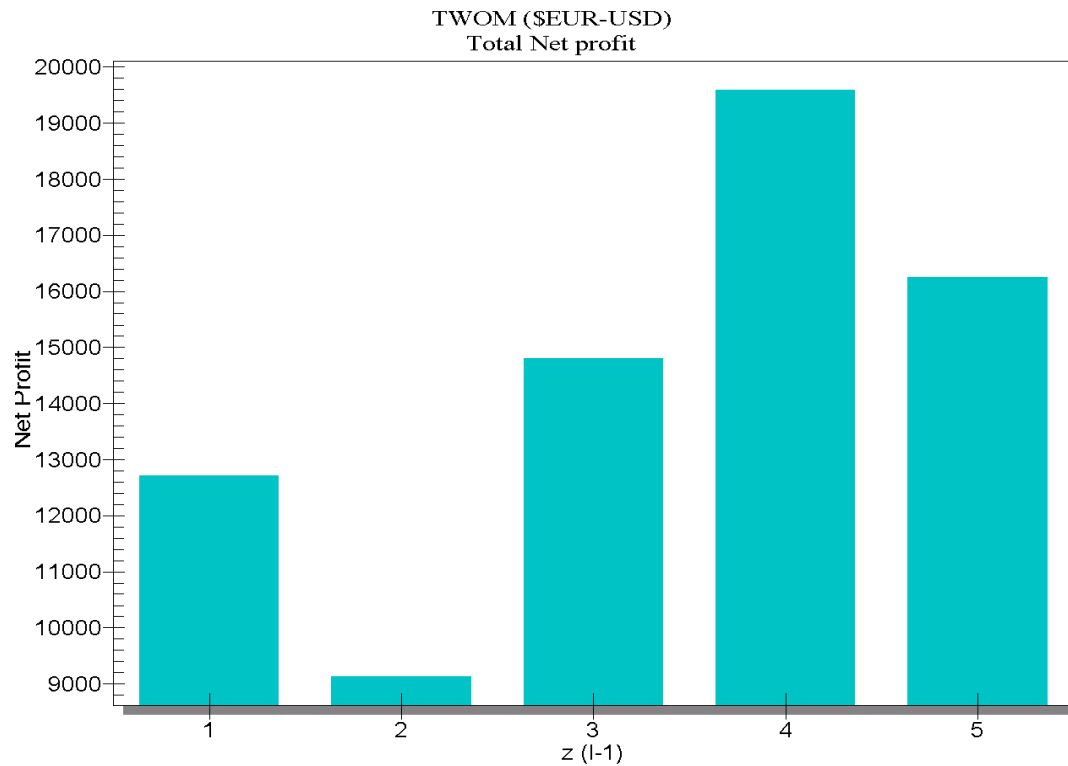
„Day of Week“ Seasonality USDGBP



„Day of Month“ Seasonality EURUSD



Seasonal Strategy: EURUSD

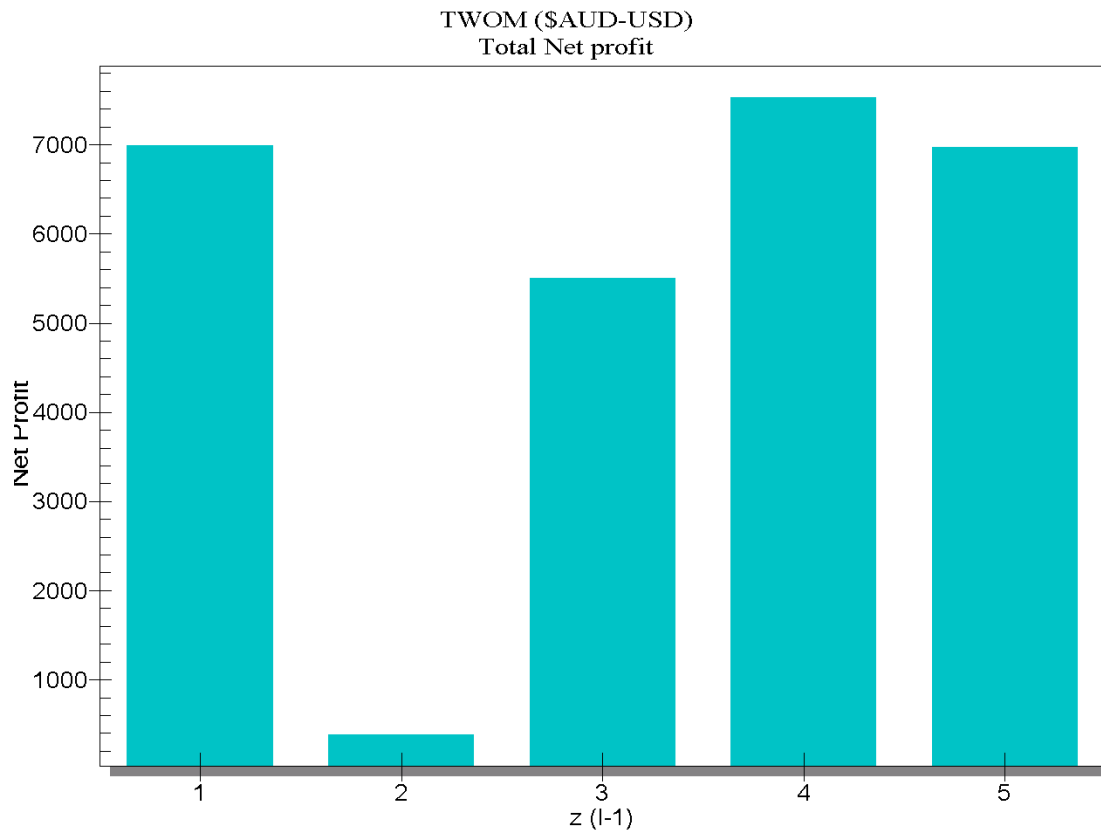


Enter Long:
TWOM = 3 and
DoW = 1

ExitLong
SL: 100 Pips

TimeExit:
1 to 5 days

Seasonal Strategy: AUDUSD



Enter Long:
TWOM = 3 and
DoW = 1

ExitLong
SL: 100 Pips

TimeExit:
1 to 5 days

Best Pairs for „1st Trading Day of August“

Test#	Symbol	Period	FromDate	ToDate	Custom Inputs	Win%	Trades	Wins	Losses	Payout	Avg Win	Return%	Avg Loss	Large Win	Large Loss	Net Profit	Profit Factor
17	\$EUR-PLN	Daily	01/03/1980	End of Data		63.6%	11	7	4	1.17	\$595	68.5%	(\$507)	\$1,056	(\$1,095)	\$2,136	2.05
20	\$EUR-ZAR	Daily	01/03/1980	End of Data		50.0%	14	7	7	1.99	\$1,014	90.3%	(\$510)	\$2,209	(\$1,449)	\$3,534	1.99
8	\$CAD-JPY	Daily	01/03/1980	End of Data		40.0%	10	4	6	2.82	\$98	113.0%	(\$35)	\$217	(\$106)	\$183	1.88
28	\$USD-JPY	Daily	01/03/1980	End of Data		51.5%	33	17	16	1.68	\$107	149.0%	(\$64)	\$551	(\$199)	\$800	1.79
5	\$AUD-JPY	Daily	01/03/1980	End of Data		57.7%	26	15	11	1.31	\$66	153.7%	(\$51)	\$214	(\$136)	\$435	1.78
27	\$USD-CNY	Daily	01/03/1980	End of Data		42.1%	19	8	11	2.44	\$6	70.6%	(\$3)	\$33	(\$12)	\$23	1.78
4	\$AUD-GBP	Daily	01/03/1980	End of Data		53.8%	26	14	12	1.22	\$4,413	87.1%	(\$3,613)	\$11,179	(\$11,028)	\$18,431	1.43

Enter Long:

Last Trading Day in July at Close

ExitLong

SL: 100 Pips

TimeExit:

1 days at close

Best Pairs for „1st Trading Day of September“

Symbol	Period	FromDate	ToDate	Custom Inputs	Win%	Trades	Wins	Losses	Payout	Avg Win	Return%	Avg Loss	Large Win	Large Loss	Net Profit	Profit Factor
\$EUR-NZD	Daily	01/03/1980	End of Data		78.6%	14	11	3	1.15	\$1,430	344.7%	(\$1,248)	\$3,377	(\$1,447)	\$11,991	4.20
\$AUD-NZD	Daily	01/03/1980	End of Data		71.4%	14	10	4	1.61	\$510	319.5%	(\$317)	\$1,432	(\$700)	\$3,828	4.02
\$GBP-NZD	Daily	01/03/1980	End of Data		80.0%	15	12	3	0.63	\$1,909	170.8%	(\$3,032)	\$3,704	(\$4,280)	\$13,811	2.52
\$EUR-SEK	Daily	01/03/1980	End of Data		50.0%	14	7	7	1.86	\$950	122.5%	(\$510)	\$2,140	(\$1,042)	\$3,080	1.86
\$EUR-PLN	Daily	01/03/1980	End of Data		63.6%	11	7	4	0.97	\$929	80.6%	(\$956)	\$1,777	(\$2,008)	\$2,677	1.70
\$EUR-AUD	Daily	01/03/1980	End of Data		57.6%	33	19	14	1.25	\$1,506	135.6%	(\$1,202)	\$7,114	(\$6,607)	\$11,784	1.70

Enter Long:

Last Trading Day in August at Close

ExitLong

SL: 100 Pips

TimeExit:

1 days at close

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