DESCRIPTION

Explores two neglected mathematical tools essential for competing successfully in today's frenzied commodities markets: quantity, which shows the proper amounts a trader should trade for a given market and system, and intercorrelation of returns (diversification), which shows not only which markets and systems to trade, but how to diversify with respect to trading the right quantities for each market. By using these lesser known tools in conjunction with the more popular trade/system selection tools, readers will see mathematically how success in the markets can be achieved, and how "success" without using all three is most likely incidental. In addition, non-stationary distribution of profits and losses and drawdowns are incorporated into the discussions to expose traders to the highs and lows of commodities markets and how best to leverage their assets.

ABOUT THE AUTHOR

Ralph Vince is a computer programmer who got his start in the trading business as a margin clerk and later worked as a consultant programmer to large futures traders and fund managers. He currently consults with businesses and trading operations around the world and speaks frequently in front of professional and academic groups globally. Vince has been critically acclaimed for his groundbreaking work in money management, particularly in the development of Optimal f. He is the author of numerous Wiley titles, including The Handbook of Portfolio Mathematics, Portfolio Management Formulas, The Mathematics of Money Management, and The New Money Management.