Rid Investment LLC FZ. 01/11/2024

Report October 2024.

Strategy Summary

The strategy is based on a sophisticated division of capital across five separate accounts, each with a specific investment objective and a different approach to risk management. By combining conservative, speculative, and long-term strategies, it aims to optimize returns in a balanced way, leveraging market opportunities while effectively managing exposure. The strategy incorporates tools such as multi-timeframe trends, price action, and trading volumes, with flexible trade management to adapt to various market conditions.

Strategy Provider

Rid Investment L.L.C-FZ is legally headquartered in the United Arab Emirates (U.A.E.), Dubai, at Nad al Sheba, The Meydan Hotel, M Floor, Business Center 1, and is registered with the Meydan Free Zone business registry in Meydan City Corporation, as established by Emiri Decree No. 5 of 2009.

Strategy Explained

The strategy divides the available capital into five distinct accounts, each with a specific allocation and a different operational objective. The total capital is distributed in such a way that the first account manages 20%, the second another 20%, the third 20%, the fourth 30%, and the fifth 10%. This distribution optimizes market exposure and diversifies the trading approach.
The first account utilizes a conservative version of the strategy, operating with only a small fraction of the account's capital, equal to 0.75% of the account allocation, which corresponds to 0.15% of the total capital. This part of the strategy focuses on trades that follow trends confirmed across three different time frames. The analysis of price action and trading volumes is central to the selection of trades. Only when these three elements—trends across multiple time frames, price action, and volumes—are aligned, is a trade executed. There are no fixed stop loss or take profit levels, as positions may remain open for up to a month, with retracements of the same 0.75% of capital, aligned with the direction of the trend, reflecting a medium-term approach. The markets traded mainly include forex, focusing on major currency pairs, as well as commodities and indices.

The second account, also with 20% of the capital, implements a second version of the conservative strategy. Unlike the first, this one includes defined stop loss and take profit levels, and trades never last longer than a month. Particular attention is paid to swaps before opening positions, so that they can be favorably utilized if the trades extend over time. Trading is conducted exclusively on Major and Minor currency pairs, with a risk-reward ratio of 1:3. When the take profit is reached, a trailing stop is activated, with partial closures of the positions at three levels. Each trade uses 1% of the account's capital and does not involve retracements.
The third account, managing an additional 20% of the capital, adopts a long-term strategy. Trades last between two weeks and a maximum of three months and are closed in a fractional manner. The instruments traded are primarily indices, commodities, and the EUR/USD currency pair. If a position remains open for more than three months, the strategy from the first account is activated on this account as well, to compensate for the time spent and keep the account performing.
The fourth account, with 30% of the total capital, is characterized by fewer trades, mostly short-term, but it proves to be the most profitable. In this strategy, if an instrument has already accumulated a series of significant retracements on the first account, a corresponding trade is opened on the fourth account with a larger position size, typically equal to 3% of the total capital. While the focus in the first account is on absorbing the drawdown, in the fourth account, this translates directly into profit.
The underlying logic is that what represents drawdown recovery in the first account becomes pure profit in the fourth. This mechanism allows for capitalizing on the accumulated exposure, using active retracement management in the first account to generate profits in the fourth, maintaining a differentiated approach between the two.
Lastly, the fifth account, which holds 10% of the capital, is exclusively dedicated to high-yield speculative trades. The resources used in this account come from the profits generated by the other accounts and are reinvested to maximize profit opportunities, following a high-risk, high-reward approach.

Performance

Return on investment
2,36%

Drawdown max
3,38%

N. of operations
27

Operations in profit
23

Operations in loss
4

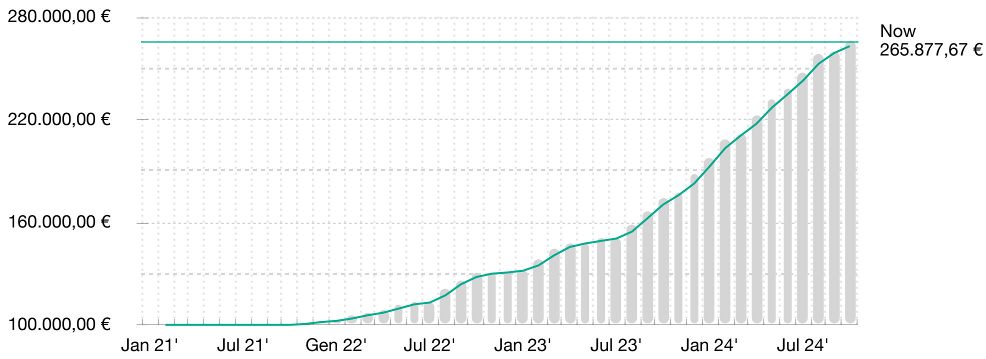
% Profit operations
85,18%

Months of activity
36

Month Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2021											1.52%	1.51%
2022	0.54%	3.29%	1.95%	2.10%	4.35%	2.09%	0.63%	9.97%	5.91%	4.02%	0.30%	1.24%
2023	1.02%	5.80%	6.61%	3.34%	0.73%	2.11%	0.60%	7.04%	7.41%	6.62%	2.74%	8.27%
2024	7.49%	8.29%	2.20%	7.02%	5.46%	4.30%	5.46%	6.11%	1.25%	2,36%		

Simulation with 100.000€



Report

The global economy continued to show signs of slowing, with limited growth and uncertain prospects. In the United States, economic activity remains solid, although the labor market is starting to show signs of cooling. Inflation continues to decline, prompting the Federal Reserve to reduce interest rates by 50 basis points, setting the range between 4.75% and 5.00%. In Europe, growth benefited from net exports in the first half of the year, but recent forecasts indicate a slowdown, with GDP expected to rise by 0.8% in 2024, with more sustained growth anticipated only from 2025.

Oil saw an increase, with WTI rising above $70 per barrel and Brent around $74, reflecting a recovery in the energy market. However, the high cost of raw materials continues to weigh on various sectors, particularly agriculture, where production costs have significantly increased, especially in the meat sector.

The conflict between Israel and Palestine escalated significantly starting on October 7, with attacks and counterattacks between Hamas and Israel in the Gaza Strip. This situation represents a turning point for stability in the Middle Eastern region, with potential economic and strategic repercussions. Additionally, the risk of crisis in Africa remains high, with several ongoing conflicts, particularly in Sudan and the Sahel region, where tensions threaten stability and impact global supply chains.

Our 5-account strategies have maximized profits by precisely leveraging movements in the commodity markets. This focus contributed to generating an overall profit of 2.36%, maintaining the maximum drawdown at 3.38%, a clear indication of careful and conscious risk management. With 27 trades opened during the month, of which 23 closed in profit and only 4 in loss, we achieved an exceptional success rate of 85.18%, the result of balanced and targeted account management.

The first account, dedicated entirely to the forex market with a conservative approach, maintained a focus on short-term trades based on price action and major currency trends. This account achieved stable profits, capitalizing on the limited volatility of the forex market and maintaining a low-risk profile and the same its happened to the second account, also with a cautious approach, expanded the analysis by integrating technical indicators to capture strategic entry points on broader movements, favoring fewer but more targeted trades. The complementarity between the first and second accounts provided solid coverage of traditional financial markets without excessive exposure to commodities.

The third account, oriented towards a medium-to-long-term strategy, handled extended-duration trades, often held for several weeks or months. This account benefited from macroeconomic fluctuations, including interest rate changes in the United States, and managed to capture significant movements in currency and commodity markets, thus generating notable profits despite a medium-risk profile. Differently the fourth account, with a very low-risk management objective, capitalized on retracements and moments of lower volatility, taking action primarily when the other accounts were more exposed. This account acted as a stabilizer, limiting losses during market stress and leveraging temporary trend reversals to its advantage.

The fifth account focused on the most aggressive speculative trades, primarily in commodities such as oil and metals, which saw significant swings due to geopolitical tensions. The high-risk strategy applied to this account allowed us to capture the largest and most volatile movements, substantially contributing to the overall profit. Thanks to its speculative nature and ability to intercept sudden and marked trends, this account represented the main source of earnings for the portfolio in October.

The combination of these five strategies created a well-balanced and diversified portfolio for the month, capable of adapting to both stable market conditions and periods of high volatility, maximizing profits while keeping risks under control.