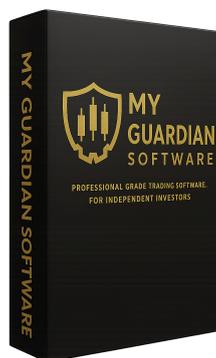# Guardian Strategy Validation Report

Strategy Name: **BEAR**

3rd Generation Strategy Design

Currency Pair: USD CAD

Testing Period: 01-01-2022 to 14-03-2025

Overview

The BEAR strategy for USD CAD on the M5/H1 timeframe has undergone extensive backtesting and analysis. Each strategy is subject to rigorous tests involving over 100 hours of computer-based evaluation to ensure its robustness and viability.

TOTAL PROFIT

$ 1295.3

PROFIT IN PIPS	963.4 TICKS
YEARLY AVG PROFIT	$ 431.67
YEARLY AVG % RETURN	4.32 %
CAGR	4.14 %

# OF TRADES	SHARPE RATIO	PROFIT FACTOR	RETURN / DD RATIO	WINNING PERCENTAGE
107	2.02	2.2	10.09	77.57 %
DRAWDOWN	% DRAWDOWN	DAILY AVG PROFIT	MONTHLY AVG PROFIT	AVERAGE TRADE
$ 128.4	1.16 %	$ 1.11	$ 34.08	$ 12.11
ANNUAL % / MAX DD %	R EXPECTANCY	R EXPECTANCY SCORE	STR QUALITY NUMBER	SQN SCORE
3.57	0.27	9.12	3.93	0.7

STATS

Strategy

|					
Wins / Losses Ratio	3.46	Payout Ratio (Avg Win/Loss)	0.64	Average # of Bars in Trade	72.09
AHPR	3.24	Z-Score	0.92	Z-Probability	17.88 %
Expectancy	12.11	Deviation	$ 30.85	Exposure	0.94 %
Stagnation in Days	185	Stagnation in %	16.36 %		

Trades

		# of Wins	83	# of Losses	24	# of Cancelled/Expired	0
Gross Profit	$ 2373.8	Gross Loss	$ 1078.5	Average Win	$ 28.6	Average Loss	$ 44.94
Largest Win	$ 28.6	Largest Loss	$ -46.4	Max Consec Wins	14	Max Consec Losses	2
Avg Consec Wins	3.95	Avg Consec Loss	1.2	Avg # of Bars in Wins	70.55	Avg # of Bars in Losses	77.42

MONTHLY PERFORMANCE ($)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	57.2	10.8	0	0	0	0	0	0	0	0	0	0	68
2024	21.6	17.3	-35.6	57.2	10.8	-35.6	-7	-17.8	57.2	39.4	10.8	125.2	243.5
2023	10.8	85.8	143	57.2	57.2	10.8	57.2	85.8	68	39.4	28.6	0	643.8
2022	57.2	85.8	57.2	57.2	-17.8	57.2	57.2	-7	-46.4	28.6	0	10.8	340

Equity Chart

The following chart demonstrates the equity growth over time, highlighting the strategy's performance during the backtesting period.
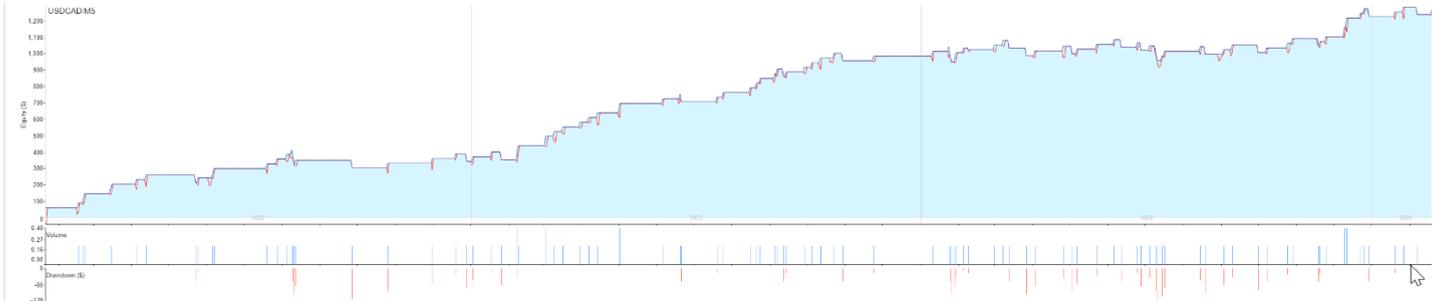

Comprehensive Trade Analysis

This section summarizes key performance metrics such as win rate, profit factor, and maximum drawdown, ensuring the strategy's effectiveness.

Monte Carlo Simulation

To ensure the robustness and reliability of this trading strategy, a Monte Carlo simulation was conducted. This method involves running numerous randomized simulations to account for variability in market conditions, trade sequences, and potential slippage. The simulation confirms consistent profitability across randomized scenarios, reinforcing the strategy's resilience.
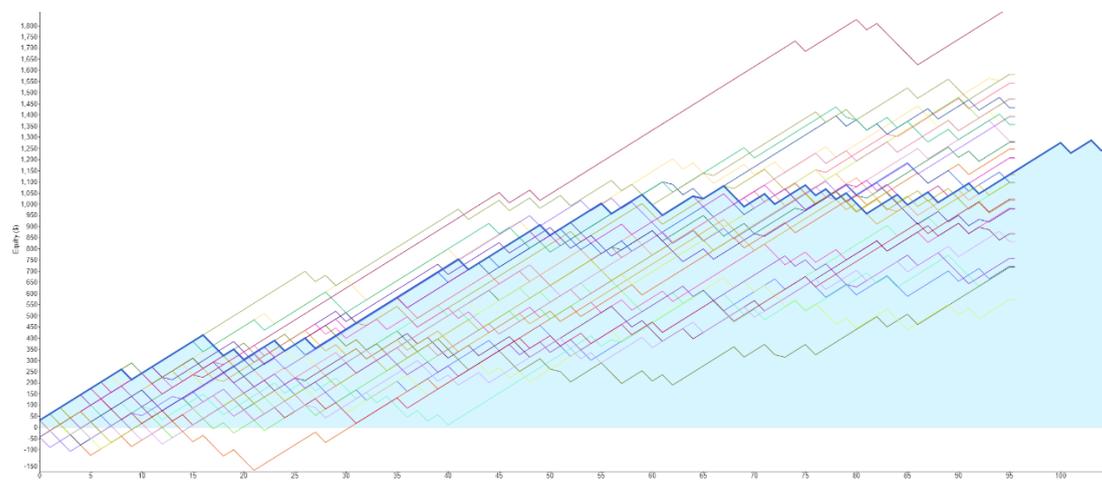
Trading Analysis

The BEAR 3rd GEN USDCAD M5H1 EA applies a multi-timeframe trend and volatility strategy, integrating KAMA (Kaufman's Adaptive Moving Average), Stochastic Oscillator, Keltner Channels (KC), ATR, Bollinger Bands (BB), and Standard Deviation to filter high-probability trade setups. KAMA (Short = 135, Long = 152, ER = 63) helps smooth market noise and track adaptive trend strength, while Stochastic Oscillator (K = 187, D = 3, Slowing = 3) captures momentum reversals. Keltner Channels (Close Period = 20, Open Period = 7) and Bollinger Bands (Close Period = 109) ensure price action is aligned with volatility expansion. Additionally, ATR (Down Period = 37) and Standard Deviation (Rising = 36, Higher = 11) validate breakout strength. The EA enters trades when KAMA trend alignment, Stochastic momentum shifts, and volatility confirmation from Keltner Channels and Bollinger Bands signal an optimal setup. Exit strategies include dynamic Stop Loss and Take Profit levels, Trailing Stops, and a Break Even mechanism to secure gains. Risk management is enforced through adaptive SL/TP settings and automated trade expiry to prevent excessive exposure. This EA is optimized for trending and volatile market conditions, leveraging its multi-timeframe approach (M5 and H1) for higher accuracy, but may underperform in low-volatility, range-bound markets, where trend signals weaken.

DISCLAIMER