



# Embedding Technical Indicators into Fuzzy Inference System for Trading Stocks with High Volatility

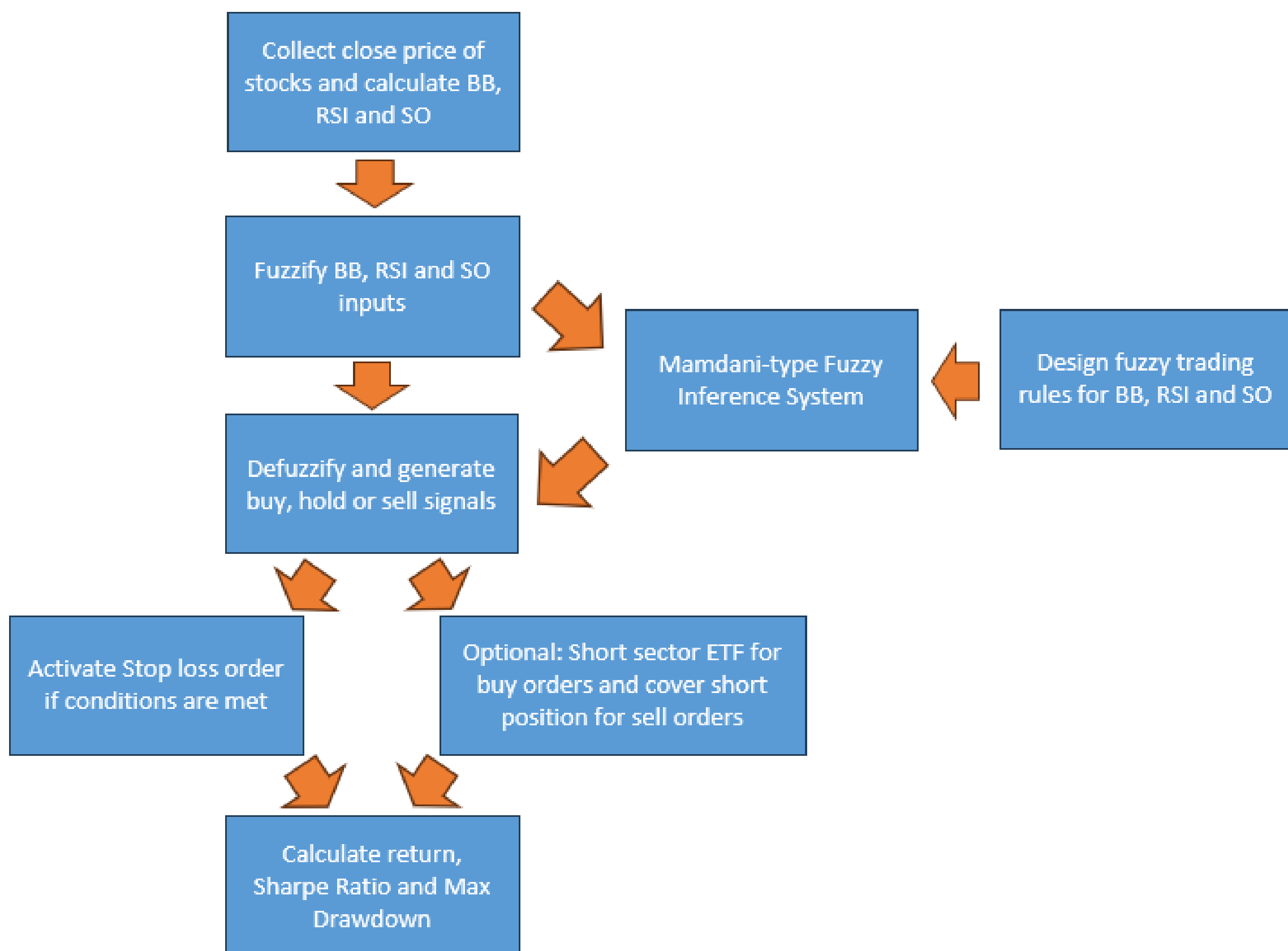
Student: Wentai Nan

Supervisor: Prof Quek Hiok Chai

## Objective of the Project

To develop a novel fuzzy trading system that integrates technical indicators and risk management techniques to generate higher risk-adjusted returns by trading stocks with high volatility. The model consists of a Mamdani-type Fuzzy Inference System and is applied and optimized to analyze stocks from various sectors.

## Fuzzy Trading System



## Results and Analysis



A portfolio of 10 stocks traded using fuzzy SO strategy with stop loss orders and buy-and-hold strategy

	Return	Sharpe	Drawdown
Fuzzy SO with stop loss	110.15%	1.03	-24.46%
Buy and hold	29.65%	0.15	-33.94%