Trading Cheat Sheet

- **For everyone who read the Beginners Guide already**, but wanted to **quickly review** how to perform for example a Futures Short **trade** (as sometimes many weeks pass until the next signal), *this is your document*. We will shortly cover (for the example of Kraken exchange):

  1) **Spot Buys** (e.g. buying ETH with EUR)
  2) **Spot Sells** (e.g. selling ETH for EUR)
  3) **Shorting via Futures Contracts** (e.g. buying ETH/USD Short Contracts with ETH)
  4) **Closing Futures Short Contracts** (e.g. selling ETH/USD Short Contracts for ETH)

- Please note that the **interface of Kraken can change somewhat over time (!)**, so that some buttons/interfaces might look/be named differently now, but the general trading principle remains the same.

Spot Buy

- **Spot Buy an asset, e.g. buy ETH with EUR or USD (to go 'Spot Long').**

1) Log into the exchange (e.g. kraken.com), and go to the advanced trading panel, in this case that would be trade.kraken.com. You see this screen:

2) Choose „**Buy**", „**Limit**" (or „**Market**" for quick buy but a bit higher fees), Leverage: „**None**", and „**100%**" (if you just want to buy with your full stack), as in the picture *above*.

3) For **Limit order**: As seen in the picture *above*, next you click on the **highest green price** in the order book (I), so that the price appears in the „Trading" tab (II). The „**Quantity**" (III) is automatically calculated from Price and Total. At last, click „**Review & Buy**" (IV). Note that a Limit order does not neccessarily fill so that you have to readjust your bid or cancel it & enter a new one. For **Market order**: You just have to choose the „**Total**" funds you use.

4) A small menu pops up in the „Trading" tab. Click on „**Confirm Buy**" and your **Limit order** appears in the bottom right „Orders" tab. If you find a matching seller, the order will fill and vanish. You should now have ETH in your account. If the order won't fill (because e.g. price moved strongly), you can just „**Cancel**" it and set up a new order as laid out above. **Market orders** will be executed immediately and you should then have ETH in your account.

Spot Sell

• **Spot Sell an asset, e.g. sell ETH for EUR or USD (to Hedge/go Flat).**

1) Log into the exchange (e.g. kraken.com), and go to the advanced trading panel, in this case that would be trade.kraken.com. You see the screen *below*.

2) Choose „**Sell**", „**Limit**" (or „**Market**" for a quick buy but a bit higher fees), Leverage: „**None**", and „**100%**" (if you just want to sell your full stack), as seen in the first picture *below*.

3) Shown in the second picture *below*, for **Limit orders** you now click on the **lowest red price** in the order book (I), so that the price appears in the „Trading" tab (II). The Total (III) is automatically calculated from Quantity and Price. At last, click „**Review & Sell**" (IV). Note that if price moves too quickly so that you have to click on another lowest red price, you also have to click again on „100%" to readjust your bid. It's also ok to be a bit above lowest red price. For **Market orders**, you just choose the „**Total**" you want to sell.

4) A small menu pops up in the „Trading" tab. Just click on „**Confirm Sell**" and your order appears in the bottom right „Orders" tab. If you find a matching seller, the order will fill and vanish. You should now have EUR in your account. If the order won't fill (because e.g. price

moved strongly), you can just „**Cancel**" it and set up a new order as laid out above. **Market orders** will be executed immediately and you should then have EUR in your account.
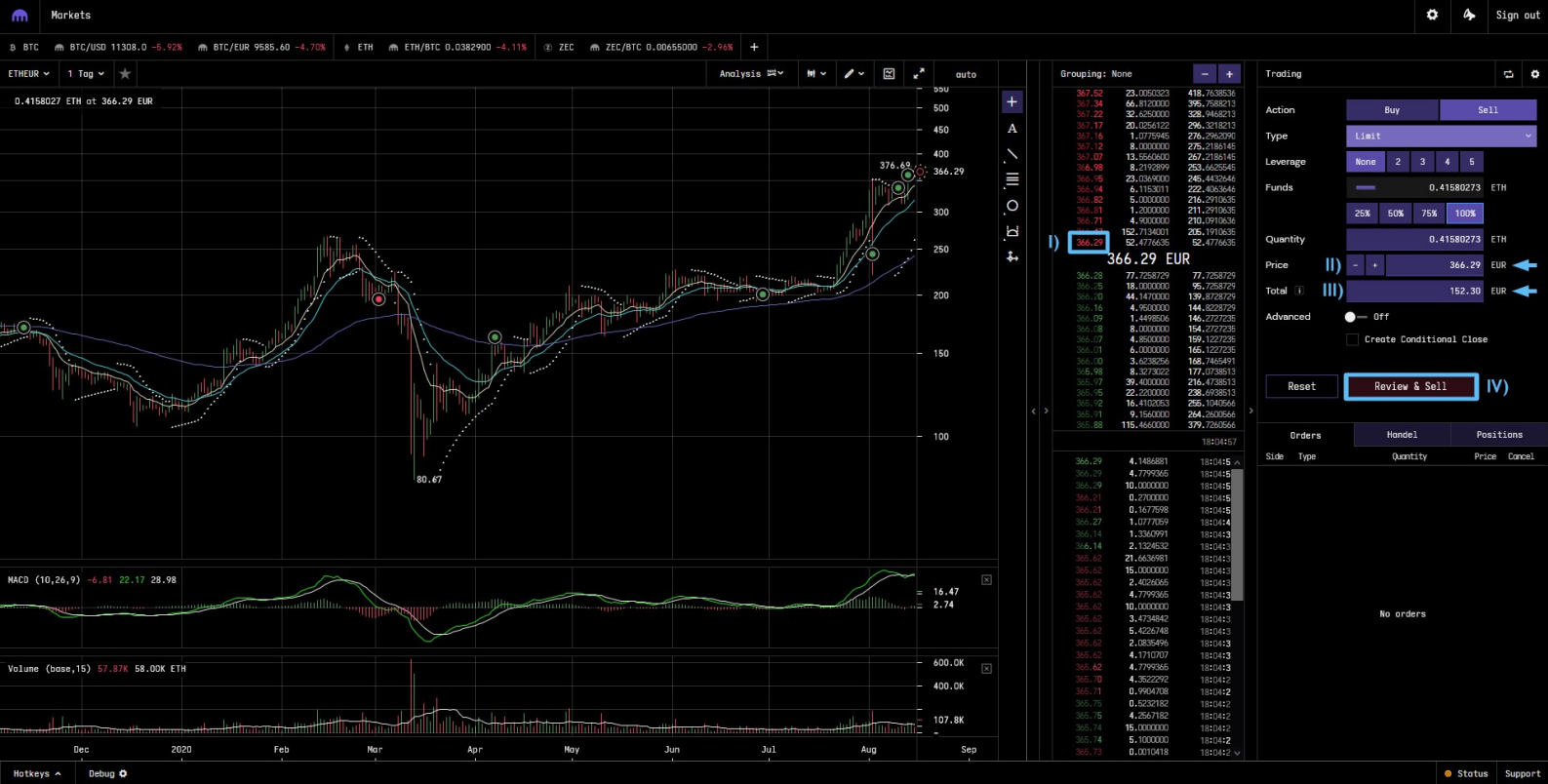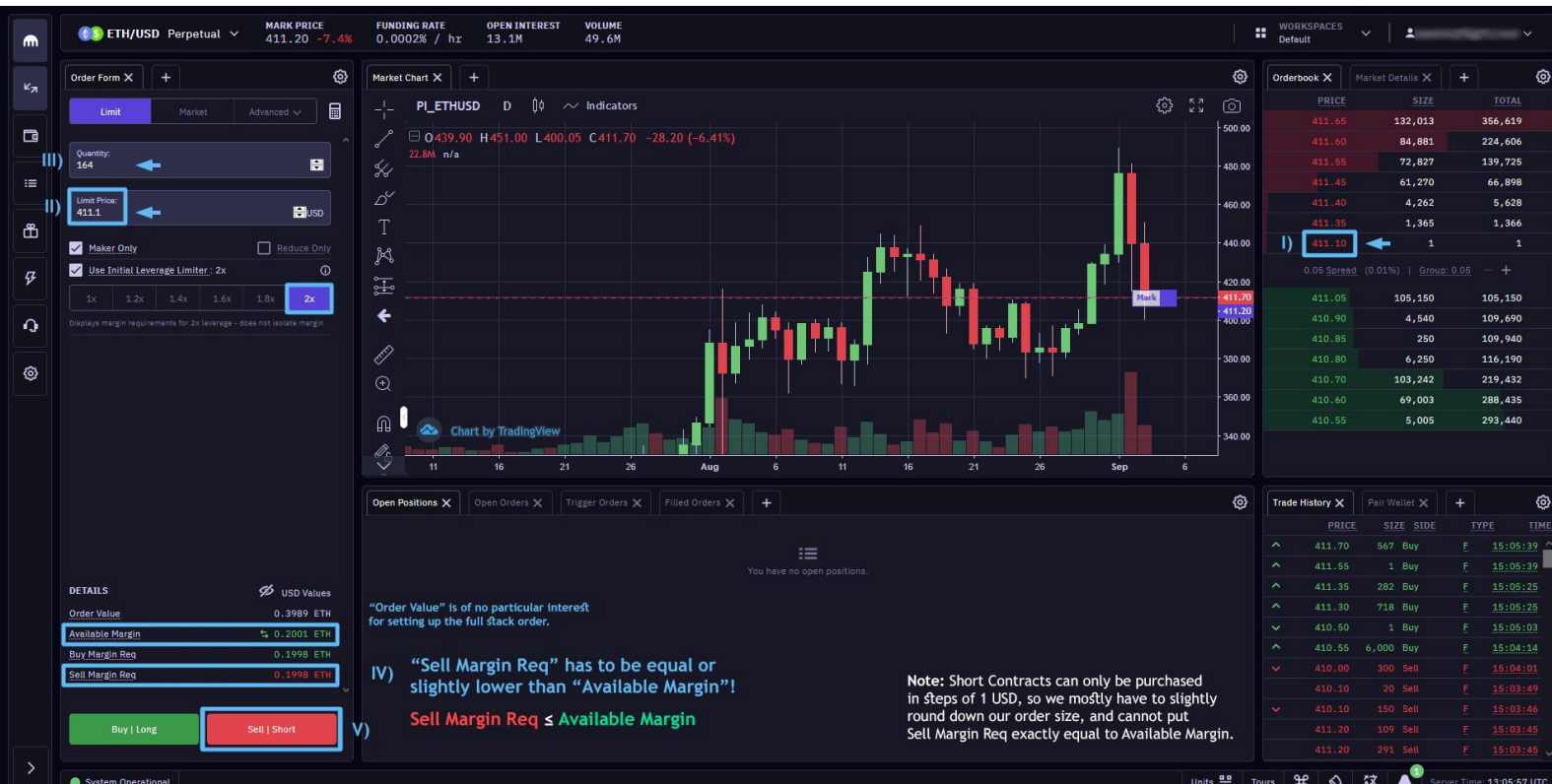
Shorting via Futures Contracts

- **Purchase Futures Short Contracts of an asset, e.g. get ETH/USD Perpetual Inverse Futures Short Contracts with ETH (to go Short).**

1) Log into the exchange (e.g. kraken.com), and go to the futures trading subpage, in this case that would be https://futures.kraken.com. Make sure you have ETH transferred into your

„**Single Collateral Futures Wallet**" (funds parked in „Spot Wallet" on Kraken or in „Holding Wallet" on Kraken Futures wont be available for trading here). You should see some „**Available Margin**" in the Kraken Futures „Trading" interface. Also make sure you have chosen „**ETH/USD Perpetual**" in the upper left corner!

"Order Value" is of no particular interest for setting up the full stack order.

IV) "Sell Margin Req" has to be equal or slightly lower than "Available Margin"!

Sell Margin Req ≤ Available Margin

V)

Note: Short Contracts can only be purchased in steps of 1 USD, so we mostly have to slightly round down our order size, and cannot put Sell Margin Req exactly equal to Available Margin.

2) Next you should choose the settings shown in the first image *above*: „**Limit**", „**Maker Only**", „**Use Initial Leverage Limiter**" and e.g. „**2x**" as leverage (depends of course on the actual signal you got). If you trade for the first time on Kraken Futures, you have to enable the Leverage Limiter first (the option can be found at the exact same spot in which the Leverage Limiter is located). Which leverage you choose for any particular signal depends on whether you use Swing Algo V1.4 (where leverage is clearly defined for each signal) or a prior algorithm (where also some market factors will play a role), which is described in more detail in the [Swing Algo FAQs](#) sheet under „6)" there (and can also be discussed in the private DeanTrader groups).

3) Now you have to set up the correct **Limit** order size, see second image *above*. I) Select the **lowest sell price** (red order book). II) It will appear in the „**Order Form**" on the left side. III) Now you have to manually change the „**Quantity**" until **Sell Margin Req ≤ Available Margin** (IV), so that you enter with your full stack (independent which leverage you chose). Sometimes price moves fast while setting everything up, and you might have to click again on a new lowest price and readjust „Quantity". If you won't get filled, in the worst case you can cancel the order after some waiting time anyway. If you don't have much time, you can also jump into a position by setting up a **Market order**. V) If everything is fine, press „**Sell | Short**" button to open the short order.
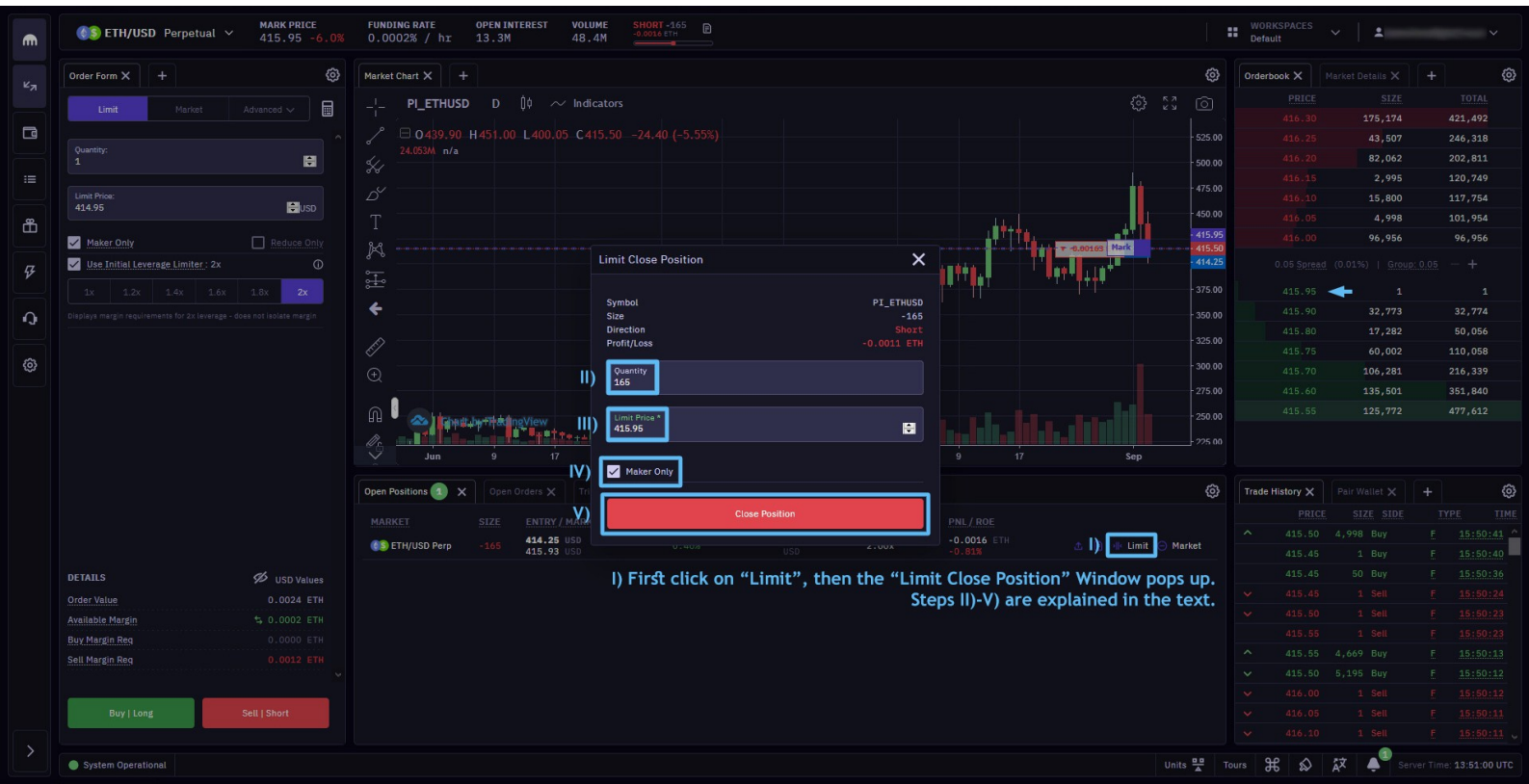

4) After pushing the „Sell | Short" button, an open **Limit order** appears in the „**Open Orders**" tab. If you have chosen **Market order**, then it gets executed immediately.

5) Normally the open **Limit order** should fill at some point. If price moves and you aren't getting filled, you could „Cancel" the order (no fees here). If you get filled (or used **Market order**), you should see an open Short position in the „**Open Positions**" tab as shown in the image *below*. There you can track price changes, PnL, ROE etc. Note that **ROE** is given in terms of ETH, to know this quantity in terms of USD, you have to divide the value by 2. For checking your portfolio USD value, you can go to the „**Wallet**" section of Kraken Futures.

Now we have an open Short position (as "SIZE" is given with a *minus* sign). We keep this until a Long signal comes. Then we would have to close the Short position (see below in this Cheat Sheet).

The "Available Margin" stays close to 0, because ~ all funds are locked up in the open position.
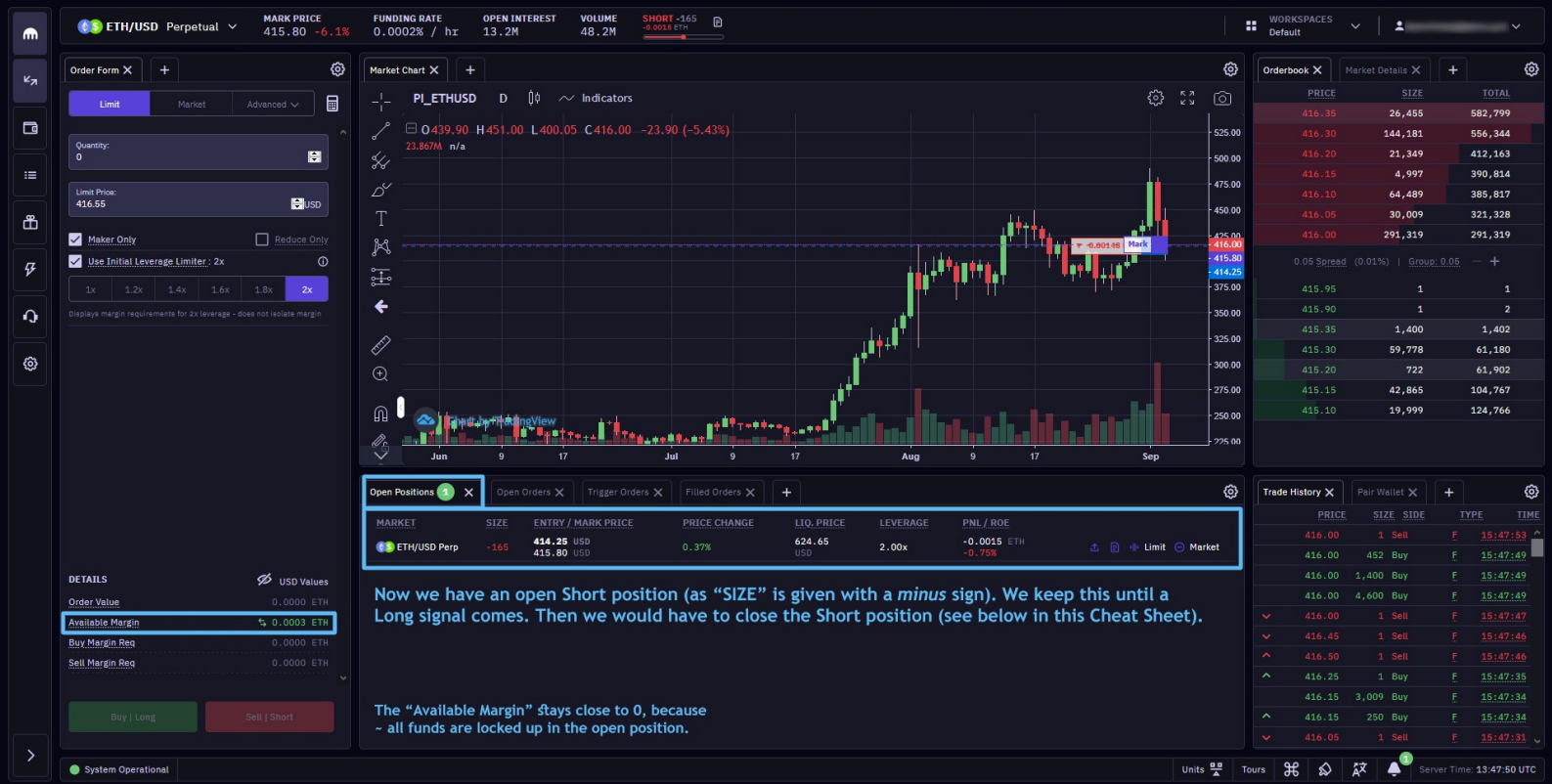
Closing Futures Short Contracts

- **Close Futures Short Contracts of an asset, e.g. close ETH/USD Perpetual Inverse Futures Short Contracts to receive ETH (to go Long).**

1) Log into the exchange (e.g. kraken.com), and go to the futures trading subpage, in this case that would be https://futures.kraken.com.

2) Next click on „**Limit**" located right in your „**Open Positions**" entry (I). II) Choose the full amount of your Contract position size in „**Quantity**" (this inout field is typically prefilled with that amount). III) Choose a „Limit Price", typically the **highest green price**. You can here just use the arrows next to the input field to adjust it, or you can just type it in. IV) Check „**Maker Only**" so that we definitely get lower fees. V) Press „**Close Position**". If you do not have time, you can also just close the position directly via **Market order** by clicking on „**Market**" instead of „**Limit**" and then entering the appropriate „**Quantity**".

I) First click on "Limit", then the "Limit Close Position" Window pops up. Steps II)-V) are explained in the text.

3) With the request to close your position, you basically sent out a „Buy | Long" order that cancels your Short position, in fact you could've in theory also used the big green button with that name to close your position, but there you also have to check „Reduce Only" to not overbuy into Long Contract position. You now have to wait for a matching market order so that your close order gets filled (in case of a **Limit order**).

As long as the position is not fully filled, you have an open position and an open order simultaneously, as shown in the image *below*.

4) As soon as your order is completey filled, you should have no positions and no orders open. The „Open Positions" and „Open Orders" tabs should then *not* show any **(1)** markers. You receive ETH from the trade, which then shows up at „**Available Margin**". With this you are Spot Long again, and can wait until the next Short signal.