

(Download free pdf) Following the Trend: Diversified Managed Futures Trading (Wiley Trading)

## Following the Trend: Diversified Managed Futures Trading (Wiley Trading)

*Andreas F. Clenow*

*\*Download PDF | ePub | DOC | audiobook | ebooks*



[Download](#)

[Read Online](#)

#131863 in eBooks 2012-11-26 2012-11-26 File Name: B009WWQD08 | File size: 41.Mb

**Andreas F. Clenow : Following the Trend: Diversified Managed Futures Trading (Wiley Trading)** before purchasing it in order to gauge whether or not it would be worth my time, and all praised Following the Trend: Diversified Managed Futures Trading (Wiley Trading):

11 of 11 people found the following review helpful. Great Book if You Are Managing a Large Portfolio By DougRI really liked the ideas in this book and I enjoyed the writing style of the author. Unfortunately the book was targeted to

investment professionals who are managing other people's money as a CTA fund manager, so the concepts suggested in the book require a larger investment portfolio than most individual investors would have in order to gain the proper diversification. Even the author says implementing his ideas requires a total portfolio of at least \$1 million. That is a fairly significant portfolio for one asset class and is, unfortunately, out of my league. Despite those comments, I thought Mr. Clenow wrote an investment classic and both individual investors and professionals can gain important insights from reading this book. I am investigating if there is some way I could implement his ideas using avenues other than the exact ones he presented in his book and given a much smaller portfolio that I can dedicate to commodities/futures.

3 of 3 people found the following review helpful. Excellent and complete analysis of trend following. By John Grover Clenow takes the reader through the development of trend following system setup in detail, which is great. But the best part of the book is the detailed year by year breakdowns from 1990 to 2011 showing the emotional drawdowns that live within the world beating track record the developed system yields. Also very interesting is the taking of his simple strategy with various tweaks to show how to reverse engineer the big fund's results. The reason those funds are impressive is that they gutted through all the years while sticking to their systems, because it is essentially shown that the strategy is simple. The next essential part, though available in part elsewhere, is the point that diversification and money management are the essence of trend following, and that under capitalized or non-diversified trend following is suicidal or at least gambling. The advice for prospective fund managers is excellent as well. The material here is worth many times the cost of the book.

4 of 4 people found the following review helpful. Start Your Own Trend Trading Fund (or just do it for yourself) By Scott T. This is a terrific book that takes you step by step into the world of trend trading. Even gives you an entrance pass into the "Black Box" of trend trading methods. Clenow creates a system with you by his side. Then runs it to show how it does. Makes some tweaks to show how changes in some variables affect the results. Finally he compares this system that you watched him create with successful CTA trading funds to show how we would compare with them. As a novice trend trader, even I had no trouble pulling out some of my old programs, tweaking them to his parameters and began running them in real time. This is a fantastic book. Removing the shroud of secrecy that other trend trading books have maintained.

During bull and bear markets, there is a group of hedge funds and professional traders which have been consistently outperforming traditional investment strategies for the past 30 odd years. They have shown remarkable uncorrelated performance and in the great bear market of 2008 they had record gains. These traders are highly secretive about their proprietary trading algorithms and often employ top PhDs in their research teams. Yet, it is possible to replicate their trading performance with relatively simplistic models. These traders are trend following cross asset futures managers, also known as CTAs. Many books are written about them but none explain their strategies in such detail as to enable the reader to emulate their success and create their own trend following trading business, until now. Following the Trend explains why most hopefuls fail by focusing on the wrong things, such as buy and sell rules, and teaches the truly important parts of trend following. Trading everything from the Nasdaq index and T-bills to currency crosses, platinum and live hogs, there are large gains to be made regardless of the state of the economy or stock markets. By analysing year by year trend following performance and attribution the reader will be able to build a deep understanding of what it is like to trade futures in large scale and where the real problems and opportunities lay. Written by experienced hedge fund manager Andreas Clenow, this book provides a comprehensive insight into the strategies behind the booming trend following futures industry from the perspective of a market participant. The strategies behind the success of this industry are explained in great detail, including complete trading rules and instructions for how to replicate the performance of successful hedge funds. You are in for a potentially highly profitable roller coaster ride with this hard and honest look at the positive as well as the negative sides of trend following.

Following the Trend is an absolute must read for anyone with an interest in systematic trend following whether as an investor, trader, or aspiring manager. The book is at the same time comprehensive and easy to read. As someone who has designed these types of systems, it is absolutely clear to me that Clenow writes as a knowledgeable practitioner, not an armchair theoretician. I admired Clenow's repeatedly pointing out real life difficulties and drawbacks and his refusal to use optimization or well-chosen examples as virtually all other books of this type tend to do. In short, this is a real life presentation of the subject matter. In one particularly innovative chapter, Clenow creates close replications of some of the best and largest trendfollowing funds by combining his set of simple, non-optimized rules with variations in portfolio composition and volatility level.

— Jack Schwager, Author of Market Wizard and Schwager on Futures series and Market Sense and Nonsense From the Inside Flap

Andreas Clenow has written a very unique book that provides a rare insight into how an actual CTA hedge fund manager trades. Backing up all his claims with hard research, he cuts right to the point and educates the reader about how the real value of trend-following futures trading is achieved and how to replicate the success of the major hedge funds. A must read and an essential part of any serious trader's library.

— Carl Gyllenram, CEO, Ability Asset Management / Author of Trading with Crowd Psychology

Following the Trend truly captures what it is to

be a systematic manager day in and day out. It is a must read for someone with ambitions to create his own systematic fund; highly recommended for everyone who is planning to invest in or understand the intricacies of systematic strategies.”—Sanjiv Kumar, Principal, Fort LP. “In this excellent work, Andreas has shed light on some very important and previously undocumented aspects of trend following. This book should be of great interest to Managed Futures managers and investors alike.”—Nigol Koulajian, Founder, Quest Partners, LLC “This is a must read for anyone involved in trading markets. The thoughtful analysis of how models work and fail will help anyone interested in trading futures. This book adds to the short list of intelligent analysis available for investors to beat the market.”—Robert Savage, CEO, Track.com “If you want to trade professionally by managing other people’s money, then this is one of the first books I recommend that you read.”—Van K. Tharp, Ph.D., Author, Trade Your Way to Financial Freedom, Supertrader and The Definitive Guide to Position Sizing Strategies “Trend following is the largest sub-category of managed futures, driven by the market environment of price persistence. Andreas has taken a complicated topic and provided an insightful viewpoint.”—Mark H. Melin, Author, High-Performance Managed Futures / Editor, Opalesque Futures Intelligence “A no-nonsense view into the real world of trend following and how it can be done.”—Kathryn M. Kaminski, PhD, CIO and Founder, Alpha K Capital

From the Back Cover: During bull and bear markets, there is a group of hedge funds and professional traders which have been consistently outperforming traditional investment strategies for the past 30-odd years. They have shown remarkable uncorrelated performance and in the great bear market of 2008 they had record gains. These traders are highly secretive about their proprietary trading algorithms and often employ top PhD’s in their research teams. Yet, it is possible to replicate their trading performance with relatively simplistic models. These traders are trend following cross asset futures managers, also known as CTAs. Many books are written about them but none explain their strategies in such detail as to enable the reader to emulate their success and create their own trend-following trading business. Following the Trend explains why most fail by focusing on the wrong things, such as buy and sell rules, and teaches the truly important parts of trend following. Trading everything from the Nasdaq index and T-bills to currency crosses, platinum and lean hogs, there are large gains to be made regardless of the state of the economy or stock markets. By analysing year-by-year trend-following performance and attribution the reader will be able to build a deep understanding of what it is like to trade futures at a large scale and where the real problems and opportunities lay. Written by experienced hedge fund manager Andreas Clenow, this book provides a comprehensive insight into the strategies behind the booming trend-following futures industry from the perspective of a market participant. The strategies behind the success of this industry are explained in great detail, including complete trading rules and instructions for how to replicate the performance of successful hedge funds. The companion website for the book, [FollowingTheTrend.com](http://FollowingTheTrend.com), is an information rich resource for futures traders with additional information, tools and continuous updates on the state of global trend following.