Trading Strategy

Validation Report*

3rd Generation Strategy Design

Strategy Name:	**Guardian Pro USDJPY1 v3.1**
Currency Pair:	USD JPY
Testing Period:	01-01-2022 to 31-10-2025
Starting Test Balance:	$10,000

Overview

This strategy trades the USDJPY using analysis from the M5 and H1 timeframes. Below are the results of our 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

$ 19480.76

PROFIT IN PIPS	6734.5 TICKS
YEARLY AVG PROFIT	$ 6493.33
YEARLY AVG % RETURN	64.94 %
CAGR	43.39 %

# OF TRADES	SHARPE RATIO	PROFIT FACTOR	RETURN / DD RATIO	WINNING PERCENTAGE
403	1.69	1.58	8.11	62.78 %
DRAWDOWN	**% DRAWDOWN**	**DAILY AVG PROFIT**	**MONTHLY AVG PROFIT**	**AVERAGE TRADE**
$ 2402.16	8.36 %	$ 13.92	$ 423.48	$ 48.34
ANNUAL % / MAX DD %	**R EXPECTANCY**	**R EXPECTANCY SCORE**	**STR QUALITY NUMBER**	**SQN SCORE**
5.19	0.22	22.7	1.81	1.75

STATS

Strategy

Wins / Losses Ratio	1.69	Payout Ratio (Avg Win/Loss)	0.94	Average # of Bars in Trade	214.39
AHPR	48.7	Z-Score	-0.09	Z-Probability	53.59 %
Expectancy	48.34	Deviation	$ 267.35	Exposure	10.15 %
Stagnation in Days	133	Stagnation in %	9.52 %		

Trades

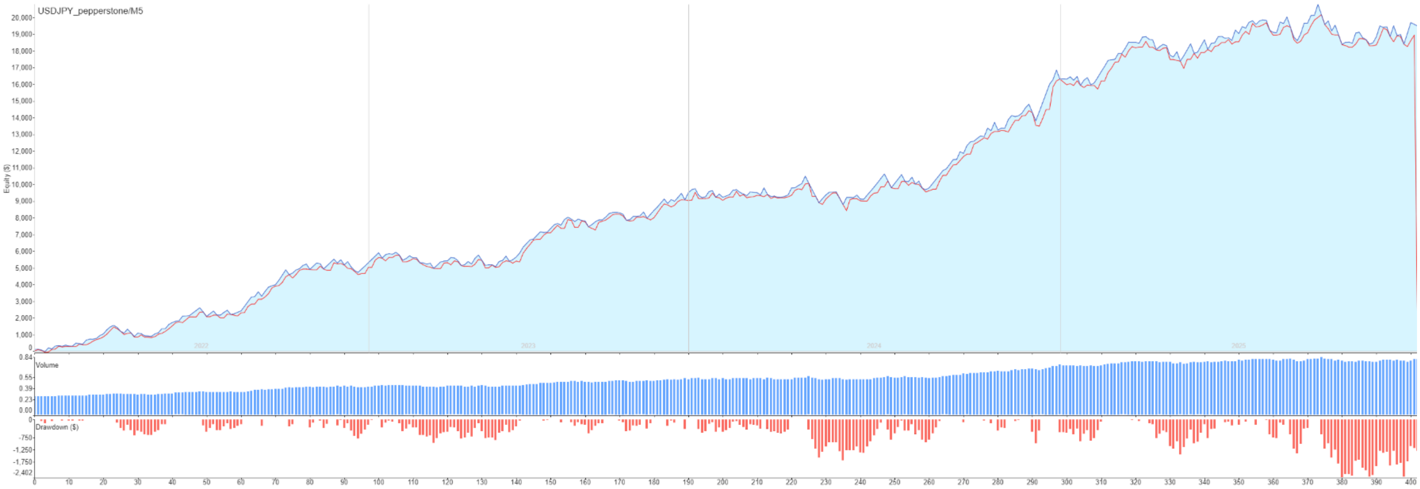
		# of Wins	253	# of Losses	150	# of Cancelled/Expired	0
Gross Profit	$ 53064.4	Gross Loss	$ 33583.64	Average Win	$ 209.74	Average Loss	$ 223.89
Largest Win	$ 660.68	Largest Loss	$ -616.57	Max Consec Wins	10	Max Consec Losses	4
Avg Consec Wins	2.69	Avg Consec Loss	1.6	Avg # of Bars in Wins	206.08	Avg # of Bars in Losses	228.39

MONTHLY PERFORMANCE ($)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	-890.74	2564.79	-1133.36	1399.4	803.11	444.1	763.24	-2340.33	406.94	622.27	0	0	2639.42
2024	159.74	198.38	-129.3	-10.13	-120.4	49.87	1106.68	-647.79	2292.01	1246.95	1597.33	2047.88	7791.22
2023	476.45	27.77	-17.66	-24.25	132.51	978.48	902.72	230.99	232.53	176.22	220.47	633.34	3969.57
2022	105.78	345.85	799.59	45.39	-426.7	820.05	729.16	-31.46	1513.36	664.93	343.67	170.93	5080.55

Equity Chart

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



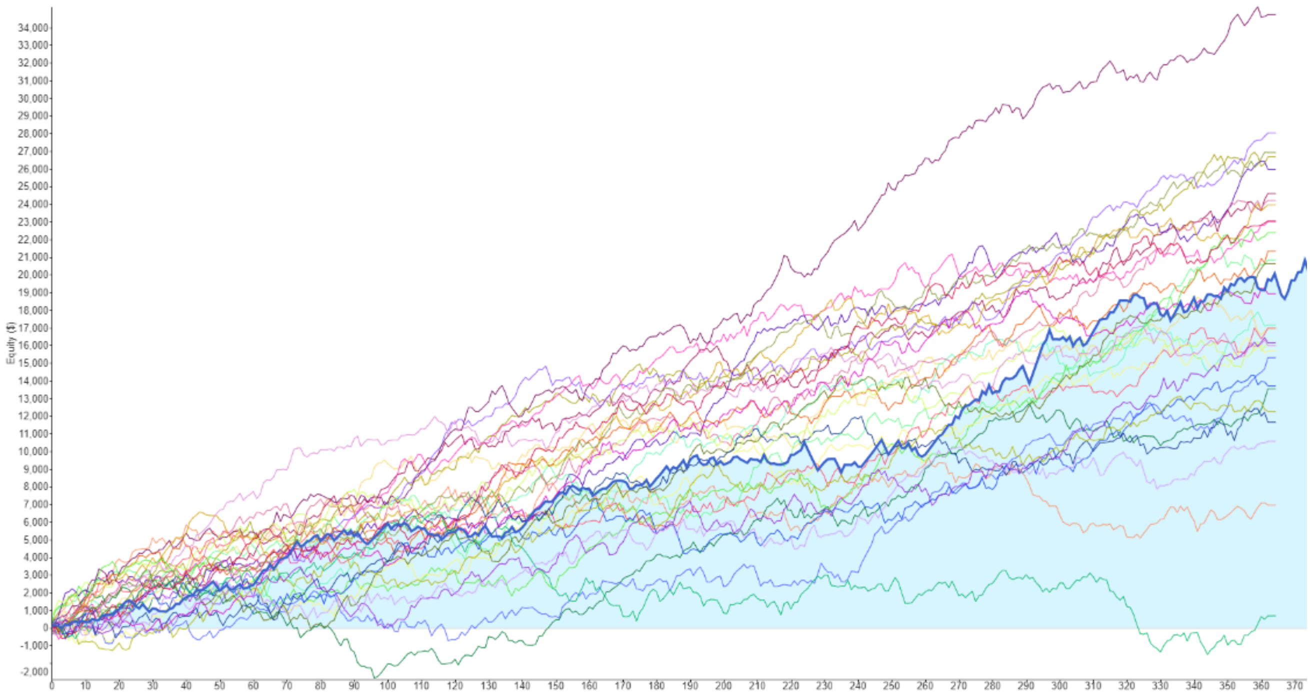
Comprehensive Trade Analysis

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

Period	Net Profit	Profit Factor	# of trades	% Wins
All	$19480.76	1.58	403	62.78 %
2025	$2639.42	1.19	105	57.14 %
2024	$7791.22	1.87	108	64.81 %
2023	$3969.57	1.68	93	64.52 %
2022	$5080.55	2.03	97	64.95 %

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.



Detailed Strategy Operation

This Guardian Pro USDJPY1 strategy is a fully automated intraday system for USDJPY that trades on the main chart with H1 confirmation, only taking signals during the core trading window (about 03:00–20:00) and closing all exposure before the weekend on Friday night. It looks for long trades when Williams %R on the main chart turns up from weakness, a recent H1 candle forms a bullish engulfing pattern, and both a KAMA-based trend filter and ADX on H1 are rising, indicating a strengthening uptrend; short trades use the opposite logic with Williams %R turning down, a bearish engulfing candle on H1, and a falling KAMA in the context of rising ADX. Each position is opened on bar open with a fixed stop loss of around 112.5 pips, while profit targets are asymmetrical—approximately 125 pips for longs and 75 pips for shorts—with no duplicate trade stacking. Exits are triggered when a shorter-period Williams %R on the main chart reverses direction and MACD crosses the zero line, signalling a meaningful momentum shift and prompting the EA to close the open position.

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Overall Result - PASS*

This report confirms that the USDJPY1 v3.1 strategy has passed the rigorous validation process and meets the high standards set by Guardian FX Engine Pro.

DISCLAIMER

** Past results or testing are no guarantee of future performance.*