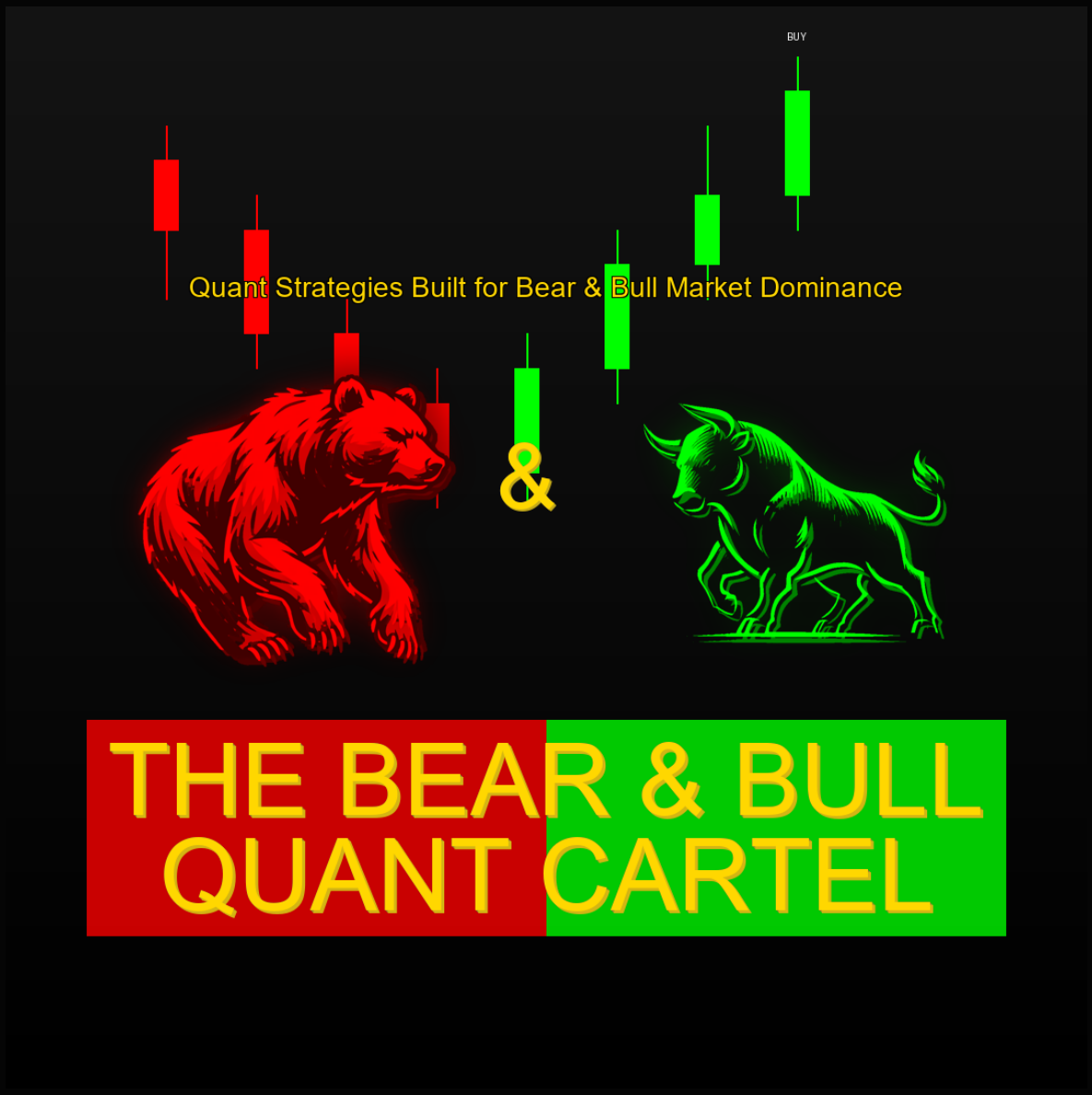

Bear & Bull EA Analyzer + Monte Carlo Basic Guide

A practical introduction to strategy quality, robustness, drawdown pressure, survival risk and deployment readiness.

CHAPTER 00

Guide Map

This basic guide explains the EA Analyzer and Monte Carlo logic without exposing the full advanced paid framework.

Chapter	Topic	Purpose
01	What the EA Analyzer is	How raw MT4 / MT5 statements become readable risk information.
02	Parsed Statement Overview	How to interpret profit, drawdown, winrate, SQN and recovery.
03	Monte Carlo purpose	Why one historical equity curve is not enough.
04	Sequence modes	Reshuffle, resample and block bootstrap in plain English.
05	Stress layers	Skipped trades, spread, slippage and bad month clustering.
06	Confidence table	How to read 50%, 80%, 90% and 95% pressure.
07	Tail risk	What the worst simulations reveal.
08	Survival detection	Dead runs, time to death and capital survival.
09	Scenario stress	Crash shock, volatility, liquidity and broker degradation.
10	Portfolio awareness	Why individual EA quality is not the same as portfolio quality.
11	Final decision logic	DEPLOY / DEMO FIRST / HIGH RISK / REJECT.
12	Basic workflow	How to use the tool without fooling yourself.

Free guide boundary

This guide gives the foundation. The paid guide can go deeper into capital allocation, advanced scenario interpretation, portfolio weighting, MC verdict stack and institutional deployment logic.

CHAPTER 01

What the EA Analyzer Is

The EA Analyzer turns trading history into risk intelligence.

Most traders judge a robot by the equity curve, the net profit, or the profit factor. That is too shallow. A robot can look profitable while hiding dangerous path behavior, weak recovery, long underwater periods or heavy dependence on a few lucky trades.

The Bear & Bull EA Analyzer starts from real statement data. It reads closed trades, groups them by source, symbol and magic number, separates EA behavior from manual behavior where possible, and then converts that raw history into a structure that can be tested.

Input

MT4 / MT5 detailed HTML statements (closed trades)

Parsing

Closed trades become clean rows with time, profit, symbol, magic number and source file.

Filtering

You can inspect one file, one robot, one symbol-magic group, EA only, manual only, or the full portfolio.

Output

The system produces performance metrics, equity behavior, Monte Carlo paths, risk tables and final verdict blocks.

Basic principle

The analyzer does not ask only: did this strategy make money? It asks: what kind of money did it make, how much pressure did it absorb, and how easily can it break?

CHAPTER 02

Parsed Statement Overview

This is the first layer: understand the original trading record before stress-testing it.

The parsed statement overview is not yet Monte Carlo. It is the clean reading of the original statement after the trades have been extracted and filtered. This is where you learn what the robot did before the system starts simulating hostile versions of the path.

Metric	Meaning	Basic interpretation
Trades	Number of closed trades included in the selected view.	Too few trades means the evidence is weak.
Net Profit	Total closed profit after costs recorded in the statement.	Positive is good, but not enough by itself.
Profit Factor	Gross profit divided by gross loss.	Higher is better, but can be inflated by small samples.
Expected Payoff	Average profit per trade.	Shows the average edge per trade.
Winrate %	Percentage of winning trades.	Useful, but must be judged with average win/loss.
SQN	System Quality Number, a rough quality score based on mean and volatility of trade returns.	Good for structure, but not a standalone decision.
Max DD %	Maximum historical drawdown percentage.	Core risk metric. High drawdown reduces deployability.
Recovery Factor	Net profit relative to drawdown.	Shows how efficiently the system recovers from damage.
Time Underwater %	How much time the equity curve spends below its previous peak.	High values can make a robot hard to trade emotionally.

Important

A strategy can have high net profit and still be weak if drawdown is too deep, recovery is too slow, or profits depend on rare outliers.

CHAPTER 03

Profit Is Not the Same as Structure

Why a good-looking backtest can still be dangerous.

A backtest is one historical sequence. It shows what happened in one order: trade 1, trade 2, trade 3, and so on. But live trading does not care about your preferred sequence. The market can deliver losses earlier, winners later, skipped fills, extra spread, and clustered bad periods.

This is why the Bear & Bull philosophy separates profit from structure. Profit is the result. Structure is the reason that result can or cannot survive pressure.

Profit

How much the system made in the original path.

Structure

How stable the system remains when trade order, costs and regimes become less friendly.

Fragility

How quickly the system deteriorates when the path becomes hostile.

Deployability

Whether the system deserves real capital after pressure testing.

The basic rule is simple: if the strategy only looks good in one perfect historical path, it has not earned trust yet.

CHAPTER 04

Why Monte Carlo Matters

Monte Carlo creates alternative versions of the same strategy path.

Monte Carlo does not magically predict the future. It takes the existing trade distribution and asks how the account might behave if the order, sampling, clustering or execution conditions become different. This helps reveal sequence risk and survival pressure.

Question	Backtest answers	Monte Carlo answers
Profit	How much did this exact path make?	How stable is profit across many alternative paths?
Drawdown	What was the historical drawdown?	How much can drawdown expand when the path worsens?
Streaks	What was the longest loss streak?	How bad can loss streaks become under alternative sequencing?
Recovery	How did the historical path recover?	How long can recovery take in worse paths?
Survival	Did the backtest end positive?	How many simulated paths survive the capital rules?

Core Monte Carlo question

If the same edge is forced through a less friendly path, does the system still deserve trust?

CHAPTER 05

Sequence Modes

Different ways to attack the order of trades.

The sequence mode controls how alternative trade paths are generated. Each mode has a different purpose. None of them is perfect alone. Together, they help reveal whether the robot is robust or path-dependent.

Mode	What it does	Best use
Reshuffle	Keeps the same trades but changes their order.	Tests whether the equity path depends too much on lucky sequencing.
Resample	Draws trades with replacement from the original trade list.	Creates wider outcome variation and tests distribution uncertainty.
Block Bootstrap	Samples blocks of trades instead of single trades.	Preserves streaks and regime clustering more realistically.
All Sequence Modes	Mixes multiple sequence methods in one validation run.	Useful for stronger robustness filtering.

Simple interpretation

If the EA only survives reshuffle but breaks under resample or block bootstrap, it may be too dependent on the exact historical order.

CHAPTER 06

Monte Carlo Presets

Soft Mode, Hard Mode and Survival Mode are different levels of pressure.

The basic guide uses three main mental modes. These modes are not just cosmetic. They represent different validation depth and different interpretation strictness.

Soft Mode

A lighter structural scan. Useful for early reading and fast screening before deeper filtering.

Hard Mode

A stricter robustness filter. Better for deployment-oriented analysis and serious EA selection.

Survival Mode

The harshest capital-survival layer. This mode asks whether the system deserves trust under combined pressure.

A common mistake is to start with the harshest settings and immediately reject everything. The smarter workflow is to understand the structure first, then increase pressure.

Practical rule

Soft Mode explains the structure. Hard Mode tests robustness. Survival Mode challenges capital readiness.

CHAPTER 07

Stress Layers

Pressure added on top of the sequence simulation.

Real trading is not a clean backtest. Trades can be skipped, spread can widen, slippage can occur, and bad periods can cluster. Stress layers simulate those imperfections so you can see how much quality remains.

Stress layer	What it represents	Danger signal
Skip Trades	Some trades are removed or neutralized as if fills were missed.	The EA depends on too few key winners.
Spread / Trade	Extra execution cost is applied to active trades.	Profit disappears when realistic cost is added.
Slippage / Trade	Additional loss from worse entry or exit execution.	Edge is too thin to survive live friction.
Bad Month Clustering	Bad periods are grouped to simulate hostile regimes.	Drawdown and recovery become psychologically or structurally unacceptable.
Death Detection	Capital survival rules are applied to each simulated path.	Too many runs die before the end of the test.

Basic pressure logic

A strong EA does not need perfect execution, perfect sequencing and perfect months to remain alive.

CHAPTER 08

Reading the Confidence Table

The confidence table is where the structure becomes measurable.

The confidence table shows how core metrics behave across different parts of the simulation distribution. It helps you see the median path, the conservative path and the tail path.

Confidence	Plain-English meaning	How to use it
50%	The median simulation area.	Normal expected behavior across simulated paths.
80%	A stronger conservative read.	Good for practical robustness checking.
85% - 90%	A stricter adverse-path zone.	Useful for serious deployment decisions.
95%	A harsh tail validation zone.	Shows what happens when the path becomes very unfriendly.

Column	What it tells you
Profit Retained %	How much simulated profit remains compared with the original result.
DD Expansion %	How much drawdown grows compared with the original path.
Return / DD Retained %	Whether reward per unit of drawdown remains acceptable.
SQN Retained %	Whether the statistical quality of the trade distribution survives stress.
Loss Streak	How long losing periods can stretch under pressure.
Longest Underwater	How long the account may stay below its previous peak.

CHAPTER 09

Drawdown Expansion

The most important warning signal for capital deployment.

Drawdown expansion compares the original drawdown with the simulated drawdown. If the original drawdown was acceptable but simulated drawdown expands heavily, the strategy may have hidden path fragility.

Controlled expansion

Drawdown grows only mildly under stress. The structure may be usable.

Visible expansion

Drawdown grows enough to require caution or smaller capital.

Heavy expansion

Drawdown becomes much worse than the backtest suggested.

Extreme expansion

The strategy may not be capital-ready without major filtering or reduction.

Basic interpretation

A profitable robot with unstable drawdown is not a strong robot. It is a robot that has not yet been punished by the wrong sequence.

CHAPTER 10

Return / Drawdown Retention

Profit quality under pressure.

Return / DD is one of the cleanest ways to judge whether a strategy is still efficient after stress. A robot can remain profitable but lose too much efficiency if drawdown expands faster than profit.

Situation	Meaning	Decision pressure
Profit remains high and DD remains controlled	The system keeps its quality.	Potential DEPLOY / DEMO FIRST candidate.
Profit remains but DD expands hard	The system still makes money but becomes inefficient.	DEMO FIRST / HIGH RISK.
Profit weakens and DD expands	The edge is deteriorating under pressure.	HIGH RISK / REJECT candidate.
Profit collapses while DD explodes	The structure fails the robustness test.	Reject for capital deployment.

Capital logic

The goal is not to find the highest backtest profit. The goal is to find the best relationship between return, drawdown, survival and repeatability.

CHAPTER 11

Streak Pressure and Recovery

The psychological side of robustness.

Many strategies fail live not because the edge disappears immediately, but because the trader cannot tolerate the path. Long loss streaks, long underwater periods and slow recovery create pressure that can cause early shutdown, manual interference or emotional scaling mistakes.

Metric	Why it matters
Longest Losing Streak	Shows how many losses can appear back-to-back under stress.
Max DD Duration	Shows how long drawdown can remain active.
Average Recovery Duration	Shows typical recovery pressure after a drawdown event.
Longest Underwater Duration	Shows the longest period below previous equity high.
Time Underwater %	Shows how often the equity curve is below its peak.

A robot that produces profit but spends most of its life underwater may be very difficult to trust with meaningful capital.

Trading psychology truth

If the path is too psychologically heavy, the strategy may fail in real life even if the long-term edge is positive.

CHAPTER 12

Tail Risk

The worst simulations often tell the truth that the average hides.

Average results can hide dangerous tails. Tail risk focuses on the bad end of the distribution: the simulations where profit is weakest, drawdown is highest, streaks are worst, or survival becomes questionable.

Median result

Useful for normal expectation, but not enough for capital decisions.

Worst 10%

Shows how the system behaves when the path becomes unfriendly.

Worst 5%

Shows the harsh tail where weak strategies often reveal themselves.

Tail collapse

When the bad-end simulations destroy the original logic of the strategy.

A strong system does not need every simulation to look beautiful. But it should not collapse so aggressively that the entire capital plan becomes unrealistic.

Tail risk rule

Do not judge only the best runs. Judge the runs that make you uncomfortable.

CHAPTER 13

Survival Detection

The difference between temporary pain and structural death.

Survival detection applies capital rules to every simulated path. Instead of only looking at final profit, it asks whether the account would have died, breached drawdown limits, fallen below an equity floor, or failed the minimum return/drawdown requirement.

Survival metric	Meaning
Dead Runs %	Percentage of simulations that violated survival rules.
Survived Runs %	Percentage of simulations that completed without structural death.
Median Time To Death	How quickly failed simulations broke down.
Final Equity %	How much of starting equity remained at the end of the path.
Death Reason	The main rule that caused simulations to fail.

Survival mindset

A strategy that dies in many simulated paths does not deserve confident capital, even if the original backtest ended profitable.

CHAPTER 14

Scenario Stress

Testing market-state shocks, not just trade order.

Scenario stress goes beyond simple sequence reshuffling. It simulates hostile market states such as crash shocks, volatility expansion, liquidity drought and broker degradation. These layers are designed to answer: what happens when the environment changes against the system?

Scenario	Plain-English meaning	Main risk
Crash Shock	A sudden hostile regime with larger negative pressure.	Fast equity damage and drawdown expansion.
Volatility Expansion	Markets become more unstable and less smooth.	Larger variance, worse streaks and lower consistency.
Liquidity Drought	Execution quality worsens and fills become less reliable.	Spread/slippage pressure and skipped opportunities.
Broker Degradation	Trading conditions become more expensive or less efficient.	A thin edge can disappear under costs.

Basic scenario verdict

If a system only works in clean conditions, it is not robust. It is condition-dependent.

CHAPTER 15

Regime Awareness

A robot can be profitable overall but weak in specific market states.

Regime awareness looks at whether profit is distributed across different market conditions or concentrated in one environment. A system that only works in one regime may still be valuable, but it must be understood correctly.

Trend-friendly behavior

The EA may perform best when directional movement is clean.

Range-sensitive behavior

The EA may struggle when markets chop or compress.

Volatility dependence

The EA may need enough movement but can suffer in chaotic expansion.

Regime fragility

Profit disappears when the market state changes.

The basic guide does not require the user to master regime modeling. The important point is this: the same strategy can behave very differently when the market state changes.

CHAPTER 16

Portfolio and Component Awareness

A group of profitable EAs can still form a fragile portfolio.

Portfolio validation is different from single-EA validation. A robot can look good alone, but if several robots lose at the same time, the portfolio can become more fragile than expected.

Portfolio concept	Why it matters
Component Summary	Shows how each symbol/magic component contributes to profit and drawdown.
Correlation Stress	Tests whether components become more connected under pressure.
Loss Contributor	Identifies robots that damage the portfolio structure.
Profit Carrier	Identifies components that carry the edge.
Diversification Quality	Checks whether the portfolio is truly diversified or only appears diversified.

Paid guide preview

The advanced guide can go much deeper into component ranking, portfolio weighting, concentration risk, allocation modes and EA Breakdown K/W/K (separate tool).

CHAPTER 17

Monte Carlo Final Decision logic

The final decision should combine profit, risk, pressure and survival.

The verdict layer should never be read as a magic prediction. It is a structured interpretation of the evidence. A good verdict explains why the system is clean, fragile, dangerous, sensitive or capital-ready.

Verdict type	Meaning	Typical action
DEPLOY	The structure remains strong under relevant pressure.	Can stay in the candidate pool.
DEMO FIRST	The system has value but shows visible weakness.	Monitor, retest, or use smaller capital.
HIGH RISK	Risk is too high for current allocation.	Lower exposure or isolate the system.
Demo First	The evidence is not clean enough for direct live trust.	Forward test before capital deployment.
REJECT	The robot damages the structure or fails survival logic.	Remove or disable from serious allocation.
Reject	The system breaks under core validation pressure.	Do not deploy without major redesign.

Decision rule

Never let one attractive metric override structural failure. Profit can seduce. Survival tells the truth.

CHAPTER 18

Common Beginner Mistakes

How users misread Monte Carlo output.

Mistake	Why it is dangerous	Better behavior
Only reading net profit	Profit can remain positive while drawdown and recovery become unacceptable.	Read profit together with DD expansion and Return/DD.
Ignoring sample size	Small trade samples can produce unstable conclusions.	Treat low-sample robots as unproven.
Trusting one confidence level	One row cannot explain the full distribution.	Compare median, 80/90% and tail zones.
Skipping stress layers	Clean backtests hide live execution friction.	Add realistic spread, slippage and sequence pressure.
Overreacting to one bad metric	Some weaknesses are acceptable if the full structure survives.	Use the final decision framework.
Scaling too early	A strategy can pass basic metrics but fail survival pressure.	Scale only after robust validation and forward proof.

CHAPTER 19

A Basic Bear & Bull Workflow

A practical step-by-step reading process.

Step	Action	Purpose
1	Upload MT4 / MT5 detailed statement.	Use clean data. Bad input creates bad conclusions.
2	Select the correct filter.	Analyze full portfolio, one EA, one symbol, or one magic number.
3	Read Parsed Statement Overview.	Understand the original record before stress testing.
4	Run Soft Mode.	Get a first structural read.
5	Run Hard Mode.	Check whether robustness remains under stronger pressure.
6	Activate survival logic.	Test drawdown, equity floor and death conditions.
7	Review confidence and tail risk.	Study the median, adverse and tail paths.
8	Make a decision.	DEPLOY / DEMO FIRST / HIGH RISK / REJECT.

Best practice

Do not use Monte Carlo to confirm what you want to believe. Use it to find where the strategy breaks.

CHAPTER 20

How to Think About Capital

Capital should follow evidence, not excitement.

Capital allocation should not be based on the prettiest equity curve. It should be based on robustness, drawdown control, recovery quality, tail behavior and survival under pressure.

Research candidate

Interesting but not proven. Needs more data or forward testing.

Demo candidate

Worth monitoring under live-like conditions before real exposure.

Small capital candidate

Structure is usable but still deserves controlled exposure.

Blocked for capital

Risk, tail, survival or drawdown behavior is too dangerous.

The advanced paid guide can turn this into a deeper capital framework, including allocation buckets, component weighting, concentration limits and portfolio survival rules.

CHAPTER 21

What a Good Report Should Tell You

The report should make the decision clearer, not more confusing.

A good Bear & Bull report should tell the user where the strategy is strong, where it is fragile, and what to do next. It should not drown the user in numbers without interpretation.

Report block	Decision value
Overview Metrics	Shows the original performance quality.
Baseline Monte Carlo	Shows simulated profit, drawdown and path behavior.
Confidence Table	Shows how metrics hold up across pressure levels.
Tail Risk Summary	Shows the bad-end behavior.
Survival Summary	Shows whether the system dies under rules.
Scenario Summary	Shows whether hostile market states damage the edge.
Final Verdict	Converts the evidence into an action-oriented conclusion.

Reporting standard

The user should leave the report knowing what deserves trust, what needs monitoring, and what should be removed.

CHAPTER 22

Basic Interpretation Examples

Simple examples of how to think.

Situation	Interpretation	Likely action
High profit, low DD expansion, strong Return/DD retention	The strategy keeps quality under pressure.	DEPLOY / controlled deployment.
High profit, heavy DD expansion, long underwater periods	Profit exists but path quality is weak.	DEMO FIRST / HIGH RISK.
Profit collapses in worst 10% simulations	The system has dangerous tail dependency.	HIGH RISK / REJECT.
Dead runs appear in Survival Mode	Capital survival is not clean enough.	DEMO FIRST / HIGH RISK / REJECT by severity.
One component causes most damage	Portfolio weakness may be isolated.	Remove / disable component and rerun.
Spread/slippage destroys profitability	The edge is too thin for real execution.	Reject or redesign.

CHAPTER 23

Free Guide Limits

What this guide intentionally does not fully reveal.

This basic PDF should be strong enough to educate users and position the software as a serious validation engine. But it should not give away the entire advanced operating system.

Kept for paid guide	Why
Full allocation engine logic	This is advanced portfolio construction knowledge.
EA Breakdown K/W/K scoring (separate tool)	This is part of the premium decision framework.
Advanced scenario interpretation	Requires deeper context and examples.
Portfolio weighting and concentration rules	Directly affects capital deployment.
Multi-EA case studies	High-value practical application.
Live incubation and scaling plan	Connects analysis to real execution workflow.

Product strategy

The free guide builds trust. The paid guide teaches the full deployment philosophy.

CHAPTER 24

Final Basic Checklist

Before trusting an EA, check these points.

Check	Pass signal	Warning signal
Trade sample	Enough trades to judge behavior.	Very small sample.
Net profit	Positive and repeatable.	Profit comes from few outliers.
Drawdown	Controlled in original and simulation.	DD expands hard under stress.
Return/DD	Remains efficient after pressure.	Falls apart in adverse paths.
Loss streaks	Psychologically manageable.	Streaks become too long.
Recovery	Reasonable recovery duration.	Long underwater periods.
Tail risk	Worst paths remain survivable.	Worst paths collapse.
Survival	Low or zero dead runs.	Many dead runs or fast death.
Execution stress	Edge survives cost friction.	Spread/slippage kills profit.

CHAPTER 25

Closing Principle

The Bear & Bull way: pressure before trust.

The purpose of the EA Analyzer and Monte Carlo engine is not to make every strategy look impressive. The purpose is to reveal which strategies deserve trust and which ones only looked good because the historical path was friendly.

A serious trader does not ask only how much money the robot made. A serious trader asks how the robot behaves when sequencing worsens, costs appear, bad months cluster, volatility changes, liquidity dries up and capital survival rules are applied.

Profit attracts attention. Robustness earns capital.

Bear & Bull Quant Cartel

Built for traders who want more than pretty backtests. Built for structural validation, survival thinking and capital discipline.