ACTP — Section B: Admissibility & Regime Logic

Purpose

This section defines when trading is allowed and when it is explicitly forbidden.
Admissibility is a binary safety gate, not a prediction mechanism.
Its sole function is to prevent participation in structurally unsafe market states.

1. Regime Families

Markets are partitioned into a small, finite set of regime families:
• Expansion (trend with controlled volatility)
• Compression (low volatility, low directional clarity)
• Transition (regime change, unstable structure)
• Dislocation (high volatility, impaired liquidity)

Only Expansion and select Compression states may be admissible.
Transition and Dislocation regimes are always no-trade for Version 1.

2. Predicate-Based Admissibility

Each matrix cell (asset × timeframe) is evaluated using three irreducible predicates:

P1 — Structural Alignment: price is not counter to dominant structure.

P2 — Volatility Bounds: realized volatility is within survivable limits.

P3 — Liquidity Presence: exits are feasible without slippage collapse.

Cell admissibility $A(a,t) = P1 \wedge P2 \wedge P3$.
Failure of any predicate produces a hard no-trade state.

3. Multi-Timeframe Aggregation

A fixed timeframe set $T = \{5m, 15m, 1h, 4h\}$ is used.
Global admissibility for an asset is defined as:
$A^*(a) = \wedge A(a,t)$ for all required $t \in T$.
If any required timeframe is inadmissible, execution is blocked entirely.
This prevents local noise from overriding higher-order risk.

4. No-Trade as First-Class Outcome

No-trade is not failure; it is a successful safety decision.
The system is designed to spend the majority of time inactive.
Inaction is unarbitrageable and preserves capital for favorable states.

5. Read-Only Presentation

Admissibility is displayed opaquely in the UI:
• Binary states only (Admissible / Not Admissible)

• No numeric thresholds exposed
• No parameter tuning by the user
This prevents overfitting, reverse engineering, and behavioral misuse.

6. Separation from Execution

Admissibility does not trigger trades.
It only permits or forbids execution.
Execution logic is handled downstream and may remain human-controlled or automated.
This separation ensures safety invariants remain intact across implementations.

Summary

Admissibility is a structural filter that defines where trading is allowed to exist.
It raises baseline win probability by excluding bad states rather than predicting good ones.
This logic is stable, compressible, and resistant to regime decay.

Section C — Execution & Risk Control

This section defines how trades are executed safely.
Entries are gated by admissibility. Position sizing is edge-based.
Exits prioritize profit-taking over prediction. Hard stops are layered
only when survivability is threatened. Human execution remains final.

Section B — Admissibility & Regime Logic

Markets are partitioned into regime families.
Admissibility is a binary decision derived from structural predicates.
Multi-timeframe alignment is required. No-trade is a valid outcome.
This section defines when action is forbidden.

Section A — Doctrine & Philosophy

ACTP is a refusal-first system.
It does not predict, optimize, or forecast.
It encodes when not to trade.
Capital velocity and survivability dominate conviction.
Geometry replaces emotion.

ACTP — Admissibility■Controlled Trading Protocol

A complete, human■safe trading algorithm for crypto markets

1. Core Philosophy

ACTP is not a prediction system. It is a refusal system. The protocol exists to answer one question only: **Is a trade admissible right now?** If the answer is no, no trade is allowed. Profit is a secondary consequence of survival, repetition, and capital velocity.

2. What This System Is (and Is Not)

- • Not forecasting tops or bottoms
- • Not maximizing win rate at the cost of blow■ups
- • Not automated execution (human remains in control)
- • Explicitly designed for crypto volatility and liquidity

3. Market Representation

Markets are represented as a matrix. Each cell corresponds to an asset × timeframe × regime state. Cells do not predict returns. They either permit or forbid capital entry.

4. The One Indicator (Encoded, Not Shown)

The system uses a single structural indicator internally: **normalized directional expansion under liquidity constraint**. This is not displayed as a chart. Its output is reduced to a boolean predicate inside each matrix cell.

5. Admissibility Definition

A trade is admissible if and only if ALL of the following are true:

- • Regime is compatible (trend or expansion, not compression)
- • Indicator predicate evaluates TRUE across required timeframes
- • Liquidity and volatility constraints are within survivable bounds

6. Multi■Timeframe Rule

Lower timeframes cannot override higher ones. Admissibility propagates downward only. If any required higher timeframe is non■admissible, the cell is locked.

7. Position Sizing

Position size is edge■based, not conviction■based. Sizing increases only with admissibility strength. There is no leverage escalation based on recent wins.

8. Entry Rules

- • Only enter when the matrix cell is admissible
- • Entries are long■only in v1 (shorts layered later)
- • No averaging down

9. Exit Rules

Exits are profit■taking first. Stops are simple and conservative. Users are protected from catastrophic loss, not optimized for maximum gain.

10. Human■in■the■Loop Design

The system calculates quickly (sub■second) where humans cannot. Humans retain execution authority to preserve agency, accountability, and learning.

11. Behavioral Safety

By removing most decisions, ACTP prevents panic trading, revenge trading, and overexposure. The UI never urges action. It only permits it.

12. Auditability

Every admissibility state can be snapshotted and reviewed. Nothing is hidden. No black■box execution occurs.

13. How a New User Succeeds

- • Look only at admissible cells
- • Trade small
- • Take profits when offered
- • Repeat patiently

14. Algorithm Summary (Plain Language)

If the system says no, do nothing. If it says yes, act small and clean. Repeat until time does the work.