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.