

## Auto-Trading – Explained [Version 0.3]

By taking its trading methods and real-time technology to the next level, Whaletank is proud to present its first version of the auto-trading concept.

Developed with a simple-to-use approach by emphasizing security and performance, customers are able to put all the Binance signals on an automatic execution mode in a few simple steps.

In this document, we will go through the main interface of the Auto-trading section and explain all the necessary functions.

### **Important:**

- For now, the auto-trading service applied only on the Binance.com exchange and does not involve any other exchange whatsoever.
- For now, the Auto-trading applies only for Spot and Futures trading, and doesn't include any other type of operations on Binance.
- During the life cycle of the alpha version, Whaletank will not be charging any fees whatsoever in addition to the premium membership.
- The alpha version of the auto-trading applies only for the Signals section, and does not include the Whalefolio.
- The Auto-trading service is BTC profit oriented, all the risk and trading calculations will be based on the Free BTC amount only. In case of Futures, before any signal execution a swap operation to USDT will accrue first [See section 3.2 - Swap engine].
- Before disconnecting your account, it's important to ensure there are no open trades, you can simply check your Binance account or contact Support.
- For the Auto-trader, we recommend opening a 2<sup>nd</sup> Binance account that will only be dedicated to this matter.
- While connecting to the Auto-trader do not execute any operations manually, unless we've specifically asked for.

**Changes can be made over time, therefore, make sure you get the updated version of our documentation, you can simply confirm it by downloading it from the website, since we will always post only the latest version for download.**

## Definitions and abbreviations

**API** - An application programming interface is a computing interface which defines interactions between multiple software intermediaries.

**Secret Key** - The API Key and API Key Secret are essentially software-level credentials that allow a program to access your account without the need for providing your actual information

**Exchange** - An exchange is a marketplace where securities, commodities, derivatives and other financial instruments are traded.

**Binance** - Is a cryptocurrency exchange that provides a platform for trading various cryptocurrencies. At the moment, Binance is the largest cryptocurrency exchanges in the world in terms of trading volume.

**Financial Instrument** - A monetary contract between parties.

**Spot Market** - The spot market is a public financial market in which financial instruments or commodities are traded for immediate delivery.

**Futures Market** - Is an auction market in which participants buy and sell commodity and futures contracts for delivery on a specified future date.

**Risk Management** - refers to the practice of identifying potential risks in advance, analyzing them and taking precautionary steps to reduce/curb the risk.

**PNL** - Profit and Loss.

**BTC** - Bitcoin.

**Altcoin** - Are other cryptocurrencies launched after the success of Bitcoin.

**Base Asset** - Represents how much of the quote currency is needed for you to get one unit of the base currency (Will appear on the 1st part of the pair symbol)

**Quoted Asset** - represents the amount of that currency needed to buy the base currency (Will appear on the 2nd part of the pair symbol)

**Order Side** - BUY or SELL

## **Table of content:**

### 1. Interface

- 1.1 Enabling Futures
- 1.2 Binance account
- 1.3 Whaletank account
- 1.4 Validation Test

### 2. Financial Instruments

- 2.1 Spot market
- 2.2 Futures market

### 3. Understanding the calculation

- 3.1 A simple example
- 3.2 Swap engine
- 3.3 Signal flow

### 4. Risk Management

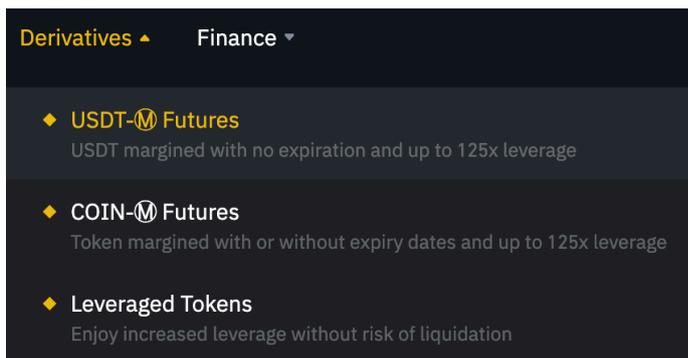
### 5. FAQ

# 1. Interface

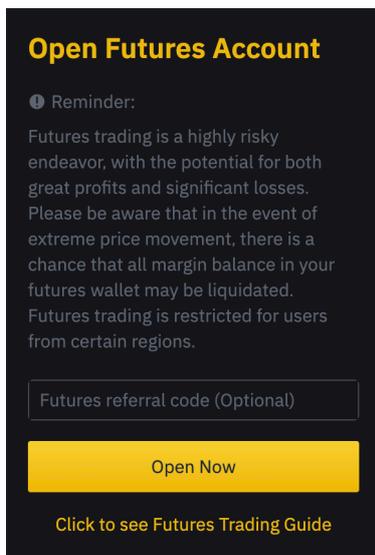
## 1.1 Enabling Futures

Before connecting your Binance account, for enabling Futures market, you need to ensure that this option is enabled in your account.

1. Login to Binance account and go to -> Derivatives -> USDT-M Futures



2. On the right side, under the Reminder, click 'Open Now'.

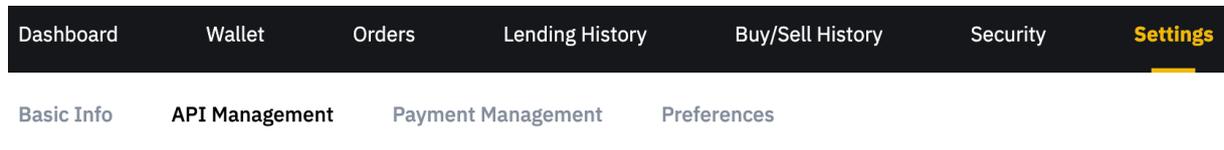


Now we can create the API connection with the option to trade in the Futures market.

## 1.2 Binance account

Before connecting to the Whaletank auto-trading system, a few simple steps are required for insuring your personal account credentials.

1. Login to your Binance account and go to -> Settings -> API Management.

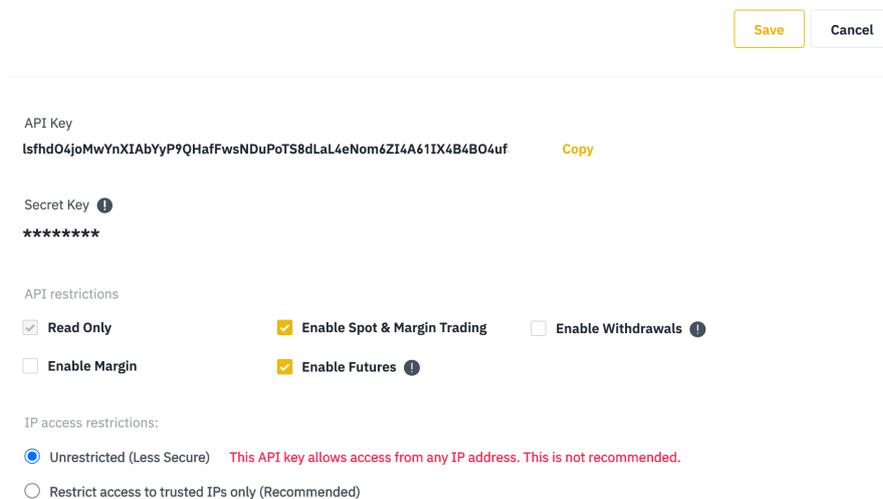


2. Create an API key label.

3. An email will be sent to you in order to confirm the action. Login to your email and clicking 'Confirm new API key'.

4. A new Binance page will open with the API key and Secrets key, you will use both.

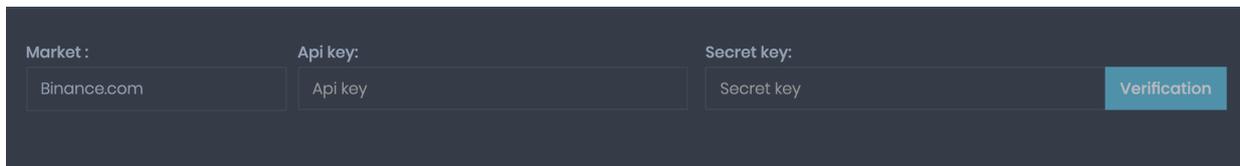
5. Click On the 'Edit restrictions' and check the 'Enable Spot & Margin Trading' and 'Enable Futures' boxes and then click 'Save'.



6. In a new tab, Login to your Whaletank account, in the main left menu click on Auto Trading.

### 1.3 Whaletank Account

1. In the Market form choose 'Binance.com'.
2. Copy and paste your personal API key and Secret key and click on Verification.



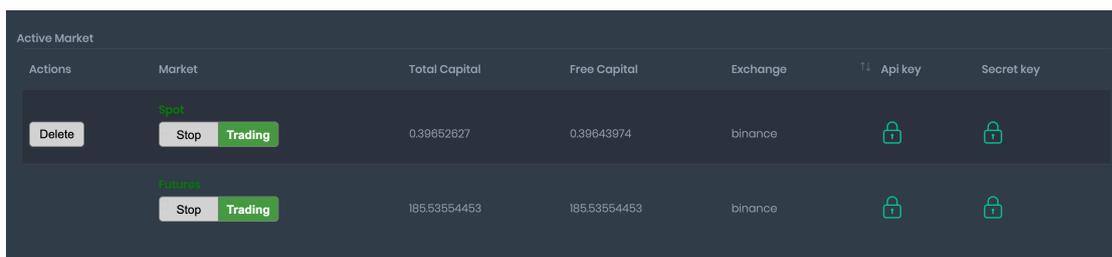
The screenshot shows a dark-themed form with the following fields and buttons:

- Market:
- Api key:
- Secret key:
- Verification:

3. A new section in the Active Market will open conforming your account credentials.

- Please note, the two green locks indicating that your Binance credentials are valid.

4. Click on the Trading tab in the Signals Auto-trading switch both for Spot and Futures



Actions	Market	Total Capital	Free Capital	Exchange	Api key	Secret key
<input type="button" value="Delete"/>	Spot	0.39852627	0.39843974	binance	<input type="checkbox"/>	<input type="checkbox"/>
	Futures	185.53554453	185.53554453	binance	<input type="checkbox"/>	<input type="checkbox"/>

5. A window will appear on the right appear side conforming the Auto-Trading.



6. You will see your total Binance capital and your free capital.

#### Spot Market:

Free Capital - Includes only the amount of BTC.

Total Capital - Includes BTC amount + Other coins amount.

Both showing their amount in BTC units.

When executing the signals, all the calculations will be based on the "Free Capital" amount, since we trade only with the BTC.

## Futures Market:

Since the Futures market is only USDT based, both Total and Free capital will show the amount in USDT. same as Spot, all the calculations will be made based on the Free capital.

**Note:** After connecting your account following the current steps, your Binance account balance should be reflected within couple of minutes.

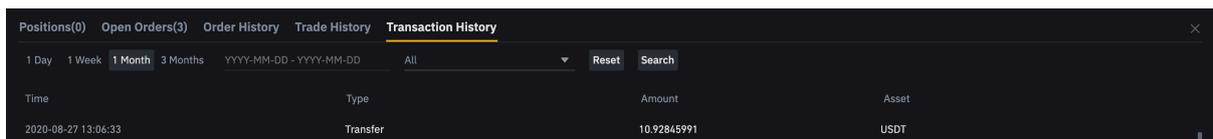
### 1.4 Validation Test

As part of the connection process, after connecting your account, the system will execute several small operations in order to validate the use of the account with the Auto-trading engine, The results can be seen in the trading terminal in the Transaction History tab.

The operations are:

1. Converting BTC to USDT (In spot)
2. Swapping USDT from Spot to Futures
3. Swapping USDT from Futures to Spot
4. Converting back to BTC

The test will operate on small amount of 11\$.



Time	Type	Amount	Asset
2020-08-27 13:06:33	Transfer	10.92845991	USDT

## **2. Financial Instruments**

The latest version of the Auto-trading service provides the ability to execute signals in the following markets:

### **2.1 Spot market**

In the Spot market the Auto-trading service will be active only on the BTC pairs market, the quoted asset will always be the BTC, while the base asset can be any Altcoin provided by Binance [Altcoin/Bitcoin].

### **2.2 Futures market**

Despite the fact that the Futures market uses only USDT as the quoted asset, Whaletank customers can trade Futures while having only BTC in the Spot wallet, this is done via the swap engine [See section 2.2].

### **Important**

The Auto-trading service is BTC profit oriented, by switching on both of the markets, in case there is any USDT balance in Futures, it will be swapped by default to BTC before any given signal, since the calculation of the risk made upon the total free capital (BTC) in the Spot market.

### 3. Understanding the Calculation

#### 2.1 A simple example

The following example will simply help you to understand how each signal calculation is made. The same calculation applies for any given market, where is it Spot or Futures.

let's assume that your current Binance account have the following funds:

0.2 BTC

1,200 USDT

In addition, let's assume that 1 BTC = 10,000\$.

In this case:

Total Capital = 0.12 (USDT/BTC) + 0.2 BTC = 0.32 BTC.

Free Capital = 0.2 BTC

As been said previously, all calculations that are made based on your Free Capital. Now, let's assume that we've released a signal with some Entry/SL/TP points, with 10% of the capital.

In this case, 10% from the Free Capital will be 0.02 BTC, this amount will be used for entering the position. In case the signal made 30% profit, that will be 30% from the 10% we used, which means 0.006 BTC profit, after the signal ends, the profit will be added to your Free Capital, the next signal will follow the same rules.

**Note:** Due to Market price changes and additional Binance fees, the percentage of the ROI might be slightly different sometimes, nevertheless the ROI will always be calculated and presented by the difference between the Entry price and Target price.

## 2.2 SWAP Engine

Since Binance provide different wallets for different markets, we have to take in account any possible scenario before executing a trade, meaning having the ability to swap currencies between the two markets, from BTC in spot to USDT in futures and vice versa as needed (Other types of currencies except BTC or USDT will be bypassed)

This option will be available only after activating Spot and Futures markets at the same time in the Auto-trading cabinet (See page 5, 2<sup>nd</sup> picture).

There is no interface for this feature, it will work automatically in the background.

### **Note:**

- We recommend activating both markets, this way we can have a better control on the risk exposure.
- Disabling Spot can't be done while the Futures market is active.

## 4. Risk Management

After the great success of adding the manual calculator in Whaletank's platform and allowing users to manually calculate the risk exposure for each given signal, in order to facilitate the process of calculating the risk, it's been embedded inside the Auto-trading engine.

This way, all the risk calculation will be made automatically for each individual user.

From the client side, you will simply see the risk exposure on the signal parameters in the Telegram channel.

The risk parameter will be given as a percentage and it means what is the risk for each given trade, for example:

You have an account with a balance of 1000\$ (Free capital), we launched a signal with a risk of 3%. In case stop loss has been triggered, a 3% loss accrued, which means 30\$.

### **Note:**

Users that would like to test some of the signals manually before connecting to the Auto-trading, can simply login and go to the Risk Management section in the main menu and confirm their own risk exposure.

## 5. FAQ

### **1. I've connected my Binance account for the first time, why I don't see any open trades in my trading account in Binance, although I do see signals in Whaletank system?**

After connecting your Binance account to the Auto-trading service only the next following signals will apply, this is done by purpose and that's the way the system configured, although that as a premium member you get to see all the latest active signals.

---

### **2. Can I shutdown my account from the Auto-trading service?**

Yes, this option can be made easily by switching off the Trading option in your own personal cabinet, although we recommend not doing so while there are active signals.

---

### **3. I deleted the API in my Whaletank account, can I create a new one?**

Yes, just follow the same rules from the start, you may need to create a new Binance API key.

---

### **4. Why some signals take too much time to get to the Target Price?**

That is happening since some of the coins may suffer from low volatility.

---

### **5. Do I need to take any action in my Binance account during the Auto-trading?**

No, all the operations made on our side by our own team.

---

**6. I've noticed that some signal did not executed in my trading account in Binance, why and what should I do?**

Some orders may not be filled quick enough due to low order book supply. in this case, you just need to wait and be aware that it might Buy/Sell with a small difference from the original given price.

In addition, please note that Binance have a minimum order size of 0.0001 BTC in the Spot, while in futures there no limits whatsoever.

If you are facing some other issue which is not listed here, contact our support directly so we could examine the problem in more details.

---

**7. Can a Binance.us account be connected to the Auto-trading service?**

No, currently the Auto-trading service supports only Binance.com.

---

**8. Can I execute the signals manually before connecting the Auto-trading?**

Yes, just login, on the left menu click on Signals and follow the Entry/SP/TP points

---

**9. Can I keep executing trades on the free amount that left while some signals are still running?**

Yes, you can, although we recommend not doing so, since the amount of the free capital will be less, which means your next order size will be smaller or could not be executed due to too small Free Capital.

---

**10. I have left some small portion of the coin which the signal was executing against, what should I do with that?**

This can happen sometimes, we recommend converting all those small portions to BNB, which will provide us a future discount when executing more of these signals.

For more information about our technology or performance we welcome you to visit our website.

[www.whaletank.trade](http://www.whaletank.trade)

Contact info:

Telegram: @WhaleTankSupport

