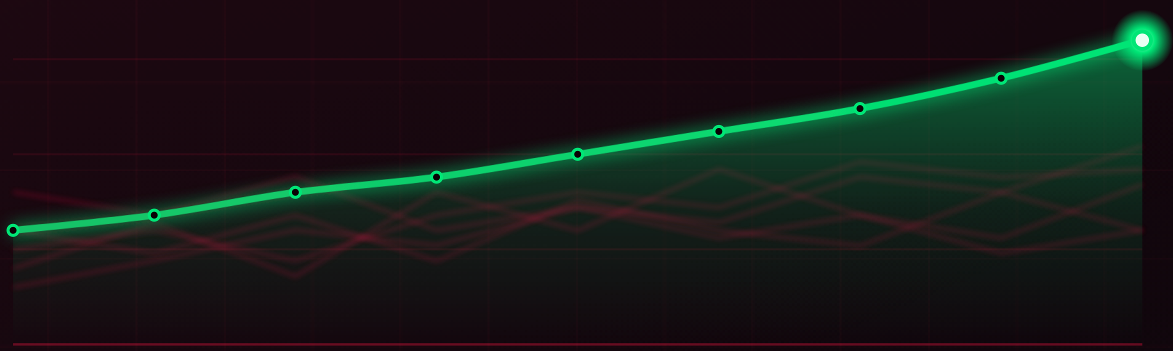
# PORTFOLIO & RISK

HOW MANY BOTS, HOW TO SPREAD THEM, AND HOW TO SIZE YOUR RISK.

A single bot is one bet on one kind of market. The whole point of Algory is to run a team of them, each tuned to a different market, so the account does not live or die on any one of them.

This guide answers the three questions every user has once they have a few survivors in the Vault: what is the portfolio actually for, how many bots should I run, and how do I size them so my total risk stays inside a number I choose. Get this right and the rest of trading gets a lot calmer.

### ONE BOT VERSUS A PORTFOLIO



[ ONE BOT = ONE JAGGED LINE ] [ THE PORTFOLIO = THE GREEN LINE ]

A single strategy is one jagged line. It climbs while its kind of market is in play, then stalls or drops when that market changes. Your whole account rides on that one line.

A portfolio is the green line: several bots running at once, each built for a different market and condition, blended into one steadier curve. While one is flat or losing, another is working. The goal is not one perfect strategy that wins forever. It is a spread that does not all win or lose at the same time.

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|---|---|---|---|
| **20 TO 40 BOTS**<br>A REAL SPREAD | **DECORRELATED**<br>DIFFERENT MARKETS + TFs | **TARGET HEAT**<br>YOUR TOTAL RISK CAP | **ROTATE**<br>REPLACE FADED EDGES |

## 01 WHAT THE PORTFOLIO IS FOR

The goal is a steadier equity curve, not a single bot that survives everything. Each Algory bot is a specialist, tuned to one kind of market and meant to make money while that market holds. A portfolio is a hand-picked team of those specialists.

1. You are spreading risk across many ideas, so no single market change can sink the account.
2. You are not chasing one all-weather strategy. That is a low-return trap, and it does not exist.
3. When one bot goes quiet because its market faded, others are carrying the load.

> **TIP** **Why a team beats one bot**
>
> Twenty to forty specialists spread across different markets do not all win or lose at the same time. While some are flat, the others keep the curve moving. That spread is what turns single strategies into a steadier account.

## 02 HOW MANY BOTS

Twenty to forty is the sweet spot. That is the range we run ourselves and the range experienced Algory users keep landing on. The bots do the trading, so a bigger team does not mean more work, it means more independent edges smoothing the curve.

1. Under ten is too concentrated. A couple of correlated losers can drag the whole account, and Algory's Diversity Tracker flags anything under five as outright too small to diversify.
2. Twenty to forty gives real spread: enough different markets, timeframes and styles that no single market change moves the whole curve at once.
3. Past forty, each extra bot adds less and rotation upkeep grows. More bots is not automatically better, but in practice too few is the far more common mistake.

## 03 SPREAD THEM OUT (DECORRELATION)

The point is not just to have many bots, it is to have many bots that trade for different reasons. Two bots on the same symbol and timeframe tend to win and lose together, which gives you almost no protection.

1. Spread across different symbols, timeframes, archetypes, mechanisms, sessions and directions.
2. Use the Diversity Tracker in Algory. It grades your portfolio across seven axes and aims for a high grade.
3. A low grade tells you exactly which campaigns to run next to fill the gaps.

> **NOTE** **Decorrelated, not just different labels**
>
> What matters is that the bots' returns do not move together. Different markets and timeframes is the practical way to get there: when they are genuinely independent, a bad day for one is rarely a bad day for all.

## 04 ACCOUNT HEAT: THE NUMBER THAT MATTERS

Account heat is the single most important risk number. It is the total you would lose if every bot in the portfolio hit its stop loss at the same time.

1. Heat is the total risk of every trade that can be open at the same time, not the risk of any one bot.
2. Example: twenty bots at 0.5 percent risk each, all in a trade at once, is 10 percent of account heat, even though no single trade risks more than 0.5 percent.
3. This combined number is what blows a prop account or wrecks a personal one, not any single trade. So you size to the total, not the individual.

> **HEADS UP** **Think worst case**
>
> Heat assumes every trade that can be open is open, and every one stops out together. That rarely all happens at once, but you size for it anyway, because the one time it does is the time that takes you out.

> **NOTE** **Symbol Lock shrinks the worst case**
>
> Symbol Lock is on by default and means only one bot can hold a trade on a given symbol at a time. So with it on, your worst case is one trade per symbol, not one per bot: count your distinct symbols and take the biggest bot risk on each. A second guardrail, Max Agg Risk, blocks new entries once your open trades already risk a set share of the account (5 percent unless you change it at deploy).

## 05 PICK YOUR TARGET HEAT

Before you size anything, decide the total heat you are willing to run. This depends entirely on whether it is a prop account or your own.

1. Prop firm account: keep total heat under 3.5 percent. Most firms enforce a 5 percent daily drawdown limit, and the buffer covers spread, slippage and execution pushing your real drawdown past the theoretical number. Breach the limit and you lose the account.
2. Personal account: up to 10 percent total heat is reasonable if you are comfortable with the swings. You have no external limit, so it comes down to your own tolerance.
3. When in doubt, start lower. You can always raise it once you trust the portfolio.

## 06 SIZE EACH BOT TO HIT THE TARGET

Now it is simple arithmetic. Take your target heat, divide by the number of trades that can be open at once, and that is the risk you set on each bot.

1. With Symbol Lock on (the default), only one trade per symbol can be open, so per-bot risk = target heat divided by your number of distinct symbols.

2. With Symbol Lock off, every bot can be in a trade at once, so divide by the number of bots instead.
3. Prop example, lock on: 3.5 percent target across 14 symbols is 0.25 percent per bot. Lock off with 20 bots: about 0.17 percent each.
4. Personal example, lock on: 10 percent target across 20 symbols is 0.5 percent per bot.
5. Set each bot's risk percentage when you deploy it so the worst case adds up to your target, no more.

> **TIP Uneven sizing is fine**
>
> You do not have to split it evenly. If you trust one bot more, give it a bit more risk and the others a bit less. The only rule is that the total still lands under your target heat.

## 07 MONITOR AND ROTATE

A portfolio is not set-and-forget. Every specialist's edge fades as its market changes, and the job is to notice and replace it.

1. Retrain a bot on the latest data now and then and watch its Algory Score. A clear drop means its edge is fading.
2. Retire the faded bot and breed a fresh specialist to take its place, keeping the team topped up at twenty to forty.
3. Each time you swap a bot, re-check your total heat so the new line-up still adds up to your target.

## QUICK ANSWERS

**What exactly is account heat?**

The total percentage of your account you would lose if every trade that can be open hit its stop at the same time. With Symbol Lock on that is one trade per symbol; with it off it is every bot. It is the number you size to.

**How many bots should I run?**

Twenty to forty, spread across different markets and timeframes. Under ten is too concentrated, and the Diversity Tracker flags under five as too small to diversify. Past forty each extra bot adds less.

**What heat should a prop account run?**

Under 3.5 percent total. Most firms enforce a 5 percent daily drawdown limit, and the buffer absorbs spread and slippage so your real drawdown does not breach it.

**And a personal account?**

Up to about 10 percent total heat if you are comfortable with the swings. There is no external limit, so it is your call.

**Do I set risk per bot or for the whole account?**

Per bot, but chosen so the worst-case total equals your target heat. With Symbol Lock on, divide target heat by your number of symbols; with it off, by your number of bots.

**What does Symbol Lock actually do?**

It stops two bots holding trades on the same symbol at once. It is on by default and it shrinks your worst-case heat to one trade per symbol. Max Agg Risk backs it up by blocking new entries once open trades already risk a set share of the account.

**Is twenty to forty not too many to watch?**

No. The bots trade themselves; your job is sizing and rotation, and that takes the same few minutes whether you run ten or thirty. Keep total heat at your target and the count stops being a risk number.

## BUILD A PORTFOLIO THAT LASTS

Run campaigns, build toward twenty to forty decorrelated survivors, size them to your target heat, and rotate the ones that fade. That is the whole game. Build your first portfolio free, no card needed.

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Free to build and test. Live deployment is the paid step.