

CASE 004 · THE RULEBOOK

Gotobi: Japan's payday effect, **on USD/JPY.**

The exact rules, our test, and what we found, so you don't have to run it yourself.

THE STRATEGY, EXACTLY AS PUBLISHED

On Japanese calendar days divisible by 5, importers settle dollar invoices and their banks buy USD ahead of the 9:55 Tokyo fix. Ito and Yamada documented the pressure in NBER working paper 22820. Commerce, not speculation, which is why it survived becoming public.

1. **Trade only gotobi days** (the 5th, 10th, 15th, 20th, 25th, 30th); weekend dates shift to the preceding Friday.
2. **Buy USD/JPY N hours before the fix** (9:55 JST = 00:55 UTC year-round). N is the optimized parameter.
3. **One trade per fix, long only.**
4. **Exit at the fix**, win or lose: the documented pressure ends there.
5. **Fixed stop** (15 to 60 pips), risking 1% of equity per trade.

THE CLAIM

A real anomaly with an **actual academic paper trail**, mechanical rules, and no clock ambiguity: Japan has no daylight saving.

The question is never whether the story is nice. It is whether the effect survives real costs, and then whether it survives years it has never seen.

OUR TEST

Optimization ran on 2019 to 2022 only, selecting parameter plateaus rather than lucky single passes. Three candidates survived, all with in-sample profit factors above 2. Then each got exactly ONE run on the locked 2022 to 2026 window.

Market	USD/JPY, the 9:55 JST Tokyo fix
Data	Real tick data; commission \$3.50 per side per lot
In-sample	2019 → 2022, plateau selection
Out-of-sample	2022 → 2026, one shot per frozen candidate
Frozen candidates	3, all in-sample PF > 2

WHAT WE FOUND

+\$2,171

OUT OF SAMPLE*

1.36

PROFIT FACTOR

67%

EDGE KEPT (BAR: 70%)

*the surviving candidate, on a \$10,000 account: 283 unseen trades, drawdown under 7%, still green when we doubled the costs. The best in-sample candidate collapsed from PF 2.10 to 0.79.

FORWARD TEST

How the out-of-sample window graded the three candidates:

1. **The flashiest one died.** The best in-sample version (PF 2.10) fell to 0.79 on unseen years: a winner turned loser, classic overfit.
2. **The humble one survived.** +\$2,171, PF 1.36, drawdown under 7% across 283 unseen trades, and still profitable with doubled costs.
3. **It missed our bar by three points.** It kept 67% of its in-sample edge; our gate requires 70%. Close is not a pass.

WHAT HAPPENS TO A NEAR-MISS

We do not round a 67 up to a 70, and we do not bury a strategy this close to real. The surviving candidate is trading live on a demo account, in public, on our forward-test page. If the live pulse matches the backtest, it earns its way up. If it fades, the gate was right.

THE RULES YOU CAN REUSE

A paper trail is a reason to test, not a reason to trust.

The academic effect is real. Two of our three candidates still failed the unseen years.

The best backtest is usually the most overfit one.

PF 2.10 in-sample became 0.79 out of sample. Plateaus, not peaks.

Gates exist so hope doesn't decide.

67% retention against a 70% bar is a forward test, not a live account.

THE VERDICT

Forward testing on a demo account. A real, documented edge that made money on four unseen years and survived a cost stress, but finished just under our retention gate. Watch it trade live before any real money does.

See the full evidence

The full write-up, and the live forward test:

yuratrading.com/blogs/gotobi-tokyo-fix

yuratrading.com/forward

The Backtest Files: a new case every week. [YouTube](#) · [Instagram](#) · [TikTok](#) · [Facebook](#)