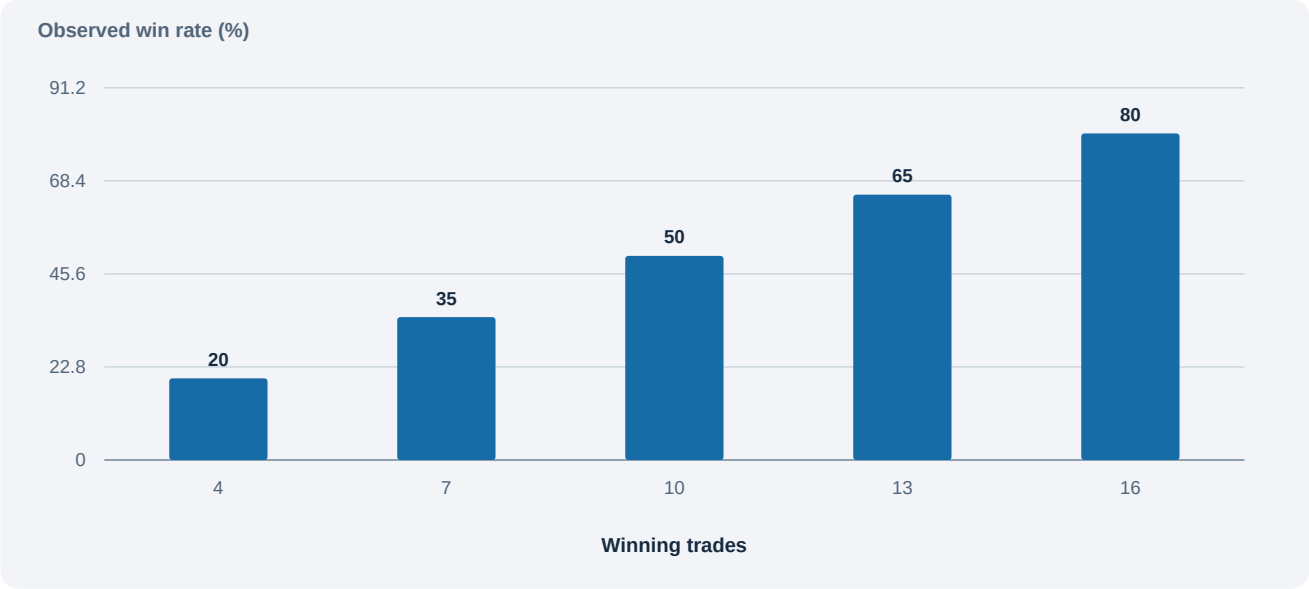
Observed win rate in a sample

Research and evaluation | Original synthetic example | Edition 2026-11-26

Observed win rate is the number of positive outcomes divided by the counted trades. The result depends on the treatment of flat trades and is an estimate of a past sample.

FORMULA Observed rate = wins / counted trades

SCENARIO 01: 20 counted trades; flat outcomes excluded by this example



WORKED EXAMPLE

10 wins among 20 counted trades give 50%. Payoff sizes and sample uncertainty remain relevant.

COMMON MISTAKE

Reporting win rate without payoff sizes can make a losing strategy look attractive.

BEFORE YOU USE THE CALCULATION

1. Define wins and flat outcomes.
2. Show the sample count.
3. Read win rate with average wins and losses.

COMPARE TWO MORE INPUT SETS

Scenario 05: 60 counted trades; flat outcomes excluded by this example. 30 wins among 60 counted trades give 50%. Payoff sizes and sample uncertainty remain relevant.

Scenario 10: 110 counted trades; flat outcomes excluded by this example. 55 wins among 110 counted trades give 50%. Payoff sizes and sample uncertainty remain relevant.

Synthetic values are not historical market data. Educational material; trading can result in substantial losses.