About ARM6

ARM6 is the result of a focus all areas of the Genetic Algorithm to improve performance and profitability, including:

**Speed Improvements**
- Multi-Core Training
- Multi-Core Signal Generation

**Input Enhancements**
- Separating Long/Short Inputs
- Ability to Use Multiple Filters
- Synchronous Freq. Domain Inputs
- Automatic Binning & Super Inputs

**New Fitness Function**
- Equity Curve Fitness
- Max Positions

**Training Enhancements**
- Automatic Training Constraints
- Introducing Delta Fitness
- Automatic Input Reduction
- Manual Input Reduction
- Able to Continue Training
- Automatic Rule Reduction
- Internal Validation

**The SETI Project**
- Automatic Input Upload
- Automatic Input Replacement
The ARM6 Manual documents the improvements and how to use them. We will explore a few of the most important ones in this webinar.
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Speed
Multi-Core Processing

The Genetic Algorithm Search Process can now use multiple processor cores.
HAShape() converts Heikin Ashi bar shapes into a number system:

+3: Big Up
+2: Medium Up
+1: Up with Tails
0: Small Body
-1: Down with Tails
-2: Medium Down
-3: Big Down

This makes it easier for the GA to find relationships among the bars.
Quick Moves Strategy

Inputs are simply the HAShape() values on the Security AND the Market (SPY) over the prior 6 bars.

The idea is to find patterns and inter-market relationships.

HAShape is the ONLY Input used.
Superb Performance

Out of Sample Signals from Quick Moves from January 2018 to Present.

Accuracy: 83%
What is “Fitness”?

Fitness is the statistic we are trying to maximize in our Genetic Algorithm.

The first part is the Fitness Metric:
- Hit Rate (Accuracy)
- Profit per Trade
- APR

The second part is the Target:
- N Bars Out
- Strategy Exit Bar
- Next Pivot Point

If Fitness is “Hit Rate - 5 Bars Out” the GA is looking for Rules that provide the largest average Hit Rate over 5 Bars.
Equity Curve Fitness simulates multiple trades generated by a Rule on Symbols in the list.

How it Works:

1. When evaluating any Rule, internally simulates trading up to Max Positions to determine the Annual Rate of Return.

2. Consistency of Returns is an important factor. Rules that are less consistent will have lower scores.
Data in the Training Period is divided into two sets, Training Data and Validation Data.

Rules are generated on the Training Data and immediately validated on the Validation Data.

Only those Rules that meet the Minimum Requirements in the Validation Data are kept.

This is giving us dramatically better Out of Sample Results!
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SETI
Inputs (aka “Genes”) are shared between users if they choose to participate.

There are currently 10,000 inputs on the Servers.

An Automatic Process downloads Inputs from the Server and uploads existing Inputs with Performance Statistics like “Fitness”.

This will lead to smarter and smarter Knowledge Bases.
ARM6 Stocks
High Performance

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Statistic</th>
<th>Back Test</th>
<th>Forward Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>NT</td>
<td>Number of Trades</td>
<td>317</td>
<td>36</td>
</tr>
<tr>
<td>PT</td>
<td>Profitable Trades</td>
<td>243</td>
<td>28</td>
</tr>
<tr>
<td>HR%</td>
<td>Average Hit Rate (%)</td>
<td>76.66</td>
<td>77.78</td>
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<tr>
<td>ANP%</td>
<td>Average Net Profit Per Symbol (%)</td>
<td>46.25</td>
<td>10.04</td>
</tr>
<tr>
<td>PPT%</td>
<td>Average Net Profit Per Trade (%)</td>
<td>4.38</td>
<td>5.86</td>
</tr>
<tr>
<td>ABT</td>
<td>Average Bars Per Trade</td>
<td>42</td>
<td>45</td>
</tr>
</tbody>
</table>

Out of Sample (Forward Test) Data is all of 2018 and 2019.

Because of the improvements in the Genetic Algorithm, we are seeing consistent Out of Sample performance in the 75%+ zone.
Plenty of Trades!

ARM6 Stocks Comes with 4 Strategies:

- ARM6 Major Reversal
- ARM6 Swing
- ARM6 Quick Move
- ARM6 Volatility Breakout

These Strategies generate plenty of Signals – even on small lists.

To the right is a Focus List on the Dow 30 with 3 New Trades and 12 In-Trades ... Signals on HALF the list!

Run on larger lists to get a good selection of great Signals every day.

Running ARM6 on the Dow 30
Outstanding Trading Candidates

CSCO

Graph showing the performance of CSCO from 2018 to 2019.
Outstanding Trading Candidates

Chart: BA - BOEING (DAILY)

Year: 2018, 2019

Quarter: Q1, Q2, Q3, Q4

Price Range: 36.9 M - 460

Graph showing the trading performance of BA over the years 2018 and 2019.
Outstanding Trading Candidates

TRV
Outstanding Trading Candidates

VZ
What’s Next

Exciting Near Term Goals:

- Increased Automation in Training
- AI Market Timing in OmniFunds
- AI Strategies in OmniVest
- Intelligent Exits using AI Indicators
- Additional Enhancements

We expect ADDITIONAL performance gains as we continue to refine our Artificial Intelligence technology.

Now is the time to get involved!

Get Current & Get Involved!

ARM6 Stocks is available on the Downloads Page.