# TradeScope Pro



# Redefining the Art of Technical Analysis



Ed Downs CEO and Founder, Nirvana Systems, Inc.

Technical Analysis is based on Indicators, Signals, and Patterns. All indicators work at certain times, but here's what we really want to know: "Is the trade I'm about to place 80% likely to succeed, 70%?, less than 50%?" Such a tool would be tremendously valuable.

In 2012, we released the original TradeScope, which tells us the PROBABILITY of a MOVE given a specific combination of indicators.

The original TradeScope gave us this information, but we realized that seeing and testing historical chart data would make it even more powerful.

'Our single most important Strategy Advancement'

#### **Powerful New Features**

TradeScope Pro has a convenient new toolbar that allows you to switch between 'Scopes with just a click. It also has a powerful new Historical View feature, so you can move your cursor across a chart and see the TradeScope values for each data point.

The Historical View makes it extremely easy to see the relationship of the given indicators to profitable outcomes, since you can see what happens in the chart AFTER the data point you are examining.

This new feature in TradeScope Pro will illuminate the power of Technical Analysis in your charts. But what if we could TEST these relationships over past data? Might

such a tool enable us to improve the accuracy of our Strategies? Absolutely!

#### **Introducing TradeScope Professional**

We have built many great products over the years. But I think you are going to agree with me that <u>TradeScope Prois the single most important Strategy advancement we have made</u> since Strategy Builder was first released.

TradeScope Pro enables us to apply the probabilities identified by TradeScope right into our Strategies. The result? Superior PROVEN mechanical trading performance.

TradeScope Pro includes a Strategy Block that acts as a Signal Filter based on probability. Just specify what probability level is required to fire a Signal. The result is breathtaking. Take a look at the Strategies on pages 6-9. TradeScope Pro is a serious breakthrough.

#### **Live Trading Sessions**

When you purchase TradeScope Pro, you will also receive an invitation to attend our upcoming TradeScope Trading Sessions. Our lead scientist, Jeremy Williams, will explore probability based trading in the live market, and show how TradeScope can be used to successfully engage the market.

There is no other trading platform that measures probability and applies these measurements to Trading Signals. Get TradeScope Pro, and put the odds in your favor.

Sincerely,

Ed Downs CEO and Founder, Nirvana Systems, Inc.





# Know the Probability of Success on Every Trade!

Systems BOP-TLB



# **Experience the Power** of Probability in Your Charts

TradeScope is an easy-to-use tool that determines the probability of chart movement when indicators are combined. We provide several pre-built TradeScopes so you can immediately benefit from the technology, as described on pages 4-5.

For TradeScope Pro, we added two great new features for traders – the new TradeScope Toolbar and Historical View, making it easy to switch between TradeScopes and see how well they worked in the past – right in the charts!

TradeScope Pro can also be used for research. Have 2 or 3 indicators you really like? Let TradeScope tell you how predictive they actually are, and which combinations lead to the most profit!

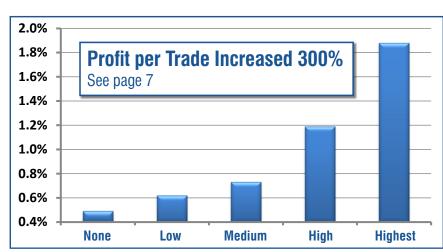
### – and in Your Strategies!

But certainly the biggest breakthrough in TradeScope Pro is the new TradeScope Strategy Block. Now you can use TradeScope to generate those signals with the highest probability of success by simply dropping the Block into any Strategy!

For example, we recently added a TradeScope Block to the iTLB2 BOP Strategy. Then, we made successive runs, turning up the probability filter on each one from Low to High. This caused a steady increase in Profit-per-Trade, going from 0.49 to 1.8, an increase of over 300%!

These tests have shown, beyond a shadow of a doubt, that TradeScopes work. See the evidence and amazing statistics being generated by this powerful tool on page 7.





The TradeScope Block can generate Dramatic Increases in Hit Rate, Profit per Trade, and APR! See page 7.

# Trade the High Probability

# The TradeScope Advantage

You're going to see the exact information you need to help you make profitable trading decisions every time you bring up a chart!

TradeScope shows probability of movement based on measuring past occurrences of a given setup. The scale shows the probability of reaching various price levels, based on the setup that exists on the right edge of the chart and evaluating similar setups in the past. With TradeScope, you will know:

- The most likely direction of movement
- How far the stock is poised to move
- · Whether the trend is likely to continue
- The probability of a gap fill
- The strength of a breakout move

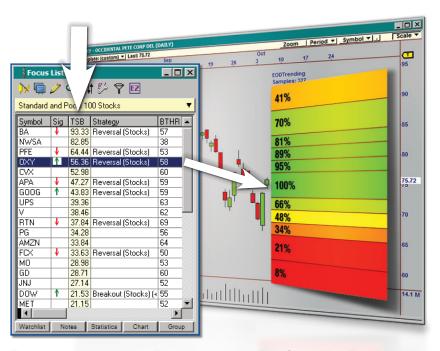
The first time you use TradeScope you'll ask, "How did I ever trade without it?"

# High Probability Trading Made Easy

The module provides you with an easy way to find the charts that have the highest probability for movement. Simply sort on the TradeScope Bias (TSB) column in your Focus List, and the symbols that have the highest bullish bias will be brought to the top and bearish to the bottom.

Whether you use the TradeScopes we provide or create 'Scopes of your own, you'll have greater confidence knowing what is likely to happen in the market.





The image above shows our Focus List sorted on TradeScope Bias. The higher the bias, the higher the probability of an upward move. Pure Prospecting POWER!

# Winners with TradeScope Pro!

#### **Dynamic Historical View Feature**

When a TradeScope is active, you can apply your cursor in the chart, and the TradeScope for that bar will show up on the right side. As you move your cursor, the 'Scope will update to show the new values.

This one feature of TradeScope Pro will illuminate the power of technical analysis.



#### **New Selection Toolbar**

The new Toolbar makes it easy to switch between TradeScopes. All you do is activate the toolbar and indicate "Symbol" or "Global". This activates the symbol-specific 'Scope or the Global version, which is built from millions of measurements across hundreds of charts.



## **POWERFUL TRADESCOPES FOR ANY TIMEFRAME!**

### **End-Of-Day**

Four included End-of-Day 'Scopes not only help you confirm the best Signals, but also guide you with stop placement.

- Breakout- determines the likelihood of a big break in your favor.
- Reversal- determines if the market is poised to make a significant reversal move in the next week.
- Trending- looks at similar market conditions in the past to determine the probability of the trend continuing.
- Three Day Outlook- shows how the current setup is poised to move in the next three trading sessions. A Swing Trader's dream!

#### **Real Time**

Our three Real-Time TradeScopes can be used Intra-Day to identify the most likely direction the market will move, the potential size of the move, and the probabilities of overtaking various chart levels during the day's session.

- RT Gap- shows you the probability of filling the gap or a move in the direction of the gap.
- RT Day- uses the last three trading sessions to determine probabilities for the current session.
- RT Range- determines the probability of making a large move by looking at recent volatility. Find the stocks that are prepared to make big directional moves, and focus on trades with the highest profit potential.



# **The Greatest Strategy Enh**

# New TradeScope Strategy Component

The Historical View feature in TradeScope Pro allows you to move a TradeScope across the chart and see the probability of up/down movement in the next bars – an important confidence builder. But clearly, what would be even better is to use this analysis in our Strategies for improved Signals!

The new TradeScope Professional Strategy Block provides this capability. Now we can add TradeScope to any Strategy and run tests to determine whether a TradeScope is predictive, and then use it in our trading.

The result of one of our tests is shown on page 7 (opposite). There can be no doubt that this new TradeScope Block is the greatest single Strategy enhancement we have added in over 10 years.

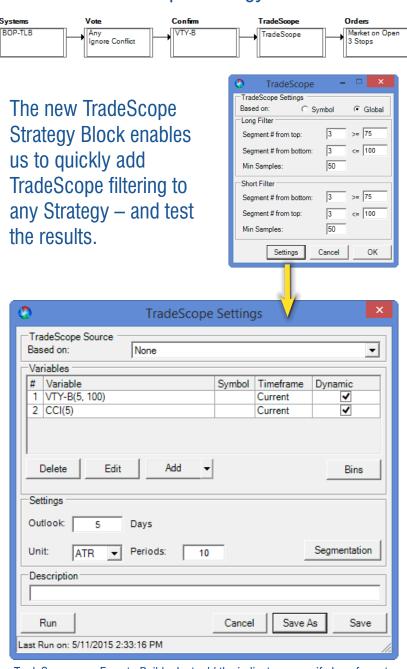
# Use our "Canned" TradeScopes or Easily Build Your Own.

We include a number of pre-built TradeScopes (see page 5), any of which can be dropped into an existing Strategy. This lets you start using TradeScope, straight out of the box.

We've made it easy to build a new TradeScope. Just add indicators, specify an Outlook (days out for a prediction) and click Run. Then, just drop the 'Scope into a Strategy, test it and use it to get more profitable Signals.



#### TradeScope Strategy Block



TradeScopes are Easy to Build. Just add the indicators, specify how far out you want the outlook calculated (days), and click RUN. A new TradeScope will be built using the symbols in your Focus List.

# ancement in Over 10 Years!

# **Increase Profits by up to 300%**

With TradeScope Professional, we can now rigorously test what happens when we only trade Signals that are showing a high probability of succeeding.

To the right is a case study where we took one of our TradeScopes and added it to the iTLB2 BOP Strategy. We then made successive runs, turning up the probability level on each successive run.

As the probability level was increased, the values for Hit Rate, Profit per Trade and APR% all went up. The highest PPT% was 3x as high, APR% increased by 5x, and Hit Rate rose to 85%. All of these tests were done on out of sample data!

#### **Additional Strategy Runs:**

We then ran TradeScope Strategy filtering on two other great Strategies, CTX-1 and NSP-41. Here are the statistics from TradeScope filtering. \*\*

#### CTX-1 Strategy Filtered by TradeScope Pro:

Level	HR%	PPT%	APR%
None	69	0.54	50
Medium	71	0.66	69
Highest	87	1.58	171

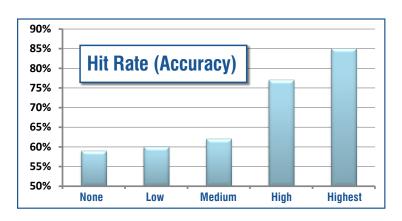
#### NSP-41 Strategy Filtered by TradeScope Pro:

Level	HR%	PPT%	APR%
None	69	0.66	60
Medium	76	1.21	100
Highest	79	1.5	128

TradeScope Pro is a powerful tool for enhancing existing Strategies and developing profitable new ones.

## Case Study: iTLB2 BOP Strategy

Level	HR%	PPT%	APR%
None	59	.49	22
Low	60	.62	27
Medium	62	.73	32
High	77	1.19	57
Highest	85	1.88	106



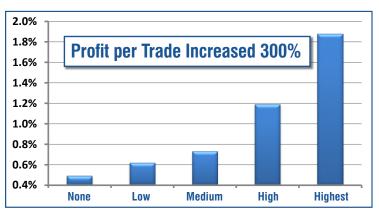


Table and graphs show increases in Profit per Trade and Accuracy for the iTLB2 BOP Strategy.

<sup>\*\*</sup> For test details and more info, please see: http://downloads.nirvanasystems.com/tradescope/test.pdf

# Two New TradeScope Pro Strategies

# Powerful New Strategies in TradeScope Pro!

TradeScope Pro not only makes it easy to improve an existing strategy, but you can also create strategies that are based on TradeScope as well. Our strategy development team has produced two new mechanically profitable strategies which take advantage of our new ability to only take the highest probability trades.

# TradeScope Swing Strategy

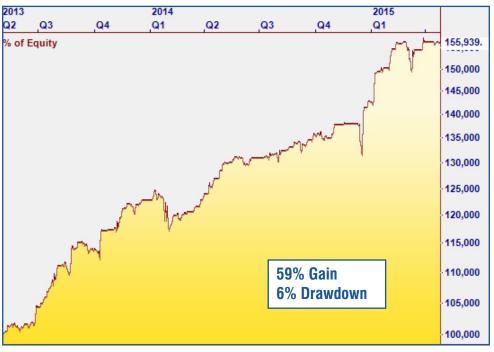
Short term traders will be empowered for profits with the new TradeScope Swing Strategy. This extremely accurate strategy reaps consistent profits while keeping drawdowns to a minimum.

The TradeScope Swing Strategy takes advantage of all that TradeScope Pro has to offer. The strategy uses all three types of inputs in order to find the highest probability trades. A dynamic profit target is used to capture quick profits once price makes its high probability move.

We applied the TradeScope Swing Strategy to the stocks in the S&P 100 using the last two years as blind data (see equity curve). The strategy shows an impressive return of over 59% in that timeframe, easily outperforming the broad market. It had a maximum drawdown of 6%, keeping losses small and allowing for consistent gains.



You'll consistently see signals similar to these on ACT with the TradeScope Swing Strategy.



The TradeScope Swing Strategy shows outstanding performance over the last two years. Applied to the stocks in the S&P 100, the strategy shows a gain of 59% while only seeing a maximum drawdown of 6%.

# put the **Odds in Your Favor!**



Back-to-Back winning trades on Altria (MO). The trailing profit stop allows the TradeScope Long Term Strategy to pick up 10% from each of these two trades, as the strategy catches two successive legs of the stock's upward move.

# TradeScope Long Term Strategy

The second TradeScope Strategy uses the new Block to find probabilities for longer term trending moves.

The strategy uses a longer term TradeScope Block with a 20 day outlook. This allows the 'Scope to find opportunities where there is a high probability of a big prolonged move.

A good example of this is seen in the chart to the left. Here, the TradeScope Long Term Strategy identified back-to-back winning trades on Altria. The net profit from these two trades is an impressive 20%!

## **An Options Dynamo**

Any options trader will tell you, once you know the probability of movement in the charts you are trading, selecting the right option strategy becomes very easy. You can use TradeScope's analysis to generate stock movement probabilities for use in options trading.

Now, in both mechanical and manual Options Strategies, you can set your Signals to fire ONLY when the TradeScope says the chart has a high probability of reaching a certain level, and place your options trades accordingly.

The sophistication of this analysis makes TradeScope the perfect trading companion for OptionTrader 3!



On May 18, we received a Buy Signal from our TradeScope Long Term Strategy, indicating an 86% chance of a move to the upside. Knowing the full probabilities, it was easy to identify a Debit Spread that would make optimal profits for this setup.

# Trading with TradeScope Property Probability-Based Trading 55.9 in the LIVE Market

With the TradeScope Pro package, we are also including Interactive Trading Sessions where we use the TradeScope module to get an edge in the live markets. The weekly sessions will show how the probabilities generated by TradeScope can vastly improve trading results. We set up TradeScopes for different trading styles, then use those 'Scopes in the live market to isolate the candidates with the best profit potential.

**Week 1:** Basic TradeScopes and Swing Trading Setups

**Week 2:** Building Highly Profitable Strategies with the TradeScope Block

**Week 3:** Using TradeScope Probabilities to Win Big with Options



#### **Trading with TradeScope Pro Sessions:**

June 9th 4 PM CDT

June 16th 4 PM CDT

June 23rd 4 PM CDT

All sessions will be recorded so you can watch and review them at your convenience.

# The POWER of TradeScope Seminar

TradeScope Pro represents one of the most powerful and unique tools in technical analysis, and we want to make sure that you can take full advantage of all that it has to offer. In *The Power of TradeScope*, we provide the information you need to immediately apply TradeScope to your trading.

Jeff Drake, the creator of TradeScope, takes you from the concept to the application of this versatile module. We begin by looking at how TradeScopes are created. We then explore the various TradeScopes that are provided and how you can benefit from them. We also cover features in TradeScope Pro including the new toolbar and the ability to see historical TradeScopes in your charts.

The seminar will also look at the new TradeScope Strategy Block as well as the new TradeScope Pro Strategies. This bonus section will show you how to improve ANY Trading Strategy with TradeScope Pro!

The Power of TradeScope gives you a thorough guide to this technical analysis breakthrough. This special seminar is valued at \$295, but we are providing it FREE with your TradeScope purchase.

