

The State Of

# NIRVANA

## Turtle Trading Breakthrough!

**NEW Turtle Strategies:**  
DOUBLE the Profits with  
HALF the Drawdowns

“If you have ever wanted a comprehensive collection of Turtle Strategies—this is it.”

– Ed Downs, CEO and Founder  
Nirvana Systems, Inc.

**Nirvana's Trading Secrets**  
New Educational Series  
Volumes I and II Now Available



### INSIDE

- 2 Profiting from Turtle Secrets
- 3 The Power of Turtles
- 6 Nirvana's Trading Secrets Series
- 8 Turtle Strategies by Nirvana
- 10 *The Power of Trade Plans Seminar*
- 11 Special Offer for OmniTrader Owners

# Profiting from Turtle Secrets



**Ed Downs**  
CEO and Founder  
Nirvana Systems, Inc.

I'm sure you have seen recent issues of *Active Trader* magazine and other publications featuring articles on the Turtles—the trading protégées of William Eckhardt and Richard Dennis that entered the Trading Hall of Fame some 20 years ago.

The profits made by the most successful Turtles were staggering. Most accounts put their winnings beyond \$80 million. Now that secrecy agreements have expired, the Turtles are going public with their stories and methods, which explains all the excitement in the media.

*Way of the Turtle* by Curtis Faith is perhaps the best source of information. Faith carefully describes the Turtle methods, and throws in a healthy dose of trading psychology. It's an excellent read, and we can easily see why it has become a best-seller.

We are always on the lookout for trading concepts and the recent publicity surrounding the Turtles captured our attention. So, we began to investigate the merits of the methods. Our internal testing demonstrated that their methods were profitable. So we set about the task of improving them with OmniTrader.

And that's where things get exciting. The Nirvana-improved Turtle Strategies show increased accuracy, reduced drawdowns AND DOUBLE the profitability of the original Systems. That's right—twice the profits with half the drawdowns!

Turtles are selling their Strategies anywhere from \$1,000 to \$5,000 on their web sites. Even though our OmniTrader version is showing much higher profitability, we decided to price it at a comparable level to our previous offerings, at just \$395. And, if you order as part of this special offer, you can purchase it for even less.

I am also excited to introduce our new educational series, *Nirvana's Trading Secrets*. Over the years, we have collected trading wisdom based on our exhaustive research and observations, identifying the setups that have high probability for success. We have decided to share these discoveries with our valued customers. So, we are releasing Volumes I and II of *Nirvana's Trading Secrets*.

Volume I is *Trading Floor Pivots in End of Day and Real Time*. This seminar goes into the theory and math of Floor Pivots used by the best floor traders, and demonstrates how to use them to find turns in the market. Volume II is called *Trading Opening Gaps on the eMini Futures Contracts*. There are certain setups on the eMini futures contracts that have incredible odds for success, and we'll show you precisely what they are.

The special package includes Turtle Trader and *Nirvana's Trading Secrets* Volumes I and II—an outstanding value. Our goal is to provide our OmniTrader users with the best information and Trading Strategies we can find. All our plug-ins, including Turtle Trader, are guaranteed. You simply can't go wrong on this investment!

Thanks again for being an OmniTrader user, and best of luck in your trading.

Sincerely,

Ed Downs  
CEO and Founder  
Nirvana Systems, Inc.

# Turtle Power!

## Trade Like A Turtle with OmniTrader

### The story has become legendary.

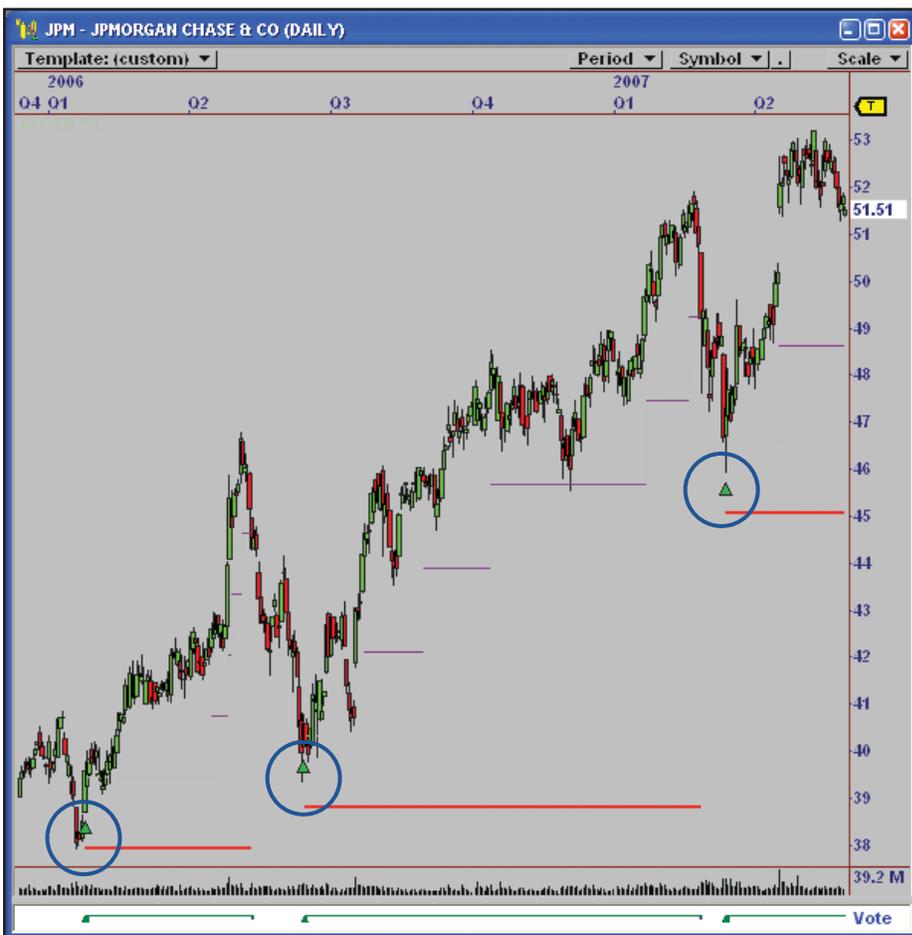
Two successful futures traders, Richard Dennis and William Eckhardt had a wager. Eckhardt believed traders were born, not made. Dennis boasted, “We can grow successful traders from little or no knowledge”. They happened to be visiting a turtle farm in Singapore at the time— “just like those turtles,” he said. The bet was on.

Traders were recruited from many walks of life, and those selected were taught the method in a few weeks and then, given a trading account. While some Turtles washed out, a handful rose to rock star trading fame, earning \$80 million in profits for the partners in a relatively short time. The experiment proved that people could be taught to trade successfully—if they followed the system.

The Turtle Method is more about profitability than it is about accuracy. If a system showed profitability over time, the Turtles would trade it. Strict rules were applied to limit drawdowns early in a trade, but then stops would be loosened to let the trade run. For many people, this is counter-intuitive (which is why some Turtles didn’t survive). But those who followed the system did very well.

One of the most successful Turtles was Curtis Faith, author of the best-selling and recently published *Way of the Turtle*. While fellow hatchlings were bailing out of trades, he would continue following the system. Not only was he ultimately given the largest stake to trade, he was one of the few Turtles who truly “got it.” Curtis quickly understood that **Turtle Trading is not about being right**. It’s about Making Money by Trading the Odds.

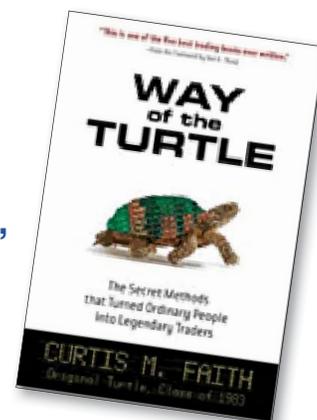
### Featuring NEW Strategies based on the Turtle Method



**Nirvana’s Turtle Breakout Strategy.** We dramatically improved the original Turtle Strategies, generating twice the profits with half the drawdowns. See page 8.

“Trade with an edge.  
Manage risk.  
Be consistent.  
And...keep it simple.”

– Curtis M. Faith



# Turtle Power!

## The Turtle Method

The Turtle Method is similar to the Fulcrum Method taught at SignalWatch.com. The basic idea is to trade solid, definitive breakouts and apply wider stops as the trade becomes more profitable.

The original Turtle Strategies used Donchian Channels to identify breakouts. Curtis Faith incorporated other indicators, such as Bollinger Bands, to give his Systems improved accuracy. He also used Moving Averages as trend filters.

The profitability of these systems over the past ten years has been excellent, with average annual returns of 29% to 58% from January 1996 through June 2006.

## Turtle Trader is Born

With the recent publication of Faith's new book and the results he published, we decided to develop a plug-in for OmniTrader so our customers could trade like a Turtle and learn from the Turtle Strategies.

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**“The best collection of Turtle Strategies anywhere.”**

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To create the Turtle Trader plug-in, our researchers studied scores of documents, including Faith's book and articles in *Active Trader* magazine and elsewhere.

Turtle Trader is a collection of OmniTrader Systems, Indicators, and Exits that implement the approaches used by the now famous Turtles. There are 10 Turtle Strategies in all (see list, opposite). The first two are based on the original Turtle methods. Six are based on those developed by Curtis Faith and explained in his book, and the final two are the improved Nirvana Turtle Strategies.

## Strategies and More

There is a lot more to this plug-in than Strategies. One of the key Turtle concepts was to “skip” a Signal after a profitable trade. We implemented that in an indicator called “LastTrade”, which is used as a filter. The new Turtle Trade Plan scales into trades, precisely as taught

## Turtle Systems in OmniTrader



**Turtle Donchian Trend** – Uses Donchian Channel indicator for breakout entries and a special Turtle Stop.



**Turtle Donchian Trend Time Based** – This Strategy uses Donchian Channels for entries with a fixed time in trade.



to the Turtles. You also get a Portfolio Simulator Method based on the Fixed Risk method used by the Turtles, and described on page 9. All of these components make Turtle Trader for OmniTrader the most complete Turtle trading package in the world.

## Works on Stocks and Futures

The Turtles traded futures exclusively. However, we know most of our customers trade stocks, so we developed and tested Turtle Trader in the stock market—the equity curves on page 9 are based on trading stocks with the Nirvana Turtle Breakout LT Strategy. The same Strategies work in the futures market—just create a futures profile, activate one or more of the Turtle Trader Strategies, and run the To Do List!

**If you have ever wanted a comprehensive collection of Turtle Strategies, this is it.** Remember, our plug-ins are guaranteed! Now is the perfect time to discover “Turtle Power” for yourself.



**Turtle Triple Moving Averages** – Curtis Faith used Multiple Moving Averages to identify longer term trends, as shown here on these Signals on Campbell Soup.

## NEW! Strategies Included with Turtle Trader



### The Original Turtle Strategies

- 🐢 **Original #1** – Trades Donchian Channel breakouts with a *profit filter*
- 🐢 **Original #2** – Trades develop over a longer period. Uses the Turtle Stop

### Way of the Turtle Strategies

- 🐢 **ATR Channel** – Uses ATR Bands to generate entries with an MA Stop
- 🐢 **Bollinger Breakout** – Uses Bollinger Band extreme points for breakouts
- 🐢 **Donchian Trend** – Similar to Original #1, but with a different trending filter
- 🐢 **Donchian Time** – Similar to Donchian Trend. Exits in a fixed amount of time
- 🐢 **Dual Moving Avgs** – Always in trade through the use of two Moving Averages
- 🐢 **Triple Moving Avgs** – Similar to Dual, with an additional trending Moving Average

### Nirvana Turtle Strategies **(see page 8)**

- 🐢 **Nirvana Breakout MT** – Based on Original #1. Applies the Eighths Tool Exit
- 🐢 **Nirvana Breakout LT** – Based on 2 Breakout Strategies published in *Way of the Turtle*



# Nirvana's Trading Secrets Series

Over the course of twenty years here at Nirvana, we have been discovering relationships between price, volume, and profitable moves, sometimes spending thousands of hours researching to prove out a single concept. We are now beginning to make this information available to our customers in the form of our NEW Nirvana Trading Secrets seminar series. In each volume, we disclose a powerful method in three ways, (1) the theory or background

of the method, (2) the precise definition of the method, and (3) how to use the examples. The goal of each Trading Secrets volume is to provide specific information that OmniTrader users can use to identify profitable setups and convert them into Strategies. The seminars are low priced to make them accessible to every user. Try the first two volumes—Floor Pivots and Opening Gaps. We know you'll be impressed with the depth and quality of information.

## VOLUME I Trading Floor Pivots In End of Day and Real Time

Floor Pivots were discovered by floor traders (hence the name) and are based on the prior session's Open, High, Low, and Close. A formula is derived to define levels for today's market based on these values. The idea is simple—to buy or sell as price approaches and retreats from these levels.

In the seminar, we discuss the history of Floor Pivots and the various interpretations, including the use of Major and Minor lines. All the formulas used to calculate the Pivots are also disclosed.

Our goal in this volume is to illuminate the art of Floor Pivot trading, so you can plot the levels in OmniTrader and be ready to take action as a key level is reached.

The Floor Pivots used on the exchanges are always based on the prior session to create levels for the current session, in Real Time. But we have discovered that, by using weekly or monthly bar values, we can create outstanding pivot levels for trading End of Day as well! Both Real Time and End of Day approaches are covered in Volume I.

### End of Day Pivots



We use Monthly Charts to create End of Day Pivot lines in OmniTrader. It is uncanny how well these lines predict movement, when price bounces off the levels or moves definitively through them.

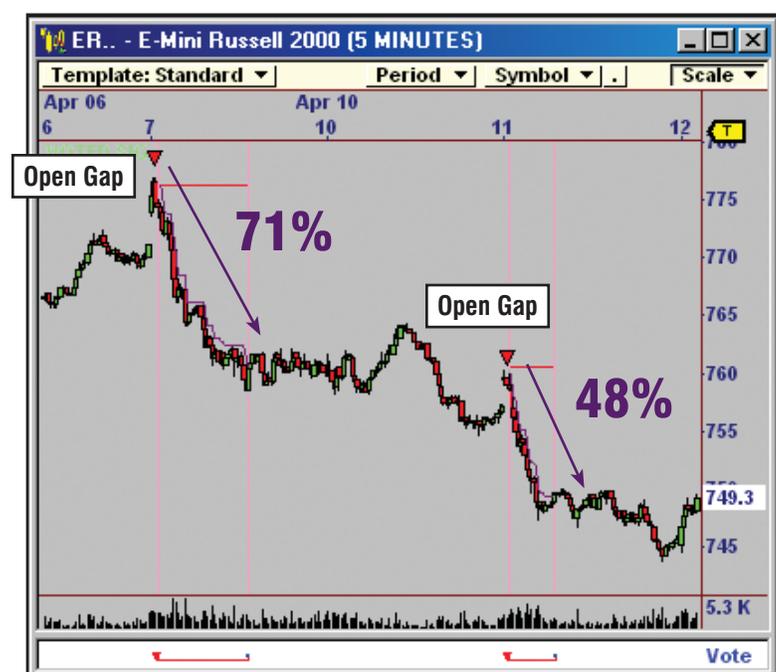


## VOLUME II

### *Trading Opening Gaps on the eMini Futures Contracts*

Opening Gaps are formed when a market opens and is trading a significant distance from where it closed the prior session. This forms a “gap” in the Real Time chart, as shown in the example below. Under certain circumstances, the opening gap will be filled, meaning price will press back into the gap and go lower (or higher, on an opening down gap). In the examples below, there are over 15 Russell points in the first trade and 10 in the second. That’s a \$2,500 gain at \$100 per point.

*The information in this seminar is golden.* As is the case with the Floor Pivot method, we are actually trading this method in our Trading Room and making money with it. You might think we would only disclose general concepts in a seminar like this, but THIS IS THE REAL DEAL. In the seminar, we will tell you precisely how we identify the most profitable opening gaps—the size of gap that has the greatest promise, and other market factors that lead to the best moves. You will be able to take the information from this seminar and directly apply it in the market.



Two recent Opening Gaps that generated huge profits on the Russell eMini Futures Contract based on minimum margin of \$2000 per contract.

## Nirvana’s Trading Secrets Series

### VOLUME I

#### *Trading Floor Pivots In End of Day and Real Time*

- Introduction to Floor Pivots
- Swing Trading Daily Pivots
- Refining Key Breakouts
- Reversal Pivot Signals
- Trade Management Tactics

### VOLUME II

#### *Trading Opening Gaps on the eMini Futures Contracts*

- Big Profits at the Open
- How Gaps are Traded
- Refining Key Breakouts
- Which Gaps to Trade
- Which Contracts to Trade
- Opening Gap Entry Signal
- Managing the Trade
- Improving Performance
- Confirming Market Factors
- Opening Gap Performance



# Double the Profits. Half the Drawdowns.

## Introducing Nirvana's Turtle Strategies

### The Turtle Challenge

The original Turtle Strategies and those developed later by Curtis Faith used several indicators, including Moving Averages, Bollinger Bands and Donchian Channels to identify breakouts in trend. And the Turtle Strategies have been shown to work extremely well over the long haul.

But one aspect that made the Strategies a challenge to trade was the drawdowns that were inherent in them. A large portion of Curtis Faith's book is devoted to trading discipline, and for good reason. Drawdowns are difficult for most people, no matter how a Strategy tests out over time.

### The OmniTrader Advantage

We carefully studied the Turtle Methods to see how we could improve performance and reduce the effect of drawdowns. Our scientists did in fact discover several ways to improve Turtle technology using the powerful tools in OmniTrader.

The result is two new Turtle Strategies—the **Turtle Breakout MT (Medium Term)** and **Turtle Breakout LT (Long Term)**. A few examples of trades from these Strategies are shown on this page. You can see how well the Signals capture moves, and how well the Exits track price action.

But the real story is in the equity curve and statistics shown on the next page. **We turbo-charged the Turtles!** Not only did we improve accuracy, we reduced drawdowns by 50%, and we doubled profitability (see page 9).

How did we improve Turtles so much? For starters, we applied the Eighths Tool Exit—a special Stop in OmniTrader that lets profits run much more efficiently than a Moving Average or Donchian Channel. We also added special Filters that do a better job of measuring trend. These improvements demonstrate the power of OmniTrader to take good Strategies and turn them into GREAT ones.



**Nirvana's Turtle Breakout (Medium Term).** Note how well the Eighths Tool Exits "hug" price action for a nearly perfect exit.



**Nirvana's Turtle Breakout (Long Term)** incorporates wider Stops to give trades more "breathing room" while at the same time, preserving profits—thanks to the Eighths Tool Exit.



## NEW! Portfolio Simulator Method for Turtle Trader

One of the tactics used by the Turtles as they traded different markets was the concept of “fixed risk” based on volatility. By adjusting allocation on individual trades based on volatility, the trader can risk approximately the same amount on each trade.

The NEW Fixed Risk Portfolio Allocation Method (shown to the right) is installed in the Portfolio Simulator when you install the Turtle Trader plug-in.



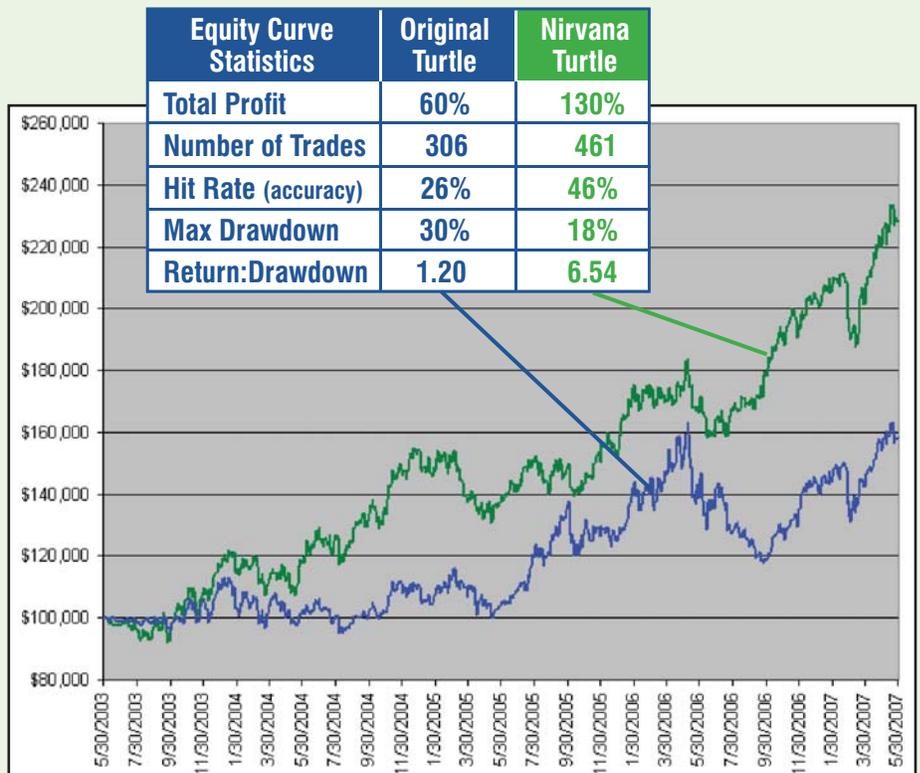
**Fixed Risk Portfolio Simulation Method.** The Fixed Risk allocation method was used by the Turtles to maintain constant risk across individual securities. The new Portfolio Simulator Method is included with Turtle Trader.

## PROFITABILITY of the Nirvana Turtle Strategies

Here is the result of a recent run in the Portfolio Simulator for the Nirvana Turtle Breakout (Long Term) vs. the Turtle Bollinger Breakout System on the stocks in the S&P 100 index.

While the original Strategy was certainly profitable, the Nirvana version generated more than DOUBLE the profits with almost HALF the drawdowns. It is also considerably more accurate.

This new and improved Turtle Strategy is included with the Turtle Trader plug-in.





**NEW SEMINAR ON CD**

**BONUS GIFT**  
Included **FREE** in  
Special Package  
Offer!

## THE **POWER** OF TRADE PLANS

This informative seminar presented by Angela Duran covers the powerful Trade Plan feature in OmniTrader 2007 and OmniTrader Professional.

Trade Plans are so unique that we have applied for U.S. Patents on the concept. With the right Trade Plan, you can engage true “Fire and Forget” trading in your charts—find a symbol you want to trade, fire off a Trade Plan, and go to lunch!

There are so many aspects to this powerful tool, we asked Angela to elaborate on Trade Plans and explain not only how to use them, but also how to create custom Trade Plans that achieve specific objectives.

The essential points covered are shown to the right. You'll learn how to take maximum advantage of all the features, including Virtual Conditions and Broker Orders. Plus you'll see some great examples of Trade Plans that perform specific jobs in the market.

Of all the amazing technology in OmniTrader, this is perhaps the most important from a money-making perspective. As traders have noted over the past 50 years—you don't make your money on the entries. You make it on the exits! This seminar will give you fresh ideas on how to maximize your profitability using this powerful new tool.

*The Power of Trade Plans* Seminar is included **FREE** with your purchase of the Special Package (see page 11, opposite for details).

### **Seminar Topics**

#### **The Power of Trade Plans**

Trade Plans make money management easy in OmniTrader. Here's why.

#### **Creating Trade Plans**

Step-by-step process for creating Trade Plans that manage trades in various ways.

#### **Trade Plans for Different Time Frames**

How to adjust Stops and conditions for the short, medium, and long term.

#### **Using Trade Plans to Engage the Market**

It's easy to manage your trades with Trade Plans. This section illustrates the steps involved.

#### **Broker Stops vs. Virtual Conditions**

Virtual Conditions are a brand new concept and only OmniTrader has them! Discover how Virtual Conditions can be used to help you make more money, and how Broker Stops help reduce risk.



# Turtle Trade Your Way to Massive Profits!

*“This special package has something to help EVERY OmniTrader user be successful in the market.” – Ed Downs*

## Nirvana's Turtle Trader Plug-in

- Exact Replicas of Original Turtle Strategies
- Additional Strategies based on **Way of the Turtle**
- TWO NEW Nirvana Strategies—DOUBLE the Profits with Half the Drawdowns

## Introducing Nirvana's Trading Secrets Series

### Volume I—Trading Floor Pivots in End of Day & Real Time

This seminar illuminates the art of Floor Pivots used by the best floor traders and demonstrates how to use them to find turns in the market.

### Volume II—Trading Opening Gaps on the eMini Future Contracts

There are certain setups on the eMini futures contracts that have incredible odds for success and we will show you precisely what they are in this seminar.

### The Power of Trade Plans—NEW Seminar on CD

Discover the power of Trade Plans in this new seminar. We teach you how to use Trade Plans to engage the market and take advantage of this powerful feature to maximize your profits.

Order Online: [www.omnitrader.com/turtle](http://www.omnitrader.com/turtle)

## NirvanaSystems

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