MM4 — High Profitability Trading

A fully automated stock trading system that executes high probability trades and dynamically adjusts to market conditions.

Garrick Bradley

The MM4 model is a high probability statistical stock portfolio trading system.

The model trades and manages a portfolio of 2700 stocks on the NYSE, AMEX and NASDAQ stock exchanges.

FROM HARMONY TO UNDERSTANDING

Big Data is one of the hottest scientific areas in business today. This science offers the opportunity to look into mountains of data to discover price trends and behavioral tendencies. Discovering trends and tendencies offers money making opportunities. Discovering price trends and behavioral tendencies in trading is the future of trading. Discovering behavioral tendencies before trends develop can improve trade timing and increase profits.

Model Primary Goals

1. Identify and capture behavior and patterns in the data.

2. Define relationships in the behavior and patterns that are predictable.

MM4 is a Big Data related technology that captures and characterizes market behavior to formulate reliable forecasts in direction. It then analyzes historical strengths to discover reliable profit objectives and risk levels.

Garrick Bradley

BUILDING & TRADING THE SYSTEM

The MM4 trading model was born from the StockMapping forecasting system focuses on determining future behavior by capturing and categorizing behaviors, patterns, risks and rewards (BP2R). The knowledge gleaned from studying behaviors, patterns, risk and rewards makes it easier to understand trading opportunities.

Building the MM4 model on the StockMapping technology was part of the natural evolution of the forecasting research.
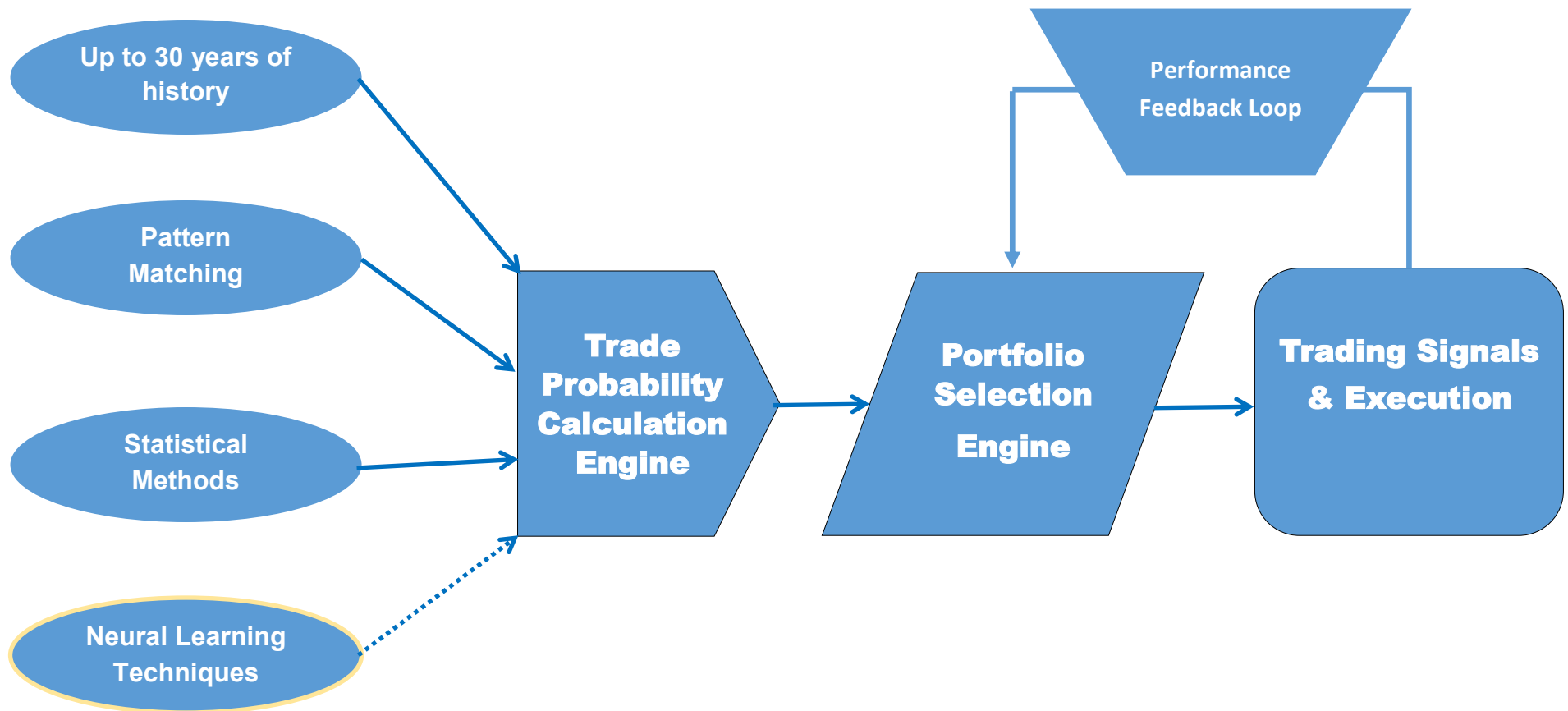
MM4 will execute buy and sell orders and set all stops.

MM4 is designed to be used in both up and down markets. It has few parameters defined by the user, so the system doesn't require adjusting. The system is designed to run autonomously.

Because the system is fully automated, human traders will not be required to execute trades. However, trading activity should be reconciled and audited regularly.

Garrick Bradley

The MM4 Model

Up to 30 years of history

Pattern Matching

Statistical Methods

Neural Learning Techniques

Trade Probability Calculation Engine

Portfolio Selection Engine

Trading Signals & Execution

Performance Feedback Loop

THE SYSTEM

- MM4 is a weekly trading system.

- Diversification is offered by including over 2700 stocks from the NYSE, AMEX, and NASDAQ.

- MM4 is fully automated. The rules and calculations will be followed consistently by the computer.

- MM4 works in up and down markets.

THE OPPORTUNITY

The trading system is ready to trade. The rules are developed and have been tested.

To Trade

MM4 is ready to trade. The only requirement is integration with a data feed and an electronic brokerage.

Fund Size

The model is flexible. The performance charts in this presentation were created with a $20 million portfolio. The model can dynamically create any size portfolio. The model is smart enough to assign the best stocks to trade and the number of shares to trade per stock per trading period, all based on the size of the portfolio.

Garrick Bradley

Model Statistics

Database

Stocks in the database:	2724
Start of database:	1990 (daily, weekly, monthly, quarterly)
Stocks traded:	2655

Exchanges

NYSE:	1087
AMEX:	165
NASDAQ:	1466

Types of stocks traded:	Common
	ETFs (open ended)
Historical Simulations:	146,758,464 records
Learning:	1 year to forecast 1 quarter
Current focus:	Weekly model.
	4 week maximum trade cycle.
	Maximum *loss* $25 per share

Test Portfolio

Model:	Weekly — buy only
Account Size:	$20 million
Equity at risk:	$10 million
Simulations:	146,758,464
Total Trades:	45,818
Avg Days In Trade:	17 days
Avg Trade:	$3.09
Avg Win %:	55.98%
Avg Loss %:	43.94%
Avg Win Trade:	$7.16
Avg Loss Trade:	$4.07
Simulation Start:	January 1, 2010
History Start:	January 1, 1990

Assumptions: The simulated account size is $20 million. No margin.
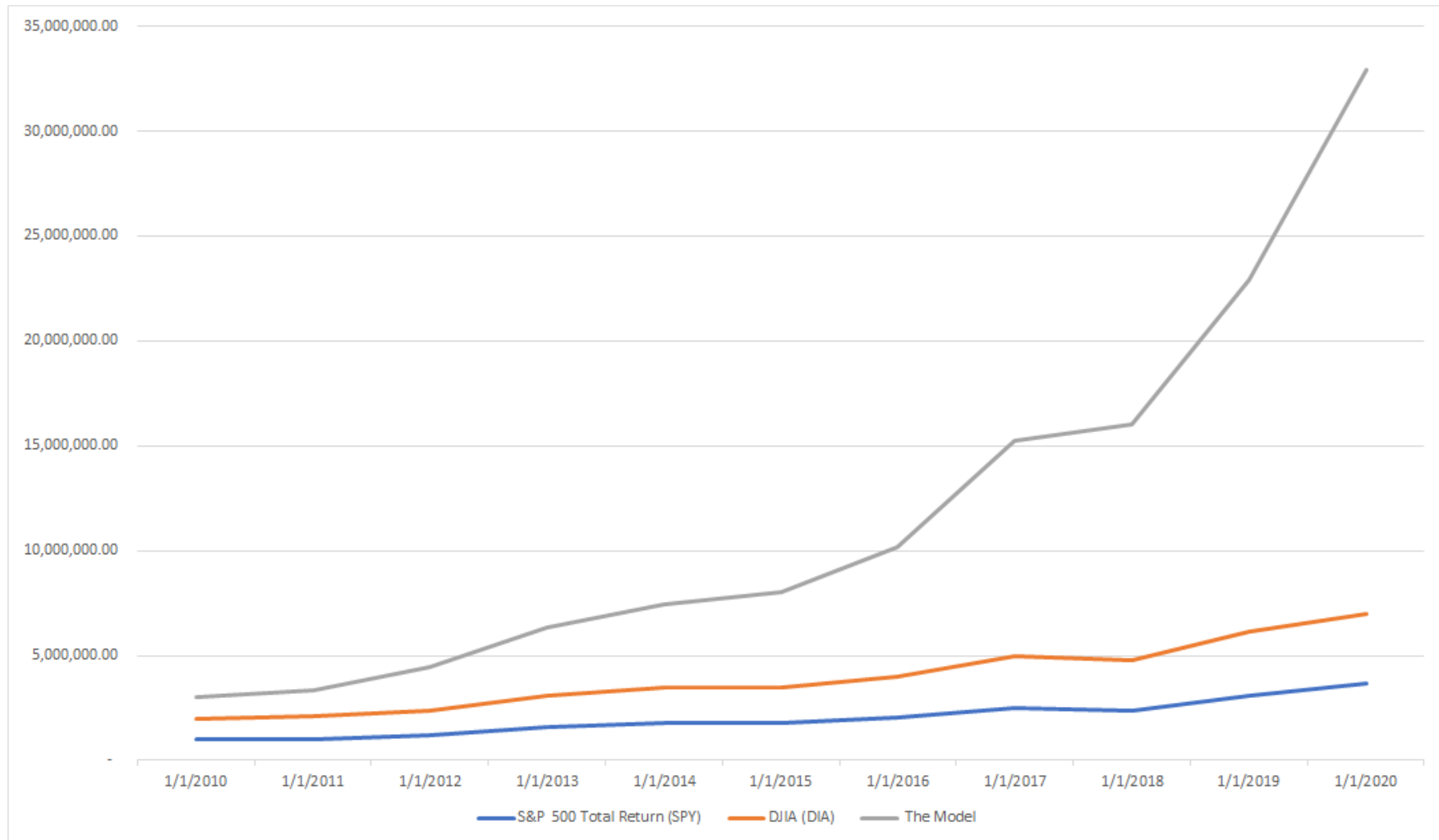
Garrick Bradley

Return Per Year (2011 to 2020)
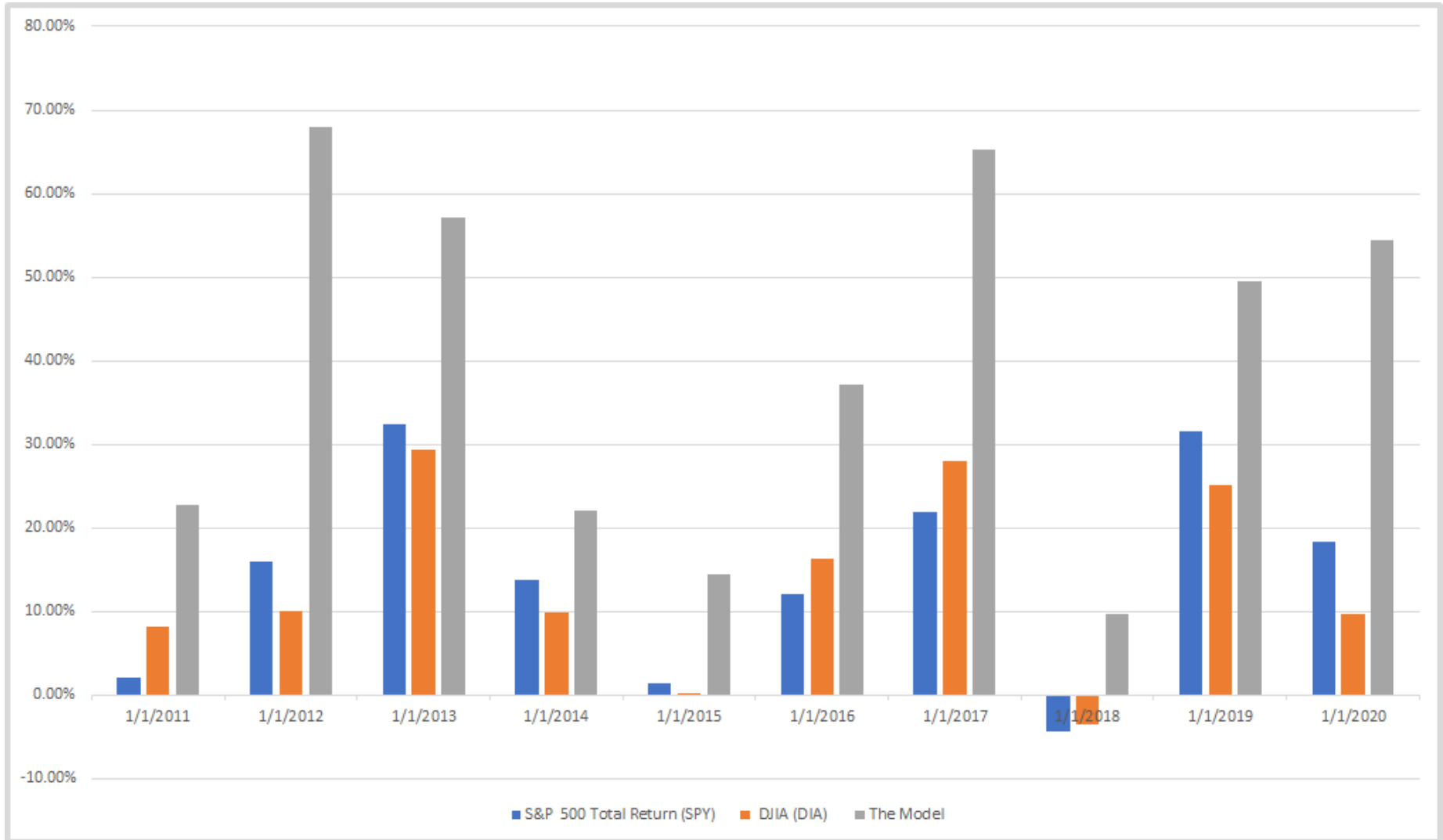
Assumptions: The simulated account size is $20 million. No margin.

Garrick Bradley

Account Growth (2010 to 2020)

Assumptions: The simulated account size is **$1 million**. No margin.

Garrick Bradley

Top Winning Stocks (2010 to 2021)

Symbol	Total Profit	Days In Trade	Avg Trade
OCN	$ 3,938,765.15	18	$ 26.74
MA	$ 3,148,876.98	26	$ 10.10
BKNG	$ 2,881,076.40	22	$ 25.65
TPL	$ 2,502,427.99	24	$ 12.80
ISRG	$ 2,412,888.84	27	$ 19.96
AMZN	$ 2,253,638.53	25	$ 9.40
CSGP	$ 2,230,898.79	26	$ 10.64
MELI	$ 2,169,956.53	17	$ 21.35
IDXX	$ 1,773,485.53	27	$ 11.84
MKL	$ 1,512,441.61	28	$ 10.30
FICO	$ 1,505,363.04	27	$ 12.91
CMG	$ 1,446,476.65	25	$ 8.05
MTD	$ 1,424,713.94	26	$ 7.48
BIIB	$ 1,409,641.56	24	$ 5.98
BIO	$ 1,400,312.19	24	$ 3.46
SAM	$ 1,301,114.90	24	$ 13.74
AZO	$ 1,282,350.66	26	$ 5.00
UHAL	$ 1,258,679.41	25	$ 6.27
BA	$ 1,179,362.30	26	$ 9.80
NEU	$ 1,150,523.61	27	$ 4.26

Assumptions: The simulated account size is $20 million.

Garrick Bradley

Top Losing Stocks (2010 to 2021)

Symbol	Total Profit	Days In Trade	Avg Trade
MKTX	$ (813,486.79)	22	$ (6.50)
BH	$ (371,103.27)	18	$ (10.45)
MSTR	$ (321,060.31)	21	$ (2.97)
ESS	$ (298,145.36)	26	$ (1.58)
NVEC	$ (291,526.81)	17	$ (4.37)
RL	$ (257,709.54)	20	$ (7.39)
SBAC	$ (248,929.09)	22	$ (2.87)
WLL	$ (228,625.00)	26	$ (25.00)
WLTW	$ (227,933.03)	18	$ (8.14)
GEOS	$ (213,011.80)	10	$ (16.39)
FDX	$ (191,755.13)	26	$ (1.06)
MDY	$ (165,486.43)	24	$ (2.03)
DDS	$ (164,131.00)	25	$ (1.32)
OLED	$ (154,698.74)	16	$ (5.38)
WPM	$ (152,209.33)	23	$ (1.53)
BBSI	$ (151,291.44)	24	$ (4.74)
SGEN	$ (148,893.78)	17	$ (14.11)
AVB	$ (146,567.80)	25	$ (0.83)
FFIV	$ (139,964.41)	19	$ (17.51)
CCOI	$ (139,773.54)	19	$ (8.36)

Assumptions: The simulated account size is $20 million. No margin.

Garrick Bradley

NEXT STEPS

MM4 is available for funding. For information including details on funding opportunities regarding this unique trading strategy contact Garrick Bradley.

Contact **Garrick Bradley**

708-790-1000

Garrick Bradley