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Book Review

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VantagePoint software

Analyzing new trading opportunities

Given the financial market dynamics over the past ten years surrounding the global stock market collapse in 2008, traders and investors worldwide have had to rethink how they analyze potential trading opportunities and make decisions about how and where to commit capital in the financial markets.

» During this time central banks worldwide resorted to taking unprecedented, quantitative easing initiatives to shore up economic activity in individual countries as well as regionally. Great effort has been made in this regard both in the EU and elsewhere to protect from failure systemically critical banks that might have brought the entire global economy to its knees.

Now, looking in the rear view mirror, with the global economy back on its feet, any doubt that traders during that unstable time period may have had about the

importance of analyzing the inter-market relationships between various financial markets within the EU, as well as between them and those in the United States, the Far East and elsewhere has been laid to rest. Whether it's a big move in the price of crude oil or natural gas related to new drilling technologies in the United States that drove down the prices of these critical commodities, or abrupt movements in the Forex markets affecting the Euro in relation to the USD, the British Pound or Japanese Yen, outside market forces from related markets have a tremendous impact on other markets that must be accounted for by traders

who use technical analysis tools to help make their trading decisions.

Unfortunately, though, it's been very challenging to quantify these intermarket relationships to figure out how they impact the prices and trend directions of other tradeable assets.

That's why this review of the VantagePoint Software is important to bring to the attention of traders. VantagePoint is intuitive, very user-friendly and easy to use, and, most importantly, offers traders its very unique leading technical indicators with a long record of proven forecasting accuracy.

VantagePoint applies an artificial intelligence capability known as deep learning neural networks (which mimic how the human brain itself processes information) to find hidden patterns and relationships between markets (even between markets that on the surface don't appear to have any relationship to one another).

The software transforms trend-following, lagging technical indicators such as moving averages and other widely-used indicators into leading technical indicators that, a day or two in advance, can actually forecast trend direction changes markets before the trend changes become apparent to other traders who look at markets individually without the ability to understand how related markets impact each other. This artificial intelligence-based neural network process provides a unique perspective on the financial markets that uses foresight instead of hindsight.

Prior to VantagePoint, we have never seen intermarket analysis translated into the creation of leading technical indicators. This original concept has a great deal of merit. The software lets you apply intermarket analysis in a far more scientific way than would be the case if you tried to estimate the effect of the movement in any correlated market on the market that you are considering for trading.

VantagePoint Software Overview

VantagePoint is not a black box, buy or sell signal generator that looks at each market in isolation. What it does, though, is make highly accurate daily predictions (verifiable with up to 86% predictive accuracy) for nearly 2,000 markets in all of the major trading areas: stocks, futures/ commodities, forex, ETFs and even cryptocurrencies.

The software analyzes huge amounts of intermarket data for thousands of world markets and finds the thirty most influential intermarkets that have the greatest predictive effect on each target market that the trader is interested in. Then, unlike a simple linear correlation between two markets to one another, its neural network "brain" produces what's known in artificial intelligence parlance as a 'weight matrix', which actually identifies the relative, mathematical, weights that each of these thirty markets has on that particular target market.

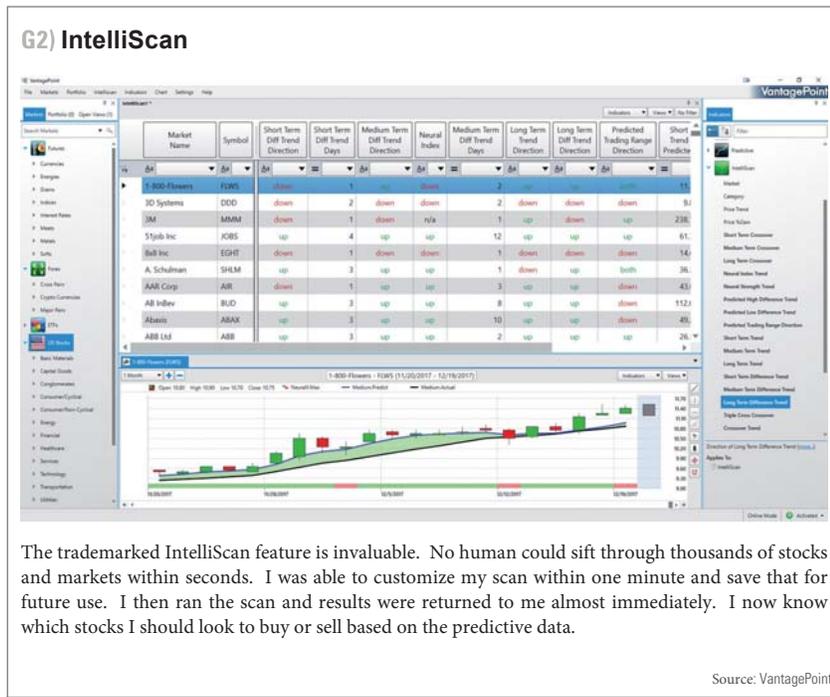
For each target market under consideration for trading, the software finds the thirty most impactful intermarkets that affect that specific target market in terms of maximizing the software's predictive accuracy at forecasting the trend and anticipating changes in trend direction in advance. This is something that can't possibly be accomplished without the application of artificial intelligence.

G1) Moving Averages



Predicted Moving averages are what allow VantagePoint customers to capture entire trends and maximize profitability. Cross over indicates a trend change is about to occur. Green shading is the forecast for an uptrend and red shading is forecasting a down trend. Very simple to interpret and better yet, very effective. Charts can easily be displayed in a number of ways. I chose a side by side tile view.

Source: VantagePoint



From a functionality perspective, VantagePoint removes most of the work inherent in finding and confirming potentially profitable trades. We have found the software's IntelliScan® feature to be a great time saver. This "filtering" capability identifies potential trades in seconds, based on dozens of customizable technical filters that you can set. After producing a list of high-probability trades, a mouse click instantly takes you to the associated market chart. This feature is great! The user experience is seamless with the quick changeability of the charts and indicators. You can easily customize your charts and the save them for future use.

VantagePoint has a full suite of these predictive leading indicators including:

- **Predicted** next day high and low
- **Predicted** short-term, medium-term, and long-term moving average crossovers. (Computers have determined the best combinations, but users can choose their own combinations from among six predicted exponential moving averages of typical prices and three actual simple moving averages of the close).
- **Predicted** short-term, medium-term, and long-term differences.
- VantagePoint's **Predicted** and proprietary, Predicted Neural Index (PINdex)

All of this makes VantagePoint unique! This is the only software that truly offers "leading indicators" and that takes into account the effects of global markets on one another.

VantagePoint Software User Interface Review

Since the software comes basically out of the box and ready to go, there's no complex programming or a frustrating learning curve. The installation process for VantagePoint is effortless because the accommodating support team installs it for you if you need any assistance.

Background on VantagePoint

VantagePoint's inventor, Louis Mendelsohn, is a recognized trading software visionary and pioneer. He developed the world's first strategy back-testing software for personal computers which he released in 1983. Then, within a few years he realized the significance of the increasingly interconnected global financial markets even prior to the use of the term 'global economy'.

He was the first technical analyst and trading software developer to quantify these relationships with his revolutionary intermarket analysis approach first introduced by him in software in the late 1980s, which led to the first version of VantagePoint, relying exclusively on neural networks and pattern recognition, which was released in 1991 – more than a quarter of a century ago.

Now, today, with software customers worldwide, VantagePoint continues to lead the industry with its two software patents that were awarded to Mendelsohn in 2013 covering his software inventions. Today, nearly forty years since his company's founding in 1979 at the dawn of personal computers, Mendelsohn company has more than sixty dedicated staff members who are ready and able to be of any assistance to VantagePoint customers to help make sure that they are successful with the software.

»
 The software transforms trend-following, lagging technical indicators such as moving averages and other widely-used indicators into leading technical indicators
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Testing the forecasts for accuracy and reliability

We all know that marketing and sales is generally what attracts people to a product or service. In an industry that is filled with all kinds of marketing gimmicks, online marketing gurus looking to make a quick buck (many times at the expense of the unsuspecting) and claims that seem too good to be true and mostly are I wanted to focus a large portion of my time reviewing this product on the most important thing – the results. I studied the software, understood the indicators, but the accuracy of the predictions needed to be verified.

The accuracy figure is based on VantagePoint's predicted Neural Index which is one of the main Artificial Intelligence based indicators the software utilizes to predict market movements, trend changes and trend direction. VantagePoint's Predicted Neural Index is very intuitive to use either showing market strength or weakness which makes it easy to evaluate the effectiveness and usefulness. Either the market did show strength or weakness as predicted or it didn't. No way to make it look right if it was in fact wrong.

My main interest is individual US stocks so that is the area I wanted to check out and I did test a nice cross section of stocks in various sectors. Not that I was looking for fault, but rather I was wanting to prove either consistency or inconsistency so I went beyond the call of duty and test a 5 year time frame from 11-1-2012 through 11-1-2017. Here are the results:

U.S. Stocks:

| | |
|-----------------------------|-------|
| • American Airlines | 81.9% |
| • Iron Mountain | 81.1% |
| • General Growth Properties | 80.8% |

| | |
|---------------------------------|-------|
| • Energy Transfer Partners | 80.7% |
| • Apartment Investment & Mgmt | 80.6% |
| • Windstream | 80.5% |
| • Viacom | 80.4% |
| • Priceline.com | 80.4% |
| • Omega Healthcare Investors | 80.4% |
| • Integra LifeSciences Holdings | 80.4% |
| • Vanda Pharmaceuticals | 80.3% |
| • Teledyne Technologies | 80.3% |
| • CBOE Holdings | 80.2% |
| • Boston Properties | 80.2% |

Upon seeing these results and the incredible accuracy it made me want to test further so I requested access to other areas of the software so I could also test Exchange Traded Funds commonly referred to as ETFs. I tested the same time frame of 11-1-2012 through 11-1-2017 and here are the results from that test:

ETFs

| | |
|---|-------|
| • Market Vectors Retail ETF | 79.9% |
| • Consumer Discretionary SPDR | 79.5% |
| • Midcap SPDR Trust | 79.2% |
| • SPDR S&P 500 Growth | 79.0% |
| • iPath S&P GSCI Crude Oil Total Return IDX ETN | 79.0% |
| • SPDR S&P Transportation ETF | 78.9% |
| • SPDR S&P 500 Semiconductors | 78.7% |
| • ProShares Short Russell 2000 | 78.7% |
| • Market Vectors Semiconductor ETF | 78.7% |
| • iPath DJ-UBS Commodity IDX Total Return ETN | 78.7% |
| • PowerShares Gld Drg Haltr USX China | 78.6% |
| • iShares Russell 1000 Growth IDX | 78.6% |
| • SPDR S&P Bank | 78.4% |
| • PowerShares QQQ | 78.4% |

» Since the software comes basically out of the box and ready to go, there's no complex programming or a frustrating learning curve «

Again the accuracy was extremely high over an extended period of time and that made me very confident in my testing regiment, but also in the accuracy of VantagePoint's ability to accurately and consistently predict market movements ahead of time which is what we as traders and investors are in need of. I am very comfortable saying that utilizing the output from VantagePoint will produce better trading results because as a trader now the odds are stacked in your favor.

Lastly I decided to test some of the more volatile markets like Forex and Futures (commodities) to see how the software would fare with markets that traditionally move wildly at times. The results were amazing.

Forex Pairs

| | |
|--|-------|
| • Canadian Dollar / Japanese Yen | 81.0% |
| • British Pound / U.S. Dollar | 80.6% |
| • U.S. Dollar / Japanese Yen | 80.1% |
| • British Pound / Australian Dollar | 80.1% |
| • Australian Dollar / Japanese Yen | 80.1% |
| • Euro / British Pound | 79.8% |
| • U.S. Dollar / South African Rand | 79.5% |
| • New Zealand Dollar / Japanese Yen | 79.5% |
| • Australian Dollar / Swiss Franc | 79.4% |
| • New Zealand Dollar / Canadian Dollar | 79.1% |
| • Euro / Canadian Dollar | 79.1% |
| • Euro / Australian Dollar | 78.9% |
| • Euro / U.S. Dollar | 78.8% |
| • Australian Dollar / U.S. Dollar | 78.8% |

Futures Markets

| | |
|-------------------------|-------|
| • Share Price Index 200 | 82.5% |
| • Hang Seng | 81.4% |

| | |
|-------------------------------|-------|
| • Canola | 80.5% |
| • E-Mini NASDAQ 100 | 80.4% |
| • Light Sweet Crude Oil | 80.2% |
| • Feeder Cattle | 80.0% |
| • E-Mini DJIA | 79.9% |
| • S&P 500 | 79.7% |
| • Orange Juice | 79.7% |
| • Mini Wheat | 79.6% |
| • U.S. Treasury Bonds | 79.5% |
| • E-Mini S&P 500 | 79.5% |
| • British Pound | 79.5% |
| • 10 Year U.S. Treasury Notes | 79.5% |

Conclusion

VantagePoint, in our view, is ideal for any trader looking for proprietary software that does the market analysis but allows the trader to pick markets and trading conditions. It's also the perfect choice for traders who only have a limited time to spend on their trading. Its market longevity and positive reviews are a testament to the credibility and effectiveness of the software.

However, the real key is the software's ability to actually forecast and anticipate trend changes in advance with unprecedented accuracy.

Pretty charts, hundreds of lagging indicators will not help traders and investors make the type of returns that are possible. With the accuracy and consistency that VantagePoint offers, recouping the cost of the software should not be a challenge if you follow its predictions and use common sense in your trading. «