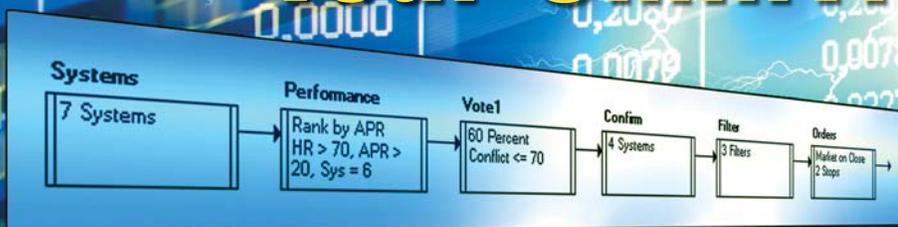


# Nirvana's **Strategy Wizard 3.0**

## Unleash the Power of Your OmniTrader!



“Strategy Wizard 3.0 is a significant breakthrough in Technical Analysis!”

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

**Creating Great Trading Strategies** Seminar on CD



**NEW! In Version 3.0**

### Support for Non-Time Based Charts

Automatically Create Better Strategies by finding the best NTB Chart and Settings – Automatically!

### User Requested Enhancements

A number of great new features have been added as a result of user feedback. See page 7.

# A SIGNIFICANT BREAKTHROUGH in Technical Analysis



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

At Nirvana Systems, we are always working to create the next breakthrough, both for our clients and for our own trading. And I must say, with the creation of OmniTrader 2012, we are seeing so many improved results, so fast, it's simply breathtaking.

OmniTrader 2012 has 6 new chart types. They are called **Non Time-Based Charts** because they form bars based on ranges as opposed to even time increments. We have published reports on the improved accuracy we are seeing when using these chart types.

As Strategy Developers, our goal is to produce the most profitable automated strategies possible. So naturally, we turned to Strategy Wizard for help with these new charts.

With Strategy Wizard, you can take any Strategy, specify a few inputs to change, like Stop values or System parameters, and let the Wizard test all the combinations on your symbol list. It's uncanny how well Strategy Wizard can "tune" existing Strategies to the current market. (See page 6 for a great example of this.)

But Non Time-Based Charts posed a special problem for us. Since they are based on ranges of price and volume action, there are an infinite number of different chart types, even within one timeframe (like *Daily Renko* or *5 Minute Range*.)

For example, a Range Chart can be based on various ranges, like 1 ATR, 2 ATR, 3 ATR and so on. The question is, which do you use? Clearly the specific value used for the range of each bar is going to have a huge impact on the results! We needed a way to automatically test many different chart types.

## Strategy Wizard 3.0 to the rescue!

We asked our developers to improve Strategy Wizard by adding an additional "layer" for Chart Periodicities. Now, you can specify as many chart types as you want, and it will methodically test each of them, along with any other individual Strategy settings, sorting the results according to each periodicity tested.

This process has already yielded some amazing results as we have tested existing Strategies on different timeframes, as shown on the next page.

Non Time-Based Charts are much more profitable than normal time-based charts. Now, with Strategy Wizard, we can improve returns even more by simply opening up the ranges used for chart calculations and letting the program find the best one.

Imagine testing any of your plug-ins or Strategies you have created on all the NTB Chart types. Almost like magic, this incredible add-on for OmniTrader is going to tell you which ones work best!

If you already own Strategy Wizard, you are definitely going to want to upgrade to Version 3.0. In addition to testing NTB Charts, there are a host of improvements that have been made (see page 7). If you don't yet own Strategy Wizard, you owe it to yourself to try this incredibly powerful tool. You'll quickly see why I say Strategy Wizard 3.0 is a significant breakthrough in Technical Analysis.

Sincerely,



Ed Downs  
CEO and Founder  
Nirvana Systems, Inc.



# Unleash the Power of Your OmniTrader with Strategy Wizard 3.0!

OmniTrader's prospecting power has enabled traders worldwide to enjoy success in their trading since Version 1.0 was released in 1994.

With the addition of Non-Time Based Charts, the prospecting power of OmniTrader has more than doubled. In our back tests, we are now seeing accuracies and profit numbers that are in many cases multiples of the results we were able to achieve in regular Candle Charts.\*

But NTB Charts are based on ranges of price movement, which can be specified in ATR (Average True Range), Percent or Points. The question we immediately want to answer is, "What is the BEST range to use on, say a Renko Chart for Daily Trading on the Reversal (Stocks) Strategy?"

The new Strategy Wizard 3.0 answers this question easily and elegantly. To the right you can see the result of testing a number of different Ranko ATR ranges. It took about a minute to set up this test. Strategy Wizard then automatically discovered which range was the best to use on our list, in the Daily timeframe.

The charts to the right are representative of the clarity and accuracy of the resulting Signals. We now know that, for this Strategy, a 1.6 ATR Renko Chart is by far the best to use, and that's what we will trade with!

## Not just for experimenters!

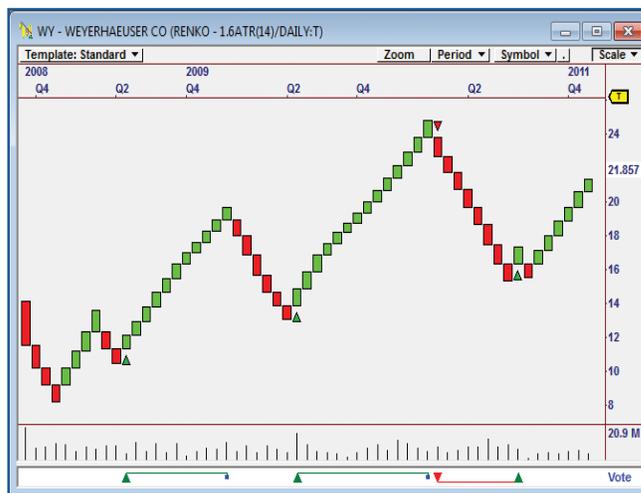
If you are using the new NTB Charts for prospecting, this amazing tool will help you trade better. Just run it monthly to "tune" your charts to the best range. Remember, it's automatic! Because we have already run these tests on many of our "base" Strategies, we are including mechanical versions of them with Strategy Wizard 3.0! See page 8 for details!

\* Test Report demonstrating the overall effectiveness of NTB Charts can be found at [www.omnitrader.com/ntb](http://www.omnitrader.com/ntb)

**Discover Powerful New Strategies**  
**Running Strategy Wizard on the Reversal (Stocks)**  
**Strategy, we discovered a setup that is 68%**  
**Accurate and produces 18% Profit per Trade!**

Iteration	Parameter	Timeframe	BT NT	BT HR	BT PPT	BT Prof	BT APR	BT
1	0	RENKO - 0.4ATR(14)/	1473	57.43381	3.316651	48.85426	112.1601	10.0
2	1	RENKO - 0.5ATR(14)/	1089	58.0349%	3.630379	39.93417	117.9738	11.0
3	2	RENKO - 0.8ATR(14)/	495	62.42424	5.787377	29.23216	210.7032	15.0
4	3	RENKO - 1ATR(14)/D	310	58.06451	3.736055	12.19134	143.3251	16.0
5	4	RENKO - 1.1ATR(14)/	251	60.55777	5.908063	16.47693	208.8625	19.0
6	5	RENKO - 1.3ATR(14)/	184	59.23913	6.81546%	14.58191	250.0395	23.0
7	6	RENKO - 1.6ATR(14)/	130	67.69231	9.6915%	18.8044%	344.4507	23.2
8	7	RENKO - 1.8ATR(14)/	89	67.41573	7.658057	12.62161	289.5547	21.0
9	8	RENKO - 2ATR(14)/D	49	67.34694	14.4363%	21.43571	572.9545	32.0
10	9	RENKO - 2.2ATR(14)/	1	0%	-35.16874	-35.16874	-2285.968	0.0
11	10	RENKO - 2.3ATR(14)/	0	0%	0%	0%	0%	0.0
12	11	RENKO - 2.6ATR(14)/	0	0%	0%	0%	0%	0.0

**Strategy Wizard output, showing the best results use 1.6 ATR Renko. Some individual charts with Signals:**



# The **MAGIC** of Strategy Wizard

## CREATE and ENHANCE Profitable Strategies!

You can take any OmniTrader Strategy and run it through Strategy Wizard to improve it further. Or you can use Strategy Wizard on existing Strategies—including brand new ones—to find the best parameters.

To demonstrate the magic of Strategy Wizard, we created a very simple Strategy using the MAC-M System confirmed by the VTY-B System, with a Fixed Loss Stop and Trailing Profit Stop. The Strategy, as created, generated a Hit Rate of just 46% and an average loss of 0.12% per trade.

We then asked Strategy Wizard to find the best Stop Values to use by testing across the entire S&P 100 list. The results are amazing, but typical of what Strategy Wizard can do. After “tuning” the exits, the Strategy generated a Hit Rate of over 72% and an average Profit per Trade of 0.84%.

This is just one example of how Strategy Wizard can “fine tune” existing Strategies to find the best values to use in them. We are using this powerful tool to create cutting edge technology. The good news is, it’s so easy to use, anybody can do it.

Without a tool like Strategy Wizard, it takes many hours of setting up runs to find the best values to use. Now, it’s fully automated.

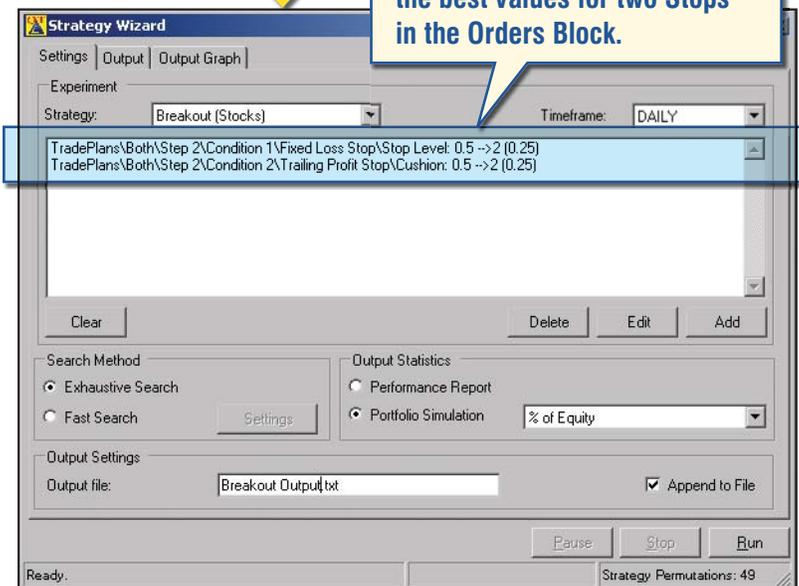
## The MAGIC of Strategy Wizard

### BEFORE

We started with a Strategy based on one System, one Confirmer, and a few simple Stops in the Orders Block. Its original performance is below (not profitable).

Statistic	Back Test	Forward Test
Num. of Trades	129	269
Profitable Trades	46	124
Avg. Hit Rate	35.66	46.10
Profit Per Trade (%)	-1.01	-0.12

We set Strategy Wizard to find the best values for two Stops in the Orders Block.



Statistic	Back Test	Forward Test
Num. of Trades	131	283
Profitable Trades	88	204
Avg. Hit Rate	67.18	73.08
Profit Per Trade (%)	0.10	0.84

### AFTER

After applying Strategy Wizard to this Strategy, our Hit Rate and Profit per Trade improved dramatically, making the Strategy profitable. We also end up with a Strategy that has been tuned for the current market on the list we want to trade!

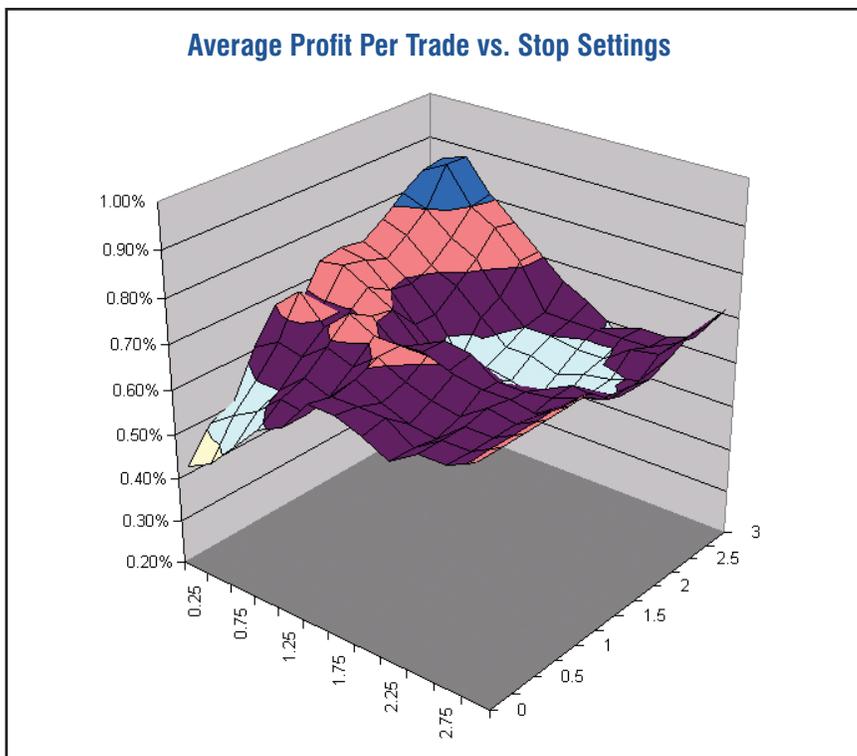


## Strategy Wizard Finds Robust Solutions

When improving or creating Strategies, we want to make sure we arrive at a robust solution. For example, if we choose a value for a Stop Loss or Trailing Profit Cushion based on Profit per Trade, we want to make sure we are not using a single value that happened to work. How do we do this? By looking at values AROUND the solution.

A simple surface plot is generated by Strategy Wizard to provide this information. By plotting Profit per Trade against two variables (like Fixed Loss Stop and Trailing Profit Cushion) we can see if the values are profitable around the solution we will use for our trading.

Reading these plots is easy—we show you how in our comprehensive Strategy Wizard seminar, described on page 10.



Strategy Wizard shows plots that tell you if a solution is robust. If the curve is smooth, it is likely you have a solution that will hold up over time.

## FAST SEARCH ALGORITHM

Strategy Wizard comes with two Search Modes—Exhaustive and FAST SEARCH. Exhaustive searches EVERY possible combination of your parameters. But FAST SEARCH can converge on a solution in a fraction of the time.

In fact, you can search as many parameters as you want and the time does not increase! FAST SEARCH starts with initial trials and finds the best solution by consecutively “honing in” on a good run. An Exhaustive search might require 100,000 runs, but a FAST SEARCH can reach a good solution in as little as 100 to 200 runs.



# Strategy Wizard will help you make more money in the markets!

## Let Strategy Wizard Create *the Magic*

As a student of the market, you may read a concept in a magazine or hear about one in a seminar that you want to try, but you are not sure how to put it together.

Using OmniTrader, you can quickly create a Strategy with a few Trading Systems, a Filter, a Confirmer and an Exit method. Or, alter one that is already there. Then, let Strategy Wizard work on your creation to find the “magic” in it. If there is a good Strategy inside your idea, Strategy Wizard can find it!

## Tune Your Strategies to YOUR List

Strategies are typically tested on standard lists like the S&P 100. If you are trading stocks in the Russell 1000, your Stops will be better if you tune your Strategies to that list. If you are trading highly volatile stocks for Options plays, you will want your Trading Systems to fire more often, and hence will want your Strategy Filters to be looser.

But you don't have to figure this out because Strategy Wizard can do it! You can set Strategy Wizard to seek out the best values for EVERYTHING in a Strategy. Even if you adjust 5 or 10 variables in your Strategy, Strategy Wizard can find the best combination in a short amount of time, thanks to the amazing FAST SEARCH algorithm built into its logic.

## Perform Periodic Tune-Ups to Adjust to Changing Market Conditions

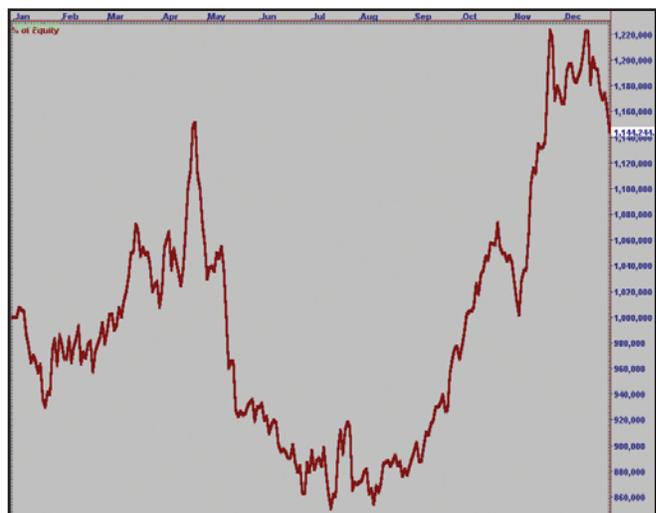
We all know that markets are not static—they are changing all the time. With Strategy Wizard, you can literally “re-tune” all your Strategies monthly or even weekly, getting the best possible parameters that reflect movement in the current market.

Since it is 100% automated, you can just fire it up every Sunday and be trading with the best of the best on Monday. What is this kind of power worth in your trading? A lot!

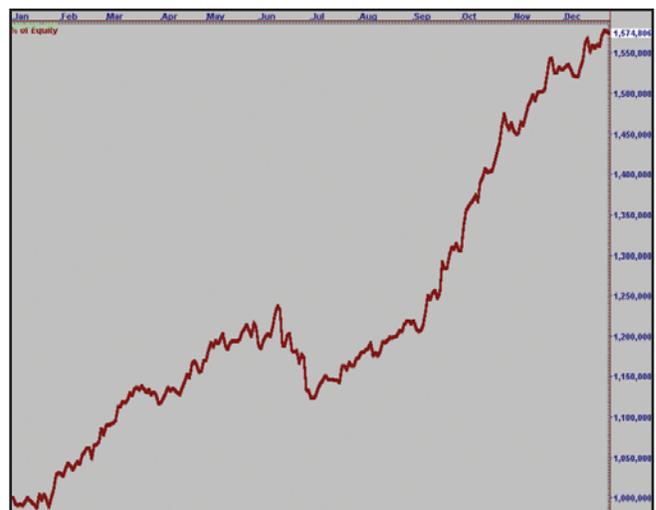
## A Tale of 2 Equity Curves

We took one of our Turtle Plug-in Strategies and tuned it to the Russell 1000 list of stocks. Here are the two equity curves generated before and after tuning.

### BEFORE TUNING



### AFTER TUNING



**Strategy Wizard was able to dramatically reduce the draw down while improving profits by almost 400% simply by adjusting the Stops and Filters in the Strategy!**

# Strategy Wizard 3.0 Upgrade Features



Strategy Wizard is a powerful tool. As customers have used it to improve and “tune” their OmniTrader Strategies, they have sent in a list of enhancement requests. The following important features were implemented in Strategy Wizard 3.0:

## Profit Factor Calculation

Profit Factor is calculated as:  

$$\frac{(\% \text{ winners}) * (\text{average winner})}{(\% \text{ losers}) * \text{ABS} (\text{average loser})}$$

Profit Factor is a great way to determine how robust a Strategy is. In Strategy Wizard 3.0, Profit Factor is displayed in the ‘Output’ tab and can be added as a constraint in ‘Fast Search’, making it easier to determine which Strategy runs are the most robust for future trading.

## Custom Parameter Ranges

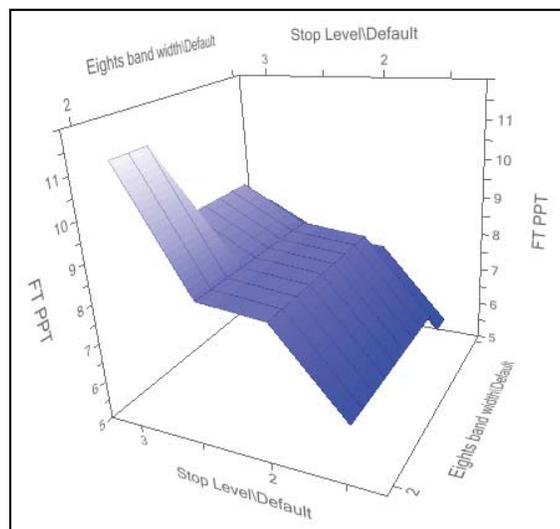
The original design of Strategy Wizard allowed parameter ranges to be based on a Minimum, a Maximum, and an Increment. But users often want to be able to specify custom ranges, like 1.5 ATR, 3.0 ATR, 6.0 ATR, and so on. In Strategy Wizard 3.0, you can enter parameters using comma-separated values to achieve any test range you want.

## Additional Strategy Block Support (BIG!)

In previous Strategy Wizard versions, we focused on the Systems, Filters, Confirmers, and the Orders Blocks. But we have found that Strategy Wizard users want to vary the parameters of every block, including the Vote Block. Now, nearly all of the Strategy Blocks are supported, including the Vote Block, Fulcrum Block and the new Seasonality Block.

## Zoom in on 3D Display

Now you can zoom in on the 3D display (shown above). This user-requested feature is very useful for examining the output on Strategy Wizard runs of multiple variables.

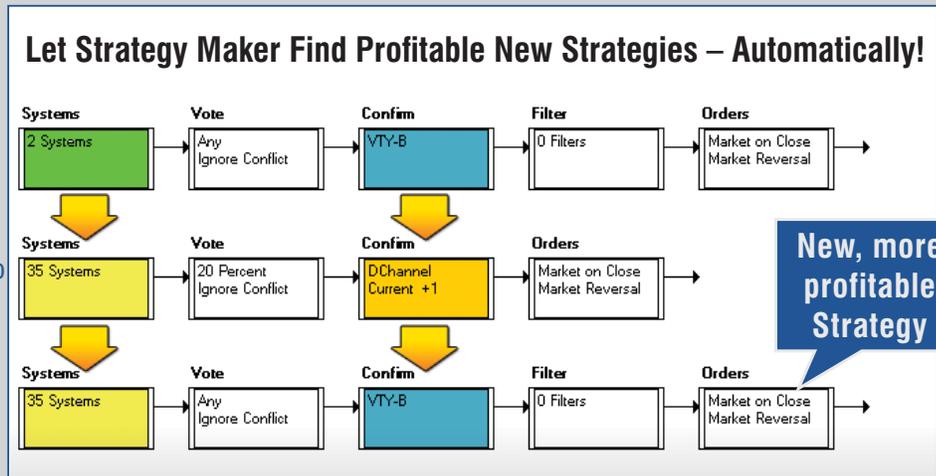


The 3D Zoom feature makes it easier to examine the curves and compare profit on two variables.

## Included: Strategy Maker

Strategy Maker is a cool app that will mix and match components in your Strategies to find more profitable combinations.

Just give it a list of Strategies, indicate which components to “swap” and let the program do the work! Strategy Maker will automatically discover hidden magic in your OmniTrader Strategies and Plug-Ins.



# Recent Results from Strategy Wizard

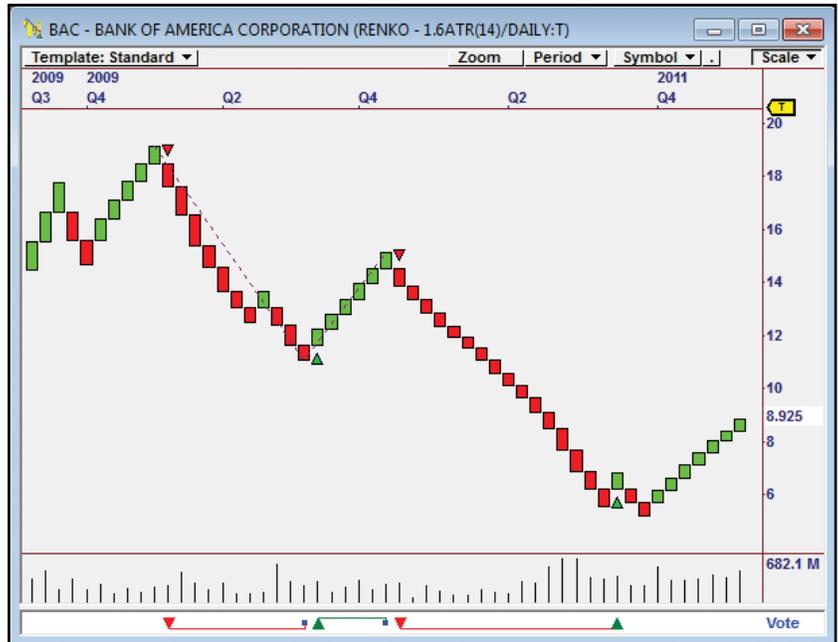
## Base Strategies Tuned for Use with NTB Charts

As part of our research, we recently “tuned” the base OmniTrader Strategies on the Non-Time Based Charts that have variable ranges.

The Reversal (Stocks) Strategy is showing an incredible 75% to 77% accuracy, using 1.6 ATR for the range on Renko Charts. Try it in your OmniTrader 2012 right now!

Included with Strategy Wizard are our Test Files for each Timeframe. Just load “Renko” in the interface and push “Run”. Strategy Wizard will automatically tell you which Renko value is the best for the given Strategy.

To the right are the performance numbers we are seeing on the most liquid stocks in the S&P 500 after tuning on all our NTB chart types on each Base Strategy. Needless to say, the numbers are quite impressive!



Here is a sample chart (BAC) from our tuned Reversal (Stocks) Strategy, operating on 1.6 ATR Renko Charts.

Base Strategy	Best Type	BT HR	BT PPT	FT HR	FT PPT
Reversal (Stocks)	Renko	75%	11%	77%	9%
Trending (Stocks)	Range	70%	6%	92%	12%
Breakout (Stocks)	Range	67%	6%	61%	8%

Results from Base Strategy Tuning in NTB charts.  
See [www.omnitradetrader.com/StrategyWizard/BaseNTB](http://www.omnitradetrader.com/StrategyWizard/BaseNTB) for details.



“Thank you Nirvana!

I have spent hundreds of hours manually changing the parameters, stop levels, profit levels, etc. for my trading systems and never quite knew if I had the best solution.

Now with Strategy Wizard, it does all the work in a very short time and I can quickly discard a worthless/marginal idea and concentrate on tweaking the good ideas. I truly believe this is the best add-on for OmniTrader ever—bar none!”

– Jim Gault

# Strategy Wizard Bonus!

## NEW Mechanical Strategies Created by Strategy Wizard

The Base Strategies listed on page 8 use “Market Reversal” exits, which are calculated at the next major reversal. These Strategies are great for prospecting but cannot be traded mechanically.

We wanted to see if we could create 100% Mechanical Strategies (with actual exits) from these Base Strategies using Strategy Wizard. To do this, we added mechanical exits to each Strategy and let Strategy Wizard “tune” the values to generate the highest possible accuracy and profit.

### Superb Results!

The results of this effort were impressive. The new Mechanical Reversal Strategy is generating 70% accuracy and 8% average Profit per Trade! To the right is a chart generated by this Strategy on Google.

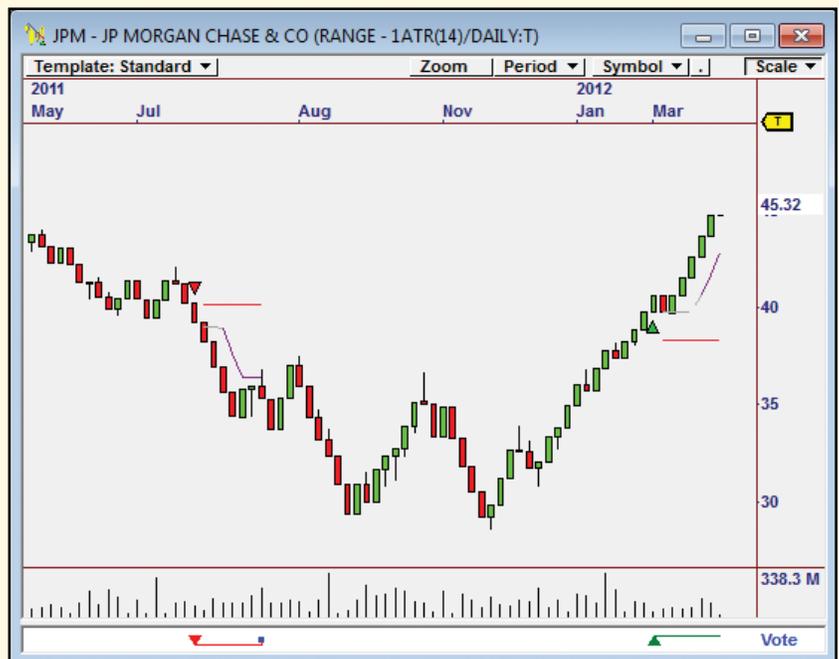
The Trending (Stocks) Mechanical Strategy also tested well, generating a Forward Test accuracy of over 70% and 6% average Profit per Trade. In the chart for JP Morgan Chase, you can see the trend-following nature of this outstanding Strategy.

### Included with Strategy Wizard

It is not very often that we find Strategies that generate accuracies above 70% AND Profit per Trade above 5%. But that’s the power of Strategy Wizard. It only took us a few runs to find them! These Strategies are included with Strategy Wizard 3.0!



Signals on Google for the new Mechanical Reversal Strategy discovered by Strategy Wizard on Renko Charts. The Strategy was 70% Accurate and generated 8% Profit per Trade.



The Trending (Stocks) Mechanical Strategy generates outstanding trend-following Signals on Range Charts. Accuracy for this Strategy was also measured at 70% with Profit per Trade of 6%.

# Creating Great Trading Strategies *with* Strategy Wizard 3.0

By Jeff Drake, Jeremy Williams and Ed Downs



Strategy Wizard is an incredible tool and it's also easy to use. In a matter of minutes you will be creating better Strategies on your list than you ever imagined possible. However, we want to arm you with all of the information you need to use Strategy Wizard as effectively as possible. This is why we have produced the *Creating Great Trading Strategies with Strategy Wizard* seminar.

This seminar by the Nirvana team is designed to answer the question, "How do I achieve the best possible results using Strategy Wizard?" Jeff and Jeremy go through the process of Strategy testing, and explain what you want to look for as you refine your Strategies with the module.

With the release of Version 3.0, you can now harness the power of NTB Charts to determine the best NTB settings in addition to other Strategy settings (stops, etc.) We have added a special section in the seminar by Ed Downs to cover this topic, as well as the concept of periodically tuning your Strategies.



## The Strategy Wizard Seminar Agenda

### 1. Creating Great Strategies with Strategy Wizard

by Jeff Drake

- Preparing to Run
- Strategy Wizard Interface
- Search Methods
- Analyzing the Results
- Creating Graphs
- Advanced Analysis Method
- How Good is your Strategy?
- More Resources

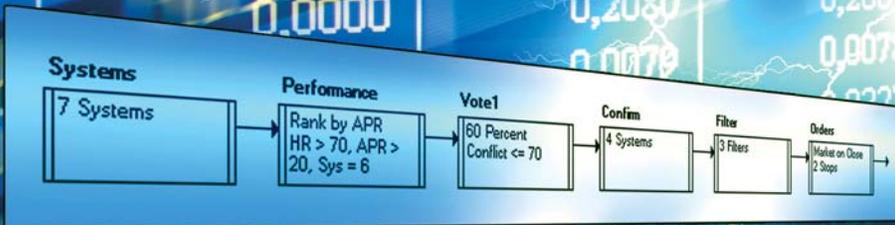
### 2. Using Strategy Maker to Automatically Create New Strategies - by Jeremy Williams

- Strategy Maker Concept
- Strategy Maker Interface
- The Experiment Tab
- The Output Tab
- Strategy Maker in OmniTrader

### 3. Using Strategy Wizard with NTB Charts by Ed Downs

- About NTB Charts
- Finding the Best NTB Charts for Your Strategy
- Periodically Re-Tuning Your Strategy
- Additional New Features in Version 3.0

Nirvana's  
**Strategy Wizard 3.0**



**New! in Version 3.0**

- Support for Non-Time Based charts - see page 3
- Many User-Requested Enhancements - see page 7