

The State Of

NIRVANA

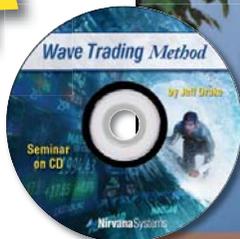
Trade the Waves!

Announcing WaveTrader 2.0

NOW with
Profitable
**Mechanical
Strategies!**

The **MOST POWERFUL**
Buy and Sell Signals
with the Least
Risk Entries

New Seminar: *The Wave Trading Method* The first Method Seminar



NEW
WaveTrader 2.0
Now Available!
See Special Offer
on pg.11.

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Catch the Wave

with WaveTrader 2.0



Ed Downs
CEO and Founder,
Nirvana Systems, Inc.

There are many ingredients to successful trading. But the first, most important thing to get right is entering trades that have the least risk. Drawdowns are painful and lead to losses. What if you only entered trades that had strong market momentum in their favor – trades that are positioned at the most powerful reversal points of the market?

There is a technical method that embodies this concept. It's called **Higher Lows & Lower Highs**. It works because markets sell into weakness on a lower high, and buy into strength on a higher low. Many trading concepts use the principle of Higher Lows and Lower Highs. In classic Swing Trading, you want to buy on pullbacks – points that form Higher Lows and Lower Highs. In corrections, you want to Short on the first Lower High.

After receiving rave reviews and important feedback from WaveTrader users we set out to create this all new version that dramatically builds upon the first to deliver an unmatched set of features, functionality and trading results. Successful OmniTrader owners have been using this powerful plug-in for over two years. Now you can too.

Perhaps the best feature of Wave Trading is how well it allows you to control risk. When you enter a trade on one of these Higher Low or Lower High pivots, simply place your Stop just below (or above) the turn. These Stops will be very tight relative to the distance the chart can cover – making the Reward:Risk ratios extremely high.

In live seminars, I show users how to confirm their entries with Higher Lows and Lower Highs by visual inspection. But what if you had a Trading Strategy that fired Signals at these high-energy points across an entire list of symbols, and presented them in your Focus List? What would that be worth to you in your trading?

Virtually all trading styles can benefit from the Wave Trading method. You get a special WaveTrader System that you can add as a Confirmer to other Strategies. You also get Trending and Reversal Strategies, a Real Time Wave Strategy AND new Long and Short Term Strategies.

A brand new seminar from Jeff Drake takes you step-by-step through a Lab Mode session to show you how to identify and trade the best setups WaveTrader 2.0 has to offer. This approach not only proves the profit-making potential of these Strategies, it's the most instructive way of showing how to use it. You're going to LOVE it!

Finally, we are including two FREE months of WaveScans. These powerful daily scans will populate your Focus List with the most tradable and profitable candidates you have ever seen. And of course, our software products are always 100% guaranteed. I am very proud of these products, and am certain they are going to help you in your trading.

Sincerely,



Ed Downs
CEO and Founder,
Nirvana Systems, Inc.

Least Risk Entry Points Yield the Greatest Profits!

Markets move in waves. They rally, pull back, rally, and pull back again within the primary trend. In declines, the opposite happens—a stock or futures contract will drop, rally back, and drop again.

If you take a look at the chart to the right, you can quickly see the power of the new WaveTrader 2.0 plug-in for OmniTrader and VisualTrader.

It's like a roller coaster with higher valleys and lower peaks. These valleys and peaks form our Higher Lows and Lower Highs—the least risk entry point for any trade.

This State of Nirvana illustrates the many great features of WaveTrader 2.0; here is a quick summary.

The Best Signals at the Least Risk Entry Points

Fire up WaveTrader and run it on the WaveScans list (see page 10) or any list of stocks you are watching. You are going to be amazed at how well the Strategies pinpoint new strength or weakness.

In WaveTrader 2.0, we are introducing two great new Strategies—WT Long Term and WT Short Term. These new Strategies have been mechanically profitable for the past 4 years, demonstrating a Hit Rate over 70% with a high Profit per Trade. See them in action on page 5!



Trading Bonanza! WaveTrader 2.0 is profitable on 86% of the Buy and Sell Signals it generated on Oshkosh Corp in 2008-2009. Note the nearly perfect entries.

The NEW Wave Trading Method Seminar

We typically create seminars to go with our plug-ins to help users grasp the concepts. For WaveTrader 2.0, we took the next big step to define, test, and demonstrate a *Trading Method* that exploits the WaveTrader concept. As the name implies, a Trading Method is a complete approach to trading—discussing the kind of list to use, how to find the best setups and how to manage your trades. Jeff Drake uses Lab Mode to show you, step-by-step how to successfully engage the market with this incredible tool. I can tell you one thing—**this seminar is worth way more than we are charging for it.**

Systems and Indicators

The specialized Trading Systems that identify Higher Highs and Lower Lows are included as components. This means you can add them to any Strategy you have been using to automatically confirm that a Signal is occurring near a probable Lower High or Higher Low—a powerful tool for enhancing existing Strategies or for new Strategy development.

Plus – Elliott Waves!

It was only natural to apply WaveTrader to the Elliott Wave concept. Never has it been easier to find and trade Elliott Wave opportunity points. See the examples on page 8!

Introducing *WaveTrader 2.0*

Entering Long trades at a Higher Low or Short trades at a Lower High provides a tremendous advantage, because this is where a market will accelerate buying or selling.

These charts demonstrate the effect. In April, ACXM rallied and then pulled back, forming a higher low. At this point, our HL*LH Trading System fired a Buy Signal.

You can see the explosive upside move that occurred after this happened. Why does this occur? Because the market can see the stock (A) gaining strength in April and then (B) turning back up. This is the classic “psychological definition” of a Higher Low. The market jumps in!

Because WaveTrader generated this Long Signal’s close to a recent Low, we can place our Stop just below the entry point. This is extremely important. If we consistently keep our losses (and drawdowns) small, our profits will grow our account. Movement in the chart ended up covering about 7 times this distance, making our Reward:Risk ratio 7 to 1.

Now look at the Short trade that developed in June. The market pulled back, rallied a little, and started down again. A Lower High! The Reward:Risk on this trade was a very healthy 4 to 1.

The second chart on AKAM demonstrates the power of WaveTrader to find low risk entry points—even on highly volatile stocks.

Trading the Higher Lows & Lower Highs



Long and Short entry points on ACXM. Note the low risk Stop placement (indicated by the red lines).



In a difficult market, WaveTrader applies near surgical precision to find 4 out of 5 enormously profitable trades on Akamai.

NEW! **Mechanical** WaveTrader Strategies

When we introduced WaveTrader, we developed some great Strategies that identify Higher Low and Lower High entry points with Market Reversal exits. For WaveTrader 2.0, we wanted to kick things up a notch by creating Mechanical Strategies using the WaveTrader concept—Strategies that have demonstrated profitability in 100% automatic trading.

The resulting **WT Long Term** and **WT Short Term** Strategies generate phenomenal Signals like the ones you see on this page for DOW.

The NEW **WaveTrader Pivot Stop** uses the lows or highs identified by the WaveTrader Indicators as actual Stops in the Strategies. This keeps losses to a smaller value while taking maximum advantage of the wave principle.

But the big story is the Back Test results. Running on stocks in the Russell 1000 in 2009, the new WT Short Term Strategy generated a hit rate of over 78% with a profit per trade of 2.9%! The WT Long Term Strategy shows 3.6%.

Keep in mind, this is using real exits on the WaveTrader Signals. These results make WaveTrader 2.0 one of our highest performing plug-ins. We've done the hard work! All you do is run the Strategies on the right list and select the best candidates-as described in the seminar on page 6.

Trading the Waves is FUN and PROFITABLE!

WT Long Term Strategy



Mechanical Strategies

Performance Statistics for 2009 on stocks in the Russell 1000 index.

Strategy	Trades	Hit Rate	Profit/Trade
WT Long Term	2163	77.7%	3.6%
WT Short Term	688	78.5%	2.9%
WT eWave	2126	67.8%	4.6%
WT Reversal	2897	59.9%	3.0%
WT Trending	6389	61.8%	1.9%

Strategies & Tools Included with WaveTrader 2.0:

- 🌀 WT Long Term – NEW Mechanical Long Term WaveTrader 2.0 Strategy
- 🌀 WT Short Term – NEW Mechanical Short Term WaveTrader 2.0 Strategy
- 🌀 WT Pivot Stop – NEW Exit developed specifically for WaveTrader 2.0

Plus the Original WaveTrader Strategies:

- 🌀 WT Reversal
- 🌀 WT Trending
- 🌀 WT eWave
- 🌀 WT Real Time

The **WAVE TRADING** Method

A Step-by-Step Trading Method!

We are very proud to release *The Wave Trading Method*, our first Method Seminar. WaveTrader is a phenomenal tool—you're going to get incredibly good Signals on just about any list of stocks, Futures, or ETFs you throw at it.

But where you will REALLY make money with this product (and any technical analysis tool) is applying a consistent approach on a daily basis. That's where the *Wave Trading Method* seminar comes into play.

Jeff Drake has been working with OmniTrader and our Trading Strategies for 10 years. But even more important, Jeff is also an accomplished trader. What Jeff has done in this seminar is applied his knowledge of trading and the plug-in to define a trading method that is likely to generate consistent profits.

But that's not all. In producing the seminar, Jeff has taken the time to go through an actual trading session using Lab Mode—day by day—selecting trades, managing them to closure, and repeating the process.

This method of demonstrating how to use the WaveTrader plug-in is far superior to traditional *concept* seminars that just show you theory. It's the real deal.

Jeff shows you how to select your list, activate confirming indicators, align your trades with market direction AND the most important thing of all—how to adjust your Stops while the trades are in progress to maximize profits!

And all of this is done in a *real life* setting with all the emotions and unknowns that all of us face in real trading.



OmniTrader veteran and educator, Jeff Drake

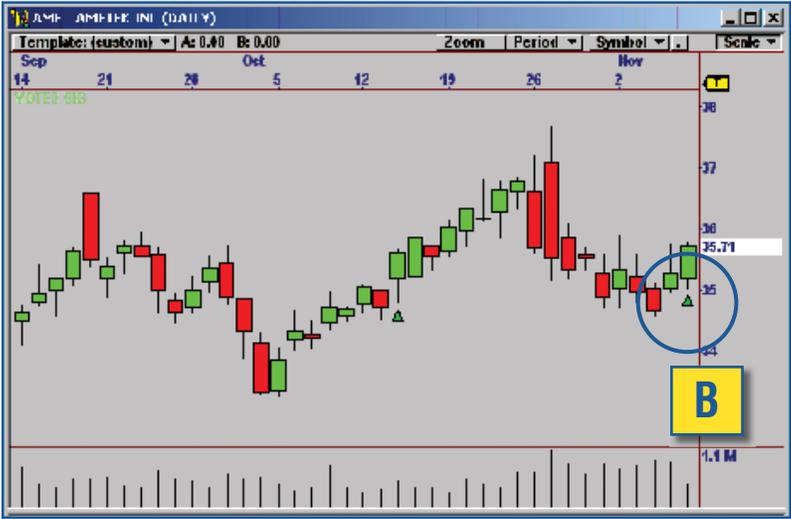


Garmin (GRMN) takes off after a WaveTrader Signal fired in mid August. Since the move has surpassed resistance at 34 it is time to tighten our Stops. This topic and more are covered in the seminar.



NEW Trading Method Seminar by Jeff Drake

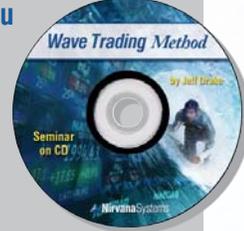
Here are Two WaveTrader Signals. Which is best?



The answer is B. Why? As Jeff teaches in the seminar, you want to trade opportunities that have a maximum chance for excursion to the top of the Wave Channel. Stock B has 5% to move to the channel boundary, compared to Stock A which only has 3%. This is just ONE of the many nuggets of wisdom Jeff offers.

QUESTIONS ANSWERED:

- Which list of stocks should you use to generate opportunities?
- WaveTrader generates a lot of Signals. What do the BEST Signals look like?
- Which Chart Patterns do the best job of indicating the most explosive moves?
- How to determine overall market direction to maximize your gains.
- What other tools should you confirm your trades with?
- What kind of money management should be used?
- Should you adjust stops in the middle of a trade?
- How many positions should you enter on a given day?
- How many positions should you take in one direction (Long vs. Short positions)?
- Should you ever take profits or just let the Trade Plan run until the trade exits?
- ... and much more!



The value of this Seminar is huge!

This is the first seminar we have produced that offers step-by-step training on a Trading Method. It's like having Jeff as your personal coach, showing you precisely how to use the WaveTrader 2.0 Strategies to achieve maximum profits.

Not only will you SEE how to use the incredible WaveTrader 2.0 plug-in, you will gain confidence and say, "Hey, that's not hard—I can do this!"

The Wave Trading Method seminar is priced higher than our regular seminars because of its enhanced value. But for a limited time, you can get it FREE when you purchase the WaveTrader 2.0 plug-in.

Elliott Waves in OmniTrader

The First Elliott Wave Strategy for OmniTrader and VisualTrader!

Most people associate Elliott Waves with Robert R. Prechter Jr., who popularized the method in his book, *Elliott Wave Principle – Key to Stock Market Profits*. But the principle actually goes back to the 1930's when it was first discovered by R. N. Elliott.

While the nuances of Elliott Waves can be quite complex, the essential theory is easy to understand—Five Waves Up and Three Waves Down (see diagram to the right). And it is instantly obvious that each wave forms a Lower High or Higher Low!

A Simplified Approach

WaveTrader was the perfect tool for creating an Elliott Wave Strategy. As outlined on pages 4 and 5, the Systems in WaveTrader are designed to find sequential turns in a trend, which is basically what Elliott Waves really are.

We took these basic Systems and created a new Elliott Wave Strategy that fires three specific Signals, which are also depicted in the drawing.

▲ **Start of Wave 3.** This is generally considered the least risk place to enter Long.

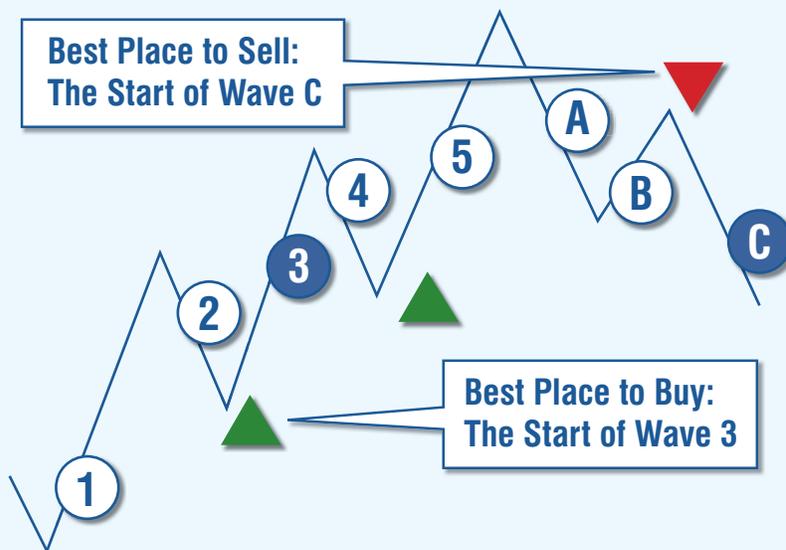
▲ **Start of Wave 5.** Another excellent entry point, this is the third wave up in the pattern.

▼ **Start of Wave C.** After the first Corrective Wave, the stock will rally and start down again. This is the

What exactly are Elliott Waves?

“Elliott pointed out that the stock market unfolded according to a basic rhythm or pattern of five waves up and three waves down to form a complete cycle of eight waves. The three waves down are referred to as a ‘correction’ of the preceding five waves up.”

– from Robert Prechter’s *Elliott Wave Principle*.



It is amazing how often this pattern can be found in stock market data. The first five waves (1-2-3-4-5) form successive rallies. The last three waves (A-B-C) form a correction on the downside. Our Elliott Wave Strategy fires Signals at the beginning of Wave 3 and 5, and the start of Wave C.

Lower High that represents the start of the C Wave—a great place to Short as the stock confirms that it is correcting and going lower.

The pattern can be inverted in a bear market, such that Waves 1-5 can form in a down market, and the A-B-C Waves form a recovery rather than a correction.

Prechter points out that Elliott Waves can be formed as *waves within waves* creating what he calls Cycle Waves.

His book is over 250 pages in length, which says something about the nuances and complexities of the complete theory.

Our goal was to simplify the theory into a practical application by counting Higher Lows and Lower Highs to identify the pattern and to determine whether the given stock is in the numbered or trending phase or the lettered (corrective) phase, and whether the pattern is inverted or not.

Elliott Wave Signal Examples

The result of this effort is a remarkable and powerful Strategy that quickly identifies Wave 3 moves that have explosive profit potential to the upside, and Wave C moves that are ripe for shorting.

To the right are three examples of Signals from the Elliott Wave Strategy. The first is on the stock ESI. You can clearly see the stock forming two 5 Wave patterns. The Signals offered fabulous entry points on both the Long and Short sides of the market.

The second example is one of many that can be found in stocks. The third is in Real Time (5 Minute Charts) on the Russell eMini contract.

Ride the Wave!

Because of the selective nature of this Strategy, you won't see a large number of Signals in your Focus List, but it is very likely that the Signals that are generated will lead to a chart that is in one of the two primary action modes – Wave 3 Up or Wave C Down.

The Strategy also finds Signals in an inverted Elliott Wave structure, where Wave 5 is down and Wave C is up. The software's job is to bring these powerful entry points to your attention—from there, it takes just a few seconds to review the chart and determine whether it is ripe for action.

The Elliott Wave Strategy is included FREE with WaveTrader. At last—simplified Elliott Waves for OmniTrader and VisualTrader!



ITT Educational Services (Daily)



FLIR Systems (Daily)



eMini Russell 2000 (5 Minutes)



WaveScans

Find the Best Stocks for WaveTrader

I'm sure you can feel the excitement around WaveTrader 2.0, but here's where it really gets exciting.

We all know that all charts are not created equal. In fact, some are just plain nasty. Out of the two stocks shown to the right, which would you rather trade? Well, we have great news for you. It's called WaveScans, and it's designed to find the symbols that are most favorable for Wave Trading techniques.

WaveScans for End-of-Day

We run WaveScans on our servers to identify those stocks, out of the entire stock market, that are favorable to Wave Trading. When you open your Focus List, you get smooth-moving stocks that form nice, rolling waves—like TRN in the picture to the right. Just download the WaveScans list and start prospecting!

WaveScans for Real Time

Every day, we also look at Real Time data to find those stocks that are suitable for Wave Trading in Real Time. They're not easy to find, but the effort has been well worth it. Load the list into OmniTrader Real Time, or import it into VisualTrader and engage the market with the best Wave Trading candidates available.

Free Trial Included

You don't need WaveScans to use WaveTrader. It is going to find great candidates in any list. The value of WaveScans is its ability to isolate those stocks that work best with these Strategies, which will save time in your prospecting. We are including a FREE TRIAL to WaveScans with your WaveTrader purchase. After the trial period ends, WaveScans continue for as low as \$19.95 per month—an incredible value when you consider the time-savings and benefits of these scans. Since the entire package has a money-back guarantee, you owe it to yourself to try WaveTrader with WaveScans.

Which Would YOU Rather Trade?

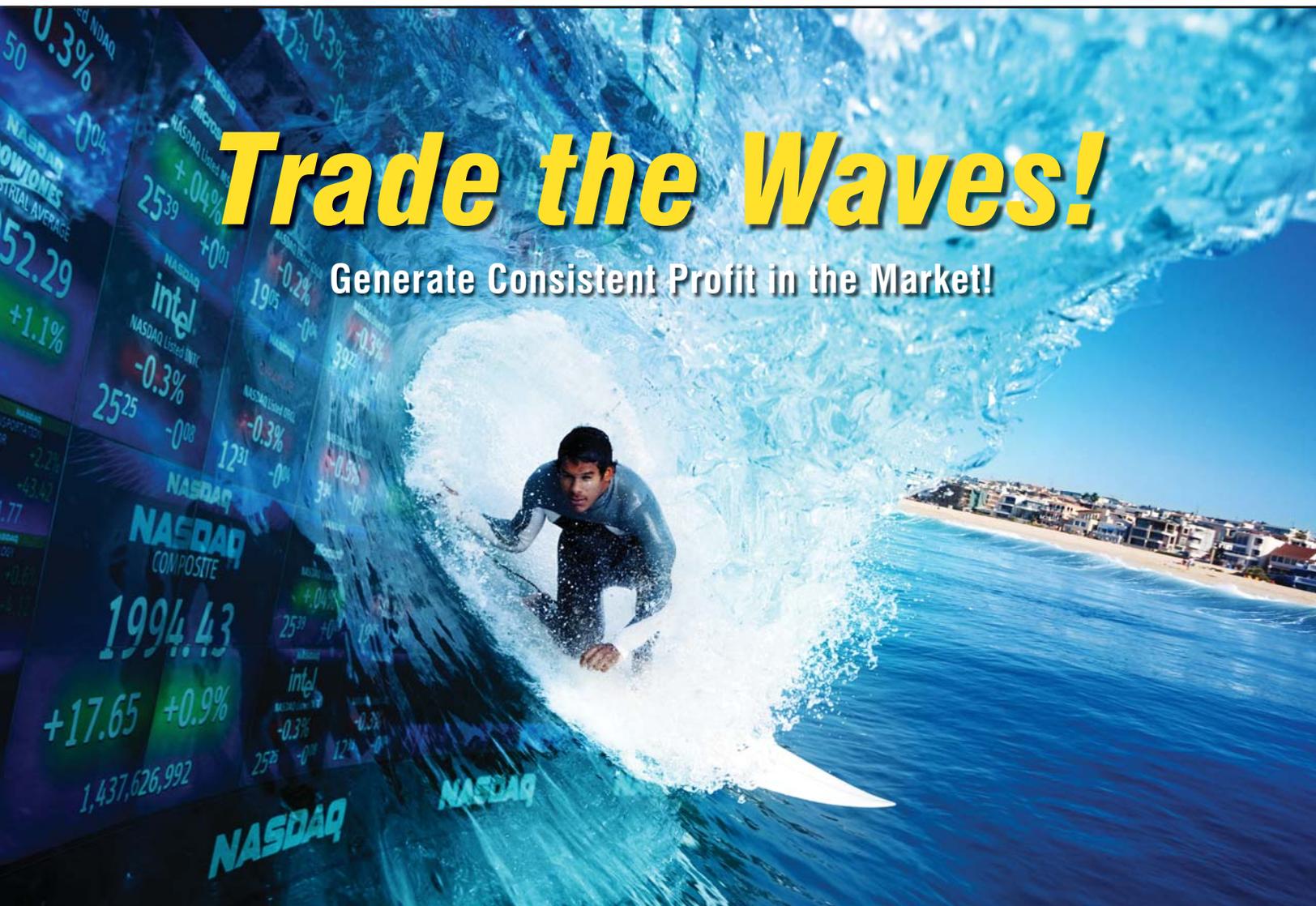


ISRG is all over the map. A trade anywhere in here gets blown out almost immediately.



TRN has low drawdowns and big moves – a Wave Trader's dream come true!

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Trade the Waves!

Generate Consistent Profit in the Market!