

PerformanceSignal Modified Short-Term System:
Long and short results using ETF symbol QQQ (Nasdaq 100 index with no leverage)
Performance from 1/20/2010 - 06/03/2016

| Signal Date | Signal Type | QQQ value at next day open | % gain or loss each trade |
|-------------|-------------|----------------------------|---------------------------|
| 1/20/2010 | CASH | 43.03 | |
| 2/24/2010 | BUY | 41.21 | |
| 4/30/2010 | CASH | 46.23 | 12.18 |
| 5/13/2010 | SELL | 44.42 | |
| 7/7/2010 | CASH | 41.52 | 6.53 |
| 9/3/2010 | BUY | 42.94 | |
| 11/22/2010 | CASH | 49.21 | 14.6 |
| 1/3/2011 | BUY | 52.26 | |
| 3/3/2011 | CASH | 54.82 | 4.9 |
| 4/13/2011 | BUY | 53.2 | |
| 5/12/2011 | CASH | 55.58 | 4.47 |
| 6/1/2011 | SELL | 53.92 | |
| 6/27/2011 | CASH | 52.31 | 2.99 |
| 7/13/2011 | BUY | 54.72 | |
| 7/27/2011 | CASH | 54.88 | 0.29 |
| 8/1/2011 | SELL | 54.27 | |
| 8/23/2011 | CASH | 49.29 | 9.18 |
| 1/4/2012 | BUY | 54.12 | |
| 5/3/2012 | SELL | 62.51 | 15.5 |
| 6/6/2012 | CASH | 60.04 | 3.95 |
| 6/25/2012 | BUY | 59.39 | |
| 7/19/2012 | CASH | 62.02 | 4.43 |
| 8/3/2012 | BUY | 62.83 | |
| 10/4/2012 | CASH | 66.59 | 5.98 |
| 10/17/2012 | SELL | 64.86 | |
| 11/19/2012 | CASH | 60.94 | 6.04 |
| 12/6/2012 | BUY | 62.73 | |
| 6/18/2013 | CASH | 70.86 | 12.96 |
| 7/9/2013 | BUY | 70.53 | |
| 3/18/2014 | CASH | 88.4 | 25.34 |
| 4/3/2014 | SELL | 87.36 | |
| 5/7/2014 | CASH | 84.4 | 3.39 |
| 5/16/2014 | BUY | 85.58 | |
| 9/30/2014 | CASH | 96.9 | 13.23 |
| 10/31/2014 | BUY | 99.84 | |
| 12/23/2014 | CASH | 102.99 | 3.16 |
| 1/26/2015 | SELL | 101.17 | |
| 2/2/2015 | CASH | 101.02 | 0.15 |
| 2/12/2015 | BUY | 104.92 | |
| 3/23/2015 | SELL | 107.15 | 2.13 |
| 4/9/2015 | CASH | 106.12 | 0.96 |
| 7/16/2015 | BUY | 111.89 | |
| 7/31/2015 | CASH | 111.03 | -0.77 |
| 8/19/2015 | SELL | 108.19 | |
| 9/23/2015 | CASH | 104.28 | 3.61 |
| 10/8/2015 | BUY | 105.46 | |
| 11/23/2015 | CASH | 112.74 | 6.9 |
| 12/30/2015 | SELL | 112.54 | |
| 2/16/2016 | CASH | 100.71 | 10.51 |
| 3/8/2016 | BUY | 104.26 | |
| 6/3/2016 | CASH | 110.25 | 5.75 |

About PerformanceSignal Modified Short-Term (MST)

PerformanceSignal MST is a short to intermediate-term signal. It is loosely defined as having signals that trigger between 15-60 days on average. Some signals can last longer than 90 days but that would be a rare situation. The big difference between this strategy and our PerformanceSignal V5 strategy is that there is no requirement to attempt to be invested for 30 days or more. Therefore, the signals occur more often, it is more nimble and it is empowered to take advantage of volatile markets.

Why Short to Intermediate-term?

This time period offers an opportunity to realize gains that can significantly outpace the market and the cost of transactions while still having relatively low maintenance. This time frame takes the investor out of the noise and gamesmanship of day trading and very short-term swing trading, which is dominated by high-powered computer programs including HFT (high frequency trading) programs. It is also important to note that some of the most important data that we collect is only available in this time frame. However, this strategy is not ideal for company-sponsored retirement plans as these plans often penalize participants for making changes within 30 and sometimes 90 days. It is better suited for brokerage accounts or self-directed IRA's where there are no limitations to the amount of trades or the investment vehicle.

Why Do US Stock Exchanges Offer An Advantage for Timing?

We can give our subscribers a significant advantage by deriving information from US based stock Exchanges simply because of the quantity and diversity of raw data that we can collect and analyze. There are no other exchanges, indexes or stocks that offer the amount of data needed to represent a true advantage like we have in PerformanceSignal.

Using Leverage

PerformanceSignal has a high percentage of winning signals with large upside gains verses small downside losses. This means it is an excellent vehicle for those that want to modestly increase risk in exchange for higher returns. Leveraged index ETF's offer two to three times as much gains compared to the index that they track. Leveraged ETF's, are easy to use and available in most self-directed IRA's or in virtually every brokerage account. They can provide returns that are greater than even stocks without individual stock news risk. Leveraged ETF's also allow you to use less capital to get outsized returns and while they can get a bit dilutive to returns in long-term time frames (due to the way that they use daily compounding to derive their value), this is not an issue with the average signal length in our MST strategy.

Why Do We Base Our Signals Primarily On The NASDAQ 100 Index (ETF symbol QQQ)?

The NASDAQ 100 index represents one hundred of the largest and most diversified companies in the United States. It is well diversified but not so much as to be dilutive to returns. This index correlates very well to all US stock indexes but our research and experience shows that it trends more smoothly and provides our indicators data that provides better signals. Bottom line; results show that the NASDAQ 100 index correlates well with all stock indexes but provide better timing signals.

Notes and Disclaimers

The backtest results are not live and therefore hypothetical but can be used to see how the signal should have traded against QQQ during this time frame.

We often take partial profits at certain targets during the life of a signal, this means our actual returns will vary from those that are posted as the published results are calculated on a position being carried 100% of the time until the exit. The differences in return are minimal but the volatility or draw-downs from peaks will tend to be less when selling at certain profit targets so we make the allocation changes available at your discretion via email notification.

About Cash Signals: Cash signals are there to get you out of a position at the very best price without entering a reverse position.

Results are based on buying the ETF symbol; QQQ during BUY signals and staying in a 0% cash or cash equivalent account during CASH signals. SELL signal gains or losses are based on shorting QQQ on SELL signals. No dividends or interest earnings are calculated into the results. Trades are executed at the opening price of the day following a signal. Signals are generated by 8:00Pm EST. Signal date is the day the signal was triggered, QQQ value is the opening price on the day after the signal was generated.

Past results are not necessarily indicative of future results. The results have not been adjusted to reflect slippage, commission charges, or fees - if any. No representation is being made that any account will or is likely to achieve profits or losses. It should not be assumed that the methods, techniques, or indicators presented in these products will be profitable or that they will not result in losses. These set-ups are not solicitations of any order to buy or sell.