

Intelligent Fund Management, LLC Progress Report Nov 2, 2023



OmniFunds 3.0

Performance-Based Switching

Instead of 2 (fixed) Portfolios be able to switch between "N" Portfolios based on performance.*

* Analysis performed by Mark Holstius July 2023. See prior Investor Blog posts.

OmniFunds v3 Functional Specification v1.1

Overview

OmniFunds is comprised of Portfolios, which are Trading Methods that have a List, Filtering, Ranking and Allocation defined. Two Portfolios are combined to define an OmniFund. Exits occur on the switching interval, when new Symbols pass the Filter AND have a higher Rank than existing trades within a Portfolio.

Historical Trading Observations:

Studying historical Portfolio curves since 2018, it has been determined that a consistent return can be achieved by switching into the best Portfolios based on an analysis of recent returns. Here is a graph showing 15 "randomly" selected Portfolios from Omnifunds, showing tremendous variability of returns. <u>This leads to losses and draw downs if only 2 Portfolios are chosen and left to run</u>.



This one trades the middle 5 ranked Portfolios each week using Standard Deviation of Returns as the ranking function. 30%/year w 5% MDD



Implementation

This New OmniFund has 6 Portfolios.

| Available Portfolios | |
|---|-------------------------------|
| ID Name <u> Vig 2411</u> OF Review 3 | Return MDD 401577.4% 20.6% |
| | 6366218.0% 49.5% |
| ☑ 4606 ETF PLAY | 216975.4% 20.9% |
| ☑ 4668 !! GH A Lazy Retire. M1S10 AT4.25 COPY | 608.2% 10.8% |
| G 4699 ETFDB COMP UPDATE 20205 | 3028321.0% 48.9% |
| | 0050057.00/ 01 70 |
| | \$5,000N |
| | \$2,000N |
| | |
| | \$500M |
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| | ÓFOM. |
| | \$50M |
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| | \$5.0M |
| and a second | |
| and the second second | \$2.0M |
| | \$500k |
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| \$100k | \$100k |
| '05'06'07'08'09'10'11'12'13'14 | '15'16'17'18'19'20'21'22'23 |
| Name: BarryTest For Cose | 101017101720212220 |
| Internal Comment: | |
| Long Description: | |
| Max Positions: | |
| | |

Implementation

The curve shows the result of Dynamic Switching over time.

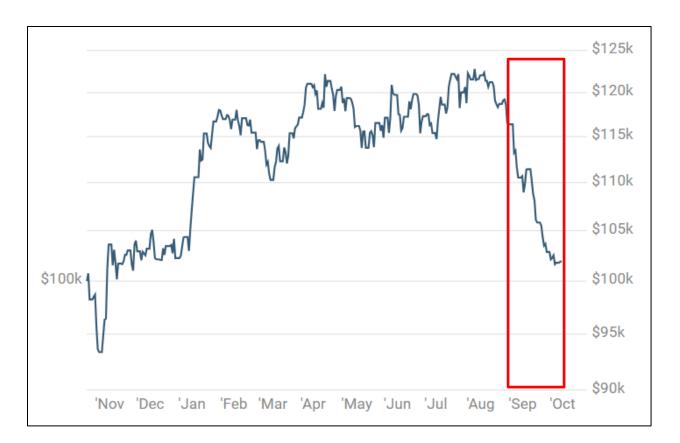
How can we

reduce Draw

Downs?

| Omnif | !!!! Tutor | | brary Experiments | | | | | | |
|-------|----------------|----------------------------------|--------------------------|----------|----------|-------|-------|---|----------------------------|
| | Jmr | niFunds L | ab | | | | | | |
| - 5 | | | | | | | | | |
| 2923 | ine 🗖 A Yes | Il Owners 🔲 Nirvan Jett Drake | a Published Resilient | 22.1% | 4162.0% | 35.2% | 12.2% | 10/4/2023 8:14:54 PM | carc |
| 4068 | No | Jeff Drake | UA Short Term Stocks | 28.6% | 11237.4% | 47.6% | 19.4% | 15 minutes 9/29/2023 4:17:45 AM 3 minutes | edit calc visibility d |
| 4086 | No | Jeff Drake | High Growth MOOMOO | 27.9% | 10081.2% | 56.9% | 20.6% | 9/29/2023 4:19:30 AM 2 minutes | edit calc |
| 4281 | Yes | Jeff Drake | Strong Tech | 34.1% | 24652.0% | 49.3% | 16.5% | 10/4/2023 8:27:55 PM 13 minutes | calc |
| 5723 | No | Jeff Drake | T and D OmniFund | 36.0% | 32232.1% | 32.1% | 15.3% | 9/29/2023 7:59:00 AM 1 minute | edit calc visibility d |
| 5853 | No | Jeff Drake | BarryTest For Cose | 40.3% | 579.0% | 17.4% | 10.1% | 10/26/2023 2:19:02 PM 3 minutes | edit calo visibility d |
| | | orical Per yTest | formance: | | A | A | | \$690k | Corr |
| | | | formance: | ر سرم | J.M. | A | - h | \$590k | Com U.S. S |
| | | | formance: | | , mm | A | - h | ,N - | 0 |
| | | | formance: | wy | J.M. | 1 | - had | \$590k | U.S. (|
| | | | formance: | | J. | A | - h | \$590k | U.S. (|
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| | | yTest | formance: | ·21 | J. M. | | ·23 | \$590k \$490k \$390k \$290k | U.S. 9 |
| | \$100 | yTest | J. M. M. | | J. J. | | | \$590k \$490k \$390k \$290k \$190k | U.S. (U.S. (U.S. 1 |
| | \$100 | yTest | J9 '20 | | | | ·23 | \$590k \$490k \$390k \$290k \$190k | U.S. (U.S. (U.S. |

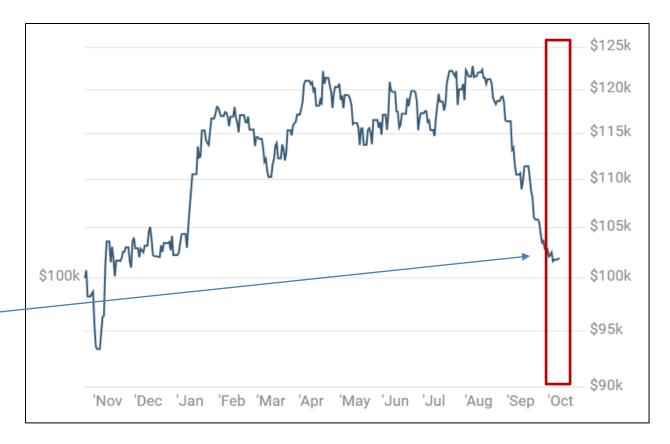
This Portfolio made 20% before suffering a draw down in the recent Bear Market.



Can this be avoided?

Symbols selected on October 1

| 10/01/2023 | ATRI | 25% |
|------------|-------|-----|
| | EW | 15% |
| | HSY | 20% |
| | ICUI | 40% |
| 09/01/2023 | CPK | 20% |
| | HSY | 25% |
| | ICUI | 40% |
| | NJR | 15% |
| 08/01/2023 | ARTNA | 15% |
| | HSY | 25% |
| | HUM | 40% |
| | NJR | 20% |
| 07/01/2023 | ARTNA | 15% |
| | CWT | 40% |
| | TEVA | 20% |
| | UGI | 25% |
| 06/01/2023 | ARTNA | 15% |
| | ATRI | 40% |
| | TEVA | 20% |
| | UGI | 25% |
| | | |



Let's examine what happened next.

A Closer Look

Looking at these charts, we find 3 out of the 4 fell after October 1.



Loss Control

We can test performance each day and exit individual trades to reduce these losses.



Exit Condition

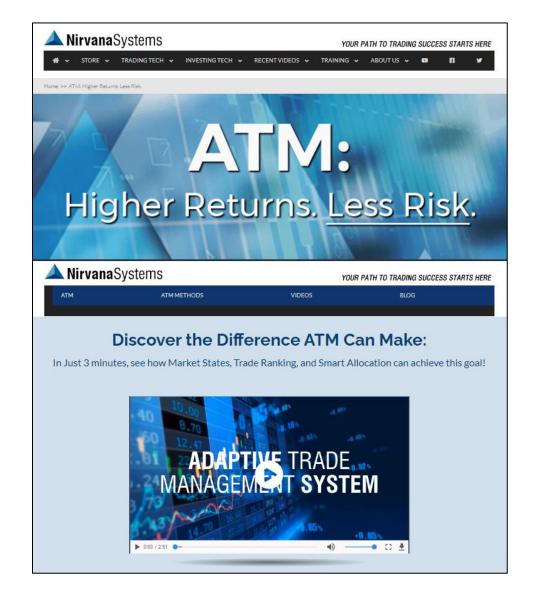
An **Exit Condition** has been added to the Sector Definition.

| Edit Sector | | > |
|---------------------------|---|-----------|
| Sector Name: | Defensive Stocks | |
| Max Concurrent Positions: | 2 | |
| Max Allocation: | 20 | |
| Filter: | OLibrary ✓ ● AVG(V,20) > 20 | |
| Exit: | > C < EMA(20) | |
| Rank: | OLibrary V MOM(40) | |
| MarketState: | OLibrary V | |
| Symbols: | SPY: VTY_PRICE(30,10) > .007 | |
| | ALXN AMGN ARTNA ATO ATRI AWK AWR BBH | |
| | Ca | ncel Save |

Using OmniTrader to Build OmniFunds!

In ATM, we can now enter trades that are "in progress" as opposed to Entry Signals only.

This will enable us to test OmniFunds concepts much more quickly than before.



Artificial Intelligence

In the prior blog post, we described a recent A.I. experiment using ChatGPT.

We are continuing to explore the use of A.I. technology for opportunity ranking.





| Date | F1 | F2 | F3 | Target | |
|-----------|-----------|-----------|-----------|-----------|--|
| 1/1/2020 | 0 | 0 | 0 | 0 | |
| 1/2/2020 | 0.5877853 | 0.4067366 | 0.2697968 | 0.4214396 | Can ChatGPT4 Solve a non-linear prediction problem? How long does it take? |
| 1/3/2020 | 0.9510585 | 0 7431448 | 0.519584 | 0.7379284 | This is Step 1 in using ChatGPT4 to predict the market. |
| 1/4/2020 | 0.9510565 | 0.9510565 | 0.730836 | 0.8776497 | This is step 1 in using chatter in to predict the market. |
| 1/5/2020 | 0.5877853 | | 0.8878852 | 0.8233975 | Sine Waves F1-F3 used to create the Target Column |
| | | | | | |
| 1/6/2020 | 1.225E-16 | 0.8660254 | 0.9790841 | 0.6150365 | Training Data has 2,000 rows |
| 1/7/2020 | -0.587785 | 0.5877853 | 0.9976688 | 0.3325563 | |
| 1/8/2020 | -0.951057 | 0.2079117 | 0.9422609 | 0.066372 | F1 |
| 1/9/2020 | -0.951057 | -0.207912 | 0.8169699 | -0.113999 | |
| 1/10/2020 | -0.587785 | -0.587785 | 0.6310879 | -0.181494 | 2 |
| 1/11/2020 | 0 | | 0.3984011 | -0.155875 | 1 |
| 1/12/2020 | 0.5877853 | -0.994522 | 0.1361666 | -0.09019 | • \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\ |
| 1/13/2020 | 0.9510565 | -0.951057 | -0.136167 | -0.045389 | LA A A ALAA A KAAA KICAA KIKAA KICAA KICAA KICAA KICAA |
| 1/14/2020 | 0.9510565 | -0.743145 | -0.398401 | -0.063496 | -2 |
| 1/15/2020 | 0.5877853 | -0.406737 | -0.631088 | -0.150013 | 4 |
| 1/16/2020 | 1.225E-16 | 0 | -0.81697 | -0.272323 | |
| 1/17/2020 | -0.587785 | 0.4067366 | -0.942261 | -0.374437 | F2 |
| 1/18/2020 | -0.351057 | 0 7431448 | -0.397663 | -0.40186 | 12 |
| 1/19/2020 | -0.951057 | 0.9510565 | -0.979084 | -0.326361 | * |
| 1/20/2020 | -0.587785 | 0.3345219 | -0.887885 | -0.150383 | * ^*^* |
| 1/21/2020 | | 0.8660254 | -0.730836 | 0.0450631 | • WWWWWWWWWWWWWWWW |
| | | 0.5877853 | -0.519584 | 0.2186622 | 1. LANDANA KAAN KENA WENA KENA KENA KENA KENA KENA. |
| 1/23/2020 | 0.9510565 | 0.2079117 | -0.269797 | 0.2963905 | 4 |
| 1/24/2020 | 0.9510565 | -0.207912 | *0.263737 | 0.2477149 | |
| 1/25/2020 | | | 0.2697968 | 0.0899323 | |
| 1/26/2020 | 1.225E-16 | | 0.2637366 | -0.11548 | F3 |
| 1/27/2020 | -0.587785 | -0.866025 | 0.513504 | -0.11546 | |
| 1/28/2020 | -0.951057 | -0.951057 | 0.8878852 | -0.338076 | |
| | | | | | |
| 1/29/2020 | -0.951057 | -0.743145 | 0.9790841 | -0.238372 | 2000 2000 2000 2000 2000 2000 2000 200 |
| 1/30/2020 | -0.587785 | -0.406737 | 0.9976688 | 0.001049 | |
| 1/31/2020 | 0 | 0 | 0.9422609 | 0.314087 | The Target "looks" random but it is a function that should be easy |
| 2/1/2020 | 0.5877853 | 0.4067366 | 0.8169699 | 0.6038306 | for an A.I. to train on, since it is a continuous function. |
| 2/2/2020 | 0.9510565 | 0.7431448 | 0.6310879 | 0.7750964 | |
| 2/3/2020 | 0.9510565 | 0.9510565 | 0.3984011 | 0.766838 | Target = (F1+F2+F3)/3 |
| 2/4/2020 | 0.5877853 | 0.9945219 | 0.1361666 | 0.5728246 | 15 |
| 2/5/2020 | | 0.8560254 | -0.136167 | 0.2432863 | 15 |
| 2/6/2020 | -0.587785 | | -0.398401 | -0.1328 | |
| 2/7/2020 | -0.951057 | | -0.631088 | -0.458078 | |
| 2/8/2020 | -0.951057 | -0.207912 | -0.81697 | -0.658646 | • LAH MATINAN NATINAN NATINAN NATINAN |
| 2/9/2020 | -0.587785 | | -0.942261 | -0.705944 | A MARK A MARK A SAM PANA SIE SIEPA NIE A SIA MARKA SIE |
| 2/10/2020 | -0.301103 | | -0.342201 | -0.621231 | |
| 2/11/2020 | 0.5877853 | | -0.337663 | -0.46194 | 4 |
| 2/11/2020 | 0.5877853 | -0.994522 | -0.979084 | -0.95199 | -1.5 |
| | | | | | |
| 2/13/2020 | 0.9510565 | -0.743145 | -0.730836 | -0.174308 | First 400 Rows of the training data |
| | 0.5877853 | -0.406737 | -0.519584 | -0.112845 | Note that there are no repeated patterns in this sample. |
| 2/15/20 | 1.27 46 | A | -0.279797 | -0,020020 | مقرحتها المسجر مست المحتم فالتركي فرا |

Alpha Release

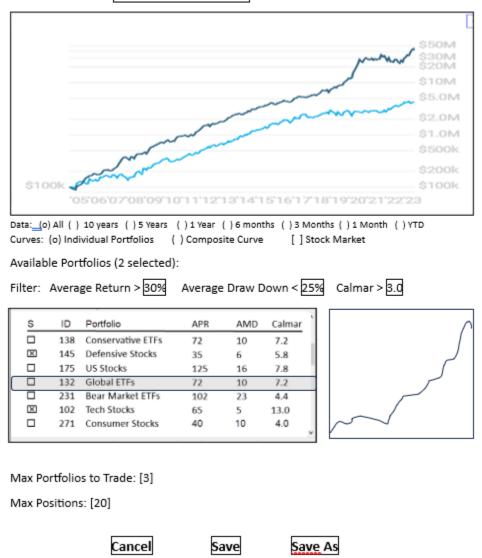
We are continuing to make changes for an **Alpha Release** in November.

We will also add new Portfolios that take advantage of the Exit Condition feature.

New OmniFund

Show Portfolio List with Statistics and Check Boxes

OmniFund Name: Retirement





OmniFunds Because Returns Matter.





OmniFunds

