

Nirvana's  
***PositionTrader***

***LEVERAGE your TIME  
AND your MONEY!***



***Trade Like the Pros***

with **Position Trading** for  
Long Term Gains p. 8-10

# MAKE MORE MONEY

## Spend Less Time



Ed Downs  
CEO and Founder,  
Nirvana Systems, Inc.

Trading for quick gains is one way to steadily increase the value of your portfolio. But there is a different way to approach the market that requires much less time and can provide similar returns.

It's called **position trading**—the art of entering positions in stocks and ETFs as they are being accumulated and staying in the trades as long as the trend remains intact.

*The beauty of position trading is it doesn't require daily trading activity.* You simply add new positions as old ones get stopped out, which happens infrequently.

### Position Trading Made Easy

**When we set out to create PositionTrader, our goal was to automate as much of the position trading process as possible, in order to leverage your most precious commodities—time and money.**

The Scans that come with PositionTrader will identify those stocks and ETFs that are being accumulated (see opposite). Once we have generated a list of securities that are on the launch pad, we then apply the Strategies provided with PositionTrader to find entry points.

You will find examples of the trades generated by PositionTrader throughout this brochure, along with recent back-test results (see page 5). It's clear that PositionTrader is a very powerful product.

PositionTrader also comes with advanced trade management tools. We provide special Trade Plans specifically for PositionTrader, to help you manage your positions and maximize your gains.

### An Education Legacy Improved Again!

Last year, we released our TradeMaster webinars, which generated rave reviews from attendees. With the launch of PositionTrader, we have created a brand new course, *Position Trading for Long Term Gains*, with easily three times the educational content of our prior courses.

The course comes with all instructional material on CD, including a course Workbook (see pages 8 & 9) and access to six weeks of in-depth online instruction, provided through our Omni Trader University.

The online sessions cover every aspect of Position Trading, and include special sessions for practicing the Method. Each session is published in streaming and downloadable formats shortly after the session ends.

PositionTrader is the ideal tool for investors who want to take charge of their portfolios without being shackled to their computers. But don't delay. Our PositionTrader special is being offered at an incredible discount—if you order by the deadline.

Let us empower YOU to position trade this market with the best software and education package available.

Sincerely,



Ed Downs  
CEO and Founder,  
Nirvana Systems, Inc.





# **THE SECRET** to Finding Stocks and ETFs the Market **WANTS TO OWN!**

## A Common Sense Approach to Investing

Position trading is not the same as “Buy and Hold” investing which is difficult in the current market environment! To do well at position trading, we must do two things:

- Identify stocks or ETFs that are being accumulated by the general market, and
- Have a rational method for exiting a position when it stops going up.

How does one determine that a given stock or ETF is likely to continue going up? The market can actually give us clues as to which securities are being accumulated through “signatures” provided in the charts, identifying those that are gaining strength or showing continued strength in the market.

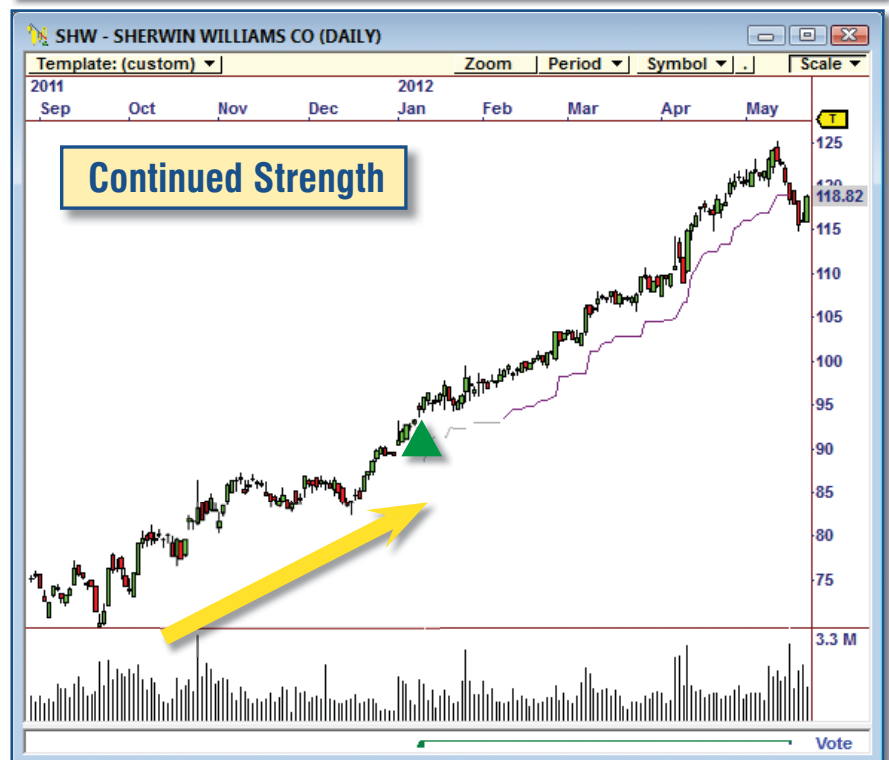
### Gaining Strength

Consider the chart to the right for GET. The upward curvature that was evident in the 4th quarter of 2011 indicated that investors were being attracted to it. It didn't take long for additional investors to recognize the bullishness and push the stock higher. This is called a “basing” situation and is one of the criteria we search for to find key position trading candidates.

### Continued Strength

We can see in the chart to the right that SHW had been steadily rising for all of 2011, indicating it has acquired strength relative to the market. This indicated that investment funds were flowing into this stock, making it another great accumulation candidate.

PositionTrader automatically identifies stocks that meet these conditions using special OmniScans that are included with PositionTrader. Once we have a list of securities that are in an accumulation mode, Strategies are used to identify prime entry points, as described on the next page.





# Powerful Strategies That Find Ideal Entry Points

## Two NEW Trading Strategies Designed Specifically for Profitable Position Trading

### Basing Strategy

The Basing Strategy takes a unique approach to finding stocks that are poised to start an extended upward move.

The Strategy confirms that the stock is basing (as described on page 3) after making a dramatic downward move. Once the stock begins to break out of the basing pattern, a signal is generated.

Stocks that break out of a basing pattern often trend upward for an extended period of time, making these opportunities excellent position trading candidates.

### Continuation Strategy

The Continuation Strategy looks for stocks that have already established a nice, steady trend.

By looking at the historical data in segments, this strategy identifies stocks that have shown consistent strength over the last three months. These are the ones we want to trade when the timing is right.

Once price makes a significant move in the direction of the trend, a Signal is generated. This trend trading Strategy generates Buy Signals on stocks that are poised to continue to make new highs over a prolonged period.



Basing Strategy Signal on CBRL. Note how the stock rocketed off the launch pad after completing the basing pattern!



Continuation Strategy Signal on PETM. After being identified as a strong candidate, the Strategy fired a Signal on the breakout.

# Trade Plans Specifically Designed to **Maximize Gains!**

The Trade Plans provided with your PositionTrader are designed to keep a position in trade until chart dynamics indicate it is no longer favored by the market. In the example to the right, you can see how the “Stops” defined in the Trade Plan adjust dynamically as the position matures, keeping it in-trade to an optimal conclusion.

In position trading, “one size does not fit all.” Some investors prefer tighter stops to minimize drawdowns, while other investors prefer looser stops to maximize their profits.

To meet this need, we provide 3 Trade Plans—Tight, Medium, and Loose—that allow the user to target a specific holding period and expected return. Each Trade Plan has a different set of parameters, designed to let trades continue for shorter or longer periods, **as long as the position remains intact.**

The Strategy + Trade Plan combinations in PositionTrader have shown the ability to generate superior returns. To the right are statistics generated by each Trade Plan on both Strategies tested over 20 years on the S&P 100 list.

With PositionTrader, you control the amount of Risk as well as your potential Returns through Trade Plan selection. We’ve done the work; just select your Trade Plan and trade!



Basing Trade on MHO with the **Medium** Trade Plan applied. Looser stops generate higher total returns. In this case over 28%.

## Strategy Performance with PositionTrader Trade Plans

### Daily Timeframe

Strategy	Trade Plan	HR	PPT	Bars/Trade
Basing	Tight	56%	0.61%	31
Basing	Medium	63%	3.11%	61
Basing	Loose	65%	8.81%	92
Continuation	Tight	56%	0.62%	29
Continuation	Medium	59%	1.79%	50
Continuation	Loose	61%	4.25%	73

### Weekly Timeframe

Strategy	Trade Plan	HR	PPT	Bars/Trade
Basing	Tight	64%	5.74%	29
Basing	Medium	69%	8.98%	53
Basing	Loose	65%	12.88%	64
Continuation	Tight	63%	4.74%	23
Continuation	Medium	69%	9.06%	40
Continuation	Loose	65%	12.28%	50





# PositionTrader **EVERYTHING YOU NEED TO**

Specialized SCANS that identify Basing and Continuation Setups across the entire market.

Focus List

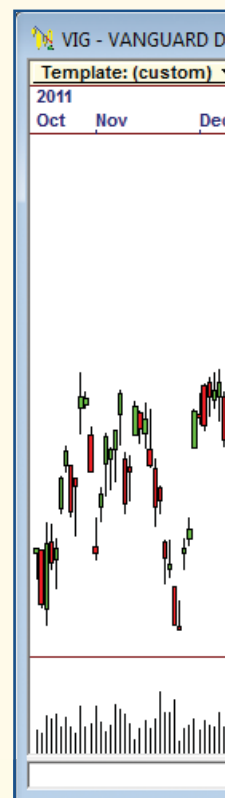
Continuation

Symbol	Sig	BTHR	Strategy
DDM	▲	62	Position Continuation
HMN	▲	44	Position Continuation
IHI	▲	88	Position Basing
EXXI	▲	56	Position Continuation
VIG	▲	62	Position Continuation
UDDW	▲	100	Position Continuation
NCI	▲	56	Position Continuation
EET	▲	25	Position Continuation
EEM	▲	57	Position Basing
ABB	▲	62	Position Continuation
EWI	▲	44	Position Continuation
SYKE	▲	62	
BBD	▲	82	
XLB	▲	67	
SWK	▲	56	
DIA	▲	78	
NSP	▲	0	
GLDD	▲	62	
PETS	▲	50	
PIE	▲	67	
CSM	▲	100	
CP	▲	55	
TC	▲	83	

Watchlist Notes Statistics Chart Group

PositionTrader easily finds great position trading candidates each and every day (or week) of the market.

This page shows our Focus List on January 18, 2012—a day when the market made a significant breakout move. Four of the trades generated by PositionTrader are shown on this page. The Trade Plans kept each position in trade until the market began to show weakness and went into a trading range.



# Position Trade the Market and **WIN!**



## **Included with PositionTrader**

### **Specialized OmniScans**

**Basing Scan** – Identifies stocks and ETFs that are showing signs of a good basing pattern, ready for the Basing Strategy to fire Signals on them.

**Continuation Scan** – Finds candidates that have shown they are strong relative to the market and in a good uptrend, setting the stage for the special Continuation Strategy to fire Signals.

### **Targeted Strategies**

**Basing Strategy** – Generates Signals on Stocks and ETFs that are poised to start an extensive upward move.

**Continuation Strategy** – Generates Signals when a strong stock or ETF breaks out in a continued trend.

### **Advanced Trade Plans**

The 3 provided Trade Plans – **Tight, Medium, Loose** – enable investors to use the Trade Plan that best meets their specific investment objectives.

### **Education**

The Plug-In comes with the **Introduction to PositionTrader CD**, a great resource to get you going with PositionTrader.

We also offer **Position Trading for Long Term Gains**—an in-depth trading course that covers all aspects of position trading, from market assessment to portfolio risk management, as described on the next page.



# TRADE METHODS

## ENGAGING THE MARKET with PositionTrader



In this unprecedented educational series, Ed Downs unveils the mysteries surrounding one of the most important topics investors can study, apply, and master—how to trade and manage positions to steadily grow their accounts.

This course will both enlighten and thrill you as to the awesome power of position trading through a systematic progression of lessons. Ed takes you from a solid knowledge of the basics to a Master Level of understanding.

It is uncanny how well the PositionTrader Scans and Strategies work together to find stocks and ETFs that are practically sitting on the launch pad, waiting for the spark that catapults them into multi-digit percentage gains.

We will show you WHY PositionTrader works, and HOW it pinpoints these powerful opportunities in over 14,000 stocks and ETFs in the market each day.

In a very short time, you will discover how PositionTrader brings these rich opportunities to the forefront of your Focus List, so you can quickly confirm the trades and add them to your portfolio mix.

You will also gain a deep understanding of the nature of these trades and the market psychology that drives them. Armed with statistical evidence that you have an edge, your investing will be transformed into a crystal clear sequence of actions that will enable you to manage your account with confidence, and in less time than you ever imagined.

## ENGAGING THE MARKET



- How the Market Affects Position Traders – and How to Capitalize on It
- How Scans and Strategies Work Together to Find Great Opportunities
- Which Opportunities Have the Highest Probability of Success
- Selecting the Right Trade Plan to Meet Your Investment Objectives
- Using Automation to Manage Your Trades and Leverage Your Time

Once we illustrate the usage of PositionTrader's Scans and Strategies in detail, we demonstrate how the automatic Trade Management tools can help you manage your positions and put your investments on auto-pilot.

The Trade Plans that come with PositionTrader have been carefully crafted to achieve specific investment goals. No matter what your time horizon or risk tolerance, we will show you how to configure the tools to achieve your objectives.

And, if you choose, you can even let OmniTrader manage the trades for you, freeing up even more of your valuable time—a topic that is thoroughly covered at the end of this section.

Once you understand the power of the tools and how to apply them each day, you will be ready to Master the Art of position trading—and beat the pros.



# Series for PositionTrader

## Position Trading for Long Term Gains

### MASTERING THE ART of Position Trading

Having thoroughly covered the theory, configuration and usage of PositionTrader in the first section, you will be ready to engage the market. But we want to go further than that. *We want to put you on a level playing field with the Pros so you can beat them at their own game.*

*Mastering the Art of Position Trading* unlocks the secrets of what is perhaps the most important aspect of managing any portfolio—how to balance your portfolio and manage overall market risk.

As an individual investor, you have a decisive advantage over the Pros, and we want to show you how to capitalize on it. We break down the portfolio management to its core components so you can proactively stay ahead of the market and stay in positions that have the most potential.

We cover both the theoretical and practical aspects of Risk Management, ending with a Step-by-Step method by which you can confidently manage your positions regardless of how volatile or uncertain the market may be.

### BONUS: POSITION TRADING with NTB Charts

In this Bonus section, we will apply our Position Trading principles to Renko and other Non-Time Based Charts to understand the advantage these charts have and empower you to engage the market with them.

*Position Trading for Long Term Gains* puts it all together, combining the strengths of OmniTrader with the benefit of over 25 years of market experience.

### MASTERING THE ART

- Establishing a Portfolio Strategy
- How to Improve Your Odds through Market Analysis
- Determining How Much to Allocate to Your Trades
- Simple Portfolio Balancing Methods That Put You Ahead of the Pros
- The Daily Process
- **BONUS:** How to Improve Your Results with NTB Charts



### INCLUDES:

The METHODS Course includes all instructional material on CD, including a course Workbook and access to recordings of all the online sessions.



# TRADE METHODS Series

## THE ULTIMATE INTERACTIVE Trading Experience with Ed Downs

Our latest Trading Methods course, ***Position Trading for Long Term Gains*** will jump-start your trading experience. Exceptional training materials including CD seminars and a Course Workbook are coupled with online interactive sessions that give you the confidence you need to take this method and master the markets.

Over the course of six weeks, we will hold a one hour session each week where we practice the method in historical trading scenarios. But more importantly, we will also look at how to employ the method in the current market. This combination of historical and current market experience provides a trading education that eclipses any other!

We have traders from all over the world attending these sessions, which is why we record and archive all sessions quickly after their completion. No matter where you live, or what your schedule, you can watch the recordings at your leisure.

Our online sessions are all about engaging the market with OmniTrader and VisualTrader. And with this hands-on training, that's exactly what you will do! Experience the difference of our online sessions and see how you can master the markets TODAY!

### POSITION TRADING ONLINE SESSIONS



#### Key Topics:

- **Position Trading and the Market**
- **The Best Position Trades**
- **Position Management**
- **Portfolio Balancing**
- **Position Trading in NTB Charts**
- **Practice Position Trading**

*All sessions are recorded and available for viewing promptly after completion.*



## Rave Reviews for our O.T.U. Methods Courses:

“I am so pleased with OTU. I needed the educational/instructional component to bring trading skills and the software together to achieve more successful trading. I believe OTU is the answer.”  
- Nick L.

“I will begin to trade with a confidence that I have never felt before. What I have learned so far by just listening to the seminars has already paid for the course, and classes haven't even begun. I am excited about this next year and the potential that it will unlock in all of us!” - David B.

“Wow. Just sensational. I am just delighted that I made the decision to purchase OTU. This is going to be an incredible experience.”  
- Wynn F.

“I was simply overwhelmed by the quality of the course materials and the obviously intricate detail you have gone into to create a fully integrated trading methodology.” - Tom H.

“Absolutely brilliant. This is exactly what I needed to understand how to swing trade. Thanks!” - Keith W.

“The Three Black Candles Strategy you included with the Swing Course is fantastic! I started playing around with the weekly and daily charts – excellent, excellent signals. Outstanding work.”  
- Matt B.

“Great class. Excellent written materials.” - Tom W.





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