
X-Suite's Secrets Revealed

with Jeff Drake

While we are proud of all our products, every so often we create one that generates a significant response from. The X-Suite is *definitely* one of those products. The combination of these strategies show returns that are superior to any other strategy we have released. These strategies complement each other well to avoid major drawdowns, even in difficult markets.

Many customers have requested more information about the X-Suite, so we decided to create this document for all of our customers. I have picked some of the most common questions that we have received and tried to answer them as thoroughly as possible. I hope you find this document informative and it helps you see why we consider the X-Suite a milestone in trading technology.



Braeden K. Asked:

“What’s different about the X-Suite compared to your other Premier Strategies?”

The major difference between the X-Suite and our other Premier Strategies is performance. The five strategies in the X-Suite all show an accuracy of 70% when tested from 2001 to present. Not only are these five strategies accurate, but they are also very profitable for short-term strategies. Similar strategies will typically have a profit per trade of about .6%, but the majority of the strategies in the X-Suite show a profit per trade of over 1%.

The table below shows the performance of the X-Suite Strategies on the stocks in the NASDAQ 100 and the S&P 100. Each strategy shows both accuracy and profitability that is higher than other short-term strategies. This statistical edge makes a BIG difference over time.

Strategy	Hit Rate	Profit Per Trade
X-AROSC	70%	0.85%
X-MFI	70%	0.71%
X-ROC	72%	1.48%
X-STO	73%	1.26%
X-ULT	73%	1.04%

X-Suite Strategy Performance

Kamryn P. Asked:

“So why are the X-Suite strategies more accurate and profitable than other similar strategies?”

There are two reasons why these strategies show a statistical edge. The first reason is that signals are generated earlier by the systems in the X-Suite strategies. Here’s an example:

The chart for Merck (MRK) shows two systems plotted that are based on the same indicator (Money Flow Index). The top system is a crossover system, meaning that the indicator has to move below a level and then cross back over it for a signal to be generated. The bottom system is the X-Suite system. These systems will fire a signal immediately when the indicator crosses the level. By getting the signal early, and not waiting for it to cross back over the level, we can enter the trade earlier in the pullback. Our research has shown that this type of entry leads to larger profits without adding any additional risk.



The short signals show an even better example of the advantage of this type of entry. The earlier entry would allow you to get in at the open of the first red bar and profit from the ensuing drop. (NOTE: The X-Suite is configured to fire long trades only, but those that desire short trades can easily turn them on.)



Example of the Profit Zone Filter

The second reason we are seeing higher performance with the X-Suite strategies is that we are using a filtering process that insures that we have a significant pullback from the primary trend. We call this the Profit Zone.

The chart for Time Warner (TWX) provides us with an example of the Profit Zone. While the X-Suite Systems may start firing on the first pullback bar, the Profit Zone filter will only allow a signal to be generated once price is well below what could be potential resistance. This provides more room for higher profits and improved performance.

Keri S. Asked:
“What list of stocks do these strategies work on best?”

The default list that is provided with the X-Suite contains the stocks that are currently listed in the NASDAQ 100 and the S&P 100. All our performance statistics are based on this list, and those results are shown at the beginning of this document. However, we tested the X-Suite on multiple US index lists to determine robustness. The following strategy results show that the X-Suite performs extremely well on any list.

S&P 100

X-Suite Strategy	Hit Rate	Profit per Trade
X-AROSC	70%	0.82%
X-MFI	71%	0.76%
X-ROC	74%	1.80%
X-STO	74%	1.24%
X-ULT	74%	1.02%

NASDAQ 100

X-Suite Strategy	Hit Rate	Profit per Trade
X-AROSC	69%	1.11%
X-MFI	70%	0.90%
X-ROC	72%	1.95%
X-STO	73%	1.86%
X-ULT	72%	1.32%

Russell 1000

X-Suite Strategy	Hit Rate	Profit per Trade
X-AROSC	68%	0.69%
X-MFI	68%	0.66%
X-ROC	69%	1.19%
X-STO	68%	0.81%
X-ULT	69%	0.78%

DOW 30

X-Suite Strategy	Hit Rate	Profit per Trade
X-AROSC	70%	0.77%
X-MFI	72%	0.90%
X-ROC	77%	1.95%
X-STO	70%	1.86%
X-ULT	72%	1.32%

S&P 500

X-Suite Strategy	Hit Rate	Profit per Trade
X-AROSC	69%	0.77%
X-MFI	69%	0.69%
X-ROC	71%	1.33%
X-STO	70%	1.02%
X-ULT	71%	0.86%

Devin H. Asked:**“How does the X-Suite performance compare with the US Stock Market?”**

In all honesty, there is no comparison. The X-Suite made money every year in our simulated testing going back to the beginning of 2000. The following table shows the comparison of the combined performance of all the strategies in the X-Suite compared to the S&P 500 Index.

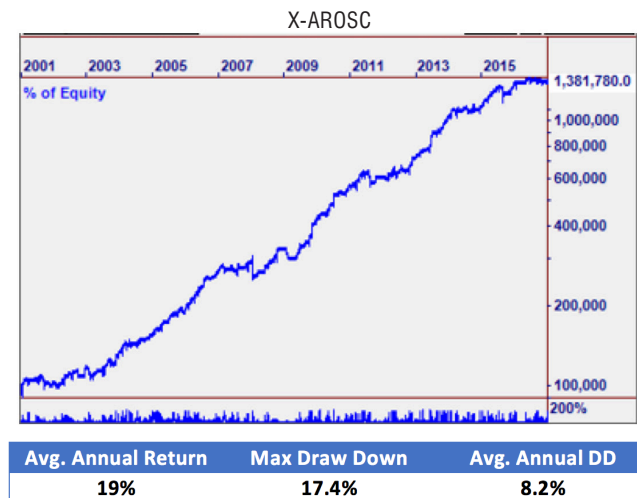
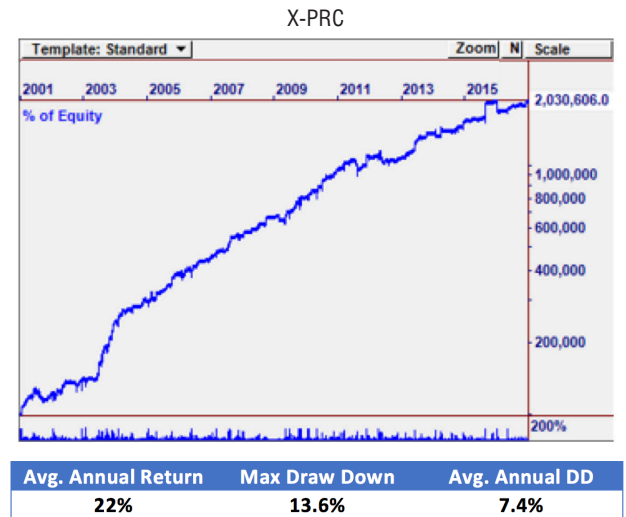
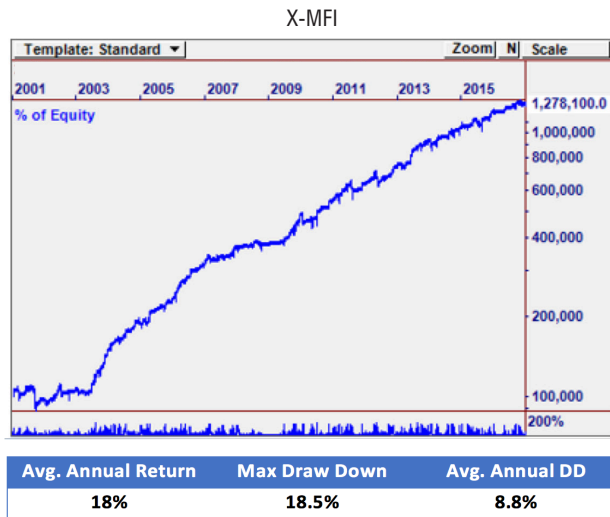
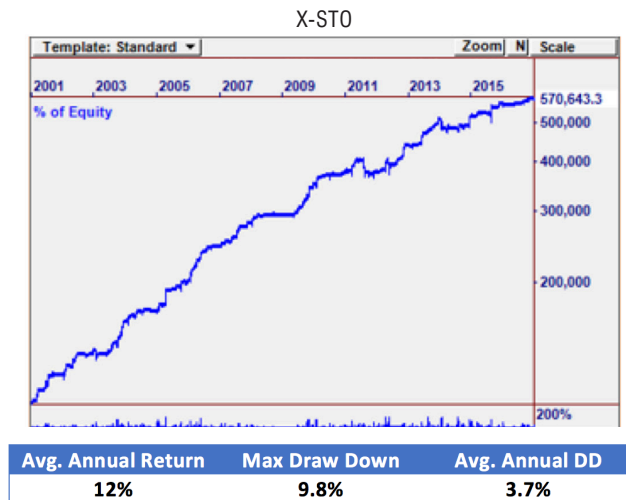
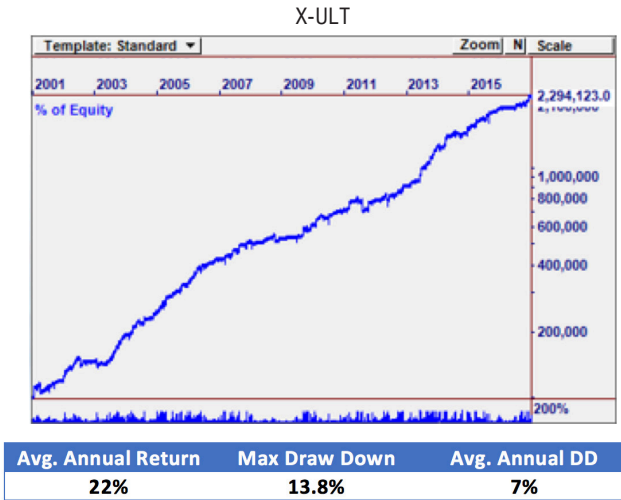
Year	X-Suite	S&P 500
2000	175%	-9.1%
2001	27%	-11.9%
2002	33%	-22.1%
2003	72%	28.7%
2004	43%	10.9%
2005	29%	4.9%
2006	66%	15.8%
2007	23%	5.5%
2008	28%	-37.0%
2009	47%	26.5%
2010	44%	15.1%
2011	25%	2.1%
2012	50%	16.0%
2013	63%	32.4%
2014	21%	13.7%
2015	30%	1.4%
2016	7%	11.9%

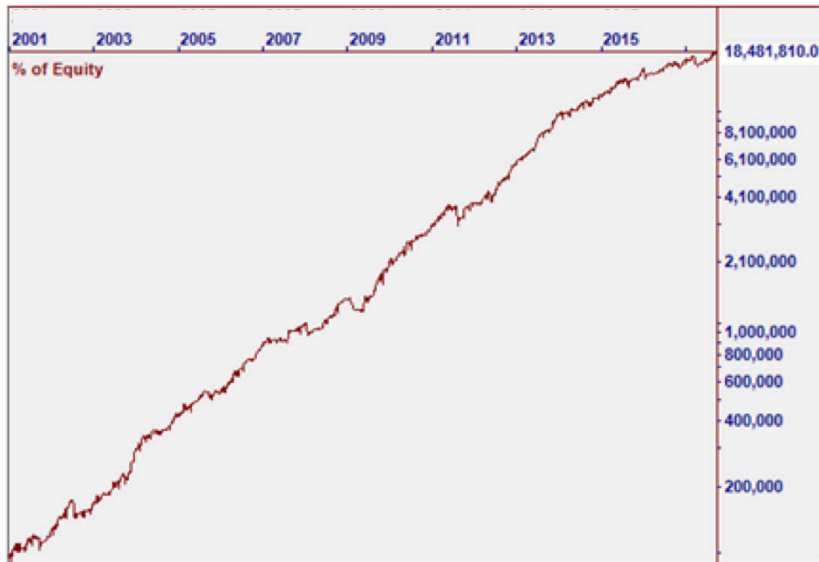
Fred S. Asked:

“Why does the X-Suite use 5 different strategies?”

Our goal with the X-Suite was to provide the best strategy package possible. In order to do so, we wanted the strategies to be very selective, with high hit rates and high profits. By making the strategies selective, we engaged a filtering process that eliminates many trades. But by combining the strategies, we are able to get ample trades and outstanding performance.

The following equity curves show the incredible performance of the individual strategies included in the X-Suite.





Avg. Annual Return	Max Draw Down	Avg. Annual DD
39%	20%	11.2%

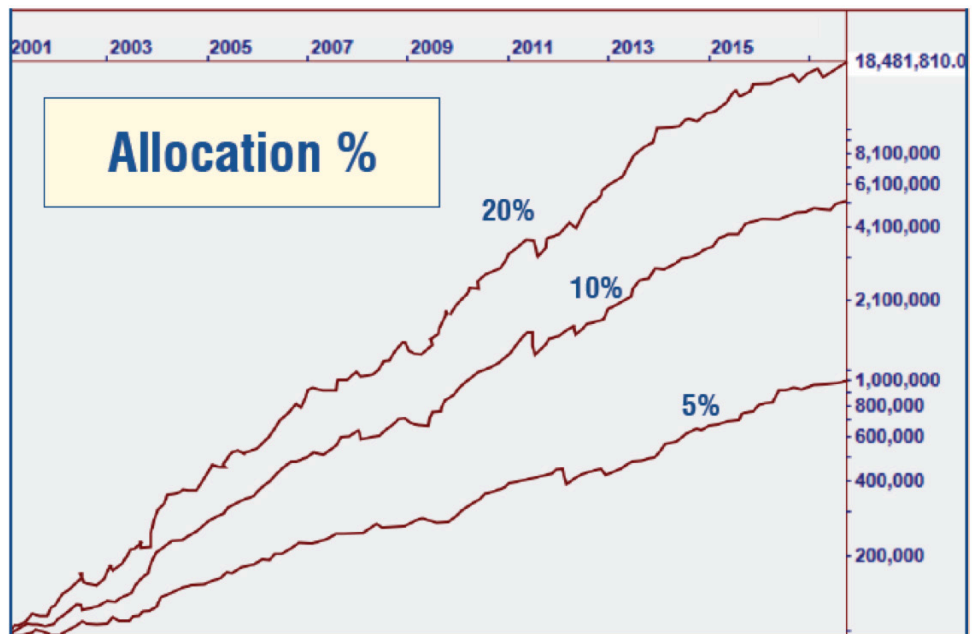
While the performance of the individual strategies is impressive, our goal of combining them together is able to provide the results that make the X-Suite a truly remarkable package.

Kenneth E. Asked:
“How much do these strategies allocate for each trade?”

One of the strengths of the X-Suite is that you can pick your trade allocation to match your trading goals. We ran various simulations at different trade allocations to see the effect of trade size.

The equity curve and the results table show that the X-Suite maintains exceptional performance regardless of trade size. If you want to take a conservative approach, you could allocate 5% of equity per trade. This would reduce per trade risk while also providing diversification as you are able to take more trades.

For those looking for higher returns, you would probably gravitate to 10% or 20% of equity per trade. While the table shows that this will increase draw downs, the effect on returns are substantial.



Allocation	Avg Annual Return	MaxDD	Avg MDD	AVG %Invested
5%	16%	14.5%	4.7%	12%
10%	26%	18.6%	7.4%	20%
20%	37%	23%	11.2%	31%

Gary P. Asked:

“Why did you include XLS-19 V2 with the X-Suite?”

The research and technology that led to the X-Suite was originally started in 2015 and resulted in our first “X” type strategy, XLS-19 V2. When we looked at the performance of the X-Suite with and without XLS-19 V2, we noticed two major factors. First, the X-Suite/XLS-19 combination made more money! In fact, when we added XLS-19 to the mix we realized over 40% annual return in our historical testing.



The Combined Performance of the X-Suite and XLS-19 V2

The other factor that we noticed was the effect of XLS-19 V2 on the X-Suite in difficult markets. In particular, we looked at the dot com crash in 2001, the sub-prime mortgage meltdown in 2008 and 2009, and the difficult market of 2015.

XLS-19 helps the X-Suite outperform in down and sideways markets.			
Year	W/out XLS-19	With XLS-19	S&P 500
2001	27%	63%	-11.90%
2008	28%	38%	-37.00%
2009	47%	66%	26.50%
2015	30%	35%	1.40%
2016	7%	16%	11.90%

This table shows that the X-Suite performed well in these down or sideways markets, but the addition of XLS-19 really turbo-charged returns.

This is why we decided to include one of our most popular strategies to the X-Suite package.

Paul S. Asked:

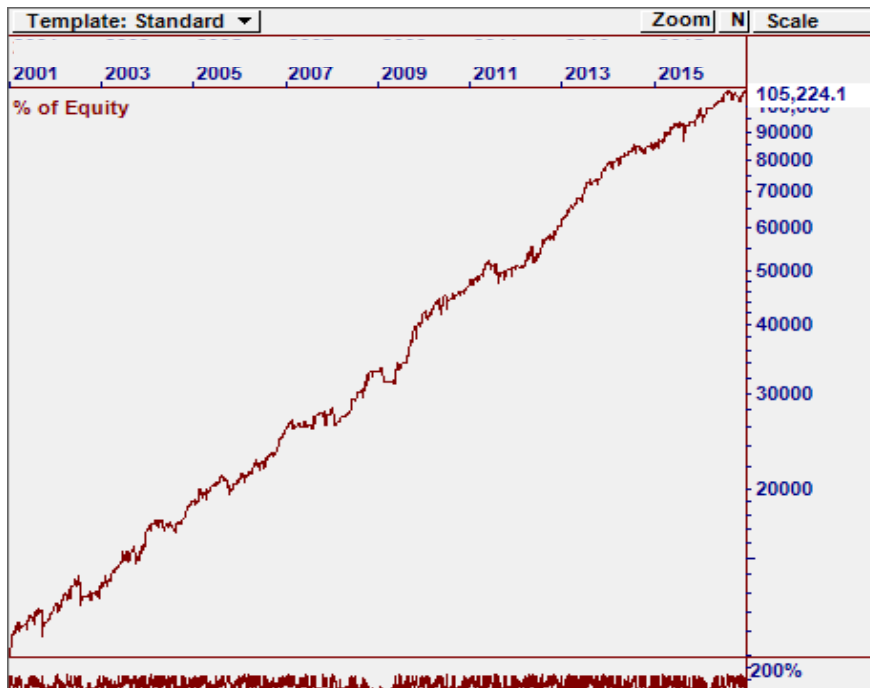
“Is the X-Suite easy to trade?”

All of the strategies in the X-Suite package, including XLS-19 V2, were tested using Market on Open orders. This makes the package very easy to trade as you can run your analysis any time after the market closes to get your orders for the following market day.

You can also choose to use the AutoTrade feature in OmniTrader to automatically run your analysis and place your trades. This is a popular option with many users because it allows you to follow the strategies mechanically without requiring your interaction.

Alec T:

“What size of account should you use with these strategies?”



Simulated X-Suite Results on 10K Account

The X-Suite performs well on an account as small as \$10,000 with a discount broker. The following equity curve shows the simulated performance of the X-Suite with XLS-19 V2 on a 10K account with no margin, \$1 commissions, and with 10% of equity/trade.

However for optimal results we recommend an account size of at least \$20,000. This will reduce the effect of commissions on per trade profits and mitigate the effects of any short term draw downs.

I want to thank our customers for the excellent questions and I hope that I have answered these questions to your satisfaction. If you have any other questions about the X-Suite please contact our customer service representatives and they will be happy to help you.

Thank you for your patronage and best of luck with your trading.

Jeff Drake
Director of Trading Technology
Nirvana Systems, Inc.

For more information or to order your X-Suite today:

www.NirvanaSystems.com/XSuite