

Pridemark Forex Strategy

OVERVIEW:

- ◆ Trades liquid spot forex pairs: EUR/USD, GBP/USD and CHF/USD (Euro, British Pound and Swiss Franc all vs. the US Dollar)
- ◆ Short term directional strategy trading price swings generally from 1 to 6 days in duration
- ◆ Portfolio generates 1 trade per day on average
- ◆ Average holding period of 32 hours
- ◆ Fully systematic and algorithmic methodology with fully automated execution

METHODOLOGY:

- ◆ Algorithmic identification of price levels above and below the current market price that are likely near-term turning points
- ◆ Systematic analysis of short term price action (30-60 minute intervals) to validate potential turning points and trigger an entry
- ◆ Market and time-based trade management in place from the moment a position is entered

RISK MANAGEMENT:

- ◆ Proactive risk management
 - Portfolio diversification across 3 distinct currency pairs reduces volatility
 - Analyzing and trading each pair independently from the others
 - Proprietary Trade Selection Algorithm that limits total exposure
- ◆ Reactive risk management
 - Trade level stop-losses are employed on every position
 - Stop-loss levels adjust dynamically with price and volatility
 - Tight risk management produces wins that average 1.8 times the losses

PERFORMANCE:

- ◆ 3:1 leverage targeting a 28% gross return on capital with $\leq 10\%$ max drawdowns and Sharpe ratios of 2.0
- ◆ Performance not correlated to equity or bond markets and not dependent upon trends or volatility
- ◆ 25 months of live performance validating 10 years of research