



**VectorVest**<sup>®</sup>

Stock Analysis & Portfolio Management system

# VectorVest Two-Day Investment Seminar

Learn how to:

- Value Stocks
- Heal a Broken Portfolio
- Make Money with Hot Industry Groups
- Manage Risk
- Cherry-Picking for Big Winners



**AGENDA AND WORKBOOK**

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## **Special Notice**

VectorVest, Inc. will do everything it can to insure the safety of your personal possessions while you are attending the Seminar. If you would like us to watch your computer during lunch, please take it to our registration table, where you will receive a claim check for it. In any event, we cannot assume any responsibility for lost or missing personal property.



## VectorVest Product Description

**VectorVest 7** - VectorVest 7 comes in three formats, End of Day, IntraDay and RealTime for U.S. and Canadian markets. Additional End-of-Day markets include: Australia, Hong Kong, Singapore, South Africa, and United Kingdom. VectorVest 7 analyzes, sorts, ranks and graphs thousands of stocks using an advanced, user-friendly platform that is highly customizable. VectorVest 7 provides Buy, Sell and Hold recommendations on every stock, every day and a complete analysis using more than 40 technical and fundamental indicators. Most importantly it gives you market timing updates for precise trading entry and exit points so you can consistently buy low and sell high. The program may be installed on multiple computers for convenience.

**VectorVest OnLine v6.0** - VectorVest OnLine provides an end-of-day platform for European and Indian. This program works within Internet Explorer after a quick installation process. VectorVest OnLine provides Buy, Sell and Hold recommendations on every stock, every day and a complete analysis using more than 40 technical and fundamental indicators. Most importantly, the home page provides you with daily market timing guidance so you can consistently buy low and sell high. The program may be installed on multiple computers for convenience.

**VectorVest ProGraphics v6.0** - VectorVest ProGraphics allows users to work offline using the classic, end-of-day VectorVest 6 platform (U.S. Only). VectorVest ProGraphics does require an internet connection for a brief period in order to update the database and the program may only be installed on one computer.

**VectorVest ProTrader v6.0** - VectorVest ProTrader v6.0 adds over 30 technical graphing indicators and sophisticated chart pattern recognition searches to VectorVest. ProTrader allows short-term investors and traders alike to find stocks that are showing up or down moves due to Price and Volume behavior. Available for a one-time fee of \$495.

**VectorVest ProTrader v7.0 Searches** - ProTrader 7 Searches runs over 28 built-in technical searches which can be easily customized, or point and click to build your own. If you're tired of searching through endless charts looking for that golden opportunity, ProTrader 7 Searches is the tool for you! Available for a one-time fee of \$495\* or FREE with a subscription to VectorVest RealTime.

**VectorVest Options Analyzer** - The VectorVest Options Analyzer accesses the VectorVest database and allows you to verify and examine the Profit/Loss implications at expiration of options trades. It also allows you to perform sensitivity studies of all the factors affecting the option premiums prior to expiration. It is perfect for back-testing ideas and for assessing potential option trades. Available for a one-time fee of \$495.

**VectorVest OptionsPro** - This sophisticated options platform integrates seamlessly with the power and performance of the VectorVest system to help you quickly and easily identify optimal options trades in real-time. I'm confident that this brand new money-making resource will not only save you tons of time, but also deliver a significant boost to your bottom line. You can add OptionsPro to your subscription for \$249/month or \$2,795/year.

**VectorVest AutoTimer** - Eliminate emotional trading mistakes and manage your portfolio in minutes a day. AutoTimer can be used in historical mode to create, test and refine your perfect automated trading system, complete with market timing, stock selection, stop criteria and a host of other money management options. Autotimer can also be used for real time trading in the 'Portfolio Genius', a sophisticated paper trading tool. Used in conjunction, the Genius + AutoTimer

automates your real time trading management by sending convenient alerts when it's time to make a trade. Available for a one-time fee of \$495.

**VectorVest WatchDog** - VectorVest's Watchdog monitors the entire market or your selected WatchLists to instantly alert you to specific technical signals. Choose from MACD or Support & Resistance criteria and receive alerts in the software as well as by email/txt so you never miss a potential trade again! Available for a one-time fee of \$495\* or FREE while subscribed to VectorVest RealTime.

**VectorVest RealTime Derby** - The VectorVest 7 Derby works with VectorVest RealTime to offer a revolutionary, new approach to real-time trading. It runs over a hundred and eighty strategies simultaneously to immediately identify the best performing strategies at any given moment of the day. The Derby ToteBoard analyzes and compiles the results in four different analysis modes - day trading, Buy and Hold, Vary the Start Date and Sliding Window to point you straight to the most consistent, money making strategies for your trading style. Available for an annual fee of \$1,095.

**VectorVest Simulator** - The VectorVest Simulator is the ultimate back-testing tool and is used to build and test VectorVest strategies and trading systems. The Simulator allows you to quickly and easily find the best strategy, stop criteria and timing system for any investment style. It uses the ProGraphics v6.0 informational database and allows users to create simulated portfolios using a more extensive list of money management, stop-loss and market timing combinations than the standard program. Modifications can be made quickly, even while simulations are running and unlimited simulations can be queued to run automatically. Available for a one-time fee of \$2,995.

**VectorVest Variator** - The VectorVest Variator takes the Simulator to the next level. This add-on to the Simulator allows you to automatically vary any one component of a simulation, giving the user the ability to generate thousands of portfolio tests in just a few moments. Let the simulations run while you're away and just check the results when you're free! It's like having your own research department to thoroughly test every idea you've ever had. Available for a one-time fee of \$1,995.

**VectorVest Instructional 5-CD Video Set** - Learn how to make money with VectorVest in the comfort of your own home with this five CD video set of our best presentations. The set includes over ten hours of instructional video, designed specifically to help you unlock the power of the VectorVest System and help you become a more profitable investor step-by-step. Available for only \$195.

**VectorVest Options Course 4-CD Set** - Learn how to increase your portfolio's profit potential, while reducing your risk. This course begins with a thorough introduction to options terminology, characteristics and pricing and teaches you the ins-and-outs of the most effective options strategies. Each strategy is broken down in detail using case studies and profit & loss analysis which are illustrated using the Options Analyzer. Over 9 instructional hours! Available for only \$995. PLUS, if you purchase this video set through VectorVest, you may attend a live VectorVest Options Course for only \$295.

## Special Book Pricing for Seminars Only

*\*Up to 50% off list prices*

Title	List	Seminar
<b>1. A Beginner's Guide to Short-Term Trading: Maximize Profits in 3 Days to 3 Weeks</b> -Turner Covers the core principles and strategies associated with short-term trading and includes everything from which charting techniques are most useful to topics such as short-selling methods and proper money management for fast-paced markets.	\$16.95	<b>\$13.56</b>
<b>2. Encyclopedia of Chart Patterns</b> - Bulkowski This book is recognized as the premier reference on chart pattern analysis. It also includes summary tables, a glossary, a chapter on methodology and a visual index to make chart pattern identification a snap.	\$120.00	<b>\$96.00</b>
<b>3. Get Rich with Options</b> – Lee Lowell This book gives you the basic foundation on the hows and whys of options trading. It will teach you the four best option strategies that will increase your wealth like no one else will.	\$45.00	<b>\$36.00</b>
<b>4. Hit and Run Trading Updated</b> - Cooper This book teaches readers different methods that can be used for day-trading and swing trading.	\$100.00	<b>\$80.00</b>
<b>5. Little Book of Trading</b> - Michael W. Covel <i>The Little Book of Trading</i> teaches the average person rules and philosophies that winners use to beat the market, regardless of the financial climate.	\$19.95	<b>\$15.96</b>
<b>6. Options Made Easy: Your Guide to Profitable Trading</b> - Cohen This is an easy-to-read yet comprehensive guide to options trading. It will guide through the process of selecting stocks and continue all the way to implementing the options trade safely.	\$39.99	<b>\$31.99</b>
<b>7. Options Playbook</b> – Brian Overby The Options Playbook was created to demystify option trading and teach different option plays for all market conditions.	\$35.00	<b>\$28.00</b>
<b>8. Reality Driven Investing: Statistics That Make a Difference</b> – Donald L. Hinman This book presents an easy-to-understand guide for scouting good stocks and how to identify them.	\$24.99	<b>\$19.99</b>
<b>9. Stock Market Profits: Seven Simple Secrets</b> – Drew Sands This is a short, easy-to-understand book for the stock market beginner, winner or loser that contains must-have information	\$17.91	<b>\$14.33</b>
<b>10. Stocks, Strategies &amp; Common Sense</b> – Bart DiLiddo, PhD This book contains the foundation and core concepts for the VectorVest Stock Analysis and Portfolio Management System. Dr. DiLiddo is the author of the book and founder of the VectorVest Advisory	\$19.95	<b>\$9.95</b>
<b>11. Technical Analysis from A to Z</b> - Achelis This book leads off with an easy-to-follow introduction to technical analysis. It explains what technical analysis is and how it works.	\$39.95	<b>\$31.96</b>
<b>12. The Art of Short Selling</b> - Staley A one-of-a-kind book that shows you how to cash in on the latest investing trend-SHORT SELLING.	\$70.00	<b>\$56.00</b>
<b>13. The Bible of Options Strategies: The Definitive Guide for Practical Trading Strategies</b> This is an all-in-one practical, easy-to-use reference guide to the world's most common options trades. It will teach you why each strategy works, when it is appropriate to use and how to place the trade step-by-step.	\$65.99	<b>\$52.79</b>
<b>14. The New Savage Number</b> - Savage This book illustrates strategic guidance steps along with hands-on techniques that are essential for one to plan for a successful retirement.	\$16.95	<b>\$13.56</b>
<b>15. The New Sell &amp; Sell Short</b> - Elder How to take profits, cut losses, and benefit from price declines. Expanded 2 <sup>nd</sup> Edition	\$39.99	<b>\$31.99</b>
<b>16. Trading Systems That Work: Building and Evaluation Effective Trading Systems</b> This book shows you how to combine today's best available information and techniques into a simple system that works for you-across all markets and market conditions.	\$55.00	<b>\$44.00</b>
<b>17. Way of the Turtle</b> - Curtis Faith This book takes a look at the legendary Turtle Traders and the famous experiment that made them millions. Curtis Faith breaks the silence to reveal the rules, timing, risk, rewards and secrets to his biggest trades and 100 percent annual returns.	\$27.95	<b>\$22.36</b>



# Agenda – Day 1

08:45 Welcome

09:00 The VectorVest Jockey Club

10:00 VectorVest System of Analyzing & Ranking Stocks

10:45 Break

11:00 Basic Tools for Finding, Analyzing & Managing  
Stocks

11:45 Using VectorVest Graphs to Pick Winners & Avoid  
Losers

12:30 Lunch

01:30 Timing the Market

02:30 Finding the Right Stocks

03:30 Break

03:45 Testing Your Ideas

04:30 Q & A

04:45 Adjourn

05:00 Cocktail Reception

06:00 SPECIAL PRESENTATION: Stock Valuation and Stock  
Market Cycles





# Agenda – Day 2

09:00AM Special Tools for Explosive Profits

09:45AM Managing Risk

10:45AM Break

11:00AM Top 2 Ways to Find Great Stocks in Hot Industries

12:00PM Served Lunch

01:00PM Cherry-Picking for Big Winners

01:45PM Break

02:00PM Genius New Way to Manage Sure-Fire Success  
Portfolios

02:45PM Seven Secrets to Making Money with VectorVest

03:30PM Putting It All Together

04:00PM Adjourn



*Day One*

*Morning Session*



VectorVest

The VectorVest Jockey  
Club

9:00 AM – 10:00 AM



## Agenda

- 09:00 AM – Recap of Yesterday's Activity
- 09:05 AM – Establish a Directional Bias
- 09:15 AM – Identify Movers and Shakers
- 09:30 AM – Start to Analyze the Top Derby Performers
- 09:50 AM – Place Your Trades
- 09:50 AM – Q&A

## Establish Directional Bias

- Check the Futures
  - DOW, S&P500, NASDAQ, and the DAX
- Consult the Homepage
  - **\*\*Use Extended Hours\*\***
  - Identify any Color Guard changes
  - Analyze VVC pre-market activity
- Market Timing Graph
  - Examine pre-market activity on a 'best fit' minute chart to determine the emerging trend



## Identify Movers & Shakers

- Industry Viewer
  - Sort Industry Viewer by %PRC Desc. Or Asc. (Depending on Your Directional Bias)
  - Open the Best Performing Industries and sort by %PRC (Desc. Or Asc.)
  - Create a Watchlist of Potential Candidates
- Stock Viewer
  - Sort by %PRC (Desc. Or Asc.)
  - Add the Best Performing Stocks to your Bullish or Bearish Watchlist
- Today's Derby (Prior Close)
  - Focus on Strategies right at the top
  - Identify searches with a majority of stocks performing well
  - Favor a persistently rising and hopefully exploding pre-market equity curve

## Start to Analyze the Top Derby Performers

- Finalize Market Direction
  - Look for '%60 Bullish' or '%60 Bearish' Searches
- Create Quickfolio(s) of strongest performers
  - Place trades on best performer and enter 5% trail into Portfolio Genius
- Monitor Alerts for trading decisions with your brokerage
  - Close any positions that hit your 5% trail during the day
  - Look to close the remaining basket before the closing bell

# Review Today's Activity

Q&A



**VectorVest**

**The VectorVest System  
of Analyzing and  
Ranking Stocks**

10:00 AM – 10:45 AM



## VectorVest

**VectorVest believes  
every investor should know:**

What a stock is really worth,  
How safe it is and,  
When to buy sell or hold.

## VectorVest

**VectorVest believes in**  
Buying rising stocks in rising markets and Selling  
falling stocks in falling markets.

## VectorVest

### **VectorVest believes**

The stock market is driven by Earnings, Inflation and Interest Rates.

## S&P500 Earnings



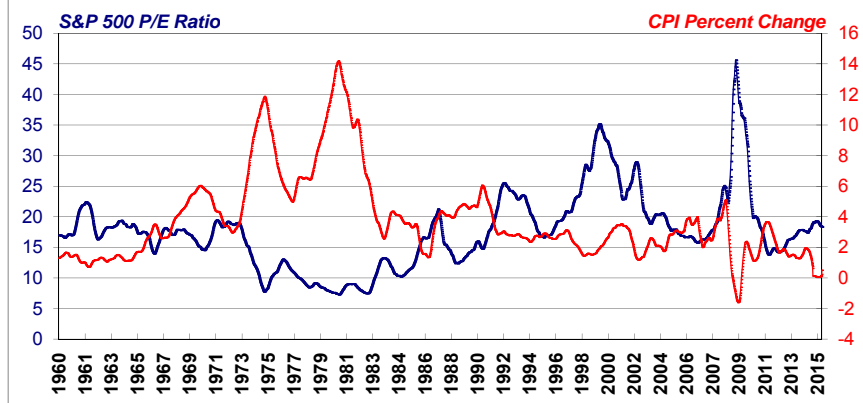
## How the Market Works

### Earnings

Stock Value goes up with rising earnings.

## Inflation

**S&P 500 P/E vs. CPI: Jan. 1960 to Dec. 2015**  
(20-week average)



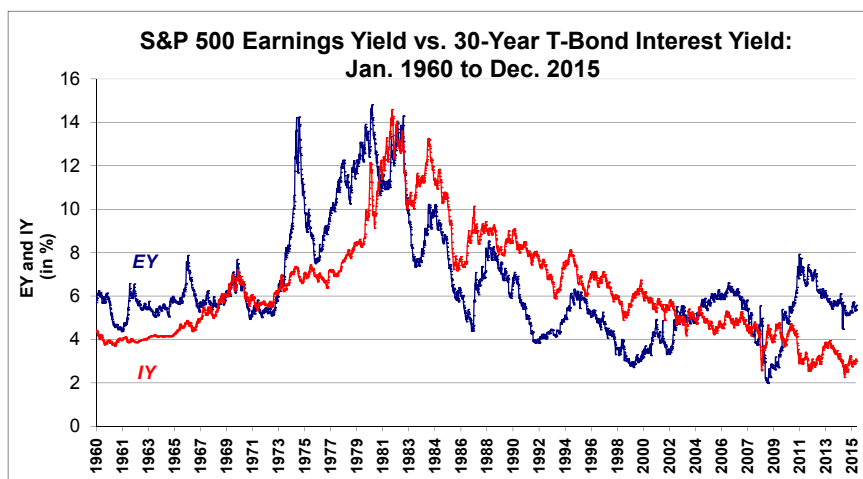


## How the Market Works

### Inflation

Stock Value goes up with falling inflation.

## Interest Rates



## How the Market Works

### Interest Rates

Stock Value goes up with falling  
interest rates.

## How the Market Works

### **Stock Value goes up when:**

Earnings go up,  
Inflation goes down and  
Interest Rates go down.

## How the Market Works

### **How Do Investors Decide where To Put Their Money?**

Stocks vs. Bonds

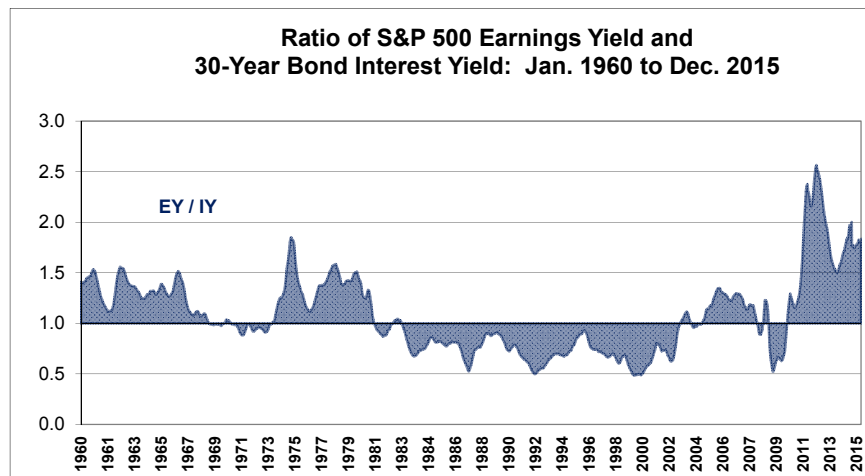
## How the Market Works

### **Money Goes Where Money Grows**

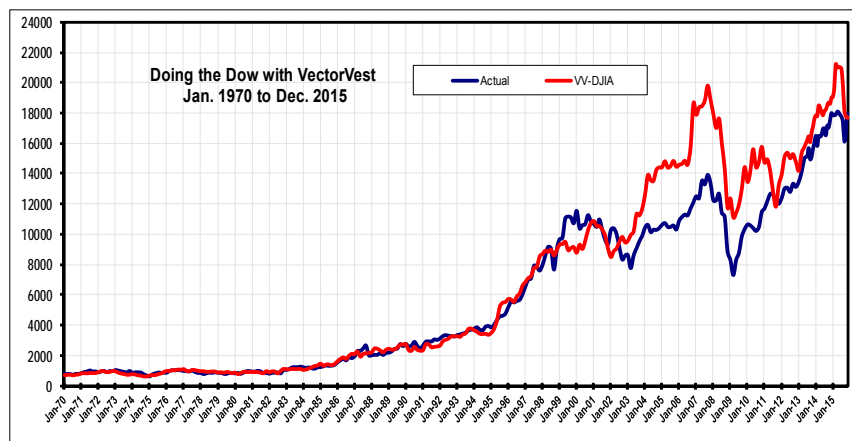
EY vs. IY

Earnings Yield vs. Interest Yield

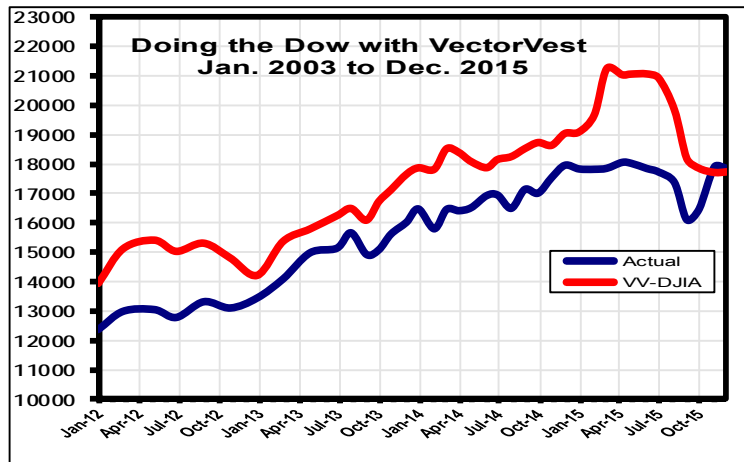
## Earnings Yield vs. Interest Yield



## Doing the Dow



## Doing the Dow



## How the Market Works

### The Yield Premium

Ideally:  $EY = IY$

In Reality:  $EY = IY + YP$

Where:  $YP = \text{Yield Premium}$

## How the Market Works

### Inherent Value

If:  $EY = IY + YP$

Then:  $100 \times (E/P) = IY + YP$

Or:  $100 \times (E/V) = IY + YP$

And:  $V = 100 \times [E/(IY + YP)]$

## How to Value Stocks

### Value of Disney (Walt), DIS

$$V = 100 \times [E / (IY + YP)]$$

$$V = 100 \times [5.65 / (5.37)]$$

$$V = \$105.21 / \text{Share}$$

Closing Price = \$113.83/Share\*

\* 12/07/2015

## How to Value Stocks

$$V = 100 \times [E / (IY + YP)] \\ \times \text{Sqr} [((R + G)/2) / (IY + YP + F)]$$

where

- E = Earnings in \$ / share
- IY = Interest Rate in %
- R = Profitability Factor in %
- G = Earnings Growth in % / yr.
- F = Inflation Rate in % / yr.

## How to Value Stocks

### Value of Disney (Walt), DIS

$$V = 100 \times [E / (IY + YP)] \times \text{Sqr} [((R + G)/2) / (IY + YP + F)] \\ V = 100 \times [5.65 / 5.37] \times \text{Sqr} [((7.1 + 15)/2) / (5.37 + .20)] \\ V = \$105.21 \times \text{Sqr} (1.41) \\ V = \$148.35 / \text{Share}^*$$

$$VV = \$135.65 / \text{Share}$$

\*12/07/2015

### Stocks Ranked by Value

Company	Symbol	Exch.	Price	Value
UnitedHlth Grp	UNH	xN	115.91	174.87
Amazon.com Inc	AMZN	xO	669.83	158.53
CBS Corp	CBS	xN	50.45	67.28
Micron Tech	MU	xO	14.85	12.12

\*Analysis as of 12/07/2015

## Relative Value

### **An Indicator of Long-Term Price Appreciation Potential**

Price, Value, Earnings Growth, AAA Corporate Bond Rates and Risk are used to compute Relative Value.



### Stocks Ranked by RV

Company	Symbol	Exch.	Price	Value	RV
UnitedHlth Grp	UNH	xN	115.91	174.87	1.48
CBS Corp	CBS	xN	50.45	67.28	1.23
Amazon.com Inc	AMZN	xO	669.83	158.53	1.11
Micron Tech	MU	xO	14.85	12.12	0.76

\*Analysis as of 12/07/2015

## Relative Safety

### **An Indicator of Risk**

Consistency and Predictability of Financial Performance are the Primary Factors in Assessing Relative Safety.

### Stocks Ranked by RS

Company	Symbol	Exch.	Price	Value	RV	RS
UnitedHlth Grp	UNH	xN	115.91	174.87	1.48	1.43
Amazon.com Inc	AMZN	xO	669.83	158.53	1.11	1.39
CBS Corp	CBS	xN	50.45	67.28	1.23	0.86
Micron Tech	MU	xO	14.85	12.12	0.76	0.81

\*Analysis as of 12/07/2015

## Relative Timing

### **An Indicator of Short-Term Price Trend**

The Direction, Magnitude and Dynamics of Price History are used to determine Relative Timing.

### Stocks Ranked by RT

Company	Symbol	Exch.	Price	Value	RV	RS	RT
Amazon.com Inc	AMZN	xO	669.83	158.53	1.11	1.39	1.55
CBS Corp	CBS	xN	50.45	67.28	1.23	0.86	1.42
UnitedHlth Grp	UNH	xN	115.91	174.87	1.48	1.43	0.94
Micron Tech	MU	xO	14.85	12.12	0.76	0.81	0.79

\*Analysis as of 12/07/2015

## VST-Vector

### The Master Indicator

VST-Vector combines RV, RS  
and RT into a single  
comprehensive indicator.

### Stocks Ranked by VST

Company	Symbol	Exch.	Price	Value	RV	RS	RT	VST
Amazon.com Inc	AMZN	xO	669.83	158.53	1.11	1.39	1.55	1.38
UnitedHlth Grp	UNH	xN	115.91	174.87	1.48	1.43	0.94	1.28
CBS Corp	CBS	xN	50.45	67.28	1.23	0.86	1.42	1.20
Micron Tech	MU	xO	14.85	12.12	0.76	0.81	0.79	0.79

\*Analysis as of 12/07/2015

## Stop-Price

### **An Indicator of When to Sell or Cover a Position**

An adjusted 13-Week Moving Average of Closing Prices is used to compute Stop-Prices.

### Stocks Ranked by Stop

Company	Symbol	Exch.	Price	Value	RV	RS	RT	VST	Stop
Amazon.com Inc	AMZN	xO	669.83	158.53	1.11	1.39	1.55	1.38	591.77
UnitedHlth Grp	UNH	xN	115.91	174.87	1.48	1.43	0.94	1.28	109.28
CBS Corp	CBS	xN	50.45	67.28	1.23	0.86	1.42	1.20	45.60
Micron Tech	MU	xO	14.85	12.12	0.76	0.81	0.79	0.79	15.02

\*Analysis as of 012/07/2015

## Recommendation

### The Bottom Line

All Factors are Considered in Making a B, S, H Recommendation.

### Stocks Ranked by REC

Company	Symbol	Exch.	Price	Value	RV	RS	RT	VST	Stop	REC
Amazon.com Inc	AMZN	xO	669.83	158.53	1.11	1.39	1.55	1.38	591.77	B
CBS Corp	CBS	xN	50.45	67.28	1.23	0.86	1.42	1.20	45.60	B
UnitedHlth Grp	UNH	xN	115.91	174.87	1.48	1.43	0.94	1.28	109.28	H
Micron Tech	MU	xO	14.85	12.12	0.76	0.81	0.79	0.79	15.02	S

\*Analysis as of 12/07/2105

## Buy, Sell or Hold Criteria

**Buy** (1) Price > Stop Price, (2) VST > 1, (3) RT > 1 and  
(4) Price must be diverging away from Stop Price

**Sell** Price < Stop Price

**Hold** Price > Stop, but any of the other three factors  
needed to receive a Buy are not met.



# VectorVest

# Break

10:45 AM – 11:00 AM





**VectorVest**

**Basic Tools for Finding,  
Analyzing & Managing  
Stocks**

11:00 AM – 11:45 AM



## Getting Started

The VectorVest Homepage is designed to read like the front page of your newspaper.

The headline story is always  
Market Timing.

## Market Timing

Direction is the key to making money in any market.

## Color Guard

The Color Guard provides a terse, accurate analysis of Market Direction.

## Customize Your Homepage

You can use Gadgets to put the information you want on your Homepage.

## Stock Viewer

The Stock Viewer is your entrance into VectorVest.  
It is an enormous spreadsheet of all VectorVest's Indicators and Parameters.

## Find Your Stocks

Use the "Find" button to locate stocks you're familiar with and see what VectorVest has to say about them.

## Analyze Your Stocks

Use the Stock Analysis Report for instantaneous analysis of any stock on any day.

## Analyze Groups & Sectors

VectorVest analyzes Industry Groups and Business Sectors in the same way it would analyze an individual stock.

*Birds of a feather flock together!*

## Analyze Groups, Sectors & ETFs

Relative Timing is the key indicator when analyzing Industry Groups, Business Sectors and ETFs.

## Build a WatchList

WatchLists allow investors or traders to apply the power of rank analysis to the securities that interest them the most.



## Creating a WatchList

1. Select a Group (Folder) from the WatchList Directory or create your own by clicking on the drop down arrow next to the 'New' Icon.
2. Click the 'New' Icon at the top of the WatchList Directory.
3. Type a Name for your WatchList. Add additional notes about the list to the Description field (date, purpose, etc.)
4. Click 'Add'.

## Adding Stocks to a WatchList

1. Type the company name, or ticker symbol, in the 'Add Symbol' box located on the Local Toolbar.  
**OR...**
2. Highlight a group of stocks and use the Right-Click Menu.  
**OR...**
3. Just drag and drop!  
**\* To delete a stock simply right-click and select delete item**

## Using WatchLists

- All WatchLists are ranked by VST-Vector.
  - The best stocks are at the top of the list.
  - The worst stocks are at the bottom of the list.
- Perform Rank Analysis.
- Analyze WatchList Averages.



**VectorVest**

**Using VectorVest  
Graphs to Pick Winners  
& Avoid Losers**

11:45 AM – 12:30 PM



## VectorVest Graphs

“A picture is worth a thousand words!”

*- Napoleon Bonaparte*

## Graph Types

- Stock
- Industry
- Sector
- Market Timing
- Performance

## Default Stock Graph Layout

- Price
- 40-Day SMA (Price)
- RT

## Displaying Graphs

- Multiple Tabs
- Detaching Windows
- Scrolling
- Time Frames
- MultiView

## Additional Graphing Features

- Drawing
- Cursors
- Zoom

## Layout Manager

- Customizing the Parameter List
- Customizing Parameters
- Creating Layouts
- Applying Layouts



## VectorVest Simple

Favor smooth, steady rising price and smooth steady rising earnings.

**VectorVest**

**LUNCH**

12:30 PM – 1:30 PM



*Day One*

*Afternoon Session*



**VectorVest**

# Timing the Market

1:30 PM – 2:30 PM



## Timing the Market

“The single most important thing to know is whether the market is going up or down. Everything follows from that.”

- *Dr. Bart A. DiLiddo*

## The VectorVest System

- Price of the VectorVest Composite
- Buy to Sell Ratio, BSR
- Relative Timing Indicator, RT
- Market Timing Indicator, MTI
- Color Guard



## Price of the VectorVest Composite

- Definition: An arithmetic index of over 8200 stocks in the database.
- Purpose: Portrays the market as a whole.
- Function: Displays the overall direction of the market.

## The Buy to Sell Ratio, BSR

- Definition: Ratio of Buy to Sell ratings of all the stocks in the database.
- Purpose: Indicates the internal composition of the market.
- Function: Signals the overall strength of a rally or retreat.

## The Relative Timing Indicator, RT

- Definition: An indicator of price direction, magnitude and momentum.
- Purpose: To display the nature of a stock's short-term price performance.
- Function: To allow immediate analysis of a stock's short-term price trend.

## The Market Timing Indicator, MTI

- Combines the Price of the VVC, the RT and the BSR into a single indicator.
- Signals the underlying trend of the market:
  - When  $MTI > 1.00$ , Uptrend
  - When  $MTI < 1.00$ , Downtrend

## Green Light Buyer

“The essence of the Green Light Buyer technique is that it's OK to buy stocks when a green light appears in the Price column of the Color Guard. It works because green lights appear only when the market is rising and buying rising stocks in rising markets is a sure-fire way to make money...”

*-Dr. Bart A. DiLiddo*

*(VV Views – 03/23/12)*

## Green Light Buyer

Date	VVC - Price	VVC - RT	% Buys	% Sells	BS Ratio	CG - Price	CG - RT	CG - BSR	MTI	Trend
2/6/2015	19.36	0.91	15.00	29.40	0.51	Y	Y	Y	1.11	UpUp
2/5/2015	19.41	0.92	15.90	29.00	0.55	G	Y	Y	1.12	UpUp
2/4/2015	19.28	0.90	14.70	30.00	0.49	Y	Y	Y	1.09	UpUp
2/3/2015	19.32	0.92	14.70	28.00	0.52	G	Y	Y	1.08	UpUp
2/2/2015	19.18	0.89	13.80	32.40	0.43	G	Y	Y	1.02	UpUp
1/30/2015	19.01	0.88	13.20	33.90	0.39	Y	Y	Y	0.97	DnDn



## Green Light Buyer

“Even so, green lights should not be used with impunity...all green lights are not alike. What do I mean by that? I mean that green lights which appear when prices are low offer better opportunities to make money than those that appear when prices are high”.

*-Dr. Bart A. DiLiddo  
(VV Views U.S. – 03/23/12)*

## Green Light Buyer

How do you know when it is too late to buy  
on a green light?

RT holds the Key!

## GLB/RT Kicker

**Up** signals are given when:

1. A **Green** Light is signaled in the Price column of the Color Guard.
2. The Relative Timing (RT) kicker is established when the following condition occurs while analyzing the VectorVest Composite (VVC): 10-Day RT SMA > 15-Day RT SMA.

**Down** signals are given when:

1. The confirmed call becomes C/Dn

**Neutral** signals are given when:

1. There is not a Green light signaled in the Color Guard Price column OR the 10-Day RT SMA <= 15-Day RT SMA
2. The confirmed call did not become C/Dn

## GLB/RT Kicker



## RT Kicker Combo

Why wait around for weeks sitting in a cash position?

Hedge your way to success!

## RT Kicker Combo

**Up** signals are given when:

1. CG Price = 'G' (Green)
2. 10-Day MA(RT) > 15-Day MA(RT)

**Down** signals are given when:

1. CG Price = 'R' (Red)
2. 10-Day MA(RT) < 15-Day MA(RT)

**Neutral** signals are given at all other times

## RT Kicker Combo



## DEW

D – Detrended Price Oscillator (DPO)

E – Envelopes

W – Weighted Moving Average (30 day)

## DEW

- An **upturn** is signaled when the Price of the VVC moves above the 30 day WMA ***and*** The Detrended Price Oscillator (DPO) is above Zero.
- A **downturn** is signaled when the Price of the VVC moves below the 30 day WMA and The Detrended Price Oscillator (DPO) is below Zero.

## Confirmed Signals

- An **upturn** is confirmed when the Price of the VVC moves up for two consecutive 5-day periods and the BSR is greater than 1.00.
- A **downturn** is confirmed when the Price of the VVC moves down for two consecutive 5-day periods and the BSR is less than 1.00.



## The Color Guard

Provides a simple, easily recognizable way of knowing when to buy

## VectorVest Views

The best place to gain market insights, find new strategies, and learn how to make money with VectorVest!

VectorVest

Finding the Right Stocks

2:30 PM – 3:30 PM



## Investment Styles & Strategies



## Finding the Right Stocks

UniSearch is the most powerful search engine ever created by man.

It can run Searches, Trends, Hi-Los and Deltas on Stocks, Industry Groups, Business Sectors, WatchLists and Portfolios individually or combined.

## Searches

- Searches look for stocks meeting a certain set of conditions at a fixed point in time.
- Searches can be performed on Stocks, WatchLists, Industries or Sectors.
- Searches are generally categorized as: Prudent, Conservative, Aggressive or Speculative.
- Searches can be sorted by Groups or Alphabetically.

## Using UniSearch

- Select Search Group
- Select Search
- Run search
- Use QuickTest to Check Results

## Performance Quick Test

Use Quick Test to Count Winners & Losers  
and measure raw performance.

## Conservative – Case Study

Date: 01/21/2015

Situation: GLB Up signal

Search: Conservative

1. Click on the UniSearch tab.
2. Click on Searches – Conservative folder, then Conservative.
3. Run Search on 0/21/15.
4. QuickTest to 03/10/15 - the first C/Dn.

## QuickTest Results

QuickTest - Conservative

1/21/2015 - 3/10/2015 Stream Run Test Reset Sort

Record Count - 10 (7 Winners, 3 Losers, 0 Even)

Symbol	Begin Price	End Price	% Price Cha	Total ARR
HUM	153.28	159.00	3.73%	28.40%
COST	139.14	148.16	6.48%	49.33%
XRAY	50.14	51.14	1.99%	15.18%
RL	169.52	130.46	-23.04%	-175.33%
ACE	110.54	110.11	-0.39%	-2.96%
CASY	91.30	87.55	-4.11%	-31.25%
INTU	86.40	95.39	10.41%	79.18%
DDS	114.70	129.68	13.06%	99.38%
VMI	118.04	120.91	2.43%	18.50%
ANTM	139.68	144.28	3.29%	25.06%
<b>Average:</b>	<b>\$117.274</b>	<b>\$117.668</b>	<b>1.39%</b>	<b>10.55%</b>
Compare To: VVC				
Symbol	Begin Price	End Price	% Price Cha	Total ARR
VVC	37.267	37.921	1.75%	13.35%

## Prudent – Case Study

Date: 01/21/2015

Situation: GLB Up signal

Search: Ruler Stocks

1. Click on the UniSearch tab.
2. Click on Searches – Prudent folder, then Ruler Stocks.
3. Run Search on 01/21/15.
4. QuickTest to 03/10/15 - the first C/Dn.

## QuickTest Results

QuickTest - Ruler Stocks

1/21/2015 - 3/10/2015 Stream Run Test Reset Sort

Record Count - 10 (7 Winners, 3 Losers, 0 Even)

Symbol	Begin Price	End Price	% Price Cha	Total ARR
GILD	103.58	98.83	-4.59%	-34.90%
ALXN	179.26	181.28	1.13%	8.57%
SWKS	77.30	91.20	17.98%	136.83%
CALM	36.27	37.01	2.04%	15.53%
SHPG	216.98	237.88	9.63%	73.30%
CMG	703.89	654.74	-6.98%	-53.13%
GIII	47.12	50.935	8.10%	61.61%
ODFL	71.84	76.81	6.92%	52.64%
MNST	118.54	135.92	14.66%	111.57%
FFIV	125.95	112.29	-10.85%	-82.53%
<b>Average:</b>	<b>\$168.073</b>	<b>\$167.6895</b>	<b>3.80%</b>	<b>28.95%</b>

Compare To: VVC

Symbol	Begin Price	End Price	% Price Cha	Total ARR
VVC	37.267	37.921	1.75%	13.35%

## Aggressive – Case Study

Date: 01/21/2015

Situation: GLB Up signal

Search: Bottle Rockets

1. Click on the UniSearch tab.
2. Click on Searches – Aggressive folder, then Bottle Rockets.
3. Run Search on 01/21/15.
4. QuickTest to 03/10/15 - the first C/Dn.



## QuickTest Results

Symbol	Begin Price	End Price	% Price Cha	Total ARR
TSEM	14.22	16.39	15.26%	116.12%
FSL	26.90	39.81	47.99%	365.19%
AAL	53.67	46.735	-12.92%	-98.32%
SWKS	77.30	91.20	17.98%	136.83%
ASM	1.81	1.29	-28.73%	-218.61%
PME	2.58	2.66	3.10%	23.60%
PDCE	47.60	50.755	6.63%	50.44%
SUMR	3.30	2.80	-15.15%	-115.29%
IPHI	19.00	17.45	-8.16%	-62.08%
INSY	24.355	29.74	22.11%	168.25%
<b>Average:</b>	<b>\$27.0735</b>	<b>\$29.883</b>	<b>4.81%</b>	<b>36.61%</b>
Compare To: VVC				
Symbol	Begin Price	End Price	% Price Cha	Total ARR
VVC	37.267	37.921	1.75%	13.35%

## Speculative – Case Study

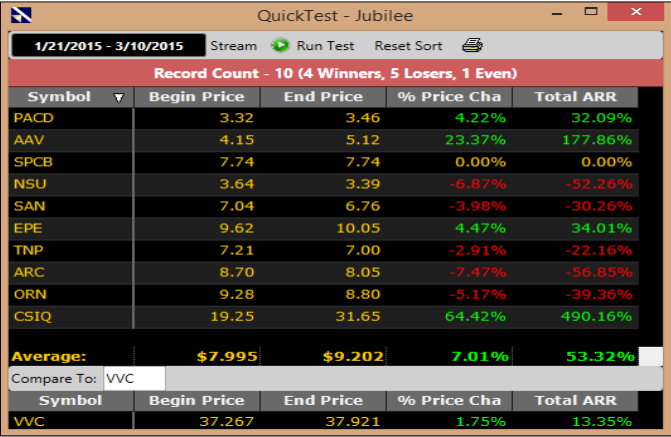
Date: 11/21/2015

Situation: GLB Up signal

Search: Jubilee

1. Click on the UniSearch tab.
2. Click on Searches – Speculative folder, then Jubilee.
3. Run Search on 01/21/15.
4. QuickTest to 03/10/15 – the next C/Dn.

## QuickTest Results



QuickTest - Jubilee

1/21/2015 - 3/10/2015 Stream Run Test Reset Sort

Record Count - 10 (4 Winners, 5 Losers, 1 Even)

Symbol	Begin Price	End Price	% Price Cha	Total ARR
PACD	3.32	3.46	4.22%	32.09%
AAV	4.15	5.12	23.37%	177.86%
SPCB	7.74	7.74	0.00%	0.00%
NSU	3.64	3.39	-6.87%	-52.26%
SAN	7.04	6.76	-3.98%	-30.26%
EPE	9.62	10.05	4.47%	34.01%
TNP	7.21	7.00	-2.91%	-22.16%
ARC	8.70	8.05	-7.47%	-56.85%
ORN	9.28	8.80	-5.17%	-39.36%
CSIQ	19.25	31.65	64.42%	490.16%
<b>Average:</b>	<b>\$7.995</b>	<b>\$9.202</b>	<b>7.01%</b>	<b>53.32%</b>
Compare To:	VVC			
Symbol	Begin Price	End Price	% Price Cha	Total ARR
VVC	37.267	37.921	1.75%	13.35%

## Refining Strategies

- Filter by a WatchList
- Use Selected Industries
- Use Selected Exchanges
- Use only Optionable Stocks
- Edit existing Strategies
- Create New Strategies

## Trade Now

Select any stock(s) and use the brand new Trade Now feature to execute trades immediately.

## Trade Now

The Trade Now button links to your TradeKing account and allows you to Buy, Sell or Short any stock directly through VectorVest.

# Trade Now

Orders Status: All Orders

Symbol	Action	Type	Qty	Status	Bid	Ask	Last	Fill Price	Duration	Transaction Time	Order ID

Order Ticket Preferences ...

Symbol	Company	Action	Bid	Ask	Last	Qty	Order Type	Limit	Duration	
HP	Helmrch&Payne	Buy	61.40	61.46	61.43	0	Market	61.43	Day	X
NUS	Nu Skin EntprA	Buy	38.87	38.93	38.93	0	Market	38.9	Day	X
ATVI	Activision	Buy	19.91	19.92	19.912	0	Market	19.92	Day	X
LECO	Lincoln Elec	Buy	66.75	66.81	66.82	0	Market	66.78	Day	X
NKE	Nike Inc. B	Buy	95.26	95.28	95.28	0	Market	95.27	Day	X



**VectorVest**

**Break**

3:30 PM – 3:45 PM



VectorVest

Testing Your Ideas

3:45 PM – 4:30 PM





## Testing Your Ideas

### **VectorVest 7 has four ways to test your ideas:**

1. QuickTest
2. QuickFolio
3. BackTest
4. Genius

## QuickTest

Provides a fast way of testing the performance of a group of stocks over a selected time period.

## QuickFolio

Creates a (X) stock portfolio with a few clicks of the mouse.

## BackTest

Provides a fast, convenient way of establishing the efficacy of the strategy and to refine money management techniques.

## Performing a BackTest

You can always refer to the BackTest tutorial to see how it's done.



## Performing a BackTest

### **BackTest Wizard**

Is a tool that allows you to create back-tests in a straight forward, intuitive manner.

## Performing a BackTest

You can build your own or select an existing trading system by choosing a backtest template.

\*AutoTimer is needed to have access to the templates

## Performing a BackTest

### **Sure Bets**

A QuickTest of the top 10 stocks showed that from 10/21/14 (First Green Light after a C/Dn) to 12/10/14 (The next C/Dn) this search gained 5.92% with 6 winners and 4 Losers.

Can we make it better?

## Performing a BackTest

### **Performance Reports**

- Summary Report
- Situational Summary Report

## The Genius

The Genius functions in real-time and allows you to paper trade and/or monitor your existing portfolios.

## The Genius

Portfolios can be paper traded manually or by using Portfolio Automation.

## The Genius

### **Entering Your Existing Portfolios**

1. Click 'New' and enter the relevant information to best mimic your trading account.
2. Click on the portfolio name you just created to activate it and then select 'Add Trade'.
3. Choose the Trade Type by clicking the drop down arrow: Buy Long (Open), Sell Long (Close), Sell Short (Open), Cover Short (Close).
4. Type the company name or symbol in the box below.
5. Select the correct date and the quantity of shares.
6. Click 'Get Price' or type your own.
7. Click 'Apply'.
8. Repeat steps 3-7 for each trade. Click 'OK' when finished.

# The Genius

## Various Reports

Transaction Log

Summary Report

Diversification Graph

Trade History





# VectorVest

Q&A

4:30 PM – 4:45 PM



VectorVest

VectorVest Two-Day  
Investment Seminar

End of Day One



VectorVest

VectorVest Two-Day  
Investment Seminar

Day 2



# *Day Two*

## *Morning Session*





**VectorVest**

**Special Tools For  
Explosive Profits**

9:00 AM – 9:45 AM



## Explosive Profits

### Special Tools

Hi - Lo

Trend

Delta

## Hi-Lo

- Allows you to search for stocks hitting new price Highs or Lows over any period of days or weeks.
- Hi-Lo can be run separately or in combination with other searches.
- Can be run on Stocks, Industries, Sectors or Watch Lists individually or in combinations.

# Hi – Lo Case Study

Date: 09/02/2015

Situation: GLB Up signal

Search: High CI Favorites

1. Click on the UniSearch tab.
2. Click on Searches – Price-Volume folder and then select High CI Favorites.
3. Run Search on 09/02/15.
4. QuickTest to 11/17/15 - the next C/Dn.

# QuickTest Results

Symbol	Begin Price	End Price	% Price Cha	Total ARR
BEAT	15.37	12.42	-19.19%	-92.24%
FIX	28.06	29.92	6.63%	31.86%
HCKT	14.21	19.45	36.88%	177.22%
KFRC	26.78	27.13	1.31%	6.28%
CENTA	13.62	15.56	14.24%	68.45%
ATVI	28.37	36.12	27.32%	131.29%
VLRS	13.68	16.72	22.22%	106.80%
SABR	27.51	28.01	1.82%	8.73%
UEPS	19.32	15.03	-22.20%	-106.72%
CCRN	14.22	17.34	21.94%	105.45%
<b>Average:</b>	<b>\$20.114</b>	<b>\$21.77</b>	<b>9.10%</b>	<b>43.71%</b>
Compare To: VVC				
Symbol	Begin Price	End Price	% Price Cha	Total ARR
VVC	35.937	36.366	1.19%	5.74%

## Favorite Hi-Lo Applications

- Stocks Hitting 52-Week Price Highs.
- Stocks Hitting 26-Week Price Lows.
- Repetitive New Price Highs or Lows.
- Industries & Sectors Hitting Repetitive Highs or Lows.

## Trends

- A Trend search finds Stocks, Industries, Sectors or WatchLists exhibiting a certain pattern.
- Trend Searches can be run separately or in combination with other searches.
- Trend Searches can be run on Stocks, Industries, Sectors or WatchLists individually or in combination with each other.

## Trends – Case Study

Date: 09/02/2015

Situation: GLB Up signal

Search: New Hold, Old Sell

1. Click on the UniSearch tab.
2. Click on Trends – Bottom Fishing and then select New Hold, Old Sell
3. Run Search on 09/02/15
4. QuickTest to 11/17/15 - the next C/Dn.

## QuickTest Results

Symbol	Begin Price	End Price	% Price Cha	Total ARR
AAPL	112.34	113.69	1.20%	5.78%
AOS	64.03	77.01	20.27%	97.42%
EBIX	28.32	37.03	30.76%	147.81%
EGRX	82.55	78.61	-4.77%	-22.94%
DIS	101.89	116.13	13.98%	67.17%
UTHR	153.75	148.02	-3.73%	-17.91%
HELE	83.79	101.52	21.16%	101.69%
AMAG	64.99	29.55	-54.53%	-262.07%
ABT	44.24	44.77	1.20%	5.76%
ASGN	35.42	46.63	31.65%	152.10%
<b>Average:</b>	<b>\$77.132</b>	<b>\$79.296</b>	<b>5.72%</b>	<b>27.48%</b>
Compare To: VVC				
Symbol	Begin Price	End Price	% Price Cha	Total ARR
VVC	35.937	36.366	1.19%	5.74%

## Trend Favorites

- New Buys
- New Sells
- Uptrending ETFs
- Down Hill Racers
- Power Play: Double Ups
- BF - <>B, <>B, =B, =B, =B, =B

## Delta

- Finds stocks with the highest magnitude of percentage change over a defined period of days or weeks.
- Can be used on almost any parameter contained within Stock Viewer.
- Can be run on Stocks, Industries, Sectors or Watch Lists individually or in combination with other searches.



## Delta – Case Study

Date: 01/21/2015

Situation: GLB Up signal

Search: Firework Stocks

1. Click on the UniSearch tab.
2. Click on Delta Searches – Stocks folder, then Firework Stocks.
3. Run Search on 01/21/15.
4. QuickTest to 03/10/15 - the next C/Dn.

## QuickTest Results

QuickTest - Firework Stocks				
1/21/2015 - 3/10/2015 Stream Run Test Reset Sort				
Record Count - 10 (7 Winners, 3 Losers, 0 Even)				
Symbol	Begin Price	End Price	% Price Cha	Total ARR
OVAS	47.45	42.95	-9.48%	-72.16%
RDUS	36.90	47.79	29.51%	224.57%
TTPH	34.41	35.41	2.91%	22.11%
AGIO	121.71	105.40	-13.40%	-101.97%
ESPR	45.43	67.74	49.11%	373.69%
ADXS	8.37	12.33	47.31%	360.01%
KITE	67.32	65.26	-3.06%	-23.28%
VIMC	8.46	8.50	0.47%	3.60%
BLUE	92.34	117.12	26.84%	204.20%
CEMP	25.72	35.37	37.52%	285.50%
<b>Average:</b>	<b>\$48.811</b>	<b>\$53.787</b>	<b>16.77%</b>	<b>127.63%</b>
Compare To: VVC				
Symbol	Begin Price	End Price	% Price Cha	Total ARR
VVC	37.267	37.921	1.75%	13.35%

## Favorite Delta Applications

- The best way of observing internal market rotation is by noting the percentage changes in RT of Business Sectors and Industry Groups over various time periods.
- Should be used in conjunction with the RT Rank Analysis of Business Sectors and Industry Groups.
- Can be run on Stocks, Industries, Sectors or WatchLists.



# Trading Like A Pro

## Managing Risk

9:45 AM – 10:45 AM



## Risk Management

Trade Implementation begins with good  
Risk Management

## Risk Management

Quality risk management should help in a  
number of ways:

- Improve Profitability
- Preserve Capital
- Enhance Confidence

## Risk Management Tactics

### Asset Allocation

“Every investor needs to determine the best asset allocation mix for them based upon their own ability to accommodate risk.”

-Dr. Bart A. DiLiddo  
(VV Views – 02/07/03)

## Risk Management Tactics

### Risk is a function of earnings power

- Low earnings power
  - Consider lower risk investments such as Bonds or Notes
- High earnings power
  - Consider higher risk investments such as Stocks or Options

## Risk Management Tactics

### Diversification

Diversify in When and What you buy.

## Risk Management Tactics

- Maintain a 10 – 20 stock portfolio
- Step into the market acquiring a few positions at a time.
- Limit positions to no more than 2 per industry
- Use options to gain leverage and reduce risk



## Risk Management Tactics

### Position Sizing and Stop Losses

You should not risk anymore than 1-2% of your portfolio value on any single position.

## Maximum Risk Per Trade

Portfolio Value X 1% = Max Risk

\$10,000 X 1% = \$100

\$100,000 X 1% = \$1,000

## Risk Management Tactics

$$S = (100 * R * N) / C$$

Where

S = Stop-Loss Percent.

R = % Risk on any single position.

N = Number of positions, and

C = Percent of Capital employed.

Basically, we like to keep R, the percent risk of loss on any single position, equal to one percent. So with five positions and 100% of our capital invested, we should be using a 5% Stop-Loss.

## Position Value vs. Max Stop Loss

Portfolio Value	Position Value	Max Stop Loss	Max Risk (1%)
\$10,000	\$2,000	5%	\$100
\$10,000	\$1,000	10%	\$100
\$10,000	\$500	20%	\$100

## Risk Management Tactics

Confirm Market Follow Through  
Or Use  
Buy Stop Limit Orders

## Risk Management Tactics

**Buy Stop Limit Order:** An order placed with a broker that combines the features of a stop order with those of a limit order. A stop-limit order will be executed at a specified price (or better) after a given stop price has been reached. Once the stop price is reached, the stop-limit order becomes a limit order to buy (or sell) at the limit price or better.

\*Investopedia.com

## Risk Management Tactics

### Buy Stop Limit Orders

Set BSL order 1/8 point higher than the previous day's close or high price.

## Risk Management Tactics

For example, let's assume that PSXP hit a high of \$60 on May 22<sup>nd</sup> and an investor wants to buy the stock once it begins to show some serious upward momentum. The investor has put in a stop-limit order to buy with the stop price at \$60.12 (1/8 point) and the limit price at \$60.62 (1/2 point above the buy stop order). If the price of PSXP moves above the \$60.12 stop price, the order is activated and turns into a limit order. As long as the order can be filled under \$60.62 (the limit price), then the trade will be filled. If the stock gaps above \$60.62, the order will not be filled.

## Buy Stop Limit Order Example Chart (PSXP)



## Risk Management Tactics

### Tip # 1

If price crosses below its 40-Day MA, that is an excellent early warning signal.

## Risk Management Tactics

### Tip # 2

If RT crosses below 1.0, that tells you the stock's price is now in a down trend.

## Risk Management Tactics

### Tip # 3

If the REC has turned to a sell, ignore at your own risk.

## Risk Management Tactics

### Tip # 4

Never give back more than half your profits.

## Risk Management Tactics

### Tip # 5

If the price crosses below a trend line, consider selling.  
You can adjust trend lines up, but never adjust them  
lower.

## Risk Management Tactics

### Tip # 6

Sell a covered call.

## Risk Management Tactics

### Tip # 7

Buy a put option.



## Risk Management Tactics

### Tip # 8

Combine 6 & 7 to create a collar option.

## Risk Management Tactics

### Tip # 9

Sell the share outright.

## Risk Management Pointers

1. 1% Rule: Never Risk more than 1% of Portfolio value in any trade.
2. Evenly 'Dollar Weight' your portfolio
3. Keep Commissions low
4. Confirm market follow through before taking positions
5. Step-in to build portfolio
6. Never give back more than 50% of your gain
7. Cash is a position

## Risk Management Tactics

### Important Essays

- 02/07/03 Asset Allocation  
08/18/06 Risk, Patience and Reward  
08/25/06 Risk, Patience and Reward II  
09/01/06 Risk, Patience and Reward III  
02/20/09 How to Set the Right Stop-Loss Percent  
06/26/09 Position Sizing and Portfolio Management



**VectorVest**

**Break**

10:45 AM – 11:00 AM



**VectorVest**

**Top 2 Ways to Find  
Great Stocks in Hot  
Industries**

11:00 AM – 12:00 PM



## VectorVest

### The Key to Consistent Success is to Buy

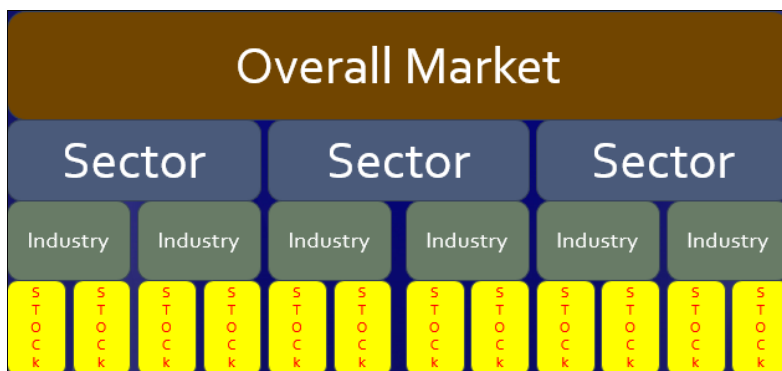
- Great Stocks
- Rising in Price
- Rising Industry Groups
- Rising Market

## Segmenting the Market

- Overall Market
- Business Sectors
- Industry Groups
- Individual Stocks



## Segmenting the Market



## RT Holds the Key

VectorVest advocates buying rising stocks, in rising Industry Groups and/or Business Sectors, in rising markets.

## Segmenting the Market

High Fliers

Industry Name	Rank
Industry A	1
Industry B	2
Industry C	3
Industry D	4
Industry E	5
Industry F	6
Industry G	7
Industry H	8
Industry I	9
Industry J	10

Movers & Shakers



## Industry Groups & Business Sectors

***Birds of a Feather Flock Together.***

*VectorVest analyzes Industry Groups and Business Sectors in the same way it would analyze an individual stock.*

## Analyzing Groups & Sectors

### ***Ranked by Relative Timing, RT***

Relative Timing is the key indicator when analyzing Industry Groups and Business Sectors

## Analyzing Groups & Sectors

### Relative Timing, RT



## Segmenting the Market

How do you find these great stocks in hot industries?

## Segmenting the Market

There are 2 ways to find great stocks in hot industries!

- 1 focuses on finding High Fliers
- 1 focuses on finding Movers and Shakers

## High Fliers

### **Number ONE**

Top RT Industries Gadget  
Home Tab

## Movers and Shakers

### **Number Two**

Cherry-Pick Buy Rated Stocks From Top 10-  
Day RT Delta Industries

## Group & Sector Performance

### ***RT Shows What's Hot and What's Not***

1. *Beware of Stocks in Groups Falling from Top 30 Ranked by RT*
2. *Bottom-Fish for Stocks Rising from Bottom 20 Ranked by RT*
3. *Is RT Rank Above or Below that of the VVC?*

## Group & Sector Graphics

### ***A Picture is worth a Thousand Words!***

*Industry Group and Business Sector graphs provide the best indication of what has happened in the past, what is happening now and what is likely to happen in the future*

## Group & Sector Graphics

### ***The Past is Prologue***

1. *Examine Long-Term Price Trends*
2. *Study the Relationship between Price, Stop, and Relative Timing*
3. *Examine 10 x 30 Week Moving Average Crossovers*

## VectorVest

### Important Essay

December 19, 2014    When To Buy Energy Stocks

**VectorVest**

**LUNCH**

12:00 PM – 1:00 PM





*Day Two*

*Afternoon Session*



**VectorVest**

**Cherry-Picking for Big  
Winners**

1:00 PM – 1:45 PM



## Cherry Picking

### Using Stock Viewer

Sorting is the Alpha and Omega of searching for Big Winners.

## Cherry Picking

### Using Stock Viewer

Stock Viewer contains a gold mine of information. You can make some great discoveries by sorting different column headings.

Read the November 10, 2006 VV Views

## Cherry Picking

### Before buying any stocks:

1. Check for the Fundamentals.
2. Always study the graph. What you see is what you get.
3. Check Industry Group price performance.
4. Check rank within the Industry Group by VST-Vector and by RS.
5. Consider buying only the highest ranked stocks, and selling only the lowest ranked stocks.
6. Check VectorVest News for additional information.

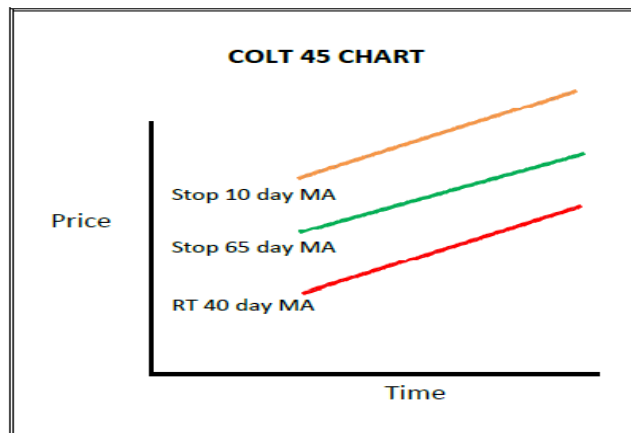
## Cherry Picking

“It takes three things: A system that works, powerful tools and a methodology that is easy to use.”

*-Dr. Bart A. Diliddo*

*(VV Views-03/15/13)*

## Cherry Picking



## Midas Touch

### 4 Graph Analysis Rules

1. The 10-Day Stop Price MA must be above the 65-Day Stop Price MA.
2. Both Stop Price MA's must be hitting new 3 month highs.
3. The 40-Day RT MA must be above 1.
4. The 40-Day RT MA must be hitting a new 3 month high.





# VectorVest

# Break

1:45 PM – 2:00 PM



**VectorVest**

**Genius New Way to  
Manage Your Portfolio  
With RoboTrader**

2:00 PM – 2:45 PM



## VectorVest

Effective portfolio management begins  
with preparation.

1. When to be Bullish vs. Bearish
2. What stocks to pick
3. When to close a position

## Sure-Fire Success

It's now easier than ever to follow  
Sure-Fire Success.

All you need to do is consult the Genius!

## Sure-Fire Trading Systems

Sure-Fire Success is as easy as  
**1-2-3!**

1. When to be Bullish vs. Bearish
2. What stocks to pick
3. When to close a position

## Sure-Fire Trading Systems

Sure-Fire Trading Systems are a rules driven portfolios that make money year in and year out regardless of market direction.

## VectorVest

Remove Emotion From Your Portfolio

## VectorVest

Let the VectorVest Portfolio Genius handle:

- Closing positions when they've met your stop criteria
- Opening new positions from the search of your choice
- Change trading rules based on VectorVest's market timing signals



## VectorVest

RoboTrader brings our “Trade Now” technology to our Portfolio Genius enabling a whole new level of trading ease and accuracy.

## When to be Bullish vs. Bearish

### Confirmed Calls

An **upturn** is confirmed when the Price of the VVC moves up for two consecutive 5-day periods and the BSR is greater than 1.00.

A **downturn** is confirmed when the Price of the VVC moves down for two consecutive 5-day periods and the BSR is less than 1.00.

## What Stocks to Pick

Select stocks from the 'CC - S&P500 Winners' search (Bullish) and the 'CC - Vern's Vultures' search (Bearish) found in the 'Searches – Sure-Fire Success' folder in the UniSearch Tool.

## CC – S&P Winners/Vern's Vultures



## When to be Bullish vs. Bearish

### Green Light Buyer

**Up** signals are given when:

1. The color of the price column in the color guard is Green

**Down** signals are given when:

2. The confirmed call becomes C/Dn

**Neutral** signals are given at all other times

## What Stocks to Pick

Select stocks from the 'GLB - Safe and Sound' search found in the 'Searches – Sure-Fire Success' folder in the UniSearch Tool.

## GLB – Safe and Sound



## When to be Bullish vs. Bearish

### RT Kicker Combo

**Up** signals are given when:

1. CG Price = 'G' (Green)
2. 5 Day MA(RT) > 25 Day MA(RT)

**Down** signals are given when:

1. CG Price = 'R' (Red)
2. 5 Day MA(RT) < 25 Day MA(RT)

**Neutral** signals are given at all other times

## What Stocks to Pick

Select stocks from the 'RTC - Great Growth Stocks' search found in the 'Searches – Sure-Fire Success' folder in the UniSearch Tool.

## RTC – Great Growth Stocks



## What Stocks to Pick

Select stocks from the 'RTC – S&P500 Winners' search found in the 'Searches – Sure-Fire Success' folder in the UniSearch Tool.

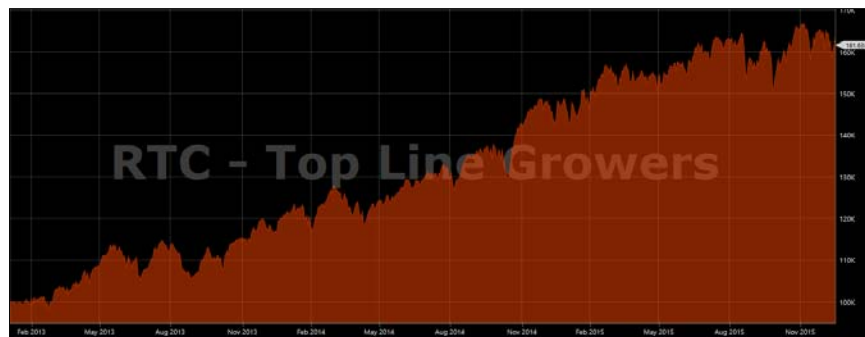
## RTC – S&P500 Winners



## What Stocks to Pick

Select stocks from the 'RTC – Top Line Growers' search found in the 'Searches – Sure-Fire Success' folder in the UniSearch Tool.

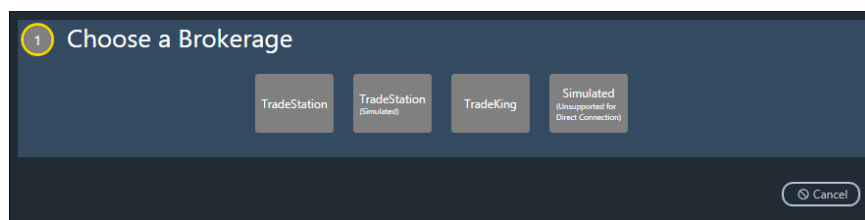
## RTC – Top Line Growers



## When to Close A Position

Search	Gain	Loss	Search	Gain	Loss
CC - S&P500 Winners	50%	10%	Great Growth Stocks	10% Trailing Stop, 50% Gain/10% Loss	
Vern's Vultures	10% Trailing Stop			RTC - S&P500 Winners	30%
Safe and Sound	VST < 1		Top Line Growers	40%	10%

## Choose a Brokerage Account





# Add a Trading System

Portfolio Genius Alert Settings

AutoTimer

Name: New Trading System

Description:

Initial Investment: 10000

What trading system do you want to use?

**Market Timing**

Confirmed Calls

**Rules (C/UP)**

Buy Long  
Search: CC - 50/500 Winners  
Stop Criteria: 50.0 % Gain or 10.0 % Loss  
Try to maintain 5 positions  
Automatically replace closed positions  
Invest average portfolio value

**Rules (C/DN)** Current

Sell Short  
Search: CC - Vorn's Vultures  
Stop Criteria: 10.0 % Trailing Stop  
Try to maintain 5 positions  
Automatically replace closed positions  
Invest average portfolio value

Select Trading System Customize Trading System

How would you like to handle closing positions?

Close positions before opening new ones  Close and open positions at the same time

How often do you want the Genius to check your positions?

Throughout Market Hours  Once Per Day (after Market Close)

Do you want the Genius on or off?  ON  OFF

Cancel Save

# VectorVest

Midastouch - RAL Stop Actual

Home Portf: \$0.00 New Portf: \$10,543.74 1.60 % 3.44 %

Robotrader Action Items

Recommendations

Recommendation as of 5/16/2015 1:05 PM

- Sell Long 177 shares of WYME at 1.00

Portfolio Midastouch

Midastouch - RAL Stop Actual

Trading System Holdings

Company	Symbol	Type	Cost / Share	Price	Gain / Share	R/R	Quantity	Cost Basis	Market Value	Gain	ROI	Positions	UPPER	Purchase
A L W INC FR	ALW	Long	\$7.94	7.885	-0.055	0.00	176	\$1,400.44	\$993.71	-406.73	-29.07%	1	0.00	5/11
Deere & Co	DE	Long	\$9.23	6.44	-2.79	0.00	108	\$1,000.00	\$700.00	-300.00	-30.00%	1	0.00	5/11
Horus Motors	HOR	Long	\$2.71	3.05	0.34	0.12	377	\$1,031.87	\$1,149.85	\$117.98	11.53%	1	0.00	5/11
Tacomasah Prod	TSCU	Long	\$5.01	4.99	-0.02	0.00	200	\$1,002.00	\$998.00	-4.00	-0.40%	1	0.00	5/11
Lanxon Pharm	LXP	Long	\$13.01	14.17	1.16	0.09	77	\$1,002.00	\$1,091.09	\$89.09	8.89%	1	0.00	5/11
Leopold Weiss	LEW	Long	\$1.63	1.78	0.15	0.09	628	\$1,035.52	\$1,097.98	\$62.46	6.04%	1	0.00	5/11
Ina	XIA	Long	\$13.00	13.100	0.10	0.00	88	\$1,154.00	\$1,152.80	-1.20	-0.10%	1	0.00	5/11
Central Bank	CBNA	Long	\$14.26	15.83	1.57	0.11	70	\$1,000.00	\$1,108.10	\$108.10	10.81%	1	0.00	5/11
Cardinal Inv	CAI	Long	\$18.27	18.17	-0.10	0.00	61	\$1,114.37	\$1,108.37	-6.00	-0.54%	1	0.00	5/11
Wanda Edu	WUE	Long	\$5.17	5.15	-0.02	0.00	194	\$1,002.98	\$999.18	-3.80	-0.38%	1	0.00	5/11

VectorVest

Seven Secrets to  
Making Money  
with VectorVest

2:45 PM – 3:30 PM



## The First Secret

Keep It Simple

Keep it Simple

Buy Safe,  
Undervalued Stocks,  
Rising in Price

## Keep it Simple

### The VectorVest System

- Relative Value, RV, is a Long-Term Indicator of Value.
- Relative Safety, RS, is the Missing Link.
- Relative Timing, RT, is the Most Important Indicator.
- Value-Safety-Timing-Vector, VST is the Master Indicator.

## Keep it Simple

### Build a WatchList of Your Stocks

Provides the Fastest, Easiest Way to Learn VectorVest.  
Takes the Guesswork Out of Managing Your Portfolio.  
Saves Hours and Hours of Valuable Time.

## Keep it Simple

### Managing Your Portfolio

Sell Low VST-Vector Stocks Going Down in Price.  
Buy High VST-Vector Stocks Going Up in Price.

## The Second Secret

### **Learn to Read Graphs**

## Learn to Read Graphs

### A Picture is Worth a Thousand Words

#### Graphs Don't Lie

Graphs Reveal a Stock's DNA.  
What You See is What You Get.

Favor Smooth Price Patterns,  
Rising from Lower Left to Upper Right Side.

## Learn to Read Graphs

### Standard Graphs

Stocks, ETFs and WatchLists  
Industry Groups and Business Sectors.

## Learn to Read Graphs

### Market Timing Graphs

The Market Timing Graph,  
DEW Timing Graphs

## Learn to Read Graphs

### Special Graphs

Midas Touch,  
Performance Graphs,  
Investment Climate Graphs.



The Third Secret

Heed the Color Guard

Heed the Color Guard

The Daily Color Guard  
is a  
Precise System of Timing the Market.

It is so Important,  
it's Located at the Top of the Home Page.

## Heed the Color Guard

### Functions Like a Traffic Light

Green is Bullish, it's OK to Buy,  
Yellow is Neutral, Caution is Advised,  
Red is Bearish, do not Buy any Stocks.

THE COLOR GUARD DOES NOT TELL YOU WHEN TO SELL.

## Heed the Color Guard

Watch the Daily Color Guard Reports

## The Fourth Secret

Exploit the Home Page

Exploit the Home Page

All the Information You Need to Make Money  
with VectorVest is on the Home Page.

## The Fifth Secret

### Learn to Trade Options

## Why Trade Options?

### Options can be used to:

1. Provide Leverage,
2. Reduce Risk,
3. Lower Costs,
4. Generate Income,
5. Increase Alternatives,

but they must be used Properly.

## Provide Leverage

Margin accounts Provide 2 to 1 Leverage,  
and increase both risk and reward.

Options Provide 10 to 1 Leverage,  
and reduce risk when used properly.

## Reduce Risk

Use less Capital to control an asset.

Buy Put Options to protect single stock positions.

Use Option Collars to protect entire Portfolios.

## Lower Costs

Sell Covered Call Options.  
Sell Put Options on stocks you  
would be willing to buy.

## Generate Income

Sell Covered Call Options.  
Sell Credit Spreads.

## Increase Alternatives

*Make money whether a stock goes up or down.*

Buy Straddles

(Long Calls and long Puts at the same Strike Price and the same Expiration Date).

## The Sixth Secret

Stay Informed

## Stay Informed

### Keep Up with New Developments

1. Read VectorVest Views.
2. Watch the Daily Color Guard Report.
3. Watch our Special Presentations.
4. Watch our Educational Webcasts.

## The Seventh Secret

Be an Optimist!





# VectorVest

## Putting It All Together

3:30 PM – 4:00 PM



## Investing for Success

1. **Read VectorVest Views**
2. Follow the Sure-Fire Success Daily Action Plan.
3. Watch the DCGR and SOTW Presentations.
4. Decide when to buy, what to buy and when to sell.

## VectorVest Views

**VectorVest Views is designed to keep  
you abreast of the market.**

Commentary

Valuation

Timing

Strategies

Climate

## Commentary

### **What's going on?**

A brief essay on current events, issues, insights and market activities.

## Valuation

### **Is the Market Over or Under Valued?**

VectorVest compares the level of the actual DJIA to the VV-DJIA.

## Timing the Market

### **Is the market going Up or Down?**

Market direction is the single most important thing you need to know.

## Strategy

Read the daily guidance.

On weekends, watch the “Strategy of the Week” presentations.

## The Investment Climate

VectorVest will always tell you whether we are in a Bull market or Bear market scenario.

## The Investment Climate

We currently have a Case 5, Bear market scenario in which earnings are falling, while inflation and interest rates are rising.

## Mission Statement

Our Mission is to provide the best stock market guidance available anywhere at any price.





# VectorVest

## Important Contact Information

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Seminars: 1-800-231-0110

Product Support: 1-888-658-7638

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