QUICK-SCANS

VANTAGEPOINT 8.6

Market Technologies, LLC
5807 Old Pasco Road
Wesley Chapel, FL 33544
Internet: http://vp.tradertech.com/
Phone: 813 973-0496
Product: Market forecasting software
Price: Starting from $2,900

FIGURE 1: OPENING SCREEN

FIGURE 2: THE NEXT DAY

I love to try out new software, especially trading software. I like to open the box and start pushing all the buttons to see what happens. If the software designers are really good, the program will be intuitive and not even need documentation (aside from help files, which I use in an emergency). The new version of VantagePoint qualifies. It's easy, pretty, and it works.

In Figure 1 you see the opening screen of the software. It displays the symbol for the emini S&P. I got there easily by navigating through the menu on the left of the screen. Under "Futures," I went straight to the emini. I double-clicked the symbol, and the chart popped right up.

In a huge departure from other technical analysis software, VantagePoint plots tomorrow's prices! Look to the hard right edge of the chart in Figure 1. There is a bar that is not colored and for which there is no candle body. That is the prediction for tomorrow. Because this software is unique in its focus, I am going to continue this review tomorrow, at the end of the day, when I can see what actually happened. Then I will copy that chart for you and compare what happened to what was predicted.

Most analysis software operates the same way: They plot price current and historical. And they calculate and plot indicators based on those prices. That's about as far as they go. But VantagePoint is different. All of us are trying to analyze the same data to see whether we can figure out where the next few ticks are going to go, so we can profit by either buying or selling. If VantagePoint can do better than 50–50 in telling us where tomorrow's bars will be, then trading can enter a whole new level of sophistication.

BACKGROUND

With each new release, VantagePoint retrains and updates its software's neural networks to teach them the recent past for thousands of symbols, not just US stocks, but foreign stocks as well. And they also have futures, forex, and exchange traded funds (ETFs) in their list of symbols. You can get a prediction for just about anything you are looking for.

First released in 1991, VantagePoint has been improved and refined over the years, and the latest version, 8.6, is the most useful product that the company has released to date. Not only have the neural networks been retrained, an ongoing process with each version that keeps the software updated with current market conditions, but 8.6 also offers a number of new stocks and exchange traded funds (ETFs) to expand its global coverage.

VantagePoint originated from the mind of software pioneer Lou Mendelsohn, who was the first person in the trading world to introduce both strategy backtesting and intermarket analysis in commercially available trading software for the personal computer.

Mendelsohn also brought trading software into the 21st century with his work applying artificial intelligence to the task of intermarket analysis and trend forecasting. His use of neural network pattern recognition in trend forecasting for the financial markets laid the base for the next generation of trend forecasting software. VantagePoint works much like voice-recognition software. It reads past data and makes decisions based on its training. The more it is trained, the better it gets.

PRODUCT OVERVIEW

VantagePoint is not an automated trading system producing buy/sell signals, entry/exit points, or risk-management rules. Instead, VantagePoint is an automated

QUICK-SCANS

> **VantagePoint is intuitive, easy to use, and offers traders unique leading technical indicators with a long record of proven accuracy.**

trend-forecasting tool that relies on leading indicators rather than lagging ones. By design, it removes much of the work in finding and confirming potentially profitable trades.

Using its neural network process for intermarket analysis, VantagePoint first identifies the markets with the most influence on a target market. Then VantagePoint sifts through the data to find the best combinations of moving averages for short-term, medium-term, and long-term crossover and momentum studies as well as other predictive indicators to provide forecasts of prices several days ahead.

The first trading advice you get as a young trader is "The trend is your friend." The second is almost as important: Spot when a trend is beginning and when it has run its course. Having a tool that can identify and forecast trends reliably and consistently — particularly when it spots impending changes in trend direction that are about to occur within a day or two — makes successful trading an attainable goal using the clues provided by the VantagePoint indicators.

VantagePoint can provide these leading indicators for more than 1,300 markets in all of the major trading areas: futures/commodities, forex, ETFs, and stocks.

The futures/commodities category covers all of the major financial and commodity markets and includes contract months going back several years for historical study all the way to contracts for more than two years in the future. The forex category includes the eight major currency pairs and 13 important cross-pairs. The stocks category has been expanded to include 12 major sectors each for stock markets in the US, Canada, Australia, India, and the UK. The list includes all of the major stocks from each country.

One of the most welcome additions in version 8.6 is the increased number of ETFs in seven categories: commodity, currency, international, short and ultra-short, Canada, UK, and US funds. If you have been eyeing the profit opportunities in the booming gold or oil or soybean markets but are skittish about trading the volatile futures or option contracts, there's an ETF for that, for which VantagePoint 8.6 now provides short-term price forecasts.

To analyze all of these markets from an intermarket perspective and then provide predictive indicators for trend forecasting requires a lot of horsepower. It is an impossible task for the human eye and human brain. VantagePoint 8.6, fortunately, delivers the necessary power efficiently. Like its predecessors, 8.6 is fast, efficient, powerful, and easy to use.

Although it might seem daunting to sift through and analyze all of these global markets, the IntelliScan feature in VantagePoint can identify potential trades using criteria chosen from more than 70 filters. Then it uses predictive indicators to identify trend direction, trend strength, market momentum, and potential trend changes, along with next-day highs and lows and possible points for trade entry and exit. And it can do all that in less than 10 seconds. This information is also available in daily and historical data tables, which can be exported into Excel for further analysis.

TOMORROW'S RESULTS

It is now tomorrow and I'm looking at the same market as in Figure 1. The new chart, from the close of today, is shown in Figure 2.

Yesterday's predicted values for today were:

> High: 1279.69
> Low: 1258.65

The actual closed-out values for today are:

> High: 1277.25
> Low: 1258.50

I'll let you make the decision about its accuracy.

ON THE OTHER HAND

Any fair review must also look at the shortfalls of the product. With VantagePoint, I didn't find many. There was only one feature that I would suggest they improve, and that was the printing feature. When I printed the listing of the data, I found it misformatted. I figured it might just be the printer driver so I tried it on several other printers, but it was universal.

CONCLUSION

VantagePoint is intuitive, easy to use, and offers traders unique leading technical indicators with a long record of proven accuracy. By using intermarket analysis and a neural network process to find hidden patterns and relationships between markets, these indicators provide short-term trend forecasts and anticipate trend changes. This process provides a unique perspective on markets that uses foresight instead of hindsight.

Along with the quality of the software, Market Technologies also provides quality educational materials in various media formats, which makes learning how to maximize VantagePoint for your trading style a snap. You can also tap into the minds of successful VantagePoint traders who are willing to share their perspectives and strategies with you.

A trader, author, computer programmer, and mathematician, Sunny Harris has been trading since 1981. The first printing of her first book, Trading 101: How To Trade Like A Pro, *sold out in two weeks, and continues to be a financial best-seller, and her second book,* Trading 102: Getting Down To Business, *also achieved record sales. She may be contacted at MoneyMentor.com.*

S&C