NIRVANA

Winter 2011

OmniTrader 2012 MAKING PROFITABLE TRADING EASIER!

Harness the Power of New Chart Types! p4

Also New in OmniTrader:

- Alerts on all Signal Types
- Automatic Templates
- Indicator Values at Cursor
- Bar Timer
- Symbol Count

Introducing: TradeScope

Put the Odds in Your Favor

Helping You Become A More Confident and Profitable Trader



Ed Downs CEO and Founder, Nirvana Systems, Inc.

am thrilled to announce OmniTrader 2012 for our customers. For this latest version of our flagship product, we focused on making trading more profitable by improving the one tool that traders rely most heavily on—the Charts.

OmniTrader's charts already include many advanced drawing tools and chart pattern recognition. But there is a very powerful feature we had not yet added to the software that offers the opportunity for dramatically improved profits—Non-Time Based (NTB) chart types!

NTB Charts (like "Renko") form according to rules that are not tied to time. The primary value of these kinds of charts is that they remove noise from the data, making the Trend easy to identify with even the simplest indicator.

"You will instantly see why trading these charts provides an enormous advantage."

We implemented six new Chart Types in OmniTrader 2012, and you can use ALL the tools in the software on them. Just take a look at the Chart Patterns in this brochure—especially the Trend Line Breaks on page 4. You will instantly see why trading these charts provides an enormous advantage.

There's more to like about the OmniTrader 2012 upgrade package. What if you could see the odds of a particular move happening before you entered a trade? Introducing **TradeScope**—a technical trading tool unlike any you have seen before!

The primary tenet of Technical Analysis is that indicator relationships repeat themselves. What TradeScope essentially does is measure specific setups over thousands of bars of data, and provides a clear picture of the probability of a move at any point in the chart.

Using defined setups, we can see <u>how likely</u> a chart is to move up or down a given amount, based on how often this situation happened in the past.

We provide "canned" **TradeScopes** that our users can apply right away, but it's ALSO completely configurable. Check out the module on page 6. It's a powerful addition to OmniTrader's automated analysis.

As with upgrades of the past, we listened to our users. On page 9 you will find a host of great improvements, including an Indicator Display feature, Bar Timer, and a flexible Alert tool. Plus a new feature we plan to start teaching in our seminars—Templates automatically displayed according to Signals.

The 2012 upgrade takes OmniTrader into a new zone of profitable trading, based on *simplification* of the trading problem. I am certain that confirming OmniTrader Signals with NTB Charts and using TradeScope will make you a <u>more confident</u> and <u>more profitable</u> trader.

Sincerely,

Ed Downs

CEO and Founder, Nirvana Systems, Inc.



OmniTrader 2012 Profitable Trading Just Got A Lot Easier

The OmniTrader 2012 upgrade is based on one simple theme: Making Profitable Trading Easier. We achieved this goal through two advancements—the addition of six new chart types and a new tool that shows the odds of a profitable outcome on each trade. With OmniTrader 2012, you are going to be engaging the market more confidently and profitably than ever before!

Simplifying the Charts

All of us have difficulty handling our emotions while trading. Once we are in a position, every movement in our favor makes us elated, while every movement against our position causes us to rethink it—and often exit prematurely.

Non-Time Based Charts make it easier to stay with a winning trade. To the right are both a Renko and a Candle chart on COF. On the Renko chart, the major trends generate a steady sequence of bars, making it MUCH easier to stay with the trade.

A trader using NTB Charts is focused on the Trend—not the minor excursions around the Trend, which makes for more profitable trading.

Clarifying the Odds

Jeff Drake, our Director of Trading Technology at Nirvana, came up with a really great idea this year that we have purposed in OmniTrader 2012. It's called **TradeScope**, a new tool that will dramatically improve your odds of success on each trade you take.

Technical Analysis can definitely give us an advantage in understanding when a chart is likely to move. The goal of



Chart Patterns and Trends are much easier to see on a Renko Chart.

any analysis is to know the probability of a move based on how often a given setup has resulted in profitable trades in the past.

TradeScope does this job in a powerful way. We define Indicators, Systems and Conditions and let the program tell us, on the right edge of any chart, what the odds of a move up or down are.

TradeScope makes trading easier because you will have more confidence

in the outcome of your trades. Read the TradeScope story on page 6!

Plus More Great Features

We listened closely to our customers when we created this upgrade. On page 9 we've listed the improvements that were requested by customers. These are some great new additions, and we appreciate the input!



HARNESS THE POWER of Non-Time Based Charts

Clearly, the type of chart you use can have a profound effect on your trading. Most traders switched from Bar Charts to Candle Charts in the 80's because they make it easier to see patterns in the price data.

Non-Time Based (NTB) Charts provide an even greater advantage. Rather than forming on equal time units, they are based on equal price, volume, or tick units.

A trader using NTB Charts stays focused on major chart events, not minor excursions around the trend, which leads to more profitable trading.

To Make More Money, Use Simpler Charts

In *Beyond Japanese Candlesticks* Steve Nison shows how **Renko Charts** greatly simplify chart data. The word "Renko" comes from "Renga", the Japanese word for "brick". In Renko charts, new bricks form as price moves up and down by a specified amount.

The benefit of trading a Renko chart is it focuses you on the trend, not the "wiggles". Which means you can trade more consistently and profitably. In the Renko chart on QCOM, you can see how clear the Trend Line Breaks and Consolidations are. Compare that with the Candle chart beneath it.

The Trend Lines drawn in the Renko chart are clear, whereas the same lines in the traditional Candle chart are not. The benefit is obvious. Which would you rather trade with?

Other Non-Time Based Chart types provide additional benefits.

Crystal Clear Trends



This comparison of Renko and Candle Charts shows the Renko advantage—Clear and profitable Trend Line Breaks and Consolidations!

Point & Figure Charts have been described as one of the simplest methods for determining entry points at important chart events. Investors use P&F charts to draw Support and Resistance Lines under the chart to determine Reversal and Breakout Levels. In addition, larger patterns such as Consolidations and Trend Lines are often much easier to see.

Trade the Clearest Reversals

It is difficult to trade a chart that has a lot of volatility. That's why charts like **3-Line Break** make trading easier. Take a look at the 3-Line Break Chart example on the next page. The 3-Line Break is based on Point & Figure principles. When 3 successive up or down bars are detected, they are posted, revealing a clear reversal.



Volume is also tremendously important. When volume suddenly increases, we know either Supply or Demand is also increasing, and the likelihood of a move is enhanced. **Volume Bars** are formed when a specified amount of volume has been seen in a market, and often form exceedingly clear Chart Patterns.

For Real Time traders, **Tick Charts** reveal the speed at which the market is being traded. When this trade speed increases, a symbol is more likely "in play" and a breakout or reversal is more likely to follow through to a profitable outcome. Finally, **Range Charts** filter out trading range noise by forming on specific ranges of data.

Analysis is Also Supported!

Yes! Patterns, Systems and Indicators are all supported in the new NTB Charts. *The Power of Non-Time Based Charts* seminar covers the various aspects of analyzing them (see page 10).



3-Line Break Chart on Amazon (AMZN) above a regular Candle Chart in 5 minutes. Note how well the volatility was filtered out and how clear the cycles are. The Signals shown were generated by a Moving Average System.

NEW Chart Types in OmniTrader **2012**

(More Examples at www.omnitrader.com/NTB)



Renko – Generates exceedingly clear Patterns and Signals



Point & Figure – Easily identify Long Term Support and Resistance



3-Line Break – Clearly see Chart Reversals and Cycles



Volume – Confirm Trend Changes with Supply and Demand



Range – Eliminate small trading ranges to clarify the Trend



Tick – Reveals SPEED of market movement through trade activity

TradeScope Module Put the Odds In Your Favor In Any Timeframe

Imagine the power of instantly knowing the probability of a stock's NEXT MOVE and seeing that information right on your charts! That's the TradeScope advantage.

You're going to see the exact information you need to help you make profitable trading decisions every time you bring up a chart!

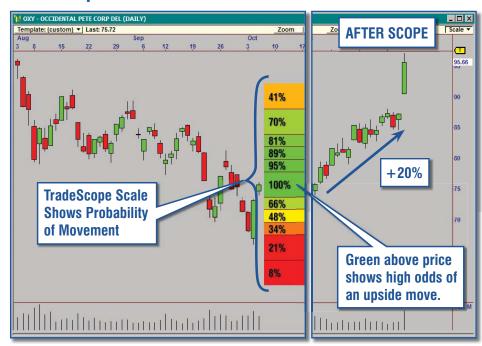
TradeScope shows probability of movement based on measuring past occurrences of a given setup. The scale shows the probability of reaching various price levels, based on the setup that exists on the right edge of the chart and evaluating similar setups in the past.

With TradeScope, you will know:

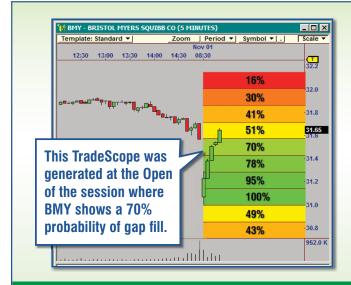
- The most likely direction of movement
- How far the stock is poised to move
- Whether the trend is likely to continue
- The probability of a gap fill
- The strength of a breakout move

The first time you use TradeScope you'll ask, "How did I ever trade without it?"

TradeScope Shows You the Odds



This TradeScope was activated on OXY on October 5. The scope indicated there was a very high probability of an upside move, with 80% probability of the chart rising 5% and a 70% probability of a 10% move. There was only a 21% probability of moving back to support at 66. The outcome: The stock completed its reversal and moved up nearly 20%!



CASE STUDY: Gap Fills

One of the most statistically researched areas of Technical Analysis is the probability of a gap fill. The RT Gap TradeScope gives you the statistics you need to trade gaps including partial fills and gap-and-run probabilities.

Combine this with the fact that TradeScope generates statistics specific to each individual symbol, and you'll KNOW whether the symbol you are trading is more likely to fill or to run.



For End-of-Day traders, we have developed four specific TradeScopes to use in conjunction with your trading strategies. TradeScope not only helps you confirm the best Signals, but it also guides you with stop placement. TradeScope includes the following End-of-Day Scopes:

Breakout By looking at the strength of the Breakout and the state of the market, the Breakout TradeScope will determine the likelihood of a move in your favor.

Reversal The Reversal TradeScope is custom made to work with the various Nirvana strategies that fire Reversal Signals, helping you determine if the market is poised to make a significant reversal move in the next week.

Trending Regardless of where price is in the current trend, the Trending TradeScope will look at similar market conditions in the past to determine the chance of the trend continuing.

Three Day Outlook A Swing Traders dream! The Three Day Outlook TradeScope will show you how the current setup is poised to move in the next three trading sessions.

End-of-Day TradeScope



The Three Day Outlook TradeScope is great at identifying high probability Swing Trades, as it did here on NOV. The TradeScope showed a 75% probability of an upside move.

Real Time TradeScope



At the Open on October 11, the RT Range TradeScope predicted an upward move in GOOG, which it then made.

REAL TIME

If you trade during the session, TradeScope can be used to identify the most likely direction the market will move, the potential size of the move, and the probabilities of overtaking various chart levels. We provide three powerful Real Time TradeScopes:

RT Gap By looking at the size of the day's opening gap in relation to short term price movement, RT Gap shows you the probability of filling the gap or a move in the direction of the gap.

RT Day Considers how the market has moved in the last three trading sessions to determine where it is likely to go in the current session.

RT Range Helps you determine the probability of making a large move by looking at recent volatility. You can easily find the stocks that are prepared to make the big directional moves, allowing you to focus on trades with the highest profit potential.

Is the market ready to post a significant gain, or is it due for a pullback? And how far is it poised to move? TradeScope answers *both* questions for you!

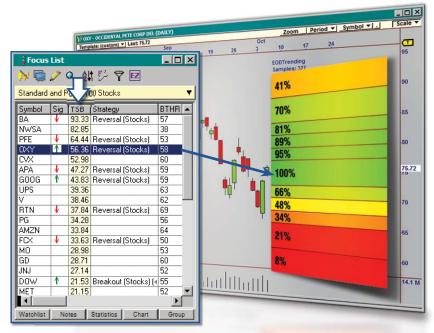
Prospect for the High Probability Winners!

TradeScope is not only good for confirming signals, you can also use it to find great trading candidates as well.

The module provides you with an easy way to find the charts that have the highest probability for movement. Simply sort on the TradeScope Bias (TSB) column in your Focus List, and the symbols that have the highest bullish bias will be brought to the top and bearish to the bottom.

Whether you use the TradeScopes we provide or create Scopes of your own (see below), you'll have greater confidence knowing what is likely to happen in the market.

Find Charts with the Highest Probability – Instantly!



The image above shows our Focus List sorted on TradeScope Bias. The higher the bias, the higher the probability of an upward move. Pure Prospecting POWER!

Create Custom TradeScopes In Minutes

While we provide the TradeScopes listed on page 7, TradeScope is also customizable by the user. You can quickly and easily define Indicators, Systems, and Conditions for the program to build a user-defined Scope. Using TradeScope, you can answer almost any question you can dream up about Technical Analysis.

With your TradeScope purchase, you also get our CD seminar *Improving Your Odds with TradeScope*. The seminar shows you how to

effectively use our canned TradeScopes

AND how to create your own Scopes based on technical ideas you may be using. This seminar will arm you with the knowledge you need to start using TradeScope immediately and effectively.

Indicators, Systems, and Conditions are easy to define and test.



Building your own TradeScopes is easy. In the *Improving Your Odds with TradeScope* seminar, we show you how.

MPROVE YOUR ODDS

OmniTrader 2012 Awesome NEW Tools



OmniTrader 2012 shows Excelon (EXC) on Daily and Renko charts. A Moving Average System is plotted on the Renko Chart.

Non-Time Based Charts

Renko, 3-Line Break, Point & Figure, Volume Bars, and Range Bars help you trade more profitably! Our new seminar *The Power of Non-Time Based Charts* shows you how.

Bar Timer

The Bar Timer counts down by seconds until completion of the current bar, enabling traders to know when to expect a new Signal.

Indicator Values at Cursor

We enhanced the cursor to display all indicator values in all panes of the chart.

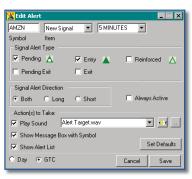
Automatic Templates

Now, you can specify that a specific template (Reversal, Trending, etc.) automatically display in charts linked to Strategy Signals in the Focus List, providing additional confirming information for every trade you consider entering.

Alerts on all Signal Types

Now you can specify various kinds of Alerts on all Signal Types:

- New Signals
- Forming Signals
- Reinforcing Signals
- Exit Signals



Alerts on All Signal Types

Symbol Count

We also added Symbol Count in the interface so users do not have to open OmniData to see how many symbols are in the list.

The POWER of Non-Time Based Charts

"Profitable Trading Made Simple."

When we implemented Non-Time Based Charts in OmniTrader 2012, a whole new world of Technical Analysis revealed itself to us.

We have spent considerable time studying each of the NTB Chart types as well as trading with them in the live market. And it is this knowledge that we want to share with our OmniTrader users.

Learning to Trade with NTB Charts

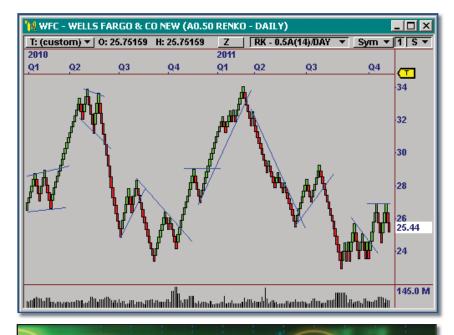
Each of the NTB Chart types provides a specific advantage in trading. What we focus on in the seminar is simplification—helping you identify the best charts for the way you trade.

If you're a Swing Trader, 3-Line Break is something you should really look at. Do you like Chart Patterns for Breakouts? If so, you will probably gravitate to Renko. And if you are trading liquid high-volume stocks during the session, you must try Volume Charts.

In the seminar, we go over the advantages of each chart type, and show examples of how they help you make more money in the live market, including Money Management approaches.

Analyzing NTB Charts

Many programs can display Renko 3-Line Break, or other NTB Chart types, but do not provide a way to analyze them. A very exciting aspect

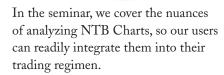


The POWER of NTB Charts Seminar Topics

- How to Swing Trade Using 3-Line Break Charts
- How Investors Use Point & Figure to Time Entries
- The Advantage of Volume Charts in Real Time
- How Tick Charts "Give Away" the Market
- How to Use Pattern Recognition on NTB Charts
- Differences in Analysis Between Candle and NTB Charts
- · And much more!

of our implementation of NTB Charts is the fact that OmniTrader's analysis capabilities are available to be used on them. You can plot Indicators, run Trading Systems, and even apply advanced Chart Pattern Recognition!

The fact that NTB Charts simplify the market make them very powerful for System Trading. However, because these charts form at varying rates depending on price and volume action, they must be treated differently from bar or candle charts.



We are tremendously excited about this new addition to OmniTrader. We know most of our customers are going to significantly elevate their trading game and make higher profits as a result of using NTB Charts and this seminar will show you how!





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