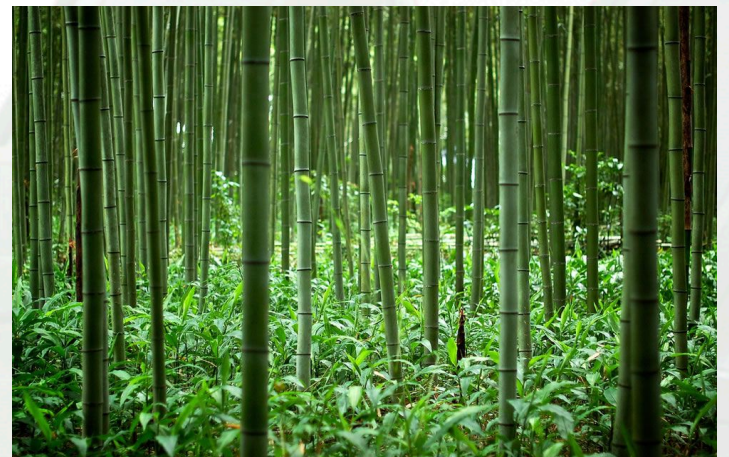


# DUAL MOMENTUM SYSTEMS

**Process driven investment decisions  
driving better long term results with more  
shallow drawdowns and better risk  
adjusted performance.**





## **Disclosure**

Nothing in this report should be construed as investment advice, an offer, recommendation, or solicitation to buy or sell any investment. All investing involves risk, including the possible loss of money you invest, and past performance does not guarantee future performance.

## **Fair Use**

The investment strategies and their investment selections presented within this report are free for your personal use, noting the disclosure above. These strategies are not allowed to be used by any CFA, CFP, RIA, CPA, CLU, CHFC, IAFP, NAPFA, PFS or any other investment professional - please inquire for licensing.

## DMS Allocation Strategies

Dual Momentum Systems, aka DMS, was brought about because I think it's a much better approach than buy and hold. It can lag the market in a hot market, although it has great potential with reasonable risk to outperform when Smart Leverage kicks in. And where it really shines is keeping you out of protracted down markets. But dual momentum investment requires attention and possible changes of investment with each new month. There are people who would rather set it and forget it. There may also be people, like myself, who wish to set and forget certain accounts while still using dual momentum in other accounts.

The Bamboo Allocation allocation strategies are going to be inherently more volatile than the dual momentum strategies because they are always invested. The Bamboo+ Allocation and Bamboo++ Allocation strategies use 2X and 3X leverage with the US Large Cap allocation by using the same Smart Leverage as the dual momentum strategies.

These allocation strategies do not trade each month, they just require a re-balancing at the start of every year. The exception is if you are in the + or ++ version, there could be additional trades going into and out of Smart Leverage. But the leveraged versions have averaged less than 2 trades per year from 2000 forward, so it isn't excessive at all.

## Investment Strategies

### Investments for the month of October 2024

#### Strategy Components Invested:

←Conservative

Aggressive →

Month	Bamboo Allocation	Bamboo+ Allocation	Bamboo++ Allocation
Oct 2023	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Nov 2023	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Dec 2023	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Jan 2024	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Feb 2024	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Mar 2024	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Apr 2024	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
May 2024	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Jun 2024	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Jul 2024	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Aug 2024	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
Sep 2024	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%
<b>Oct 2024</b>	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%	IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%

#### For October, here are the investments by strategy:

##### Bamboo Allocation

This is an allocation strategy, rebalanced annually.

##### Bamboo+ Allocation

This is an allocation strategy, which rebalanced annually and will put the IWB portion into leveraged 2X SSO using Smart Leverage.

##### Bamboo++ Allocation

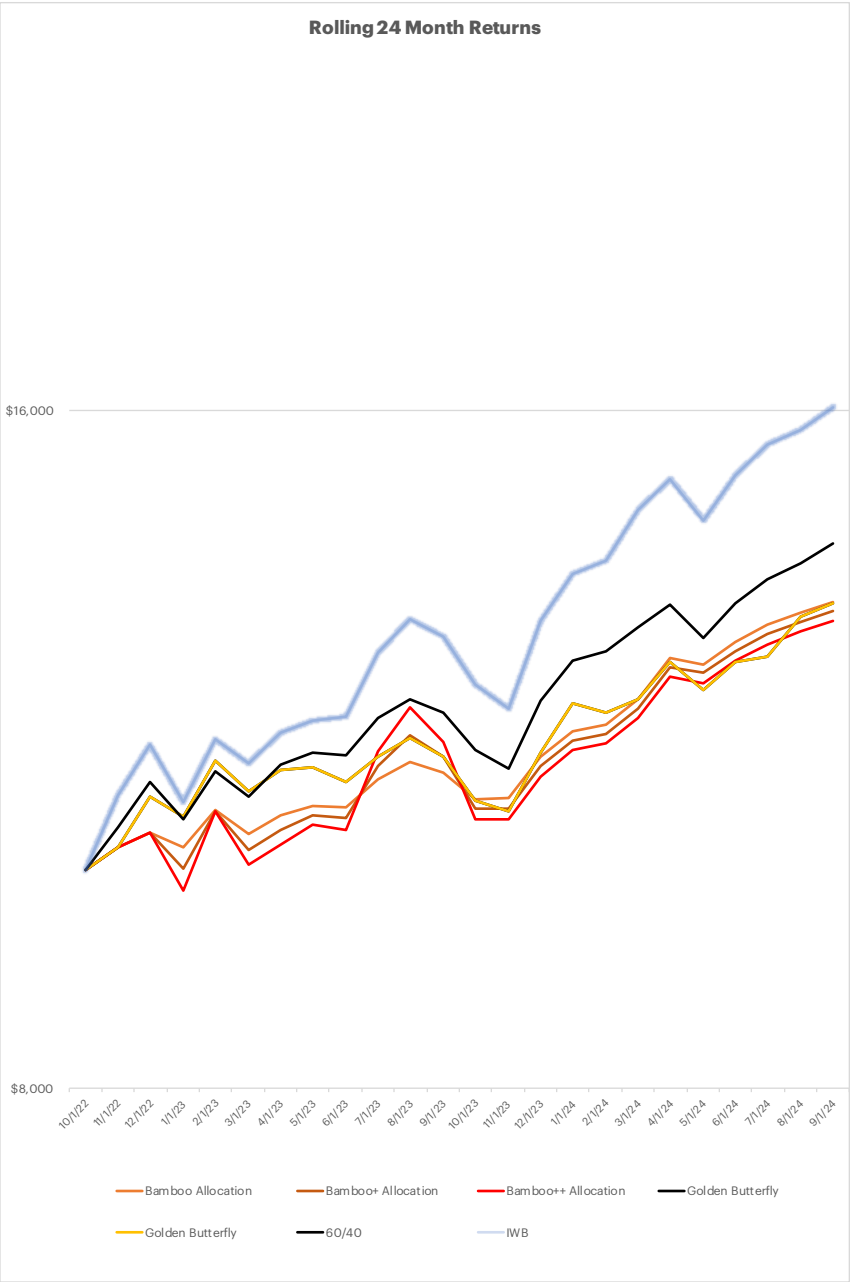
This is an allocation strategy, which rebalanced annually and will put the IWB portion into leveraged 3X UPRO using Smart Leverage.

\*\* When you rebalance, if you have gains, rebalance 1 year + 1 day so that you get long term capital gains if not in a taxed advantaged account.

**DMS Bamboo Allocations**  
**Rolling 24 Month Returns**  
**Through September 30, 2024**

Returns and Maximum Drawdown:				←Conservative		Aggressive →	
Month	US Market IWB	Balanced 60/40	Golden Butterfly	Bamboo Allocation	Bamboo+ Allocation	Bamboo++ Allocation	
Oct 2022	7.90%	4.41%	2.40%	2.30%	2.30%	2.30%	
Nov 2022	5.35%	4.80%	5.23%	1.62%	1.62%	1.62%	
Dec 2022	-5.75%	-3.78%	-2.06%	-1.51%	-3.69%	-5.81%	
Jan 2023	6.64%	5.10%	6.00%	3.83%	6.06%	8.42%	
Feb 2023	-2.38%	-2.57%	-3.15%	-2.46%	-3.84%	-5.23%	
Mar 2023	3.17%	3.30%	2.22%	1.98%	1.99%	2.00%	
Apr 2023	1.23%	1.20%	0.35%	1.00%	1.57%	2.01%	
May 2023	0.47%	-0.19%	-1.53%	-0.22%	-0.29%	-0.47%	
Jun 2023	6.70%	3.80%	2.67%	2.91%	5.48%	8.37%	
Jul 2023	3.46%	1.91%	1.87%	1.88%	3.13%	4.60%	
Aug 2023	-1.74%	-1.24%	-1.88%	-1.08%	-2.18%	-3.43%	
Sep 2023	-4.79%	-3.84%	-4.46%	-2.69%	-5.09%	-7.61%	
Oct 2023	-2.38%	-1.91%	-1.01%	0.02%	-0.01%	-0.03%	
Nov 2023	9.33%	7.29%	6.17%	4.31%	4.37%	4.43%	
Dec 2023	5.00%	4.16%	5.18%	2.65%	2.68%	2.71%	
Jan 2024	1.34%	0.89%	-0.97%	0.70%	0.70%	0.70%	
Feb 2024	5.27%	2.59%	1.45%	2.67%	2.67%	2.67%	
Mar 2024	3.26%	2.30%	3.76%	4.30%	4.30%	4.30%	
Apr 2024	-4.18%	-3.38%	-2.79%	-0.64%	-0.64%	-0.64%	
May 2024	4.67%	3.71%	2.88%	2.25%	2.25%	2.25%	
Jun 2024	3.26%	2.47%	0.57%	1.76%	1.76%	1.76%	
Jul 2024	1.47%	1.67%	4.14%	1.32%	1.32%	1.32%	
Aug 2024	2.37%	1.98%	1.45%	1.07%	1.07%	1.07%	
Sep 2024	2.07%	1.78%	2.41%	2.41%	2.41%	2.41%	
24 Mo Rtrn:	63.82%	42.14%	34.53%	34.69%	33.47%	32.12%	
CAGR	27.99%	19.22%	15.99%	16.06%	15.53%	14.94%	
Max DD:	-4.18%	-3.38%	-2.79%	-0.64%	-0.64%	-0.64%	
b/(w) 60/40:	21.7%	0.0%	-7.6%	-7.5%	-8.7%	-10.0%	

\$10,000 turns into:				←Conservative		Aggressive →	
Month	US Market IWB	Balanced 60/40	Golden Butterfly	Bamboo Allocation	Bamboo+ Allocation	Bamboo++ Allocation	
Starting:	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
Oct 2022	\$ 10,790	\$ 10,441	\$ 10,240	\$ 10,230	\$ 10,230	\$ 10,230	
Nov 2022	\$ 11,367	\$ 10,943	\$ 10,776	\$ 10,396	\$ 10,396	\$ 10,396	
Dec 2022	\$ 10,714	\$ 10,529	\$ 10,554	\$ 10,239	\$ 10,012	\$ 9,792	
Jan 2023	\$ 11,425	\$ 11,066	\$ 11,188	\$ 10,631	\$ 10,618	\$ 10,617	
Feb 2023	\$ 11,153	\$ 10,781	\$ 10,835	\$ 10,369	\$ 10,211	\$ 10,062	
Mar 2023	\$ 11,507	\$ 11,137	\$ 11,075	\$ 10,575	\$ 10,414	\$ 10,263	
Apr 2023	\$ 11,648	\$ 11,270	\$ 11,114	\$ 10,681	\$ 10,578	\$ 10,470	
May 2023	\$ 11,703	\$ 11,249	\$ 10,943	\$ 10,657	\$ 10,547	\$ 10,420	
Jun 2023	\$ 12,487	\$ 11,676	\$ 11,236	\$ 10,968	\$ 11,125	\$ 11,293	
Jul 2023	\$ 12,919	\$ 11,900	\$ 11,446	\$ 11,174	\$ 11,474	\$ 11,812	
Aug 2023	\$ 12,694	\$ 11,752	\$ 11,231	\$ 11,053	\$ 11,224	\$ 11,407	
Sep 2023	\$ 12,086	\$ 11,301	\$ 10,729	\$ 10,756	\$ 10,652	\$ 10,539	
Oct 2023	\$ 11,799	\$ 11,085	\$ 10,621	\$ 10,759	\$ 10,652	\$ 10,536	
Nov 2023	\$ 12,899	\$ 11,894	\$ 11,276	\$ 11,222	\$ 11,117	\$ 11,002	
Dec 2023	\$ 13,544	\$ 12,389	\$ 11,861	\$ 11,520	\$ 11,415	\$ 11,300	
Jan 2024	\$ 13,726	\$ 12,499	\$ 11,745	\$ 11,600	\$ 11,495	\$ 11,379	
Feb 2024	\$ 14,449	\$ 12,823	\$ 11,915	\$ 11,910	\$ 11,802	\$ 11,683	
Mar 2024	\$ 14,920	\$ 13,118	\$ 12,363	\$ 12,423	\$ 12,310	\$ 12,186	
Apr 2024	\$ 14,297	\$ 12,674	\$ 12,018	\$ 12,344	\$ 12,232	\$ 12,108	
May 2024	\$ 14,964	\$ 13,144	\$ 12,363	\$ 12,622	\$ 12,507	\$ 12,381	
Jun 2024	\$ 15,452	\$ 13,469	\$ 12,434	\$ 12,845	\$ 12,728	\$ 12,599	
Jul 2024	\$ 15,678	\$ 13,694	\$ 12,949	\$ 13,014	\$ 12,896	\$ 12,765	
Aug 2024	\$ 16,050	\$ 13,965	\$ 13,137	\$ 13,153	\$ 13,033	\$ 12,902	
Sep 2024	\$ 16,382	\$ 14,214	\$ 13,453	\$ 13,469	\$ 13,347	\$ 13,212	



# DMS Allocation Investment Strategies

1980 through September 30, 2024

Annual returns:

← Conservative

Aggressive →

Year End	Benchmarks			Allocation Strategies		
	US Market IWB	Balanced 60/40	Golden Butterfly	Bamboo Allocation	Bamboo+ Allocation	Bamboo++ Allocation
1980	31.87%	21.02%	15.32%	27.82%	27.82%	27.82%
1981	-5.10%	0.07%	-1.44%	-2.15%	-2.15%	-2.15%
1982	20.31%	25.68%	27.28%	20.12%	28.39%	37.83%
1983	22.13%	16.21%	12.26%	11.66%	20.09%	29.98%
1984	4.75%	9.84%	3.87%	2.70%	2.70%	2.70%
1985	32.26%	27.65%	24.78%	23.22%	23.22%	23.22%
1986	17.87%	17.65%	17.37%	14.97%	14.97%	14.97%
1987	2.93%	4.81%	5.17%	16.92%	16.92%	16.92%
1988	17.26%	12.64%	9.73%	9.33%	10.47%	11.62%
1989	30.43%	24.20%	15.06%	14.67%	28.22%	45.57%
1990	-4.21%	1.56%	-2.54%	3.30%	3.30%	3.30%
1991	33.04%	24.30%	19.73%	15.24%	20.75%	26.77%
1992	8.93%	7.35%	9.25%	3.69%	3.69%	3.69%
1993	10.18%	9.66%	14.57%	11.44%	11.44%	11.44%
1994	0.39%	-0.77%	-1.93%	-0.93%	-0.93%	-0.93%
1995	37.77%	29.81%	22.05%	21.45%	21.45%	21.45%
1996	22.45%	14.70%	8.36%	10.46%	10.46%	10.46%
1997	32.85%	23.58%	13.25%	12.75%	12.75%	12.75%
1998	27.02%	21.01%	7.91%	13.65%	16.55%	19.58%
1999	20.91%	11.65%	3.66%	8.16%	10.22%	12.10%
2000	-6.15%	-1.49%	7.27%	0.65%	0.65%	0.65%
2001	-12.15%	-3.81%	3.01%	-2.65%	-2.65%	-2.65%
2002	-22.31%	-9.80%	3.13%	0.64%	-1.32%	-3.13%
2003	30.05%	18.19%	18.45%	19.97%	34.90%	54.45%
2004	11.02%	8.00%	9.97%	6.40%	10.39%	14.63%
2005	6.34%	3.87%	8.09%	7.17%	6.54%	6.01%
2006	15.41%	10.95%	12.56%	12.73%	12.73%	12.73%
2007	5.32%	5.94%	9.55%	11.48%	11.48%	11.48%
2008	-37.40%	-21.86%	-4.89%	-10.40%	-10.40%	-10.40%
2009	28.33%	18.66%	12.71%	16.66%	29.25%	43.46%
2010	16.08%	12.04%	16.51%	15.40%	19.94%	25.36%
2011	1.23%	4.38%	8.31%	3.00%	3.71%	4.35%
2012	16.51%	11.39%	9.01%	8.24%	14.05%	20.36%
2013	32.78%	17.44%	5.64%	7.16%	7.16%	7.16%
2014	13.07%	10.56%	9.72%	9.16%	9.16%	9.16%
2015	0.79%	1.11%	-3.27%	-1.75%	-1.75%	-1.75%
2016	12.04%	8.34%	9.56%	6.38%	6.38%	6.38%
2017	21.53%	14.26%	10.96%	12.44%	12.44%	12.44%
2018	-4.89%	-2.47%	-3.93%	-3.52%	-3.52%	-3.52%
2019	31.04%	21.98%	17.86%	20.11%	20.11%	20.11%
2020	20.77%	14.73%	14.53%	15.20%	24.05%	34.84%
2021	26.32%	15.74%	8.89%	11.65%	17.57%	23.48%
2022	-19.19%	-15.86%	-12.84%	-6.09%	-8.17%	-10.19%
2023	26.42%	17.66%	12.38%	12.51%	14.02%	15.40%
2024	20.95%	14.73%	13.42%	16.92%	16.92%	16.92%
+/- 60/40 YTD:	6.2%	0.0%	-1.3%	2.2%	2.2%	2.2%
CAGR	12.0%	10.1%	9.1%	9.2%	11.2%	13.3%



## **Strategy Fact Sheets**



# Dual Momentum Strategies: Bamboo Allocation

A fixed allocation strategy rebalanced annually

Results through 09/30/2024

## Investment selection for October 2024:

IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%

## Tax friendliness:

Bamboo Allocation has mostly Long Term Cap Gains.

## Average number of trades per year (including Rebalancing)

1.00

## Portfolio size appropriateness:

Whale, Bamboo Allocation can be used for any sized portfolio.

## Characteristics:

Drawdowns: Bamboo Allocation has more conservative drawdowns than the S&P and very similar to 60/40.

Volatility: Bamboo Allocation is usually less volatile than the S&P and 60/40 over time.

Returns: Bamboo Allocation will perform more similar to a 60/40, but can outperform it and the S&P over longer cycles.

Leverage: Bamboo Allocation never uses any leverage.

## Strategy Description:

The Bamboo Allocation allocations strategies are for somebody who doesn't want straight up S&P, or a 60/40, but they want something not as volatile and with as much downside as holding the S&P, but also something that is more suited to the changing market conditions than is a 60/40. The base Bamboo Allocation never uses any leverage, the Bamboo+ Allocation uses 2X Leverage only for the 55% US Large Cap position using the Smart Leverage rules of the Dual Momentum Strategies, and the Bamboo++ Allocation uses 3X Leverage using Smart Leverage.

Leverage	2000+
Average	100%
Maximum	100%

Metric	2000+
Beta	0.39
Alpha	4.18%

## Annualized Returns actual YTD for current year.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
Bamboo Allocation	16.92%	25.22%	9.19%	10.62%	8.42%	7.34%	9.23%
Balanced 60/40	14.73%	25.78%	6.58%	9.70%	8.81%	6.44%	10.06%
Russell 1000	20.95%	35.54%	10.68%	15.48%	12.96%	7.76%	11.97%

## Maximum Drawdown single largest drawdown.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
Bamboo Allocation	-0.64%	-0.64%	-8.38%	-8.38%	-8.38%	-16.44%	-16.44%
Balanced 60/40	-3.38%	-3.38%	-20.09%	-20.09%	-20.09%	-32.33%	-32.33%
Russell 1000	-4.18%	-4.18%	-24.57%	-24.57%	-24.57%	-51.03%	-51.03%

## Ulcer Index the higher the number the more painful downside volatility. Considers all downside.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
Bamboo Allocation	0.20	0.18	3.11	2.80	2.66	3.51	3.03
Balanced 60/40	1.07	1.08	9.02	7.26	5.33	7.85	6.20
Russell 1000	1.32	1.33	10.55	8.87	6.77	16.35	12.89

## Sortino Ratio, risk adjusted performance measure - bigger number is better.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
Bamboo Allocation	14.22	17.10	0.94	1.12	0.82	0.58	0.97
Balanced 60/40	3.27	4.33	0.29	0.64	0.64	0.32	0.87
Russell 1000	4.09	5.06	0.61	0.96	0.87	0.38	0.77

## Minimum, Average, and Maximum monthly performance.

	Bamboo	Bamboo+	Bamboo++
MIN	-9.2%	-9.16%	-9.16%
AVE	0.5%	0.59%	0.70%
MAX	9.4%	11.61%	16.51%

## Allocation Stats from 1980+

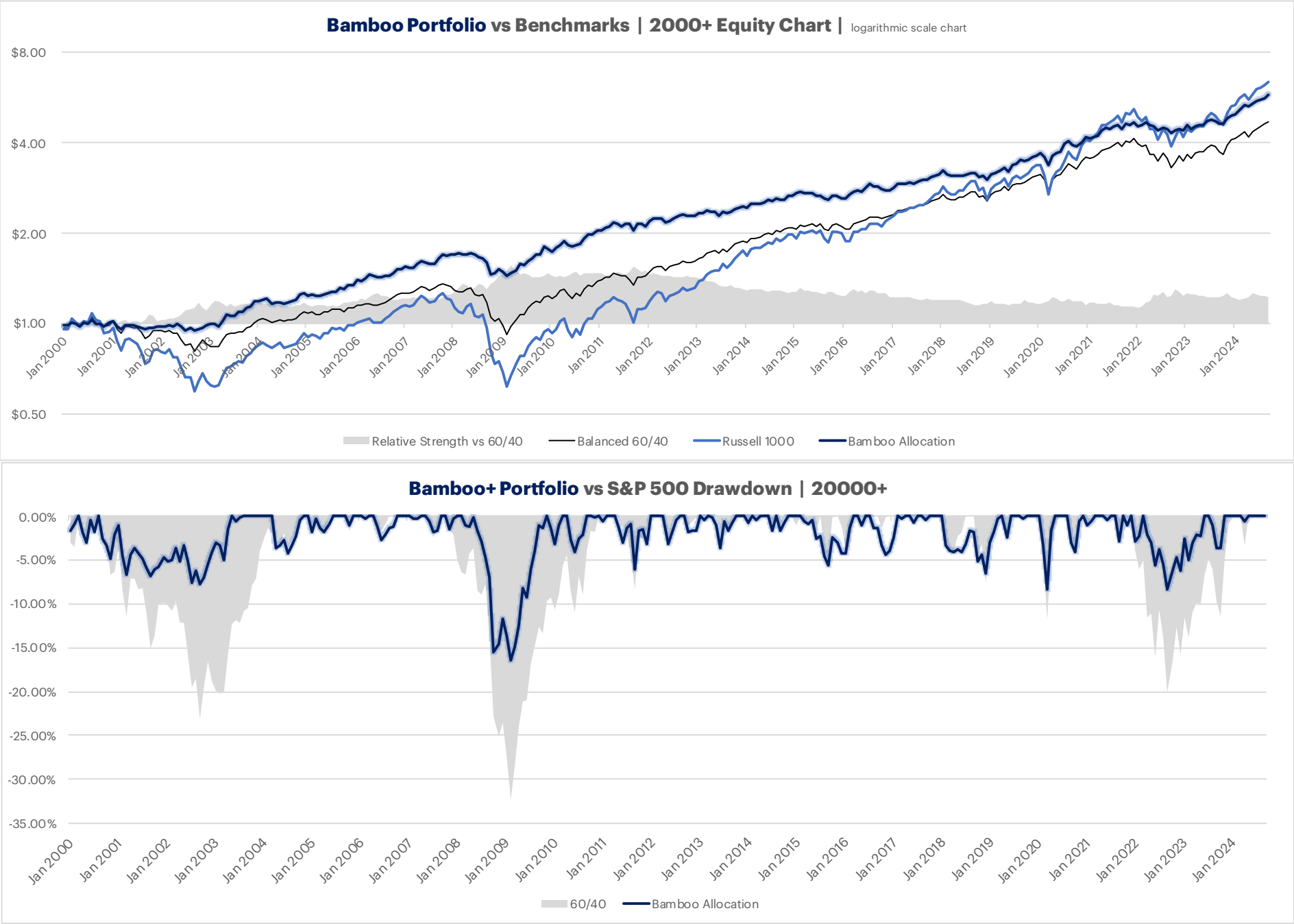
	Bamboo	Bamboo+	Bamboo++
Winning Months	351	347	347
Ave Winning Month	1.00%	1.16%	1.33%
Total Gain	695%	818%	959%
Net Gain	410%	496%	592%
Win to Loss Ratio	2.44	2.54	2.61
Gain to Pain Ratio	1.44	1.54	1.61

Losing Months	186	190	190
Ave Losing Month	-1.53%	-1.70%	-1.93%
Total Loss	-284%	-322%	-367%

Bamboo Allocation inception date Mar 2024.

randy@dualmomentumsystems.com





Bamboo Allocation inception date June 2023.

# Dual Momentum Strategies: Bamboo+ Allocation

A fixed allocation strategy rebalanced annually

Results through 09/30/2024

## Investment selection for October 2024:

IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%

## Tax friendliness:

Bamboo+ Allocation has mostly Long Term Cap Gains.

## Average number of trades per year (including Rebalancing)

1.68

## Portfolio size appropriateness:

Whale, Bamboo+ Allocation can be used for any sized portfolio.

## Characteristics:

Drawdowns: Bamboo+ Allocation has more conservative drawdowns than the S&P and very similar to 60/40.

Volatility: Bamboo+ Allocation is usually less volatile than the S&P and 60/40 over time.

Returns: Bamboo+ Allocation will perform more similar to a 60/40, but can outperform it and the S&P over longer cycles.

Leverage: Bamboo+ Allocation never uses any leverage.

## Strategy Description:

The Bamboo Allocation allocations strategies are for somebody who doesn't want straight up S&P, or a 60/40, but they want something not as volatile and with as much downside as holding the S&P, but also something that is more suited to the changing market conditions than is a 60/40. The base Bamboo Allocation never uses any leverage, the Bamboo+ Allocation uses 2X Leverage only for the 55% US Large Cap position using the Smart Leverage rules of the Dual Momentum Strategies, and the Bamboo++ Allocation uses 3X Leverage using Smart Leverage.

Leverage	2000+
Average	109%
Maximum	140%

Metric	2000+
Beta	0.46
Alpha	5.56%

## Annualized Returns actual YTD for current year.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
Bamboo+ Allocation	16.92%	25.30%	8.93%	13.23%	9.69%	9.29%	11.19%
Balanced 60/40	14.73%	25.78%	6.58%	9.70%	8.81%	6.44%	10.06%
Russell 1000	20.95%	35.54%	10.68%	15.48%	12.96%	7.76%	11.97%

## Maximum Drawdown single largest drawdown.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
Bamboo+ Allocation	-0.64%	-0.64%	-8.38%	-8.38%	-8.38%	-16.44%	-16.44%
Balanced 60/40	-3.38%	-3.38%	-20.09%	-20.09%	-20.09%	-32.33%	-32.33%
Russell 1000	-4.18%	-4.18%	-24.57%	-24.57%	-24.57%	-51.03%	-51.03%

## Ulcer Index the higher the number the more painful downside volatility. Considers all downside.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
Bamboo+ Allocation	0.20	0.18	3.73	3.35	2.97	3.79	3.23
Balanced 60/40	1.07	1.08	9.02	7.26	5.33	7.85	6.20
Russell 1000	1.32	1.33	10.55	8.87	6.77	16.35	12.89

## Sortino Ratio, risk adjusted performance measure - bigger number is better.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
Bamboo+ Allocation	14.22	17.00	0.72	1.31	0.95	0.88	1.25
Balanced 60/40	3.27	4.33	0.29	0.64	0.64	0.32	0.87
Russell 1000	4.09	5.06	0.61	0.96	0.87	0.38	0.77

## Minimum, Average, and Maximum monthly performance.

	Bamboo	Bamboo+	Bamboo++
MIN	-9.2%	-9.16%	-9.16%
AVE	0.5%	0.59%	0.70%
MAX	9.4%	11.61%	16.51%

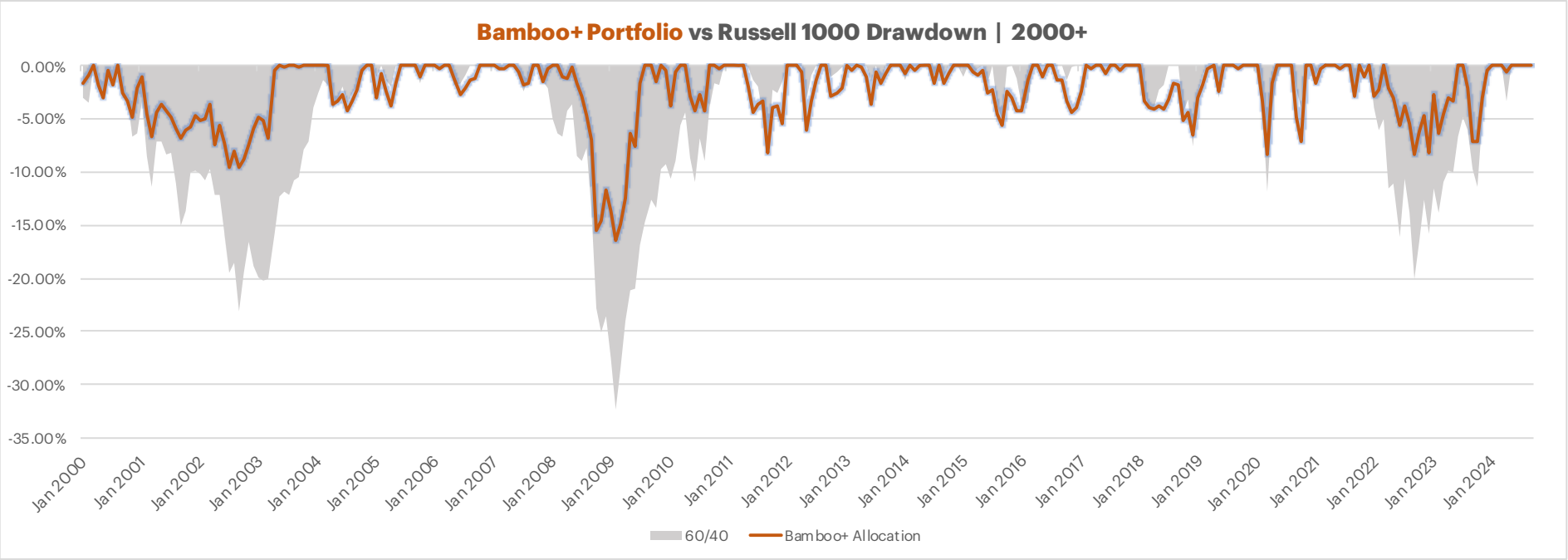
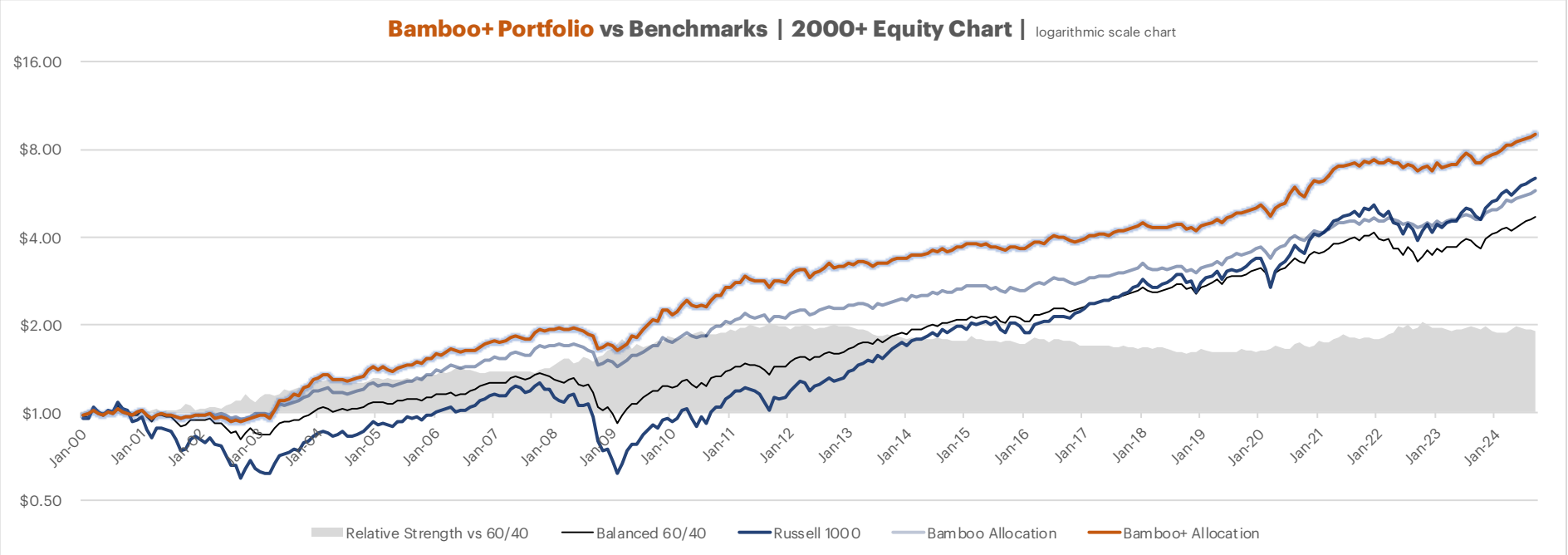
## Allocation Stats from 1980+

	Bamboo	Bamboo+	Bamboo++
Winning Months	351	347	347
Ave Winning Month	1.00%	1.16%	1.33%
Total Gain	695%	818%	959%
Net Gain	410%	496%	592%
Win to Loss Ratio	2.44	2.54	2.61
Gain to Pain Ratio	1.44	1.54	1.61

Losing Months	186	190	190
Ave Losing Month	-1.53%	-1.70%	-1.93%
Total Loss	-284%	-322%	-367%

Bamboo Allocation inception date Mar 2024.

randy@dualmomentumsystems.com



Bamboo+ Allocation inception date June 2023.

# Dual Momentum Strategies: Bamboo++ Allocation

A fixed allocation strategy rebalanced annually

Results through 09/30/2024

## Investment selection for October 2024:

IWB: 40%, BND: 20%, DBMF: 20%, SGOL: 20%

## Tax friendliness:

Bamboo++ Allocation has mostly Long Term Cap Gains.

## Average number of trades per year (including Rebalancing)

1.68

## Portfolio size appropriateness:

Whale, Bamboo++ Allocation can be used for any sized portfolio.

## Characteristics:

Drawdowns: Bamboo++ Allocation has more conservative drawdowns than the S&P and very similar to 60/40.

Volatility: Bamboo++ Allocation is usually less volatile than the S&P and 60/40 over time.

Returns: Bamboo++ Allocation will perform more similar to a 60/40, but can outperform it and the S&P over longer cycles.

Leverage: Bamboo++ Allocation never uses any leverage.

## Strategy Description:

The Bamboo Allocation allocations strategies are for somebody who doesn't want straight up S&P, or a 60/40, but they want something not as volatile and with as much downside as holding the S&P, but also something that is more suited to the changing market conditions than is a 60/40. The base Bamboo Allocation never uses any leverage, the Bamboo+ Allocation uses 2X Leverage only for the 55% US Large Cap position using the Smart Leverage rules of the Dual Momentum Strategies, and the Bamboo++ Allocation uses 3X Leverage using Smart Leverage.

Leverage	2000+
Average	118%
Maximum	180%

Metric	2000+
Beta	0.46
Alpha	5.56%

## Annualized Returns, actual YTD for current year.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>Bamboo++ Allocation</b>	16.92%	25.36%	8.63%	16.04%	11.04%	11.43%	13.34%
Balanced 60/40	14.73%	25.78%	6.58%	9.70%	8.81%	6.44%	10.06%
Russell 1000	20.95%	35.54%	10.68%	15.48%	12.96%	7.76%	11.97%

## Maximum Drawdown, single largest drawdown.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>Bamboo++ Allocation</b>	-0.64%	-0.64%	-10.81%	-10.81%	-10.81%	-16.44%	-16.44%
Balanced 60/40	-3.38%	-3.38%	-20.09%	-20.09%	-20.09%	-32.33%	-32.33%
Russell 1000	-4.18%	-4.18%	-24.57%	-24.57%	-24.57%	-51.03%	-51.03%

## Ulcer Index, the higher the number the more painful downside volatility. Considers all downside.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>Bamboo++ Allocation</b>	0.20	0.18	4.68	4.19	3.46	4.25	3.60
Balanced 60/40	1.07	1.08	9.02	7.26	5.33	7.85	6.20
Russell 1000	1.32	1.33	10.55	8.87	6.77	16.35	12.89

## Sortino Ratio, risk adjusted performance measure - bigger number is better.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>Bamboo++ Allocation</b>	14.22	16.89	0.56	1.41	1.03	1.10	1.45
Balanced 60/40	3.27	4.33	0.29	0.64	0.64	0.32	0.87
Russell 1000	4.09	5.06	0.61	0.96	0.87	0.38	0.77

## Minimum, Average, and Maximum monthly performance.

	Bamboo	Bamboo+	Bamboo++
<b>MIN</b>	-9.2%	-9.16%	-9.16%
<b>AVE</b>	0.5%	0.59%	0.70%
<b>MAX</b>	9.4%	11.61%	16.51%

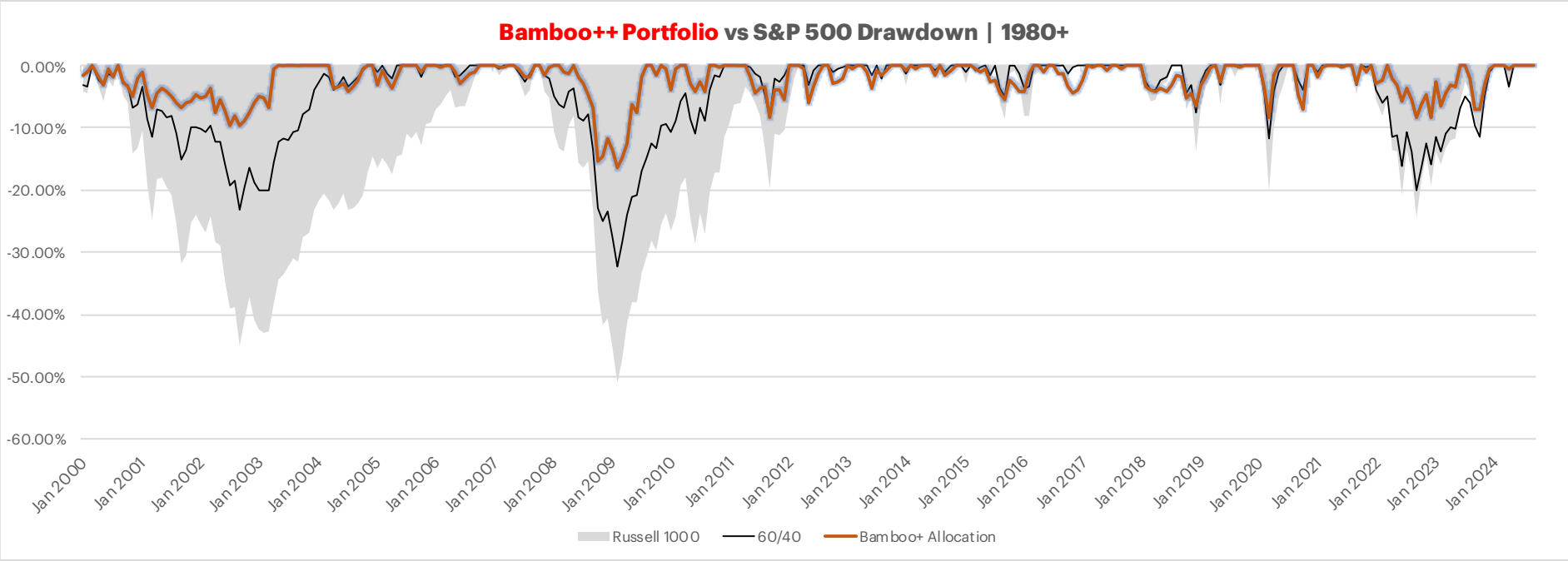
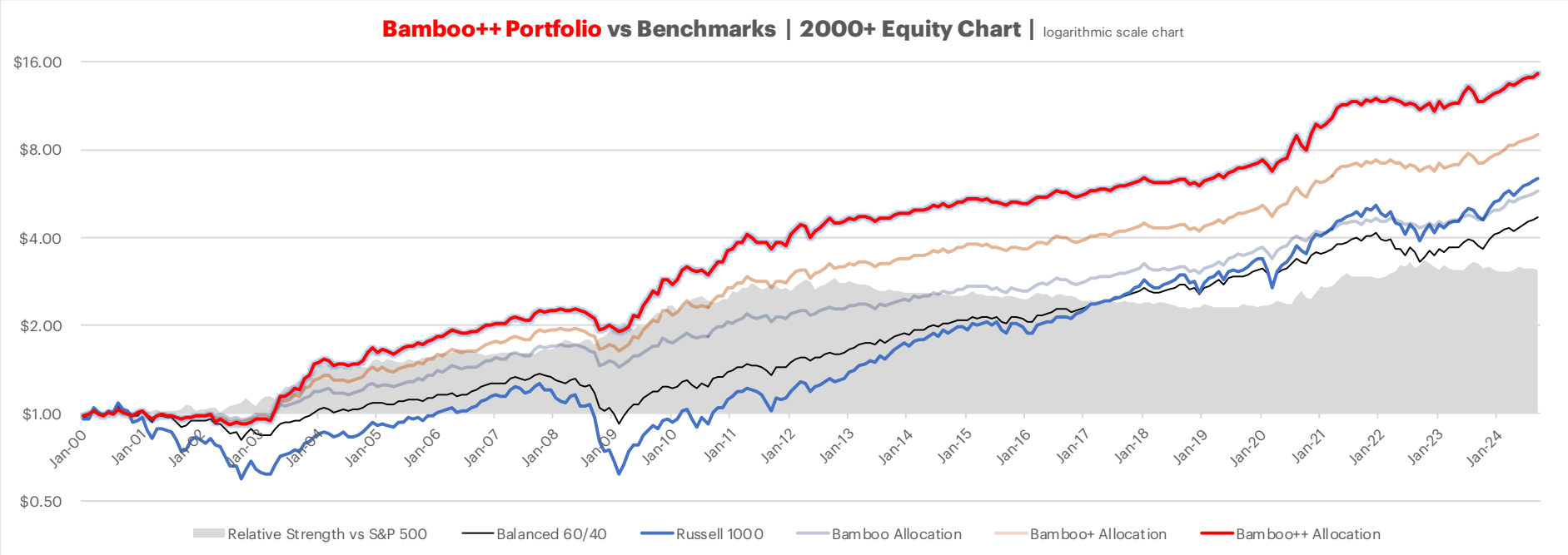
## Allocation Stats from 1980+

	Bamboo	Bamboo+	Bamboo++
<b>Winning Months</b>	<b>351</b>	<b>347</b>	<b>347</b>
<b>Ave Winning Month</b>	<b>1.00%</b>	<b>1.16%</b>	<b>1.33%</b>
<b>Total Gain</b>	<b>695%</b>	<b>818%</b>	<b>959%</b>
<b>Net Gain</b>	<b>410%</b>	<b>496%</b>	<b>592%</b>
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<b>Ave Losing Month</b>	<b>-1.53%</b>	<b>-1.70%</b>	<b>-1.93%</b>
<b>Total Loss</b>	<b>-284%</b>	<b>-322%</b>	<b>-367%</b>

Bamboo Allocation inception date Mar 2024.

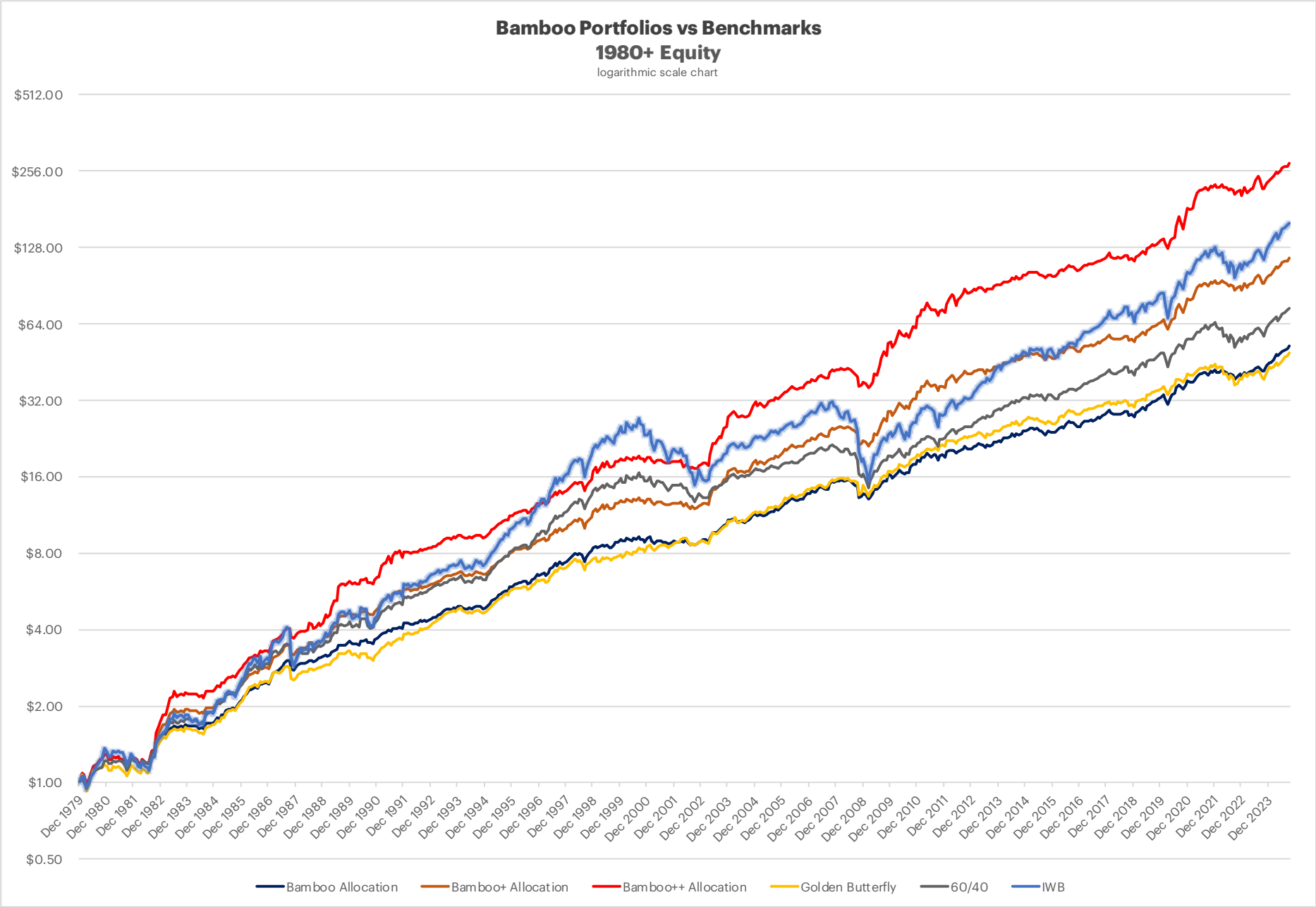
randy@dualmomentumsystems.com



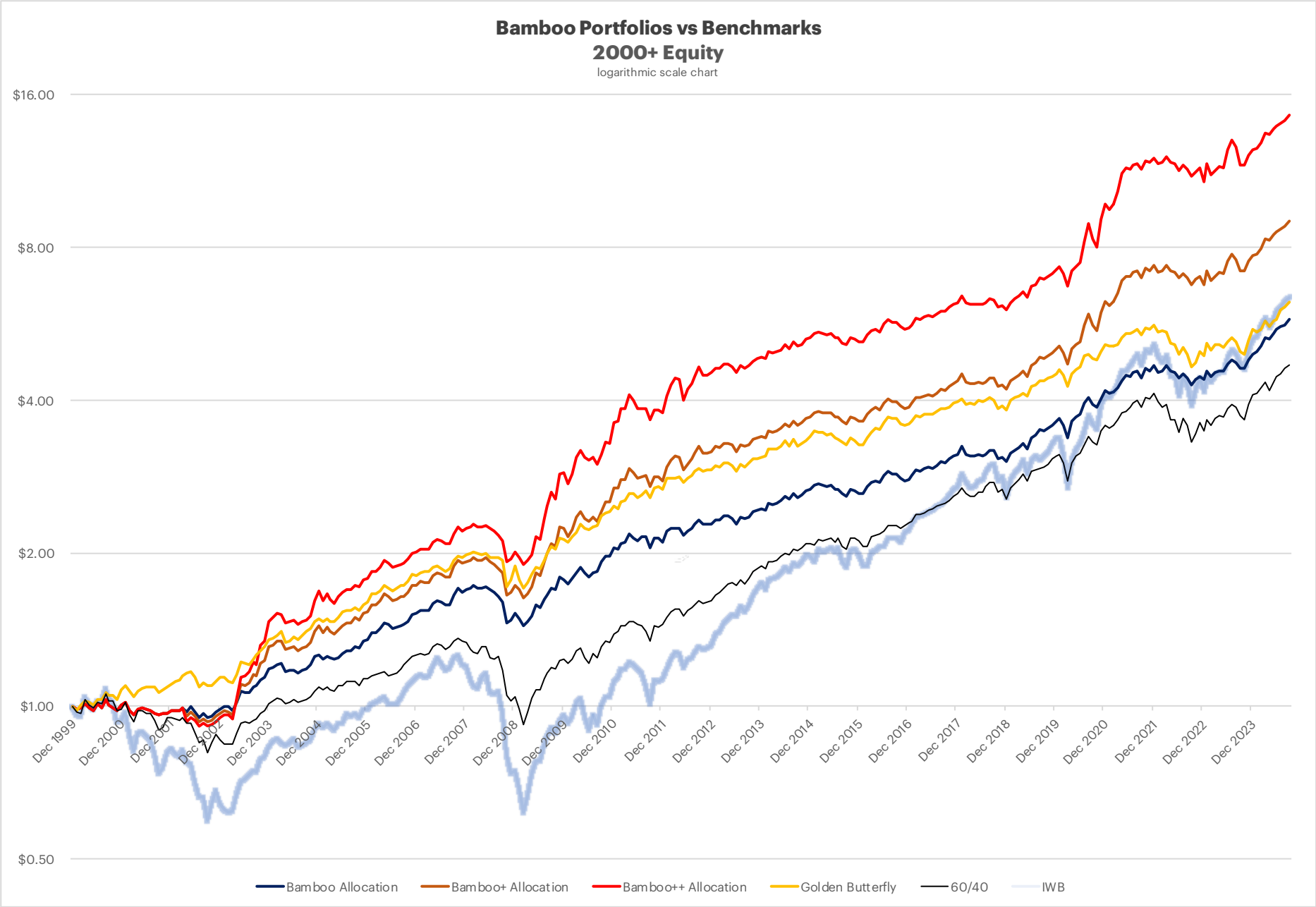
Bamboo++ Allocation inception date June 2023.



## **Equity & Return Charts**







## Metrics, Annual Returns and Correlations

**CAGR:** Compound Annual Growth Rate, on average how much the strategy has returned per year

**Ulcer Performance Index:** A risk adjusted performance ratio which uses the Ulcer Index in it's calculations

**Sortino Ratio:** A risk adjusted performance ratio commonly used

**Gain to Pain:** Used by the famous Jack Schwager, simply the total net gain divided by net loses along the way

**Maximum Drawdown:** The largest negative drawdown for the strategy, on a month end basis

**Ulcer Index:** Measures how bad drawdowns are for an investment, not related to gains, just drawdowns

**Sharpe Ratio:** A commonly used risk adjusted performance measure, however, it penalizes for upside volatility

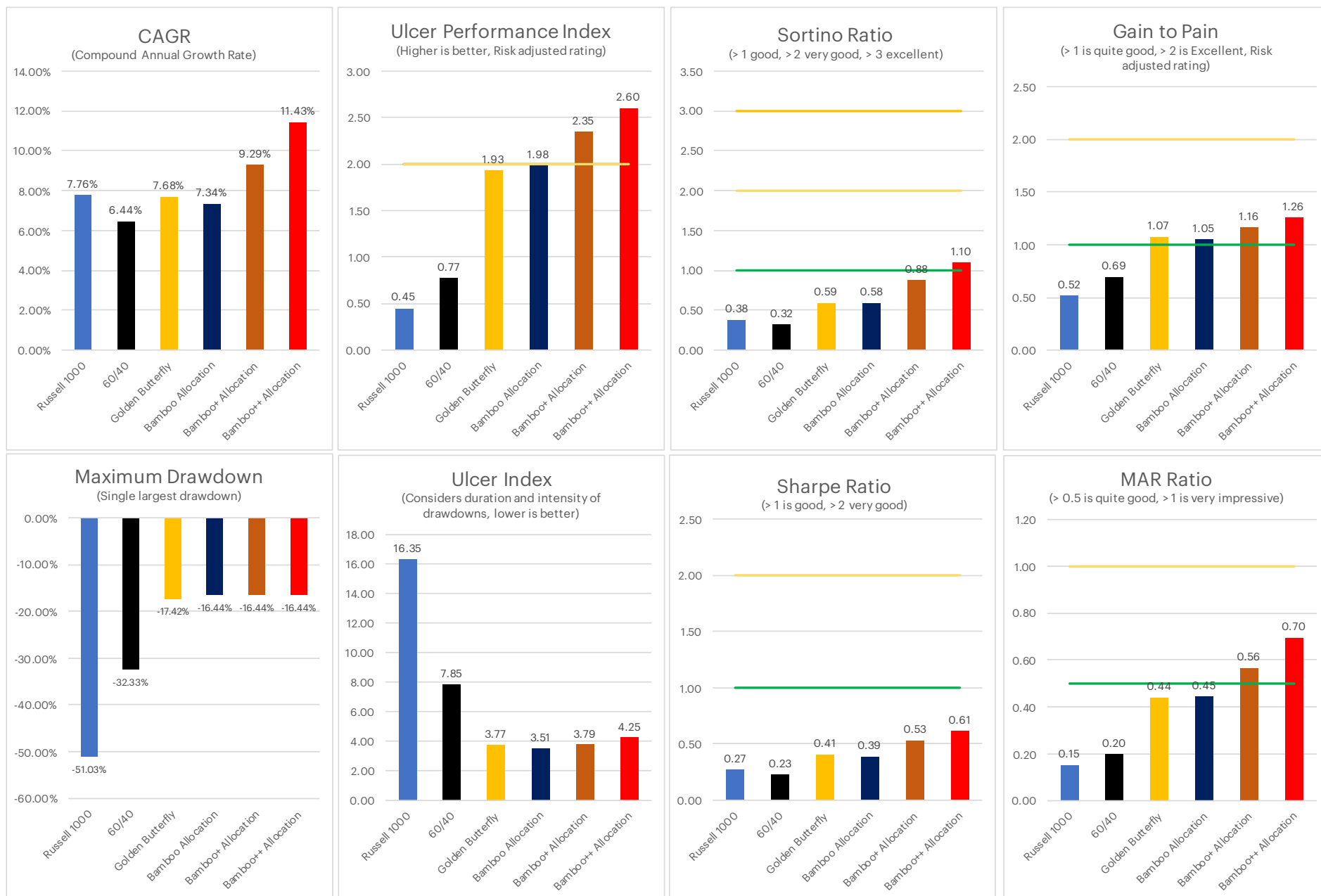
**MAR Ratio:** A risk adjusted performance ratio, uses maximum drawdown in it's calculations

## Metrics Comparisons: Bamboo Allocations vs Russell 1000 & 60/40 & Golden Butterfly 1980 to current



All Metrics are calculated from Monthly returns

## Metrics Comparisons: Bamboo Allocations vs Russell 1000 & 60/40 & Golden Butterfly 2000 to current



All Metrics are calculated from Monthly returns

## 36 Month Strategy Return Correlations

	←Conservative						Aggressive →	
	IWB	Balanced 60/40	Golden Butterfly	Bamboo Allocation	Bamboo+ Allocation	Bamboo++ Allocation		
IWB	100%							
Balanced 60/40	99%	100%						
Golden Butterfly	89%	94%	100%					
Bamboo Allocation	91%	90%	91%	100%				
Bamboo+ Allocation	86%	85%	87%	96%	100%			
Bamboo++ Allocation	80%	78%	98%	89%	98%	100%		

# DUAL MOMENTUM SYSTEMS

Thank you for your time, my hope is that these strategies may help you grow your investments more than a market index fund, with less drawdowns along the way.

Countless hours of thought, development, and modeling have gone into the DMS strategies which were inspired from the work of Gary Antonacci at [www.OptimalMomentum.com](http://www.OptimalMomentum.com). I have entrusted my invested net worth into these strategies, I am not looking to gain from anybody else who chooses to use them, I simply want to share what I think are fantastic ways to invest money for the long run. Receive the strategy information free by emailing me and getting on the distribution list, your information is kept private.

A handwritten signature in black ink, appearing to read "Randy".

## Extended Data & Out of Sample

### Extended Data

The strategies use ETF monthly total return data. Leveraged ETF data is used as far back as it is available, it is simulated using the available daily return total data to extend the leverage returns back in time. At this time, only the leveraged S&P 500 from 1970 through 1979 had to be simulated on monthly data instead of daily, if that information becomes available to me it will be updated. This deck is reporting back to 1980 for all strategies, I do have Global Navigator and LT Gain 3 back to 1970 but as mentioned the extended data for the 1970's should be based on daily returns.

The Nasdaq 100 benchmark data is based on Nasdaq 100 back to 1986, however, it didn't exist or data can't be found before that time, so the Nasdaq Composite is used pre-1986 as a proxy. I couldn't reliably emulate Nasdaq 100 from Nasdaq comp.

### In Sample, and Out of Sample

The strategies were created with available data from 2000 through the time each strategy was created. Because this data was available and used in the modeling of each strategy, it is considered "In Sample". "Out of Sample" is the periods that the strategy is looking at for which returns were not available when the strategies were created. 1980 through 2000, and from when the strategy was finalized forward is all out of sample.

Nothing was changed to any of the strategies after seeing the additional 20 years from 1980 through 2000, nor were any of the strategies changed or modified due to any returns which have resulted after the strategies were created. I use these strategies myself to invest my hard earned dollars in them, I don't want to fool anybody, most especially not myself by tweaking the strategies to handle some big incident better than it was originally designed to do, no data mining!