



# Investment Strategies

## Rolling 12 Month Returns Through February 29, 2024

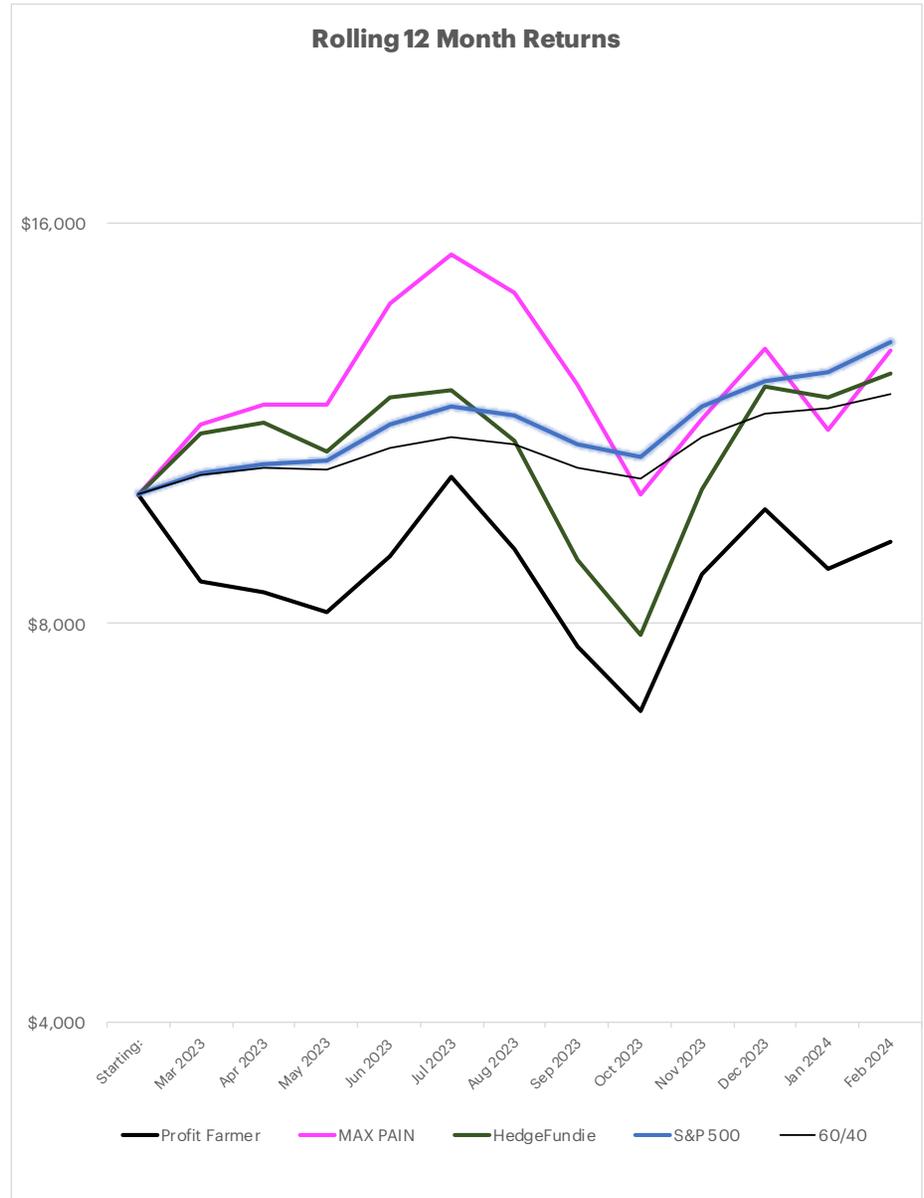
### Returns and Maximum Drawdown:

Month	US Market	Balanced	Nasdaq 100	HedgeFundie	Profit Farmer	MAX PAIN
	S&P 500	60/40	QQQ			
Mar 2023	3.71%	3.30%	9.49%	10.98%	-14.03%	12.86%
Apr 2023	1.60%	1.20%	0.51%	1.83%	-1.93%	3.60%
May 2023	0.46%	-0.19%	7.88%	-4.81%	-3.44%	-0.15%
Jun 2023	6.48%	3.80%	6.30%	10.10%	10.22%	19.13%
Jul 2023	3.27%	1.91%	3.86%	1.00%	14.82%	8.95%
Aug 2023	-1.63%	-1.24%	-1.48%	-8.44%	-11.67%	-6.37%
Sep 2023	-4.74%	-3.84%	-5.08%	-18.57%	-15.63%	-14.71%
Oct 2023	-2.17%	-1.91%	-2.07%	-12.18%	-10.62%	-17.43%
Nov 2023	9.13%	7.29%	10.82%	28.69%	26.78%	14.03%
Dec 2023	4.57%	4.16%	5.59%	19.41%	11.99%	12.94%
Jan 2024	1.59%	0.89%	1.82%	-1.81%	-10.00%	-13.18%
Feb 2024	5.22%	2.59%	5.28%	4.29%	4.93%	14.67%
<b>12 Mo Rtrn:</b>	<b>30.17%</b>	<b>18.93%</b>	<b>50.57%</b>	<b>23.25%</b>	<b>-7.98%</b>	<b>28.11%</b>
Max DD:	-8.33%	-6.84%	-8.42%	-34.52%	-33.39%	-34.06%

b/(w) S&P 500: 0.0%    -11.2%    20.4%       -6.9%    -38.1%    -2.1%

### \$10,000 turns into:

Month	US Market	Balanced	Nasdaq 100	HedgeFundie	Profit Farmer	MAX PAIN
	S&P 500	60/40	QQQ			
<b>Starting:</b>	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Mar 2023	\$ 10,371	\$ 10,330	\$ 10,949	\$ 11,098	\$ 8,597	\$ 11,286
Apr 2023	\$ 10,537	\$ 10,453	\$ 11,005	\$ 11,301	\$ 8,431	\$ 11,692
May 2023	\$ 10,585	\$ 10,434	\$ 11,872	\$ 10,757	\$ 8,141	\$ 11,675
Jun 2023	\$ 11,271	\$ 10,830	\$ 12,620	\$ 11,844	\$ 8,973	\$ 13,908
Jul 2023	\$ 11,640	\$ 11,037	\$ 13,107	\$ 11,962	\$ 10,303	\$ 15,153
Aug 2023	\$ 11,450	\$ 10,900	\$ 12,913	\$ 10,953	\$ 9,101	\$ 14,188
Sep 2023	\$ 10,907	\$ 10,482	\$ 12,257	\$ 8,919	\$ 7,679	\$ 12,101
Oct 2023	\$ 10,671	\$ 10,282	\$ 12,003	\$ 7,832	\$ 6,863	\$ 9,992
Nov 2023	\$ 11,645	\$ 11,032	\$ 13,302	\$ 10,079	\$ 8,701	\$ 11,393
Dec 2023	\$ 12,177	\$ 11,491	\$ 14,046	\$ 12,036	\$ 9,744	\$ 12,868
Jan 2024	\$ 12,371	\$ 11,593	\$ 14,301	\$ 11,818	\$ 8,770	\$ 11,172
Feb 2024	\$ 13,017	\$ 11,893	\$ 15,057	\$ 12,325	\$ 9,202	\$ 12,811



# Investment Strategies

1980 through February 29, 2024

## Annual returns:

Year End	Benchmarks			Dual Momentum		
	US Market S&P 500	Balanced 60/40	Nasdaq 100 QQQ	HedgeFundie	MAX FUND	Profit Farmer
1980	32.49%	21.02%	33.38%	45.72%	112.85%	0.00%
1981	-4.90%	0.07%	-0.63%	-13.21%	17.16%	0.00%
1982	21.55%	25.68%	18.20%	104.69%	134.42%	0.00%
1983	22.55%	16.21%	19.58%	33.46%	107.36%	0.00%
1984	6.25%	9.84%	-13.19%	25.80%	8.11%	0.00%
1985	31.23%	27.65%	32.38%	122.87%	87.51%	0.00%
1986	18.05%	17.65%	10.83%	68.99%	37.57%	0.00%
1987	4.68%	4.81%	-11.38%	-2.02%	-45.08%	-18.83%
1988	16.22%	12.64%	19.47%	37.21%	23.23%	56.44%
1989	31.38%	24.20%	19.49%	86.89%	73.31%	30.16%
1990	-3.32%	1.56%	-17.55%	-4.70%	-31.86%	-17.86%
1991	30.22%	24.30%	46.97%	90.44%	89.45%	166.45%
1992	7.40%	7.35%	21.54%	23.25%	23.14%	53.18%
1993	9.58%	9.66%	15.37%	40.42%	44.23%	63.89%
1994	0.38%	-0.77%	-3.66%	-10.94%	-15.76%	-22.12%
1995	38.05%	29.81%	42.46%	133.08%	96.18%	120.13%
1996	22.51%	14.70%	23.41%	33.24%	24.90%	16.68%
1997	33.49%	23.58%	21.27%	78.35%	73.59%	85.81%
1998	28.69%	21.01%	32.17%	71.42%	4.10%	25.04%
1999	20.39%	11.65%	101.07%	14.82%	12.88%	61.90%
2000	-9.74%	-1.49%	-36.11%	2.12%	58.06%	98.51%
2001	-11.75%	-3.81%	-33.34%	-18.16%	5.80%	22.72%
2002	-21.59%	-9.80%	-37.37%	-20.45%	19.08%	-6.68%
2003	28.16%	18.19%	49.67%	49.04%	222.74%	163.96%
2004	10.71%	8.00%	10.54%	29.13%	39.62%	44.50%
2005	4.83%	3.87%	1.57%	20.71%	-8.55%	52.20%
2006	15.84%	10.95%	7.14%	24.73%	55.90%	57.12%
2007	5.14%	5.94%	19.02%	19.86%	9.98%	-19.18%
2008	-36.81%	-21.86%	-41.73%	-42.86%	48.69%	17.52%
2009	26.38%	18.66%	54.68%	-4.88%	23.19%	5.06%
2010	15.06%	12.04%	20.14%	43.94%	38.95%	21.52%
2011	1.88%	4.38%	3.47%	45.73%	60.10%	80.37%
2012	16.00%	11.39%	18.12%	31.69%	47.10%	11.19%
2013	32.31%	17.44%	36.63%	29.66%	149.93%	114.09%
2014	13.48%	10.56%	19.18%	64.08%	27.61%	56.48%
2015	1.26%	1.11%	9.45%	-2.45%	-17.34%	4.30%
2016	12.00%	8.34%	7.10%	19.88%	58.20%	50.27%
2017	21.71%	14.26%	32.66%	51.13%	23.68%	61.33%
2018	-4.56%	-2.47%	-0.12%	-13.56%	8.78%	7.79%
2019	31.23%	21.98%	38.96%	81.31%	27.64%	21.26%
2020	18.39%	14.93%	48.40%	49.80%	120.14%	101.69%
2021	28.76%	15.74%	27.42%	36.12%	82.82%	108.84%
2022	-18.16%	-15.86%	-32.59%	-63.22%	-63.67%	-80.51%
2023	26.18%	17.66%	54.84%	27.60%	53.84%	-1.96%
+/- S&P YTD:	0.0%	-8.5%	28.7%	1.4%	27.7%	-28.1%
CAGR	11.8%	9.8%	12.1%	25.7%	34.6%	0.0%

# Dual Momentum Strategies: HedgeFundie

Sort of a highly leveraged 60/40 Portfolio as prescribed by HedgeFundie on Bogleheads

Results through 02/29/2024

## Investment selection for March 2024:

55% UPRO 45% TMF

## Tax friendliness:

**HedgeFundie** unsure of short/long term taxes

## Months between change of holdings

**HedgeFundie** as tracked here is rebalanced monthly.

## Portfolio size appropriateness:

Whale, **HedgeFundie** can be used for any sized portfolio.

## Characteristics:

Drawdowns: **HedgeFundie** has frequent and massive drawdowns.

Volatility: **HedgeFundie** is extremely volatile.

Returns: **HedgeFundie** has superior historical returns compared to the S&P 500.

**HedgeFundie** is always leveraged with 3X ETF's

## Strategy Description:

HedgeFundie's Excellent Adventure threads on the Boglehead's forum has been active since 1st posted.

HedgeFundie left after some point, tired of defending the strategy and being attacked, the strategy lives on. I track it out of curiosity, even though I find it to be a terrible strategy given it's performance adjusted metrics.

People can dream.

## Strategy Components

UPRO 3X S&P 500

TMF 3X Long Term Treasuries

Metric	2000+	1980+
Beta	1.52	1.73
Alpha	2.50%	5.68%

## Annualized Returns actual YTD for current year.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>HedgeFundie</b>	4.81%	23.25%	-10.09%	8.64%	14.93%	13.20%	25.73%
Balanced 60/40	4.26%	18.93%	4.31%	8.23%	7.80%	5.97%	9.84%
S&P 500	6.89%	30.17%	11.79%	14.64%	12.59%	7.20%	11.78%

## Maximum Drawdown single largest drawdown.

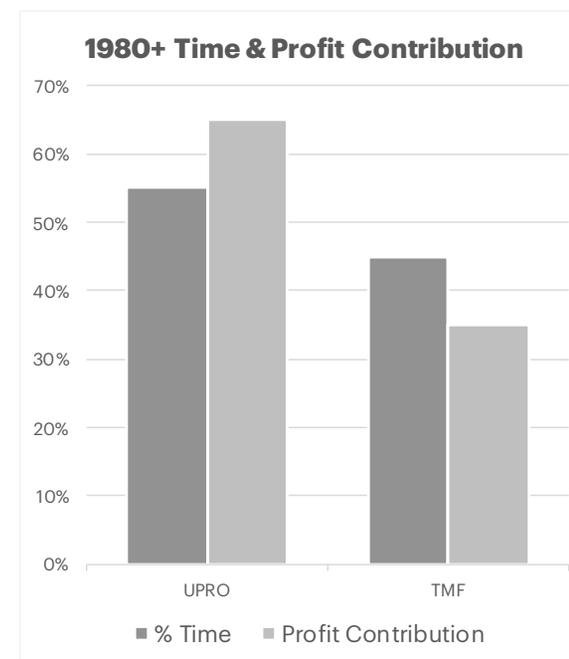
Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>HedgeFundie</b>	-1.81%	-34.52%	-69.46%	-69.46%	-69.46%	-69.46%	-69.46%
Balanced 60/40	0	-6.84%	-20.09%	-20.09%	-20.09%	-32.33%	-32.33%
S&P 500	0	-8.33%	-23.92%	-23.92%	-23.92%	-50.79%	-50.79%

## Ulcer Index the higher the number the more painful downside volatility. Considers all downside not just maximum.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>HedgeFundie</b>	1.05	12.96	45.10	35.35	25.72	26.24	20.72
Balanced 60/40	-	2.38	10.83	8.63	6.27	8.23	6.43
S&P 500	-	2.93	9.89	8.37	6.39	16.40	12.84

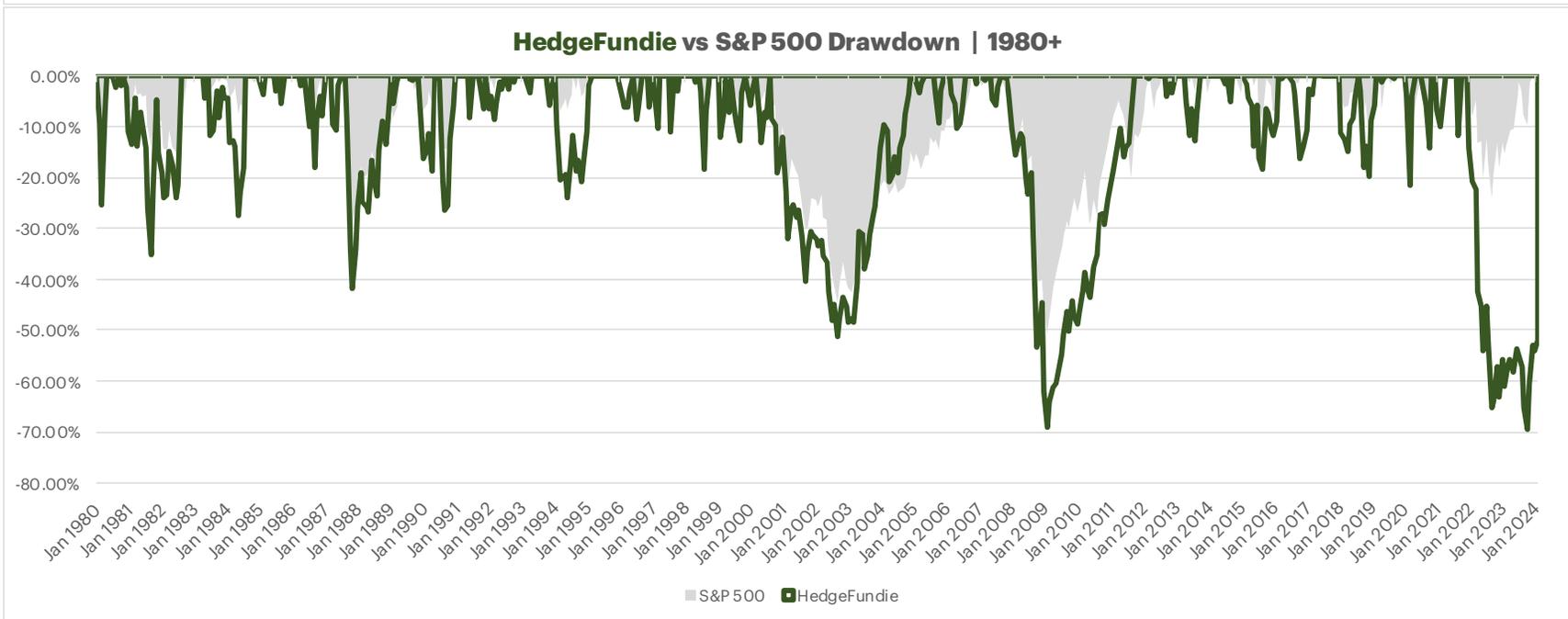
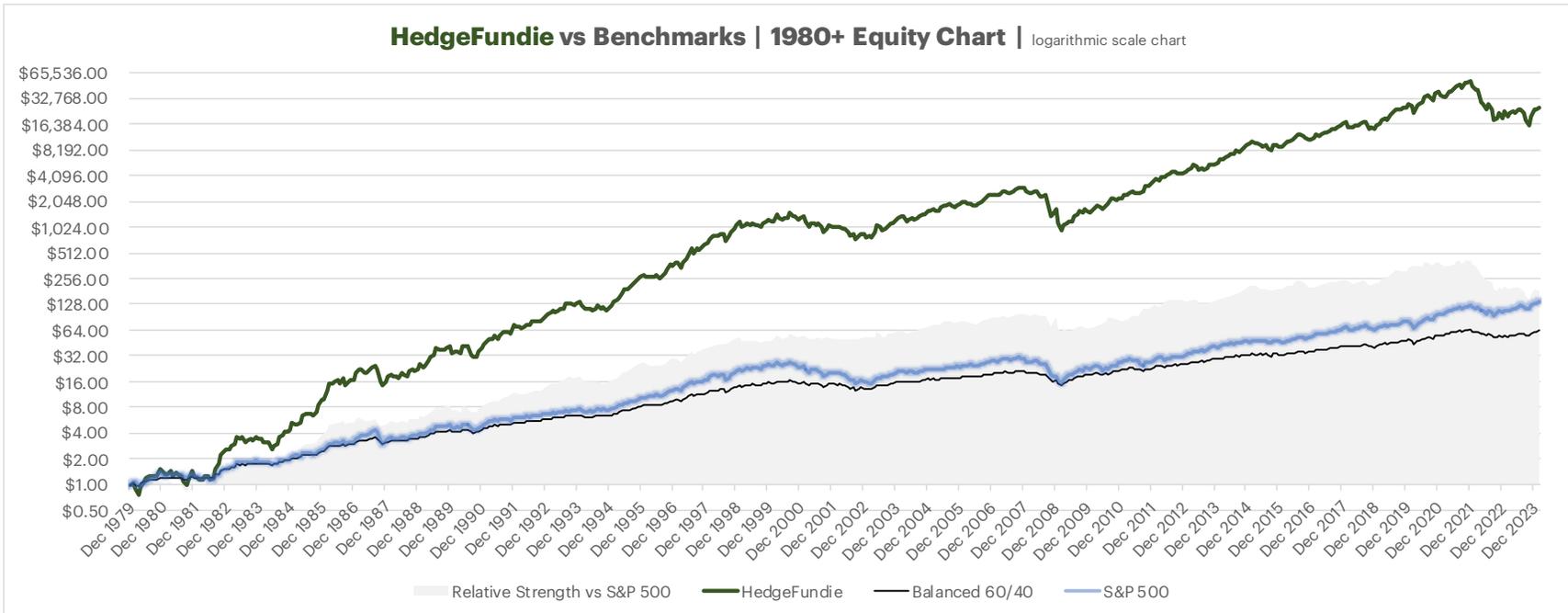
## Sortino Ratio, risk adjusted performance measure - bigger number is better.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>HedgeFundie</b>	(2.79)	(0.96)	(1.47)	(1.27)	(1.45)	0.57	1.19
Balanced 60/40	(3.37)	(2.79)	(2.82)	(2.77)	(2.97)	0.14	0.71
S&P 500	(2.56)	(2.26)	(2.29)	(2.19)	(2.48)	0.26	0.68



HedgeFundie's Excellent Adventure [55/45] began in August 2019, out of sample after that time.

**HedgeFundie's Excellent Adventure: 55% UPRO / 45% TMF**



HedgeFundie's Excellent Adventure [55/45] began in August 2019, out of sample after that time.

# Dual Momentum Strategies: **MAX PAIN**

USA Momentum Rotational always using triple leverage

Results through 02/29/2024

## Investment selection for March 2024:

UPRO, 3X S&P 500

## Tax friendliness:

**MAX PAIN** has mostly Short Term Cap Gains.

## Months between change of holdings

MAX PAIN changes it's holdings every 2.5 months on average.

## Portfolio size appropriateness:

Small Fry, **MAX PAIN** is only suitable for < \$500,000 allocations.

## Characteristics:

Drawdowns: **MAX PAIN** has frequent and larger drawdowns than the S&P.

Volatility: **MAX PAIN** is far more volatile than the S&P over time.

Returns: **MAX PAIN** has incredibly huge historical returns compared to the S&P 500.

Leverage: MAX PAIN has a maximum leverage of 300% and average leverage of: 258%

## Strategy Description:

**MAX PAIN** invests in the United States, going into the 3X leveraged version of the best performer of the Russell 1000, Russell MidCap Growth, or Russell Small Cap. When these markets aren't experiencing positive momentum the strategy goes into 3X Long Term Treasuries. This is an extremely high return strategy with equally high volatility and frequent drawdowns, know what you're getting into.

## Strategy Components

URTY 3X Russell 2000, MIDU 3X S&P MidCap 400, UPRO 3X S&P 500

TMF 3X Long Term Treasuries, 1st month in treasuries

EDV Extended Duration Treasuries, subsequent months in treasuries

Metric	2000+	1980+
Beta	1.10	1.60
Alpha	26.89%	16.03%

## Annualized Returns

actual YTD for current year.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>MAX PAIN</b>	-0.44%	28.11%	-8.72%	23.77%	19.93%	34.76%	34.63%
Balanced 60/40	4.26%	18.93%	4.31%	8.23%	7.80%	5.97%	9.84%
S&P 500	6.89%	30.17%	11.79%	14.64%	12.59%	7.20%	11.78%

## Maximum Drawdown

single largest drawdown.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>MAX PAIN</b>	-13.18%	-34.06%	-63.67%	-63.67%	-63.67%	-63.67%	-67.06%
Balanced 60/40	0	-6.84%	-20.09%	-20.09%	-20.09%	-32.33%	-32.33%
S&P 500	0	-8.33%	-23.92%	-23.92%	-23.92%	-50.79%	-50.79%

## Ulcer Index

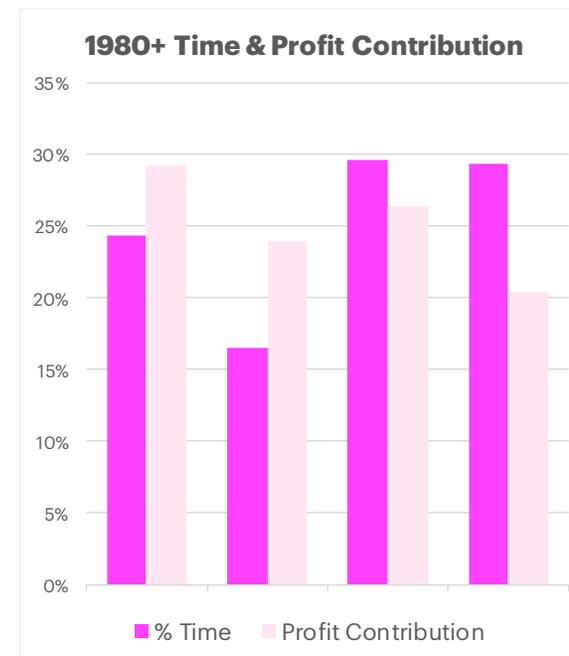
the higher the number the more painful downside volatility. Considers all downside not just maximum.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>MAX PAIN</b>	7.61	16.12	40.12	32.00	24.73	18.16	21.77
Balanced 60/40	-	2.38	10.83	8.63	6.27	8.23	6.43
S&P 500	-	2.93	9.89	8.37	6.39	16.40	12.84

## Sortino Ratio

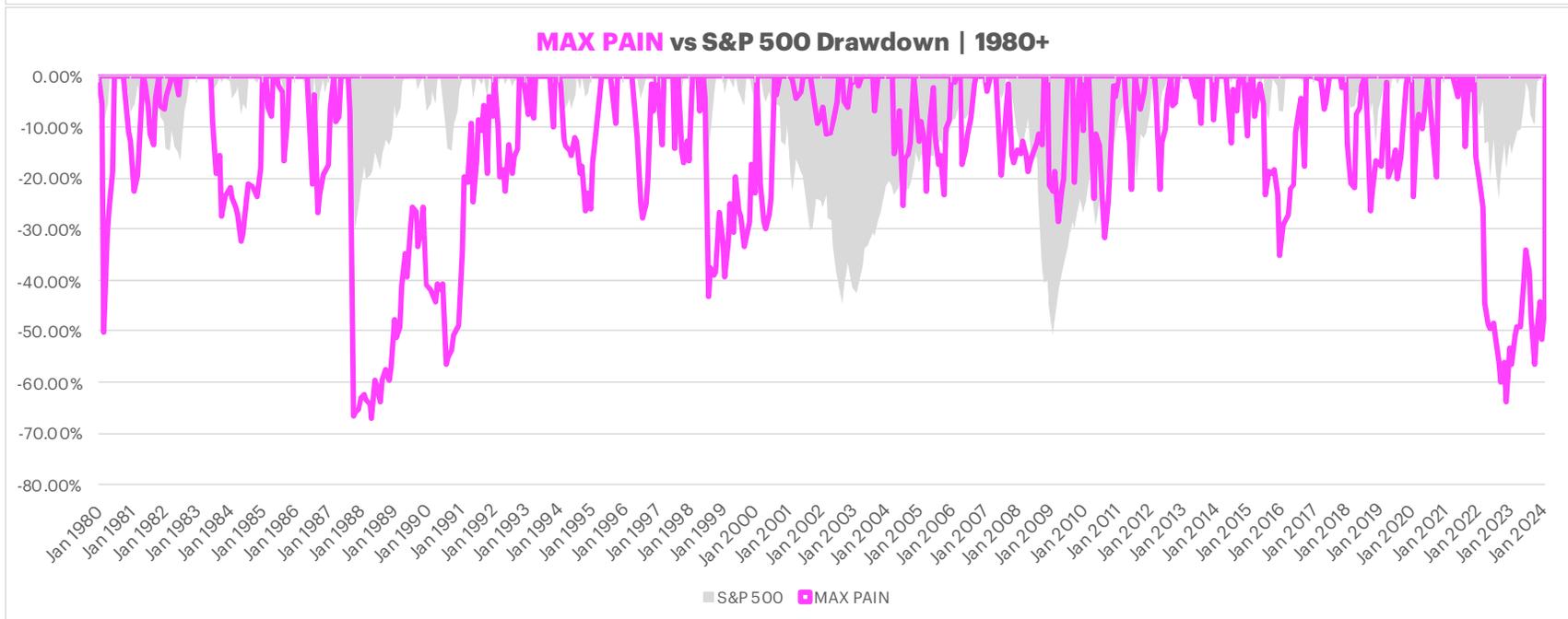
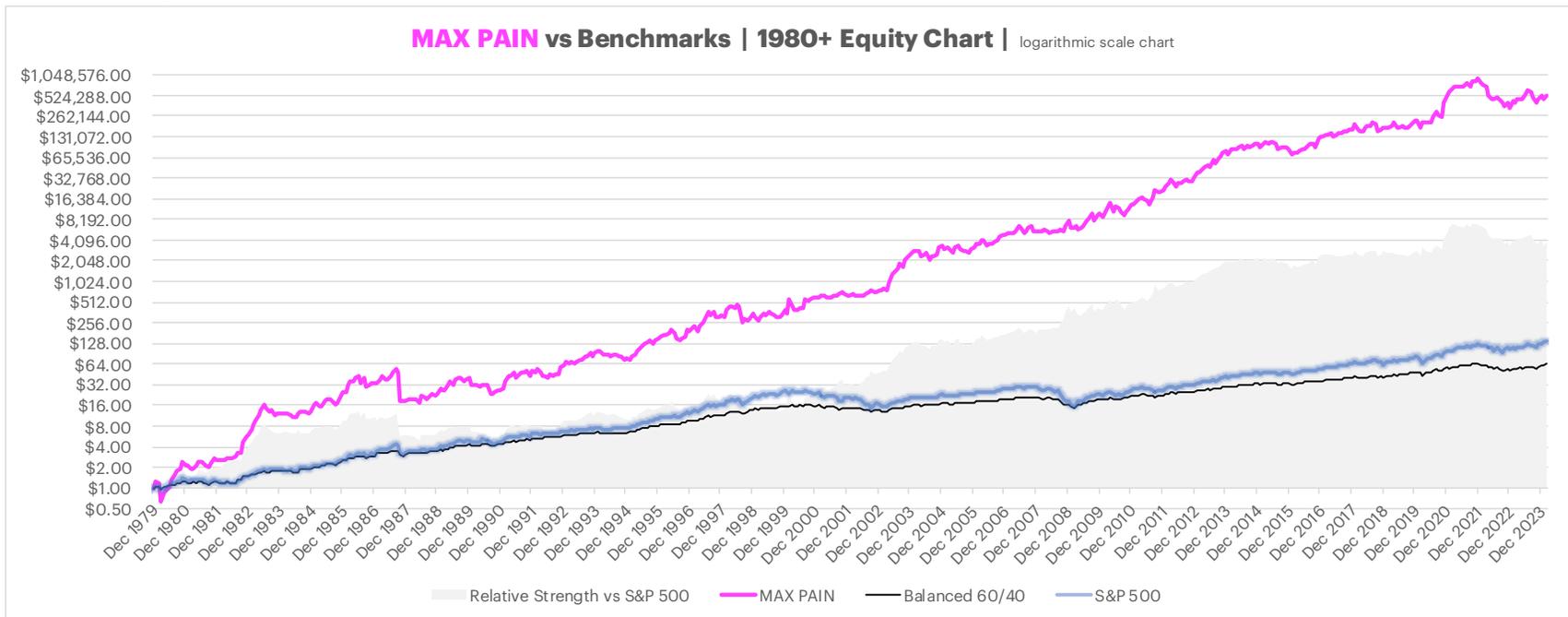
risk adjusted performance measure - bigger number is better.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
<b>MAX PAIN</b>	(1.23)	(0.80)	(1.56)	(0.82)	(1.10)	1.48	1.37
Balanced 60/40	(3.37)	(2.79)	(2.82)	(2.77)	(2.97)	0.14	0.71
S&P 500	(2.56)	(2.26)	(2.29)	(2.19)	(2.48)	0.26	0.68



The MAX PAIN inception date January 2021, out of sample since then and before 2000.

Dual Momentum Systems: MAX PAIN



The MAX PAIN inception date January 2021, out of sample since then and before 2000.

# Dual Momentum Strategies: Profit Farmer

A Minimum Variance Adaptive Asset Allocation strategy by Private Farmer

Results through 02/29/2024

## Strategy Description:

**Profit Farmer** is a Minimum Variance Adaptive Asset Allocation strategy, it is not a DMS strategy, but created by a friend of DMS. I track it because I have invested in it myself. Profit Farmer is always leveraged to 300%.

## Tax friendliness:

**Profit Farmer** has all Short Term Cap Gains.

## Months between change of holdings

**Profit Farmer** changes it's holdings virtually every month.

## Portfolio size appropriateness:

Small Fry, Profit Farmer is only suitable for < \$500,000 allocations.

## Characteristics:

Drawdowns: **Profit Farmer** has frequent and larger drawdowns than the S&P.

Volatility: **Profit Farmer** is far more volatile than the S&P over time.

Returns: **Profit Farmer** has incredibly huge historical returns compared to the S&P 500.

## Strategy Components

EDC 3X Emerging Markets

URTY 3X Russell 2000

TQQQ 3X Nasdaq 100

TMF 3X Long Term Treasuries

DRN 3X Real Estate

Metric	2000+	05/1987+
Beta	1.33	1.37
Alpha	19.03%	22.50%

## Annualized Returns

actual YTD for current year.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	05/1987+
<b>Profit Farmer</b>	-1.56%	-7.98%	-30.57%	-2.48%	14.82%	28.45%	32.17%
MAX PAIN	-0.44%	28.11%	-8.72%	23.77%	19.93%	34.76%	29.48%
S&P 500	6.89%	30.17%	11.79%	14.64%	12.59%	7.20%	10.32%

## Maximum Drawdown

single largest drawdown.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	05/1987+
<b>Profit Farmer</b>	-10.00%	-33.39%	-86.54%	-86.54%	-86.54%	-86.54%	-86.54%
MAX PAIN	-13.18%	-34.06%	-63.67%	-63.67%	-63.67%	-63.67%	-67.06%
S&P 500	0	-8.33%	-23.92%	-23.92%	-23.92%	-50.79%	-50.79%

## Ulcer Index

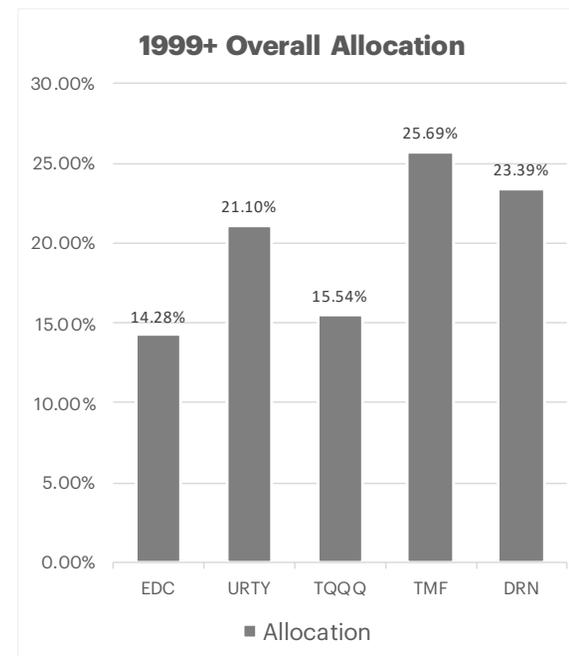
the higher the number the more painful downside volatility. Considers all downside not just maximum.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	05/1987+
<b>Profit Farmer</b>	6.61	16.17	61.13	47.86	34.48	25.97	22.24
MAX PAIN	7.61	16.12	40.12	32.00	24.73	18.16	22.91
S&P 500	-	2.93	9.89	8.37	6.39	16.40	13.89

## Sortino Ratio

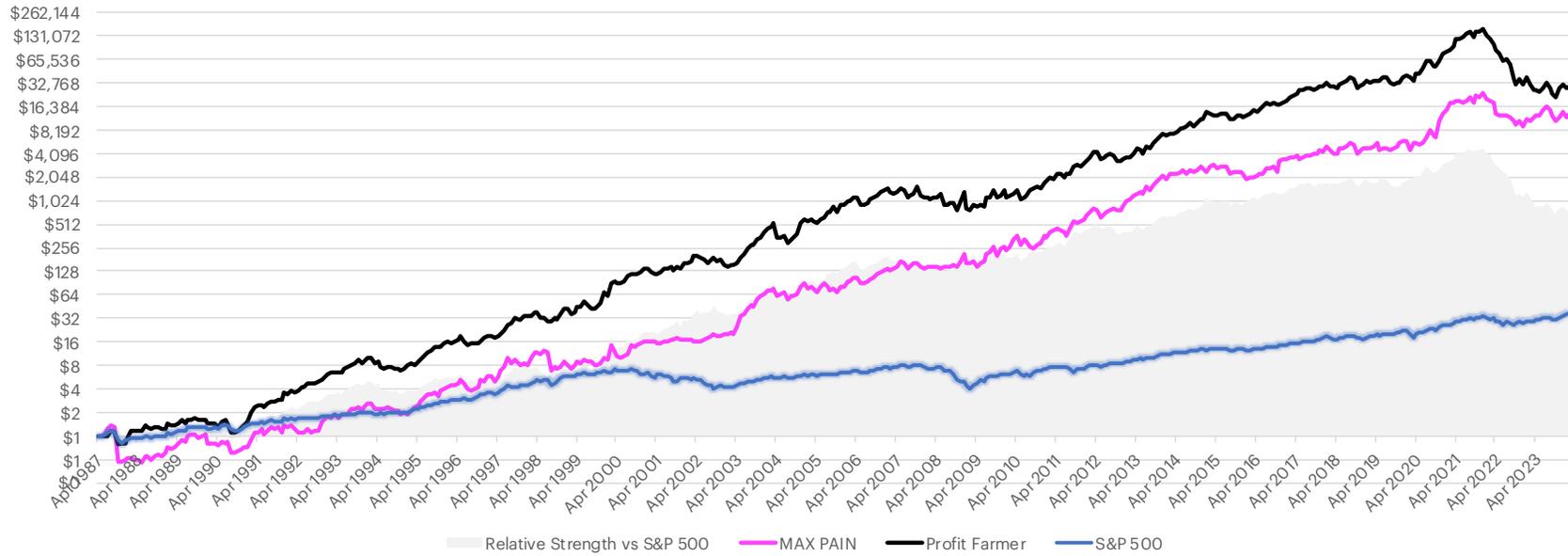
risk adjusted performance measure - bigger number is better.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	05/1987+
<b>Profit Farmer</b>	(2.52)	(1.52)	(1.72)	(1.33)	(1.26)	1.11	1.30
MAX PAIN	(1.23)	(0.80)	(1.56)	(0.82)	(1.10)	1.48	1.18
S&P 500	(2.56)	(2.26)	(2.29)	(2.19)	(2.48)	0.26	0.53

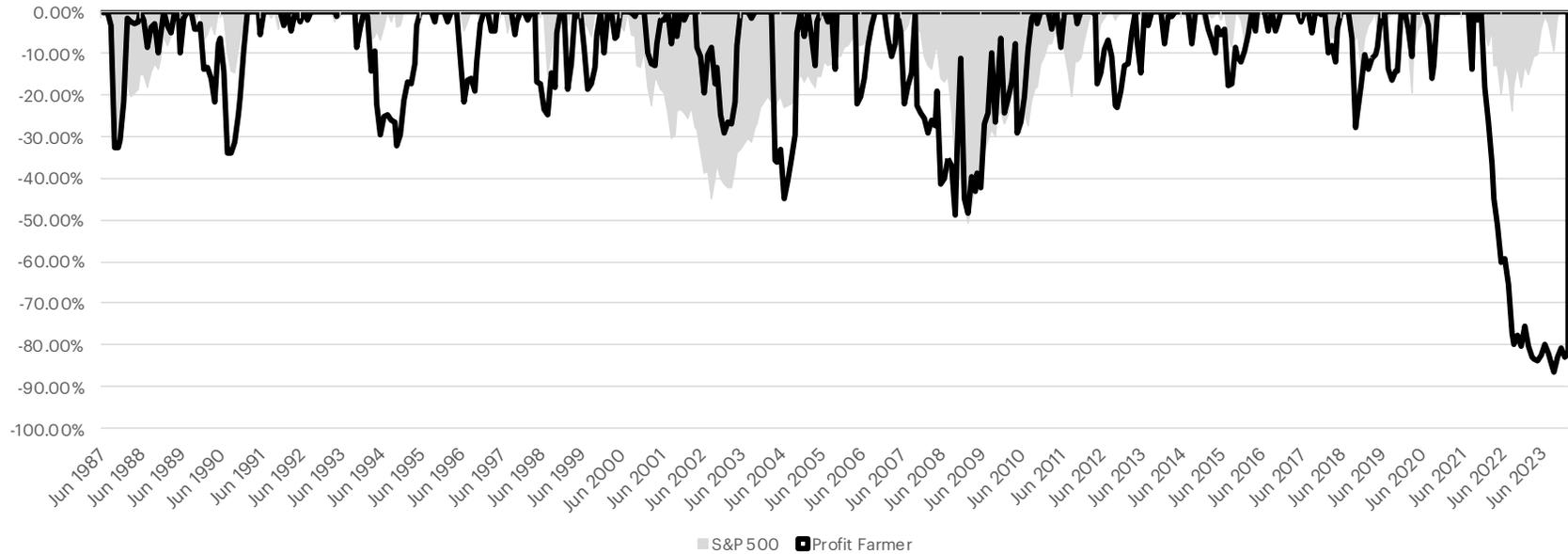


Strategy by Private Farmer

Profit Farmer vs Benchmarks | May 1987+ Equity Chart | logarithmic scale chart



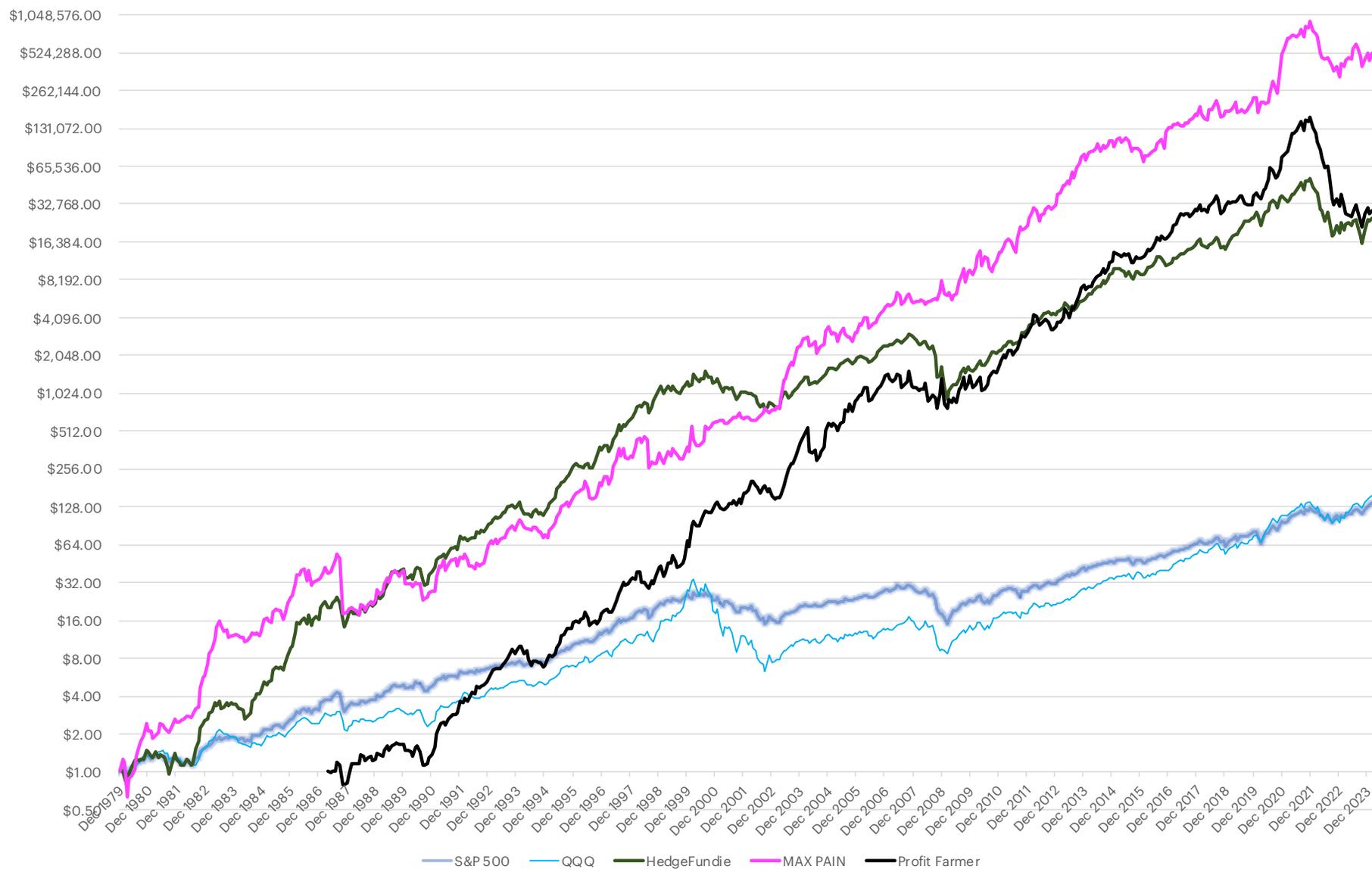
Profit Farmer vs S&P 500 Drawdown | May 1987+



Profit Farmer, an Adaptive Asset Allocation by Private Farmer

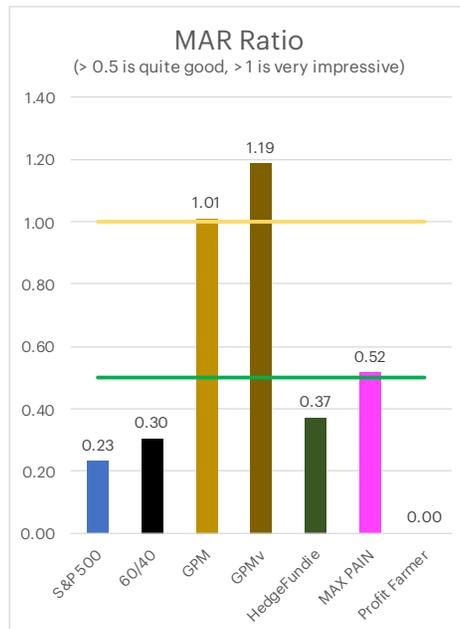
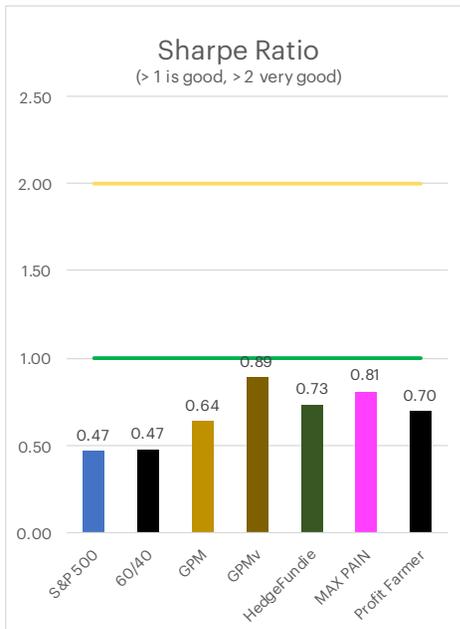
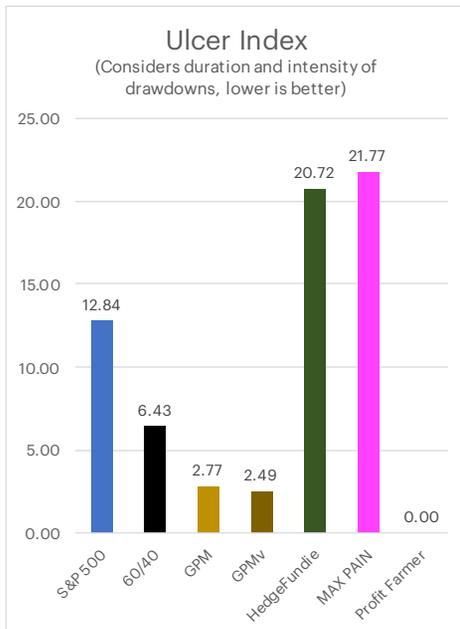
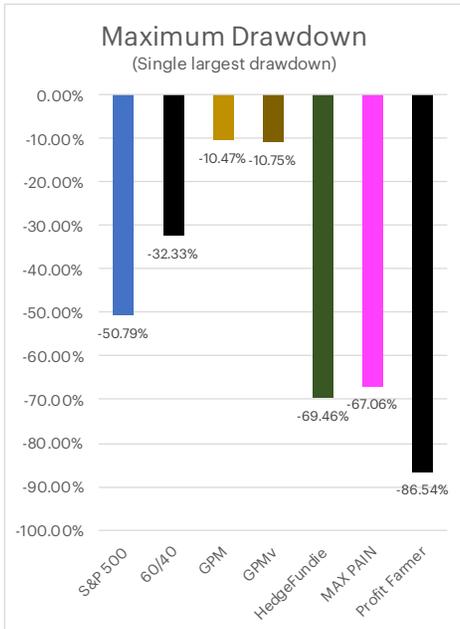
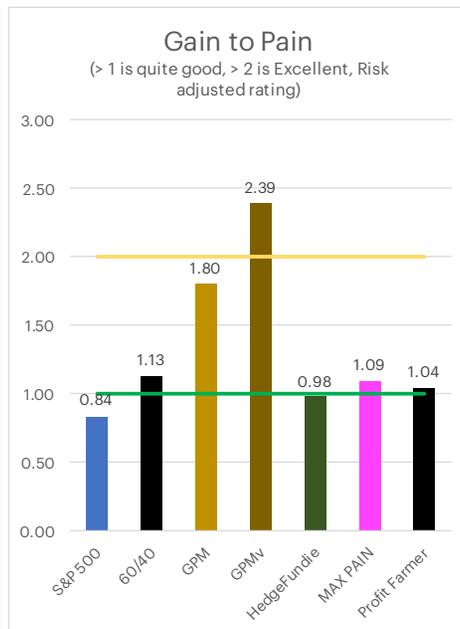
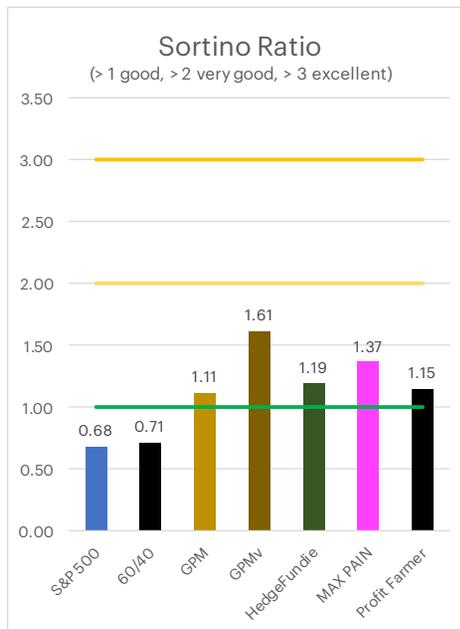
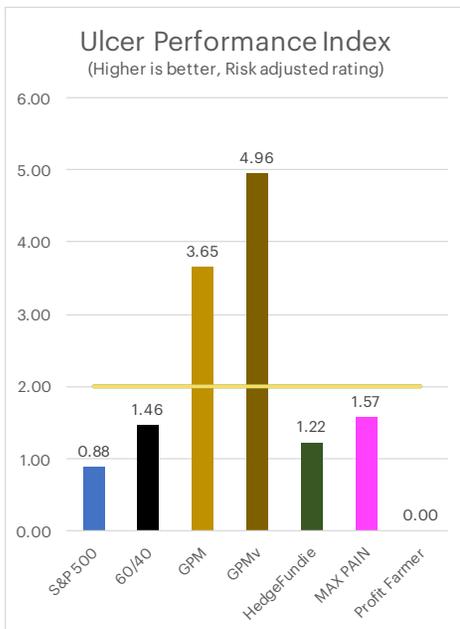
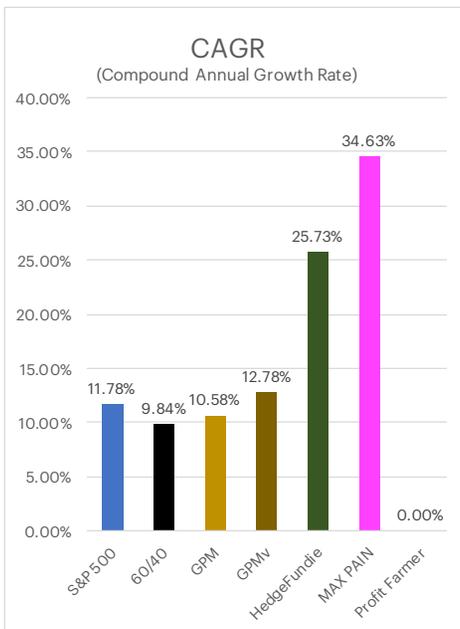
### HedgeFundie vs MAX PAIN vs Profit Farmer vs Benchmarks 1980+ Equity Chart for Strategies which use leverage

logarithmic scale chart



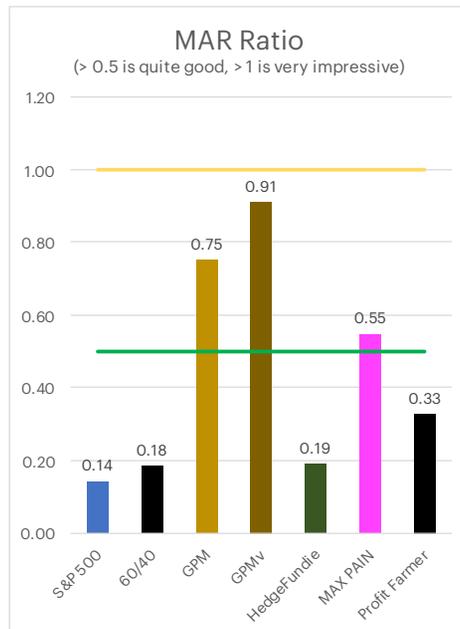
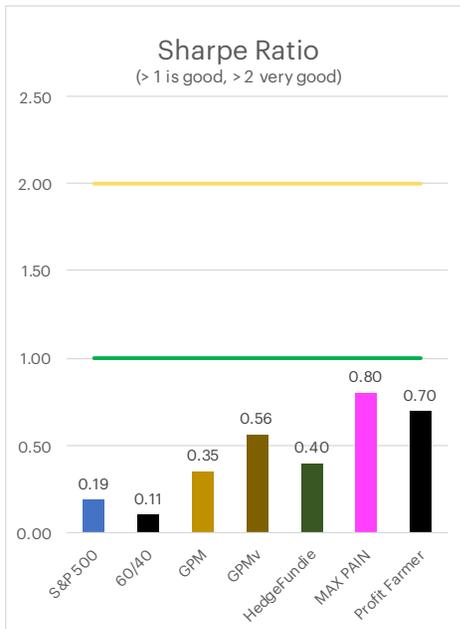
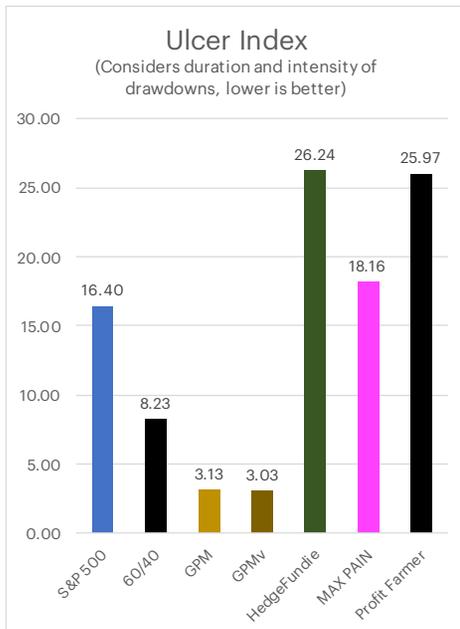
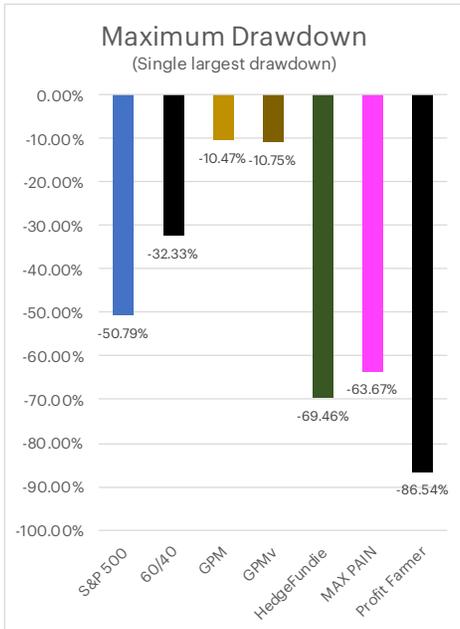
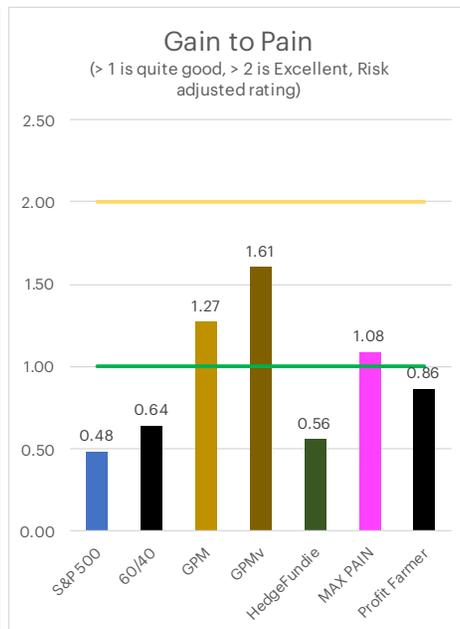
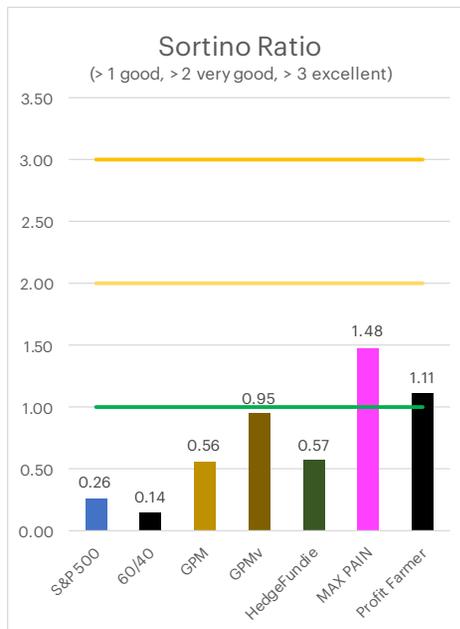
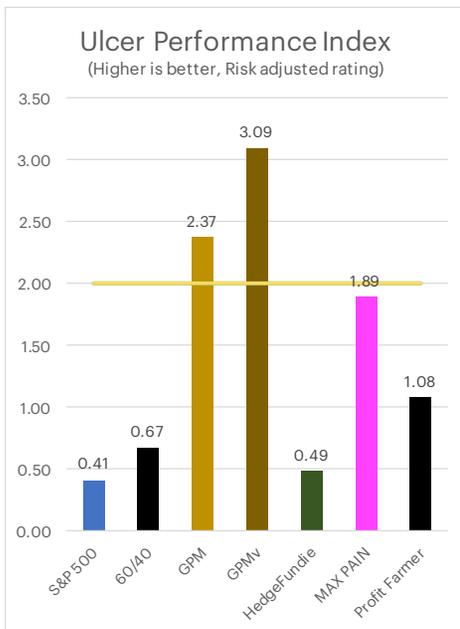
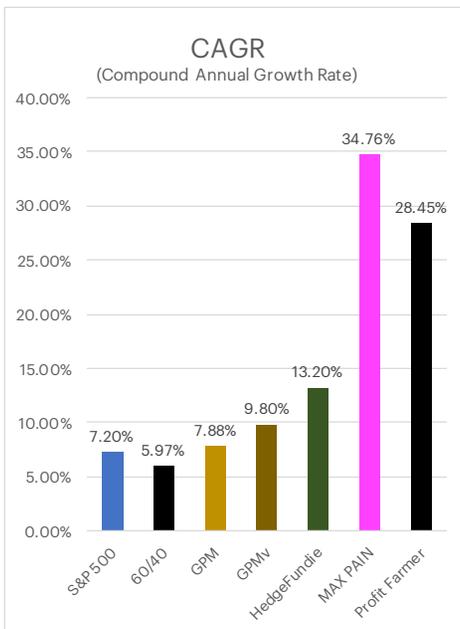
\*Profit Farmer returns only back through May 1987

## "Long Term" Metrics Comparisons: Strategies vs S&P 500 & 60/40 1980 to current



All Metrics are calculated from Monthly returns

## "Modern Era" Metrics Comparisons: Strategies vs S&P 500 & 60/40 2000 to current



All Metrics are calculated from Monthly returns