Dual Momentum Strategies: HedgeFundie

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

Results through 09/30/2022

Investment selection for October 2022:
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	1.45	1.70
Alpha	4.01%	6.84%

Annualized Returns, actual YTD for current year.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
HedgeFundie	-65.12%	-57.38%	-8.54%	4.99%	15.02%	12.48%	25.74%
Balanced 60/40	-20.15%	-14.90%	3.80%	5.65%	7.44%	5.39%	9.65%
S&P 500	-23.92%	-15.49%	8.12%	9.17%	11.61%	5.92%	11.22%

Maximum Drawdown, single largest drawdown.

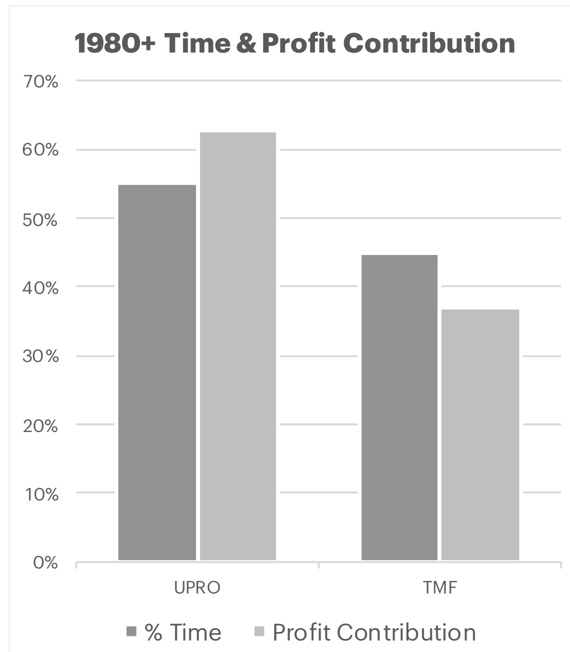
Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
HedgeFundie	-65.12%	-65.12%	-65.12%	-65.12%	-65.12%	-69.09%	-69.09%
Balanced 60/40	-20.15%	-20.15%	-20.15%	-20.15%	-20.15%	-32.33%	-32.33%
S&P 500	-23.92%	-23.92%	-23.92%	-23.92%	-23.92%	-50.79%	-50.79%

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+
HedgeFundie	41.25	36.18	22.13	18.04	13.61	22.77	18.18
Balanced 60/40	11.45	10.04	6.41	5.23	3.81	7.80	6.07
S&P 500	13.56	11.89	8.17	6.94	5.15	16.71	12.92

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

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
HedgeFundie	(2.60)	(2.04)	(1.08)	(0.90)	(0.85)	0.64	1.33
Balanced 60/40	(2.82)	(2.56)	(2.14)	(2.26)	(2.49)	0.36	1.03
S&P 500	(2.57)	(2.15)	(1.48)	(1.58)	(1.78)	0.34	0.84



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

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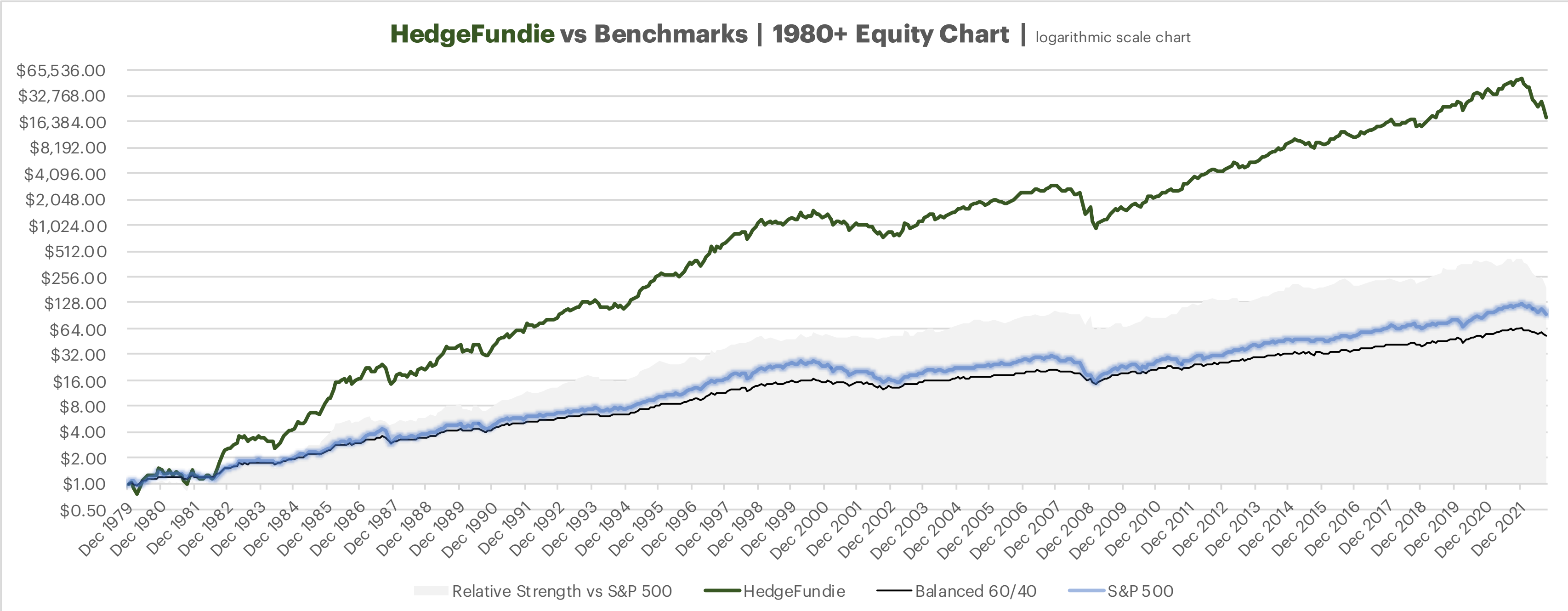
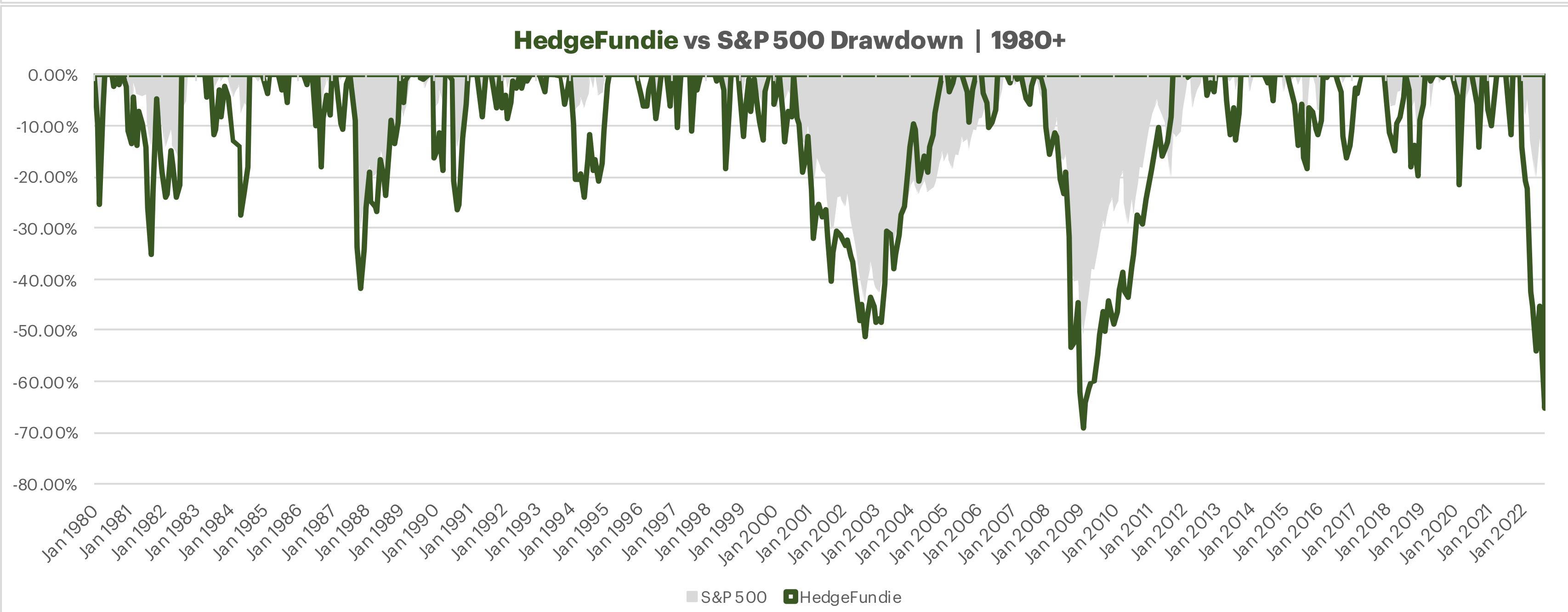
HedgeFundie's Excellent Adventure: 55% UPRO / 45% TMF





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

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Dual Momentum Strategies: MAX PAIN

USA Momentum Rotational always using triple leverage

Results through 09/30/2022

Investment selection for October 2022:
EDV, Extended Duration Treasuries

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	1.04	1.58
Alpha	29.74%	17.60%

Annualized Returns, actual YTD for current year.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
MAX PAIN	-56.07%	-41.05%	30.90%	21.62%	29.09%	35.87%	35.21%
Balanced 60/40	-20.15%	-14.90%	3.80%	5.65%	7.44%	5.39%	9.65%
S&P 500	-23.92%	-15.49%	8.12%	9.17%	11.61%	5.92%	11.22%

Maximum Drawdown, single largest drawdown.

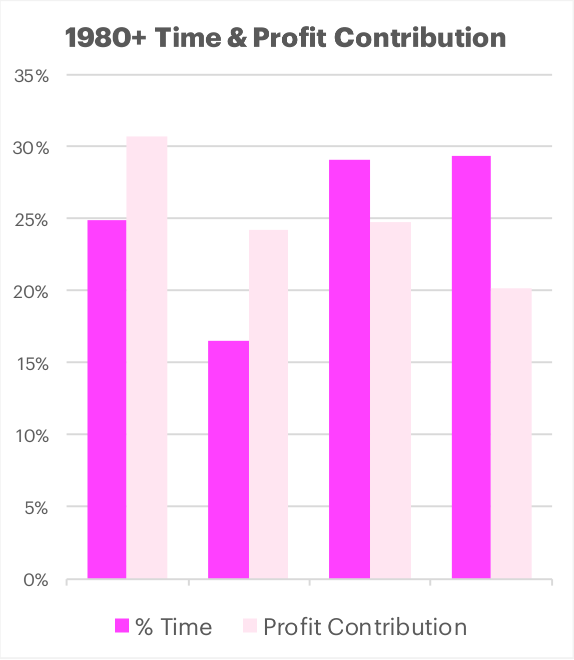
Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
MAX PAIN	-56.07%	-56.07%	-56.07%	-56.07%	-56.07%	-56.07%	-67.06%
Balanced 60/40	-20.15%	-20.15%	-20.15%	-20.15%	-20.15%	-32.33%	-32.33%
S&P 500	-23.92%	-23.92%	-23.92%	-23.92%	-23.92%	-50.79%	-50.79%

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

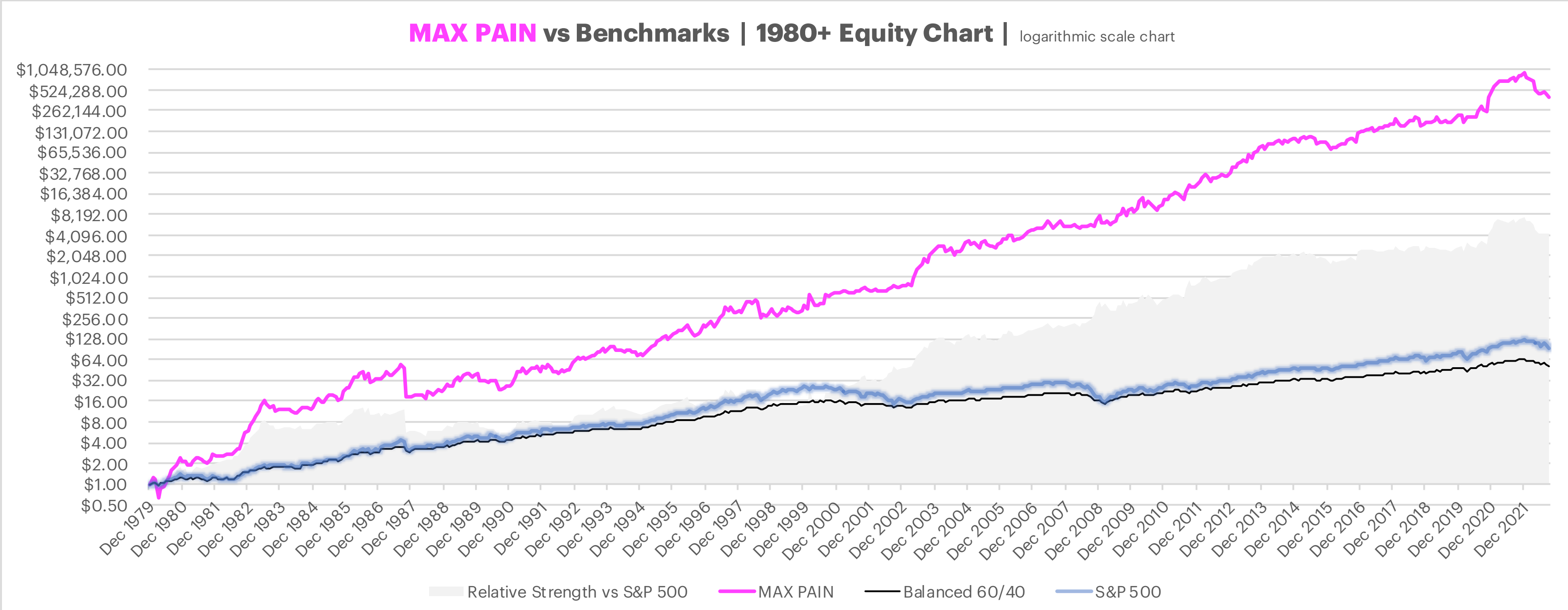
Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
MAX PAIN	40.32	35.37	21.99	19.45	16.04	13.87	20.15
Balanced 60/40	11.45	10.04	6.41	5.23	3.81	7.80	6.07
S&P 500	13.56	11.89	8.17	6.94	5.15	16.71	12.92

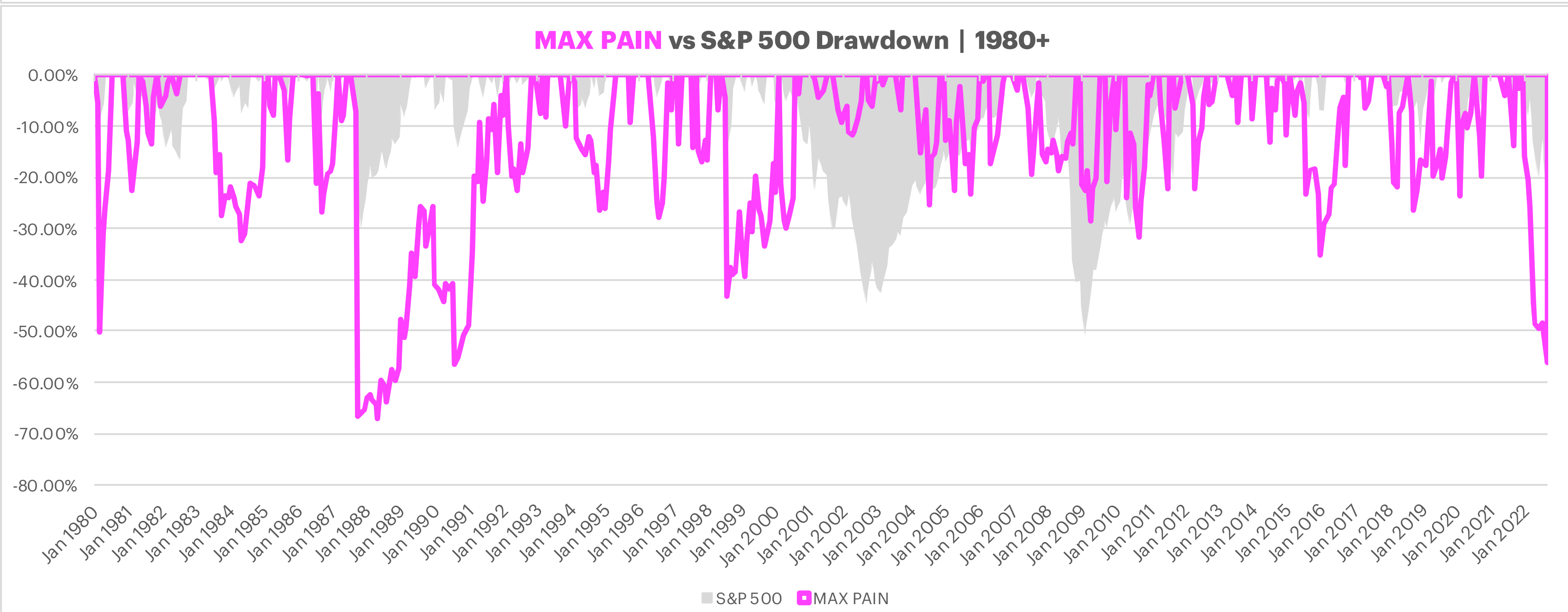
Sortino Ratio, risk adjusted performance measure - bigger number is better.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	1980+
MAX PAIN	(2.89)	(1.95)	0.04	(0.28)	(0.21)	1.66	1.49
Balanced 60/40	(2.82)	(2.56)	(2.14)	(2.26)	(2.49)	0.36	1.03
S&P 500	(2.57)	(2.15)	(1.48)	(1.58)	(1.78)	0.34	0.84



Dual Momentum Systems: MAX PAIN





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

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Dual Momentum Strategies: Profit Farmer

A Minimum Variance Adaptive Asset Allocation strategy by Private Farmer

Results through 09/30/2022

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	1.30	1.34
Alpha	24.18%	26.66%

Annualized Returns, actual YTD for current year.

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	05/1987+
Profit Farmer	-77.37%	-71.39%	4.46%	6.90%	25.32%	31.77%	34.52%
MAX PAIN	-56.07%	-41.05%	30.90%	21.62%	29.09%	35.87%	29.95%
S&P 500	-23.92%	-15.49%	8.12%	9.17%	11.61%	5.92%	9.59%

Maximum Drawdown, single largest drawdown.

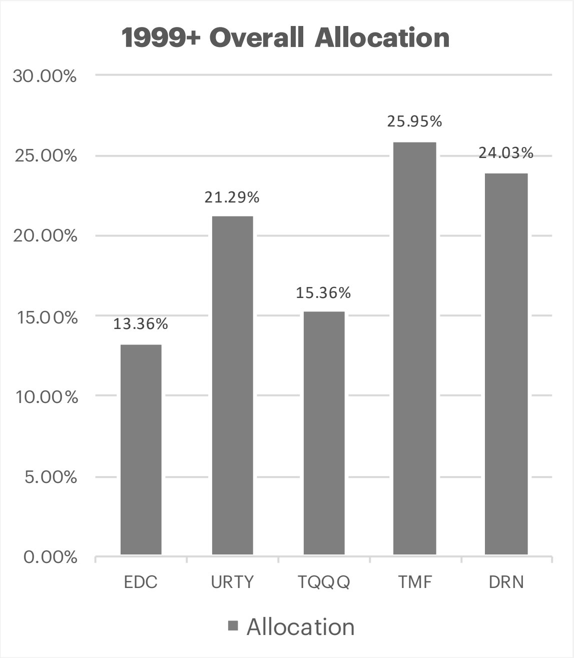
Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	05/1987+
Profit Farmer	-77.37%	-77.37%	-77.37%	-77.37%	-77.37%	-77.37%	-77.37%
MAX PAIN	-56.07%	-56.07%	-56.07%	-56.07%	-56.07%	-56.07%	-67.06%
S&P 500	-23.92%	-23.92%	-23.92%	-23.92%	-23.92%	-50.79%	-50.79%

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+
Profit Farmer	49.42	43.35	26.10	21.71	16.01	17.32	15.71
MAX PAIN	40.32	35.37	21.99	19.45	16.04	13.87	21.09
S&P 500	13.56	11.89	8.17	6.94	5.15	16.71	14.01

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

Investment	YTD	1 Year	3 Year	5 Year	10 Year	2000+	05/1987+
Profit Farmer	(3.09)	(2.41)	(0.61)	(0.70)	(0.38)	1.33	1.50
MAX PAIN	(2.89)	(1.95)	0.04	(0.28)	(0.21)	1.66	1.30
S&P 500	(2.57)	(2.15)	(1.48)	(1.58)	(1.78)	0.34	0.67



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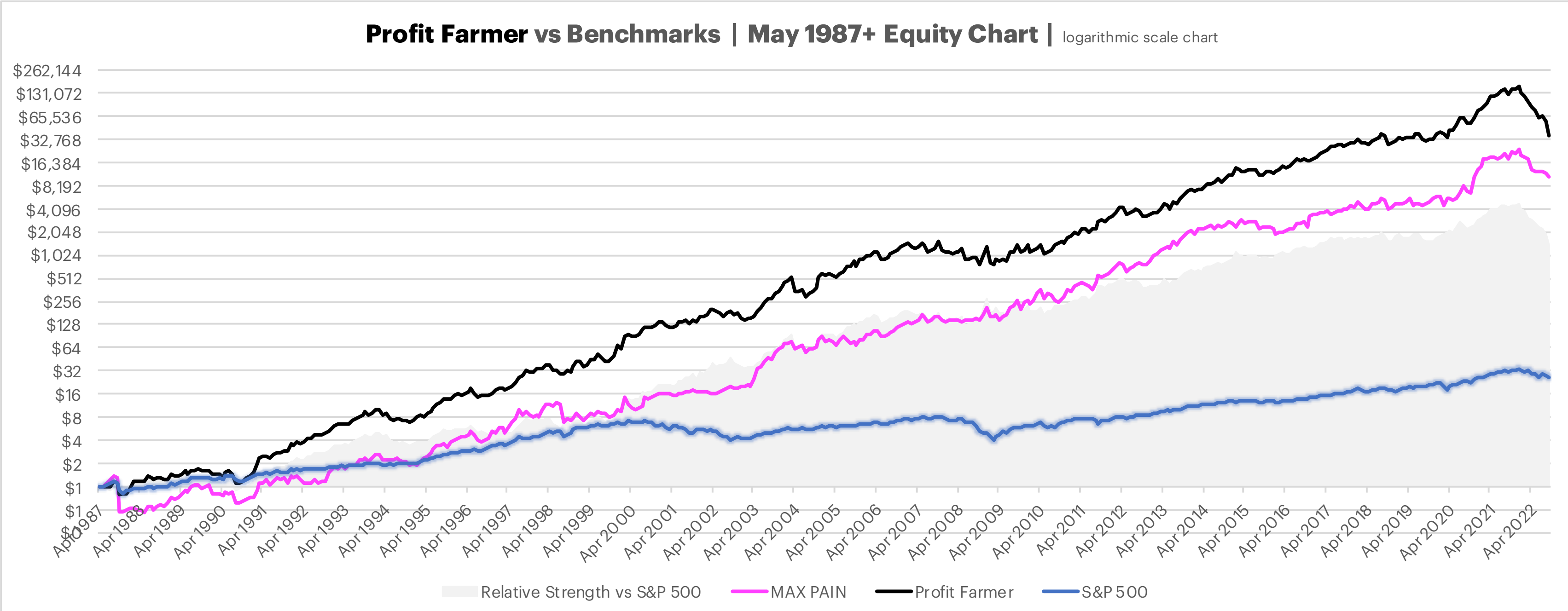
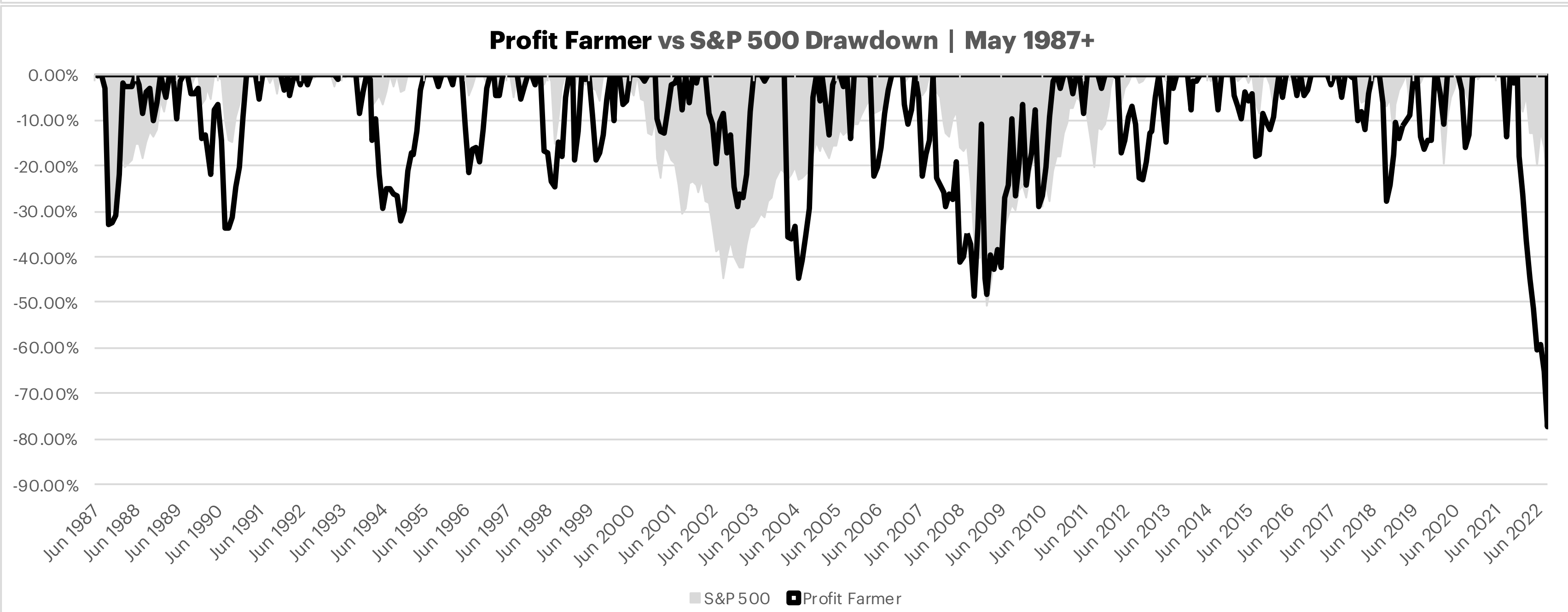
Strategy by Private Farmer





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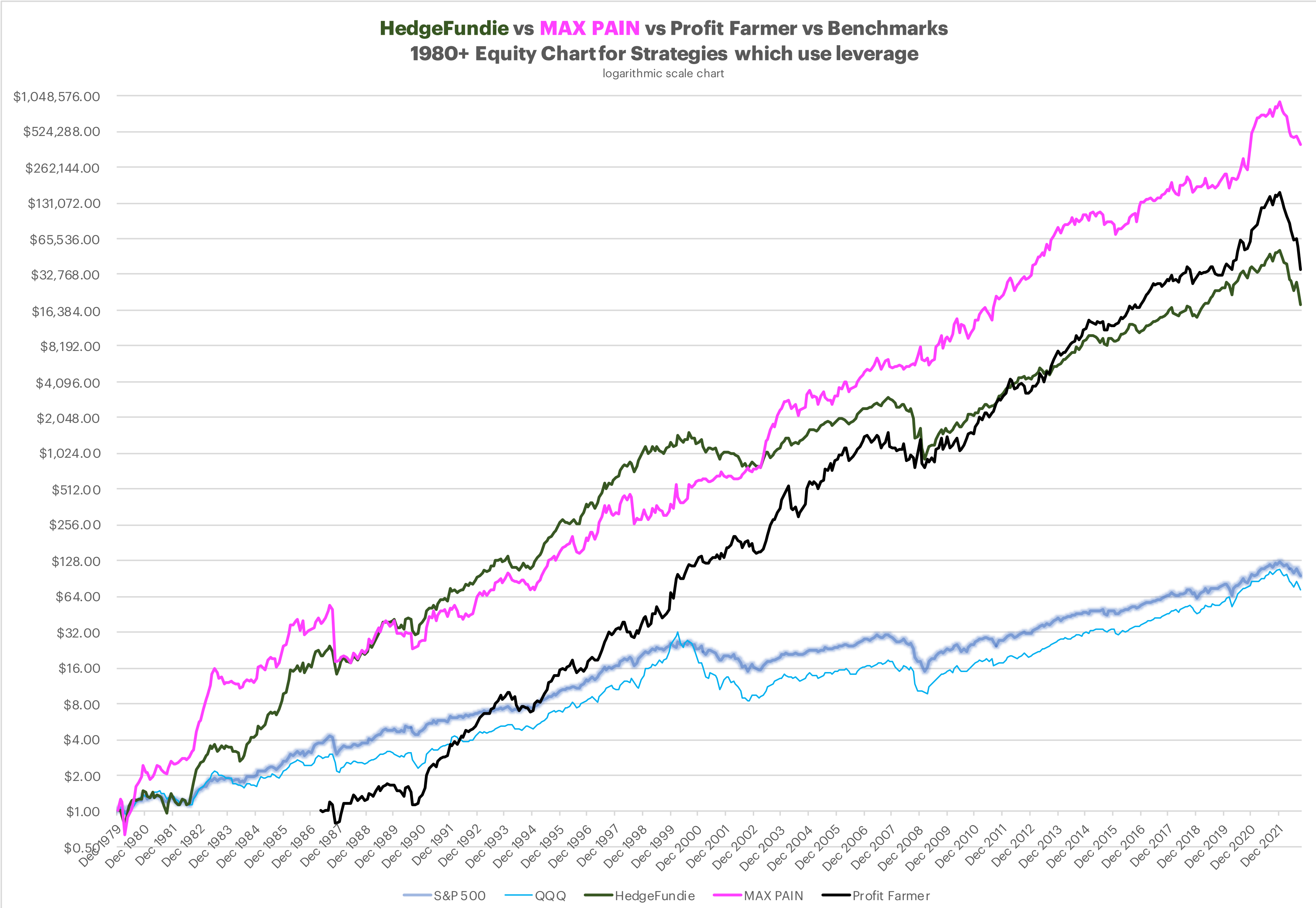
Results through 09/30/2022



*Profit Farmer returns only back through May 1987

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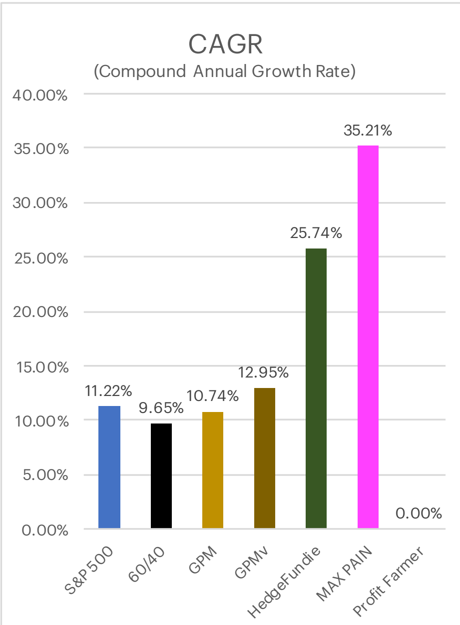
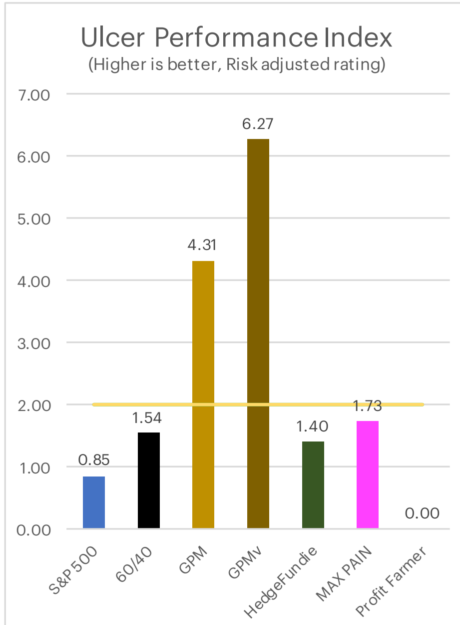
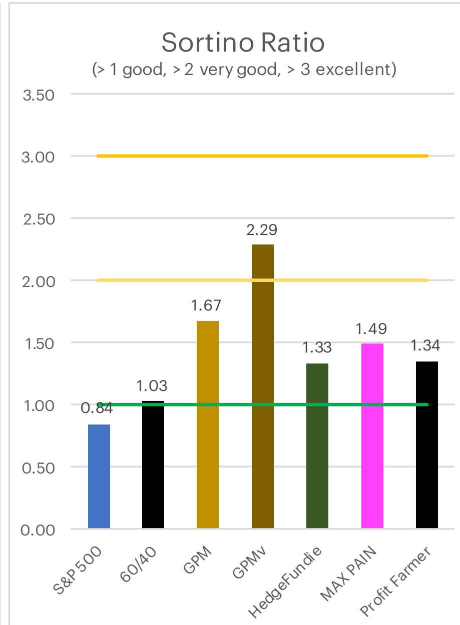
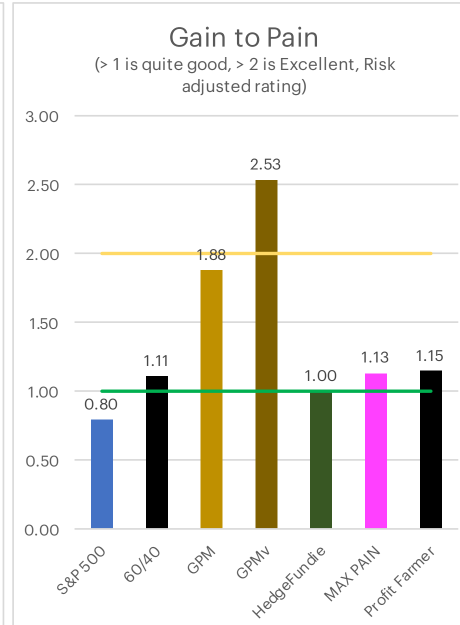
Results through 09/30/2022

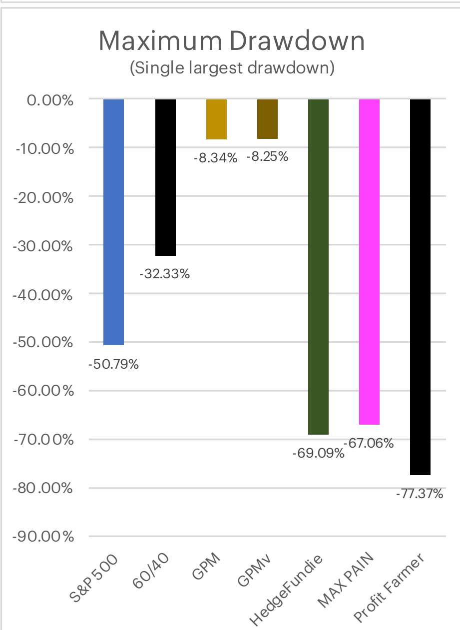
"Long Term" Metrics Comparisons: Strategies vs S&P 500 & 60/40
1980 to current

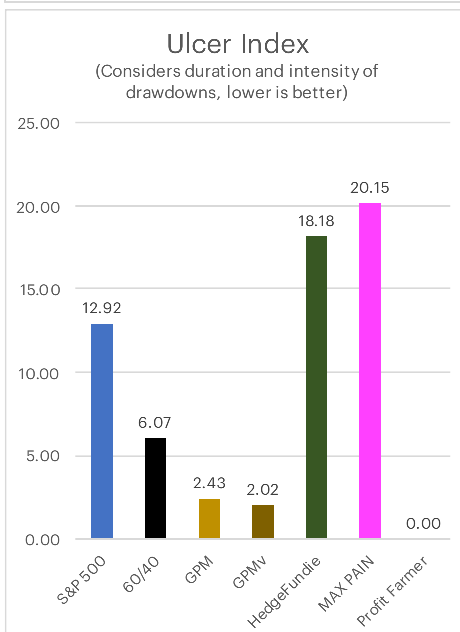


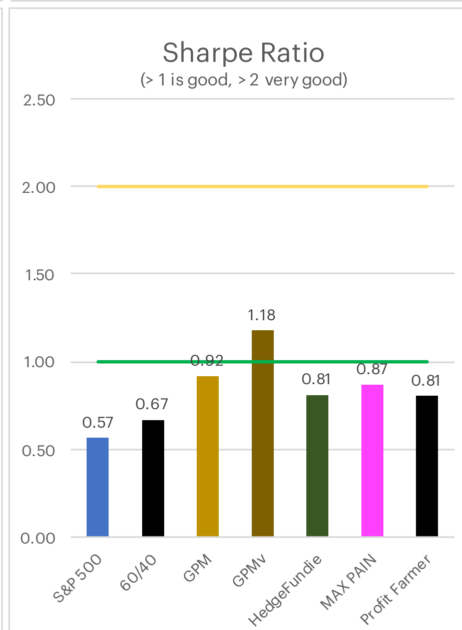


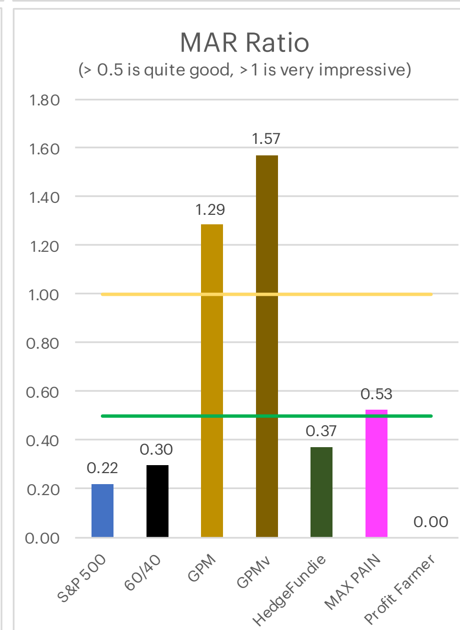












All Metrics are calculated from Monthly returns

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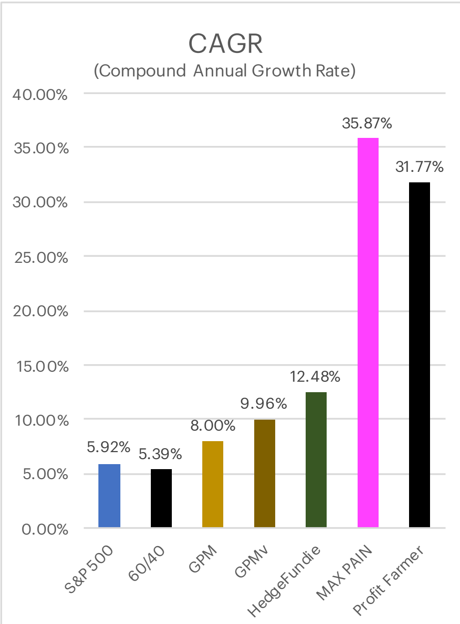
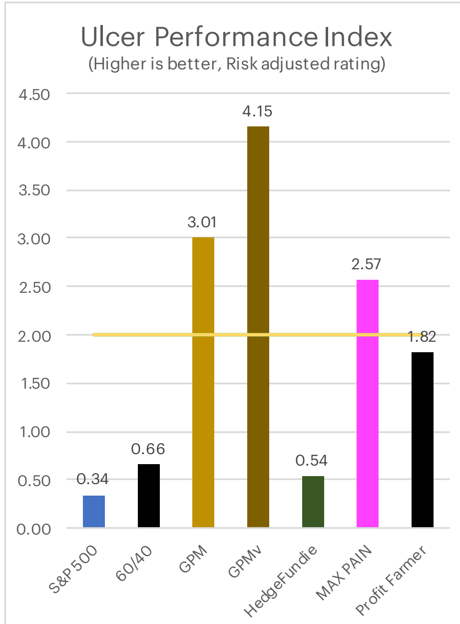
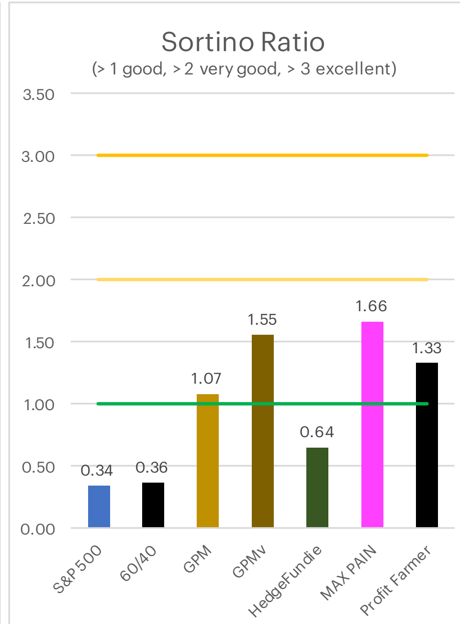
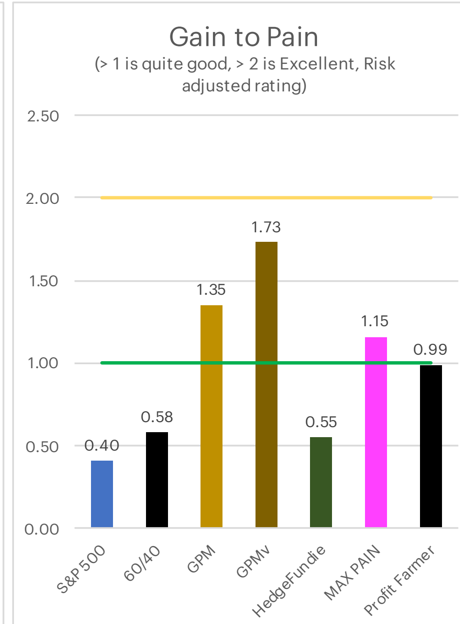
Results through 09/30/2022

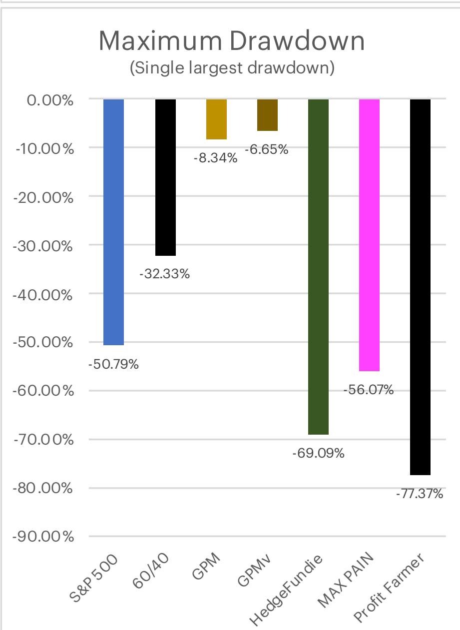
"Modern Era" Metrics Comparisons: Strategies vs S&P 500 & 60/40
2000 to current

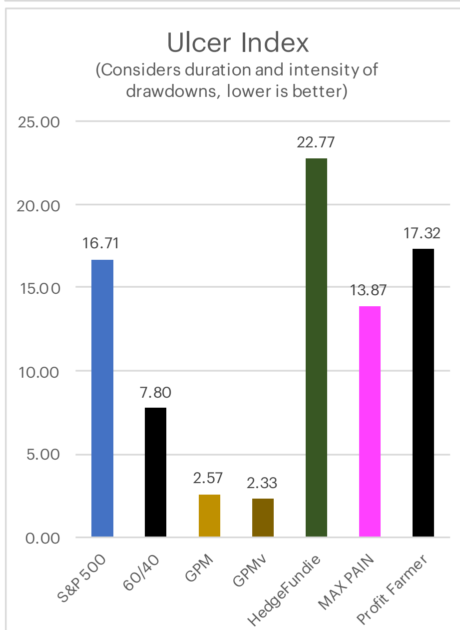


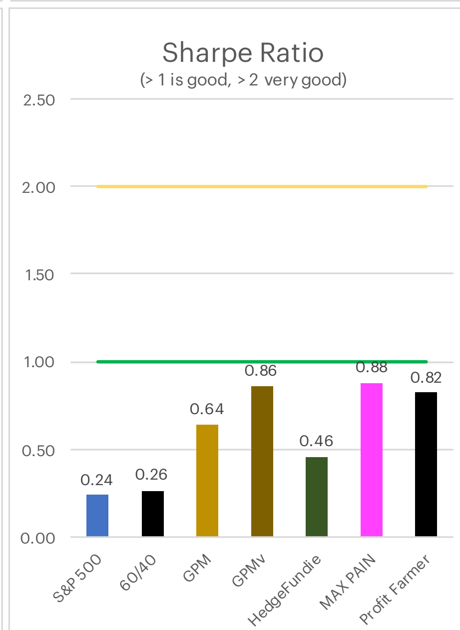


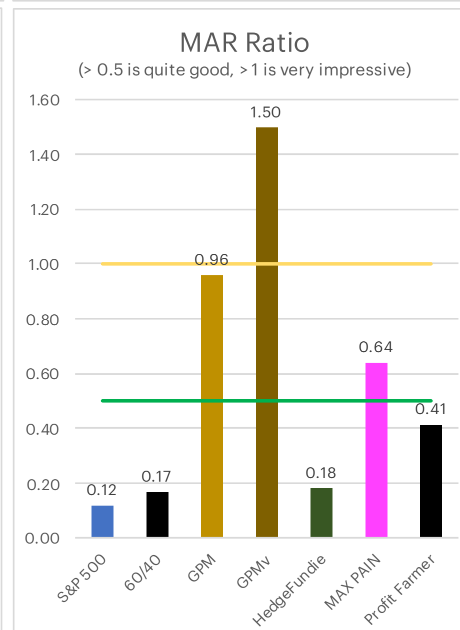












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