#### Flow Summary 3

**Model Portfolio**

**Overview**

Reversion model based on Fund Flow.

(If x days moving average of Fund Flow crossover above y days moving average, short SPY, otherwise long SPY

This model believe that strategy has continuation. In this model, strategy is updated every fixed period (Tested). Current strategy is selected from the optimal strategy of last period. Eg: last week, 7, 22 days moving average of Fund Flow works well, this week we continue use 7, 22 days moving average as strategy.

I tested 3 to 40 days, month, season, half year, year as strategy update period and picked 12 days, 17 days & one year.

**Methodology**

*Investment Universe*: SPY (SPDR S&P 500)

*Trading Strategy*: Long-short strategy. We short or long 100% ETF based on signal.

*Rebalancing Frequency*: Strategy is updated every fixed period. Position is updated on daily level based on signals

**Backtested Performance**

*Three period selected period:* 12 days, 17 days, one year.

|  |  |  |  |
| --- | --- | --- | --- |
| Period | Return/Volatility | Return | Volatility |
| d\_4 | -1.32302 | -0.61795 | 0.467073 |
| d\_5 | -0.15862 | -0.09952 | 0.627422 |
| d\_6 | 3.202387 | 1.808445 | 0.564718 |
| d\_7 | 2.912246 | 2.717118 | 0.932997 |
| d\_8 | 1.363262 | 0.583929 | 0.428333 |
| d\_9 | 1.537849 | 0.74681 | 0.48562 |
| d\_10 | 2.906761 | 1.627685 | 0.559965 |
| d\_11 | 2.358913 | 1.448267 | 0.613955 |
| d\_12 | 4.507363 | 2.287508 | 0.507505 |
| d\_13 | 0.749913 | 0.166973 | 0.222657 |
| d\_14 | 2.206072 | 0.552396 | 0.250398 |
| d\_15 | -0.61826 | -0.14712 | 0.237956 |
| d\_16 | -0.91494 | -0.42832 | 0.46814 |
| d\_17 | 3.412174 | 5.189498 | 1.520877 |
| d\_18 | 3.071638 | 0.950167 | 0.309336 |
| d\_19 | 1.206541 | 0.418718 | 0.34704 |
| d\_20 | 2.513283 | 0.397387 | 0.158115 |
| d\_21 | 3.526702 | 0.745838 | 0.211483 |
| d\_22 | 3.070439 | 1.728108 | 0.562821 |
| d\_23 | 3.321114 | 3.217869 | 0.968913 |
| d\_24 | 3.837541 | 2.866147 | 0.746871 |
| d\_25 | 3.387439 | 1.335846 | 0.394353 |
| d\_26 | 2.407882 | 2.385072 | 0.990527 |
| d\_27 | -0.49123 | -0.20053 | 0.40821 |
| d\_28 | 3.529207 | 4.967486 | 1.407536 |
| d\_29 | 2.701727 | 2.550334 | 0.943965 |
| half year | 1.234492 | 0.711941 | 0.576708 |
| month | 0.850895 | 0.137212 | 0.161256 |
| year | 4.968297 | 2.047932 | 0.4122 |
| season | 0.338301 | 0.099774 | 0.294926 |
| d\_30 | 2.485155 | 0.474826 | 0.191065 |
| d\_31 | -1.41026 | -0.3183 | 0.225705 |
| d\_32 | 1.512688 | 0.380852 | 0.251771 |
| d\_33 | 0.332485 | 0.065543 | 0.19713 |
| d\_34 | 2.156376 | 1.293987 | 0.600075 |
| d\_35 | -0.75737 | -0.18283 | 0.241404 |
| d\_36 | 1.379408 | 0.829698 | 0.601489 |
| d\_37 | 1.238055 | 0.240638 | 0.194367 |
| d\_38 | 1.54625 | 0.273853 | 0.177108 |
| Benchmark | 2.955883 | 1.249832 | 0.422828 |

12 days: based on Return/Volatility=4.5, Benchmark=2.95. (short term strategy)

17 days: based on Return=518%, Benchmark=124%. (short term strategy)

One year: Based on Return/Volatility, Return/Volatility=4.97, Benchmark=2.95 (long term strategy)