Stratmaster

Options Strategy Management System

USER MANUAL

(Version: AB1.02)

OptionNalytics

www.optionnalytics.com

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1. INTRODUCTION

Welcome and thank you for subscribing to Stratmaster.

Stratmaster is arguably the world's first Options Strategy Management System. Stratmaster's design frame-work revolves entirely around managing different option strategies as well as version control of hybrids of the same strategy. Users may use Stratmaster to develop and save an options strategy as a digital file also known as Stratmaster Strategy File (SSF), well as import and modify SSF developed by veteran option strategy developers. In this user manual, we will cover the basics on the usage of Stratmaster, from importing and testing SSF through automated and manual back-testing operations, and subsequently using Stratmaster for 'live' trading using data-feeds from your online brokerage platform.

In the subsequent section of this document, we will cover the Stratmaster Strategy Files (SSF). Obviously there is much to discuss about options strategy files, however as this document serves as a user guide, we decide only to cover the basics of SSF. The detailed guidelines for developing an SSF will be covered in a separate *Stratmaster Strategy File (SSF) Development Manual*. If you are an options strategy developer and would like to try your hand creating a SSF or if you wish to modify the structure of an existing SSF, be sure to request for the *Stratmaster Strategy File (SSF) Development Manual*.

On behalf of the team from OptionNalytics, I like to wish you success in the options trading career, and hope that we can walk this journey together with you.

Cheers,

David Tang

Business Development Director

OptionNalytics Pte Ltd

Email: david.tang@optionnalytics.com

Important Note to Reader:

Throughout the document, we use the term 'SSF', 'Stratmaster Strategy File' and 'option strategy' interchangeably; which in our context represents a black box of trading algorithm. This algorithm file is developed using trading guidelines (PDF document stating rules of engagement) which were created by options strategy veterans. These strategy guidebooks remain the intellectual property rights of these authors who created them and OptionNalytics does not provide any such documentation to Stratmaster users unless prior approval is given by the strategy authors. Within the software, we provide URL links to the authors' websites, which we strongly recommend the reader to purchase these strategy guidebooks as part of the learning journey. All products by OptionNalytics are provided for general information and knowledge purposes only. The examples given in this document are for educational purposes only. This information neither is, nor should be construed, as an offer, or a solicitation of an offer, to buy or sell securities. Your use of any of OptionNalytics products is at your own risk, and you should not use any of these products without first seeking professional advice. The provisions of these products (and the user-manual documents themselves) do not constitute financial advice or opinions of any kind, or any advertising or solicitation. OptionNalytics and its affiliates (and any of their respective directors, officers, agents, contractors, interns, suppliers and employees) will not be liable for any damages, losses or causes of action of any nature arising from any use of any of the products or the provision of these products.

2. STARTING STRATMASTER

When you first start Stratmaster, you will be presented with a login panel. Stratmaster uses a Username and Password verification method to ensure rightful access.

The UserName and Password used for login has to be the same UserName and Password which you had used when you registered at OptionNalytics website. If you have forgotten your Password, please go to the website to request for new password generation.

Also at the login page, there are 2 modes available for selection: BACKTEST and LIVE modes.

BACKTEST is the mode which data-feeds are downloaded from Stratmaster database server. These data feeds are historical options greeks data and implied volatility, as well as the historical stock price. As this mode would give you a wide range of historical data to do back-testing; use the BACKTEST Mode for back-testing strategies.

LIVE is the mode which data-feeds come from your online brokerage platform. In this mode, the trading data you will see in Stratmaster will be the same data from your trading platform. Currently Stratmaster supports linkage with TD Ameritrade© thinkorswim (Windows version) platform. We are constantly upgrading Stratmaster to support other various online trading platforms.

When the login form appears, key in your Username and Password. Make sure you read the Terms of Usage (TOU), and if you agree with the TOU, click on the tick-box to acknowledge your agreement. Select BACKTEST Mode. Then press the 'OK' button to continue.

Note: If you get an error message instead of the above login form, please refer to Appendix D: Setting Up and Trouble-Shooting. If the problem continues to persist, kindly contact support@optionnalytics.com for further assistance.

3. CONTROL PANEL DISPLAY

The Control Panel is the area which you will be seeing most of the time so it is important to be familiar with its setup. The Control Panel is the same in both BACKTEST and LIVE modes except for the different color to differentiate between both modes.

The Control Panel consists of 3 Tables. The top-most table is the 'General Settings Table', which shows market data such as stock price and option code currently traded, as well as reserved capital and profit and loss numbers such as the realized or closed profit and loss values, days to expiration (DTE) and maximum profit target and maximum loss values. The current strategy used is also shown at the General Setting Table.

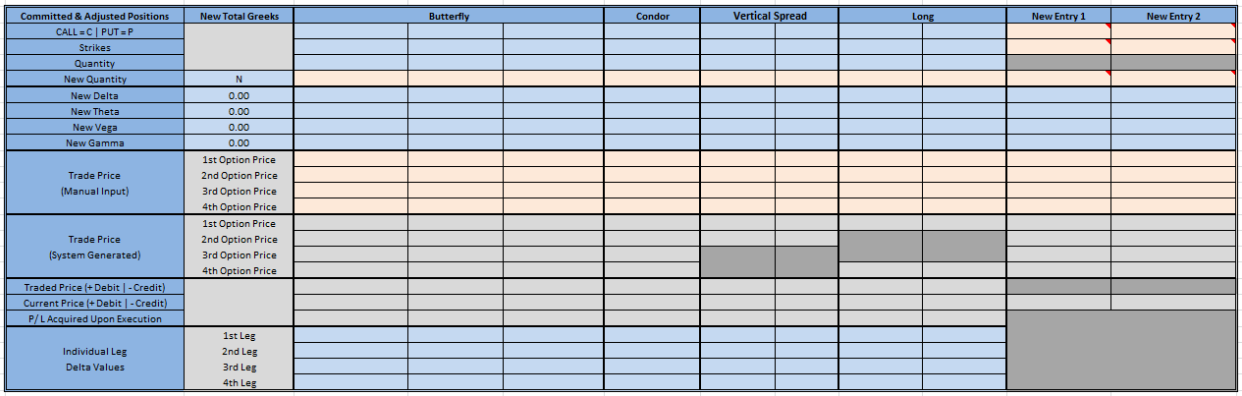
Option Code		Stock Price		Total P/L	
Reserved Capital		Date (MM/DD/YY)		Closed P/L	
Current Investment		Expiration Date		Profit Target	
Strategy No.		Days to Expiration		Max Loss	

The second table is the 'Committed Positions Table', which shows the current committed positions displayed as Butterfly, Condor, Vertical Spread or Long positions. Detailed greeks data for all positions as well as the unrealized open profit and loss values are shown at this table. At the bottom of the table is the yellow color alert bar, which shows alerts for entry, adjustments and closing the positions based on the rule as determined by the selected strategy.

Committed Positions		Butterfly			Condor	Vertical Spread		Long	
Expiration B/E Pts									
CALL = C / PUT = P									
Strikes									
Quantity									
Delta	0.00								
Theta	0.00								
Vega	0.00								
Gamma	0.00								
Traded Price (+ Debit | - Credit)									
Current Price (+ Debit | - Credit)									
Open Profit / Loss	$0.00								
Buying Power / Maximum Loss	$0.00								
Maximum Profit	$0.00								
Alert									

For the first two tables, there is no direct interaction between the tables and the user, meaning that the user cannot directly make any changes to the datas shown in the two tables by selecting any of the cells and making changes to it. Any changes, for example, changes in the reserved capital or the selection of new strategy have to be made via Stratmaster ribbon tab. Details on those selections will be explained in later sections of this manual.

The third table is the 'Committed and Adjustment Table'. As the name suggest, this table tabulates both the current committed positions as well as positions that is yet to be committed. This table allows the user to see the final position in terms of design and final greeks values before committing the adjusted positions. The pink cells in this table allow the use to manually fill in the adjusted positions. More details on using this table will be explained in the subsequent section on manual back-testing process.



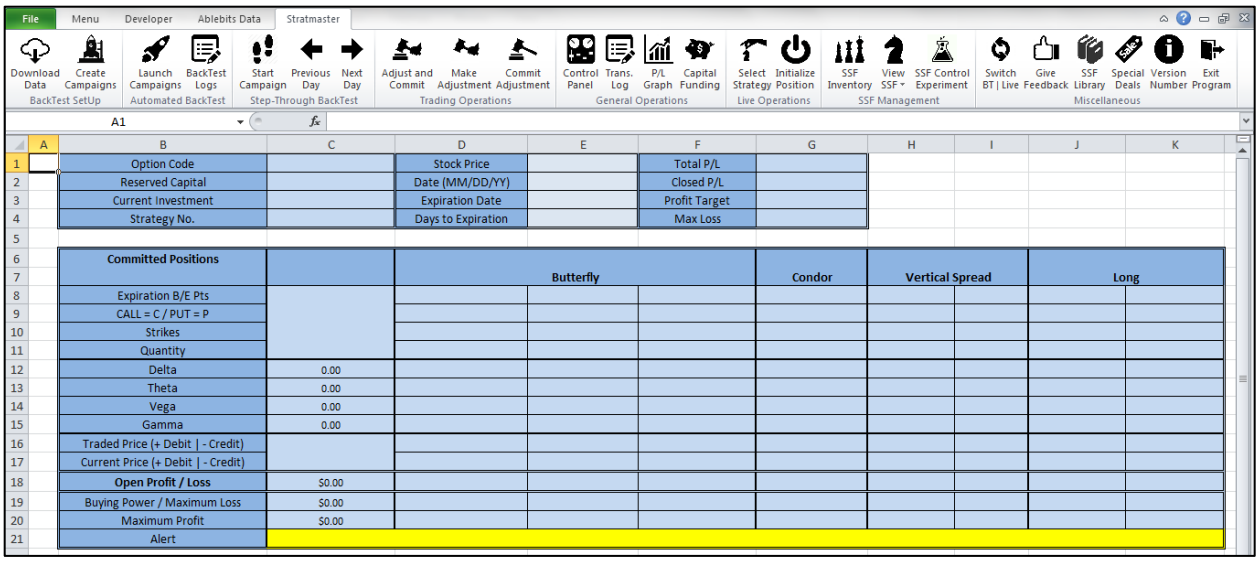
Committed & Adjusted Positions	New Total Greeks	Butterfly			Condor	Vertical Spread		Long		New Entry 1	New Entry 2
CALL = C | PUT = P											
Strikes											
Quantity											
New Quantity	N										
New Delta	0.00										
New Theta	0.00										
New Vega	0.00										
New Gamma	0.00										
Trade Price (Manual Input)	1st Option Price										
	2nd Option Price										
	3rd Option Price										
	4th Option Price										
Trade Price (System Generated)	1st Option Price										
	2nd Option Price										
	3rd Option Price										
	4th Option Price										
Traded Price (+ Debit | - Credit)											
Current Price (+ Debit | - Credit)											
P/ L Acquired Upon Execution											
Individual Leg Delta Values	1st Leg										
	2nd Leg										
	3rd Leg										
	4th Leg										

The feature in Control Panel is the same regardless of BACKTEST mode or LIVE mode. This design ensures that familiarity on using the Stratmaster while back-testing in BACKTEST mode can be applied the same way while doing a live trading operation in LIVE mode.

In the next section, we will cover the BACKTEST mode and subsequently on LIVE mode.

4. BACKTEST MODE

In BACKTEST mode, the Control Panel will display mainly in blue color. Click on the 'Stratmaster' tab to see all the available icons. To understand all the icon functions, please see 'Appendix C: Ribbon Tab Functions.'



4.1 Capital Funding And Commissions

The first step is to check that the system uses the capital funding which mirrors same amount as your actual live trading account. This ensures that all the trade position quantity calculated by Stratmaster matches with the actual positions traded. The capital funding and commissions can be modified at any time. Press the 'Capital Funding' icon, and the 'Capital Funding and Commissions' form will appear.

If you would like to include commissions for all order, amend commission fees based on the actual amount charges by your online brokerage, and the click on the tick-box - 'Include Commissions for All Orders'. The values will be saved after you clicked on the 'Submit' button. Once this setting is completed, the saved values will be used every time you start Stratmaster.

4.2 Creating A Campaign List

To test any strategies while in BACKTEST mode, the user has to first create a campaign list.

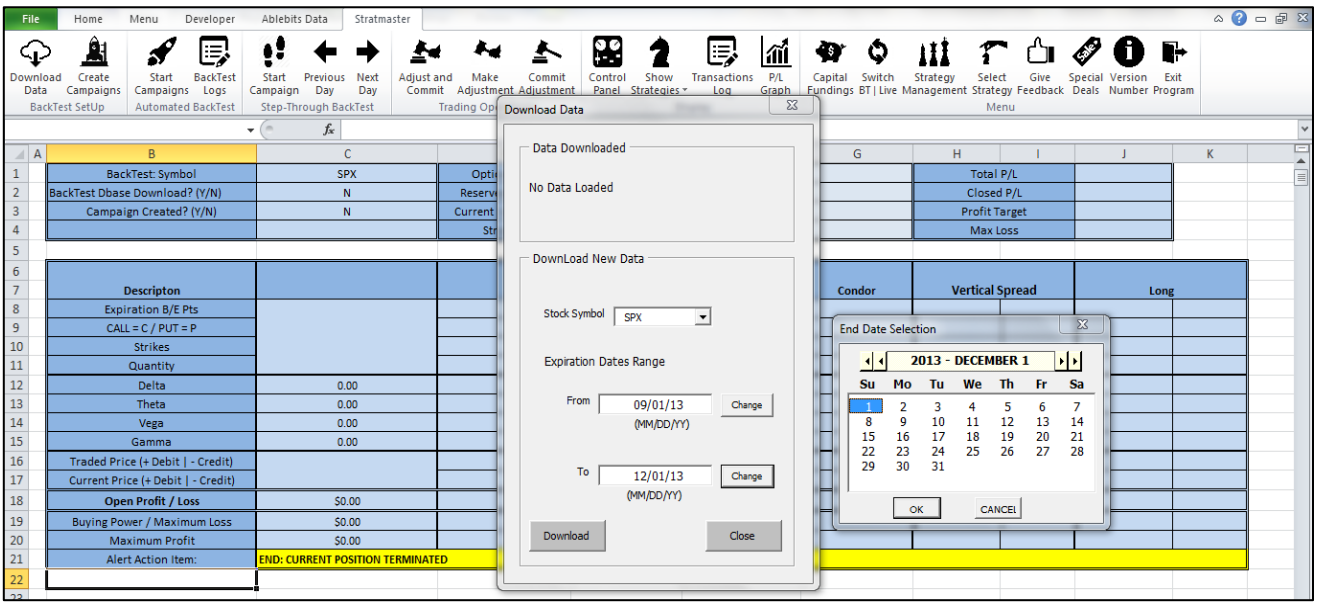
A campaign is a date range trading event which uses a selected Stratmaster Strategy File (SSF) to manage its trading decisions. A campaign will start according to the entry rules of the SSF, and will end if the maximum profit target or maximum loss is reached, or based on exit rules of the SSF. A created campaign will have the following three items 1) the historical time period, 2) underlying price and all the option strike values, option prices, IV and geeks values during that time period, and 3) the selected SSF.

A campaign list is a group of campaigns. The list does not require to each campaign's historical time period to run in sequential order to another campaign next to it, nor does every campaign in the same list need to use the same SSF. This design is deliberate so that the user may test different SSF back-to-back using the same historical time-period to see which strategy performs better than the other while undergoing the same market conditions.

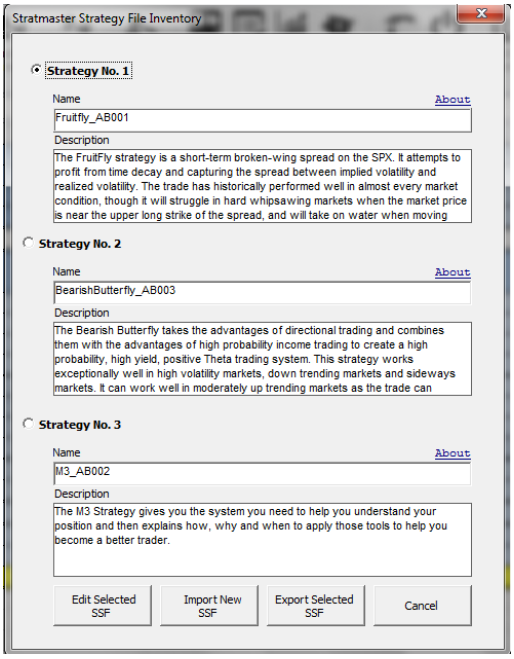
Also, it's worth mentioning now that the user must have at least one SSF residing on his PC, in order for the SSF to be imported into the Stratmaster so the user can then select the strategy to build his campaigns (see step 2). In OptionNalytics web-site, there is a library of SSFs available for download. We are constantly increasing this library to cater to many different options trading strategies.

Steps to creating a campaign list:

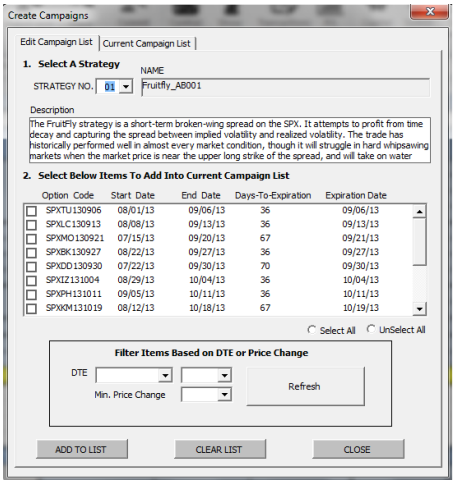
Step 1: Click on the 'Download Data' icon, and the 'Download Data' form will appear. Select the Stock Symbol, and choose the range of expiration dates which you want to perform the back-test. Click the 'Download' button and wait for the data to be downloaded successfully. Click 'OK' to close the form.



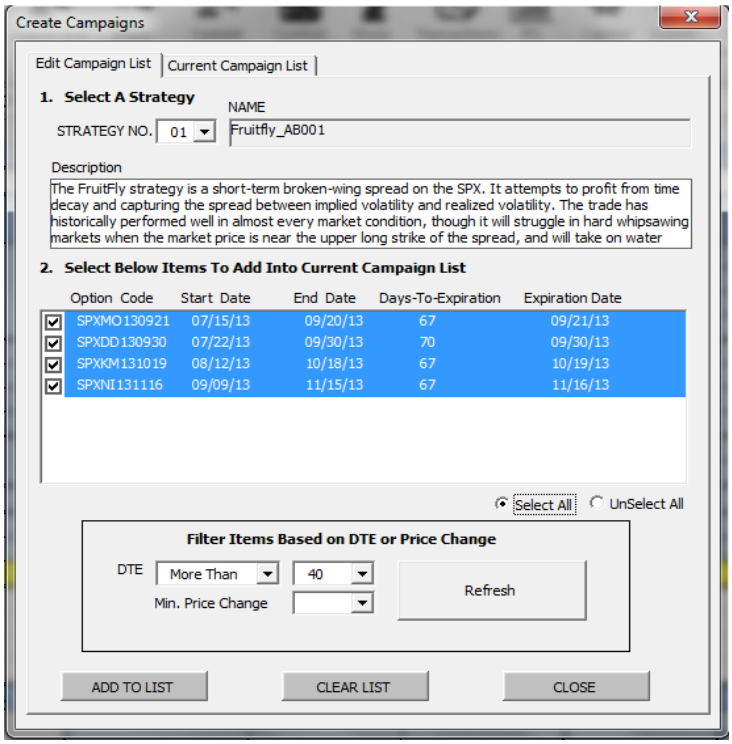
Step 2: Click on 'SSF Inventory' icon, and 'Stratmaster Strategy File Inventory' form will appear. You may select any of the 3 available blank slots by clicking any of the three radio buttons. Then click the 'Import New SSF' button to import a SSF. Select the directory in your local HD where the SSF is residing and then click 'OK' button. Once the SSF is successfully imported, you will see the strategy's name and description. You may change the strategy name and description if you wish (see later section on Stratmaster Strategy File details). Press 'Cancel' to close the 'SSF Inventory' form.



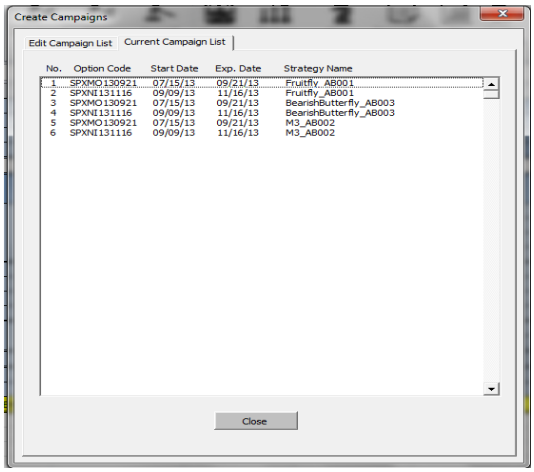
Step 3: Click on 'Create Campaigns' icon and the 'Create Campaign' form will appear. Click on the 'Edit Campaign List' tab, at '1. Select a Strategy' section, select from the pull-down list for the SSF that you have just downloaded in step 2. If you have more than one SSF imported into Stratmaster, you may choose which SSF that you want to use.



Step 4: At '2. Select Below Items To Add Into Current Campaign List' section, you will notice that the items shown are symbols and expiration periods that you have downloaded at step 1.You may filter the campaigns based on the DTE or minimum price change. Then click on the square radio-buttons on the left to pick the individual campaigns or the 'Select All' circle radio button to select all the filtered campaigns and then click the 'Add to List' button. To see the current campaign list, click on the 'Current Campaign List' tab.



Congratulations! You have successfully created a campaign list in 4 simple steps. Please 'Close' button to return back to Control Panel.



4.3 Back-Testing A Strategy

In Stratmaster's BACKTEST mode, there are three ways to back-test a strategy:

Automated Back-Test is used when the entire campaign list is run through different environments without any interference from the user. For each campaign, it is already pre-set with a particular SSF at a particular back-testing time period (see earlier section on 'Create Campaign List'). With Automated Back-Test, all decisions are entirely made by the SSF on that particular campaign for the entire duration of the campaign. With Automated Back-Test, the user may do back-t-back back-testing on more than one SSF to make comparison between strategies, or use one SSF to test many different market environments to test its durability in different market conditions.

Manual Back-Test is used when the user wants to test only one strategy manually by step-through trading day-by-day and to check on a daily basis to see how the SSF performs, and if there is a need to modify the SSF. The user may step in to make changes on the SSF at any time during the campaign duration, re-initialize and re-run the campaign without having to complete the entire course of the campaign. The Manual Back-Test method is used mainly used to develop a SSF.

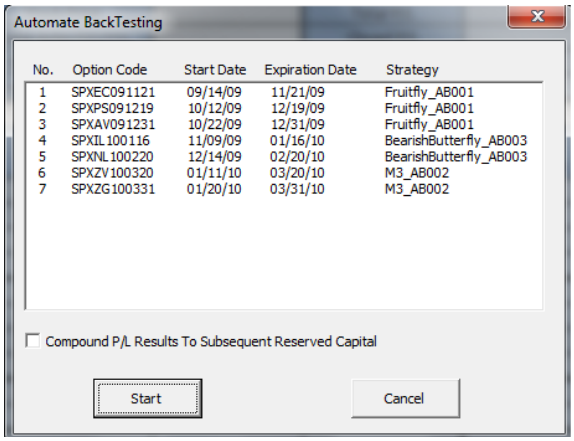
SSF Control Experiment is used when user wants to test the strategy's performance by varying only a single variable inside a particular SSF. In a controlled experiment, only change is made to one variable at a time within the SSF in order to isolate the cause of the results is due to that single variable. The user has to pre-set the different values for this variable, and Stratmaster will automate the back-test using those pre-set values, the rest of the parameters in the SSF remain fixed. The same back-test period is used for the entire SSF Control Experiment. The SSF Control Experiment method is used mainly used to fine-tune a SSF.

In this following section, we will go through the details on the three ways of back-testing the SSF.

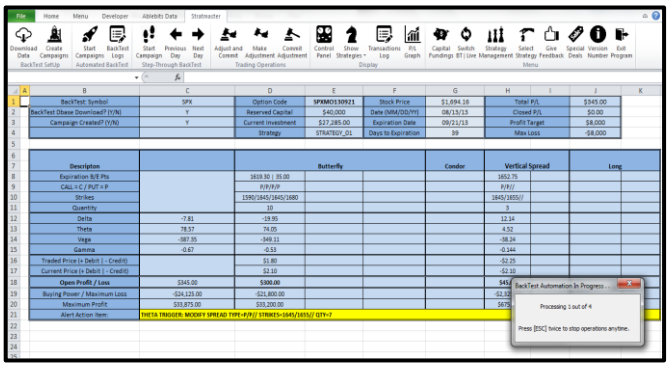
4.3.1 Automated Back-Test

Automated Back-Test is used when the entire campaign list is run through different environments without any interference from the user.

Step 1: You would have created a campaign list (see previous section – 'Create Campaign List'). Click on the 'Launch Campaigns' icon, and the 'Automate Back-testing' form will appear. You will see the entire campaign list and the SSFs used for each campaign. It is possible to have different SSF in the same campaign list.



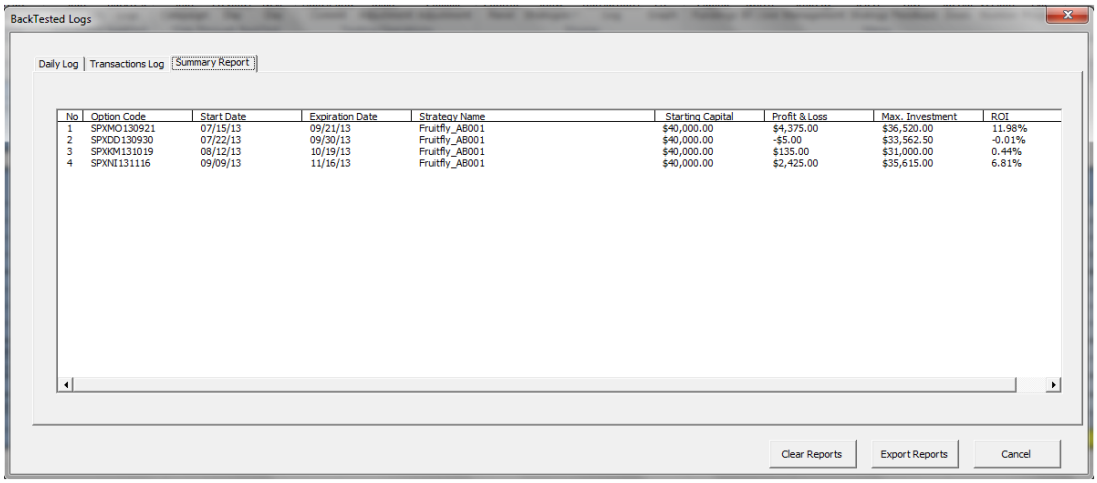
The only option in Automate Back-Testing is a radio box as an option to compound the P/L results to subsequent reserved capital. This is to simulate using one or more strategies over a linear period of time and to use the final P/L results of the earlier campaign as funds for reserved capital for next campaign. This is similar to a trader who may wish to increase his investments when he makes money in the previous month and scale back when he lost money on the previous month. The starting capital for the first campaign (item number 1) is the amount you have set as starting capital (see earlier section on Capital Funding and Commissions). If you wish to use the same starting capital for all campaigns, do not check the radio-box.



Once you press the 'Start' button, Automated Back-Test will commerce. The Control Panel will animate the step-through of each trading date for every campaign. A small box will appear at the right side to display the current process completed.

If you wish to stop the automation at any time, press the 'ESC' button twice in quick session.

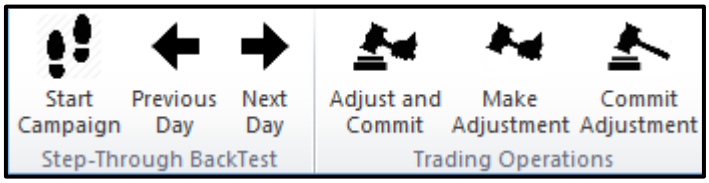
Step 2: Once the Automated Back-Test is completed, all the test results are logged in the system. Click on 'BackTest Logs' icon and the 'BackTest Logs' form will appear. The form has 3 Tabs – 'Daily Log' Tab, 'Transaction Log' Tab and 'Summary Report' Tab. It is advisable to export the back-tested results into an Excel file for further analysis by clicking the "Export Reports" button at the bottom right hand of the form. See 'Appendix A: BackTest Log Report' for detailed explanation about reading the BackTest logs.



Congratulations! You have successfully BackTested the entire campaign list in 2 simple steps.

4.3.2 Manual Back-Test

Manual Back-Test is used when the user wants to test only one strategy manually by step-through trading day-by-day and to check on a daily basis to see how the SSF performs, and if there is a need to modify the SSF. For Manual Back-testing, you will be using the following icons most of the time:



A. Start Campaign – Start/Re-start the Manual back-test campaign with initial configuration.

B. Previous Day – Move trading day back by one working day.

C. Next Day - Move trading day forward by one working day.

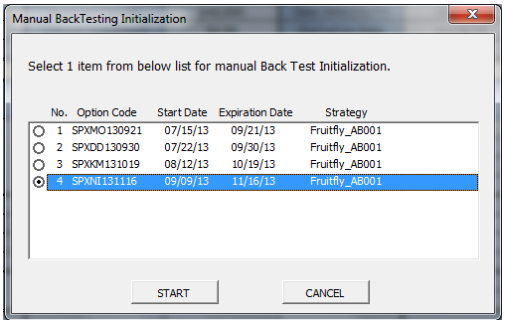
D. Make Adjustment - If an alert message requires an action to be performed, this process will follow the instructions shown at the alert message box.

E. Commit Adjustment - This process takes the adjusted position and executes it to completion.

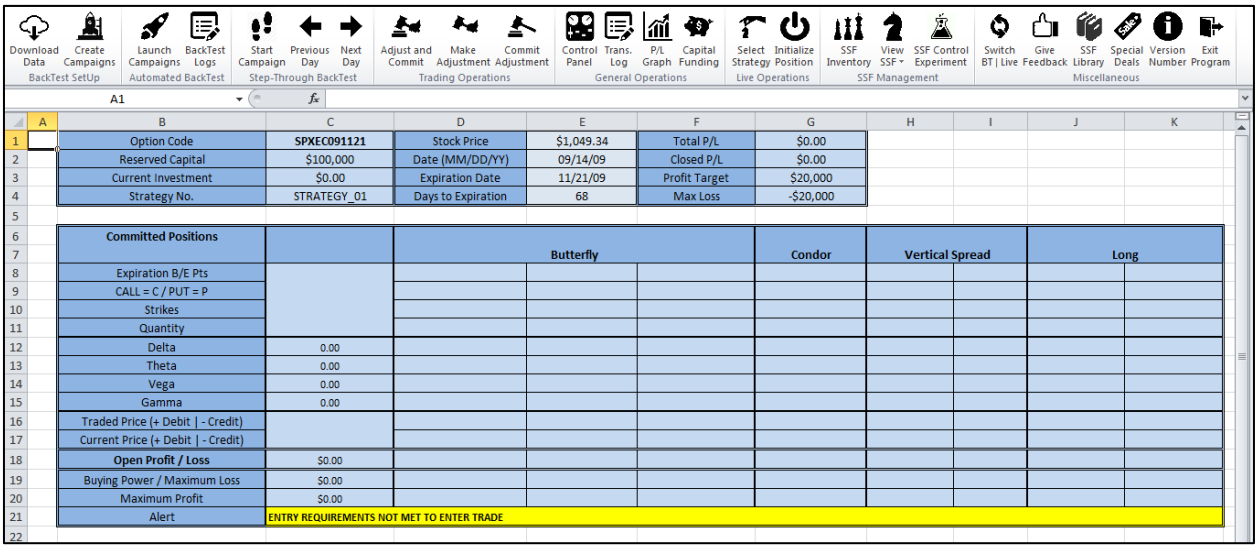
F. Adjust and Commit - If an alert message requires an action to be performed, this process executes the alert message by Adjusting (See above item D) and then Committing (see above item E). This is a single click which combines 'Make Adjustment' and 'Commit Adjustment'.

We will now run an example of a Manual Back-Test operation. Follow with the same data selection to ensure you will see the exact data shown in this document. At 'Capital Funding' icon, our starting capital is $40,000. At 'Download Data' icon, we downloaded data base on "SPX" selection and Expiration Dates Range from "09/01/13" to "12/01/13". We have imported 'Fruitfly_AB001' SSF into the SSF inventory in Strategy_01 slot. At 'Create Campaigns' we have filtered all items to 'More than 50 DTE' and used 'Fruitfly_AB001' to added into the campaign list.

Step 1: Click on the 'Start Campaign' icon and the 'Manual BackTesting Initialization' form will appear. You will see the entire campaign list but you are allowed to select only a campaign to manually back-test for each manual back-test session. Select the option code "SPNXI131116". Press 'Start' and the Manual back-test will commerce. The form closes and Control Panel is re-activated.



You will notice that the General Settings Table will be completely filled with the campaign data, as well as the first trade day data such as Stock Price, Trade Date, Expiration Date, and DTE. The Total P/L would show at zero because no open or closed positions yet, and the profit target and maximum loss will be shown as calculated by the SSF.

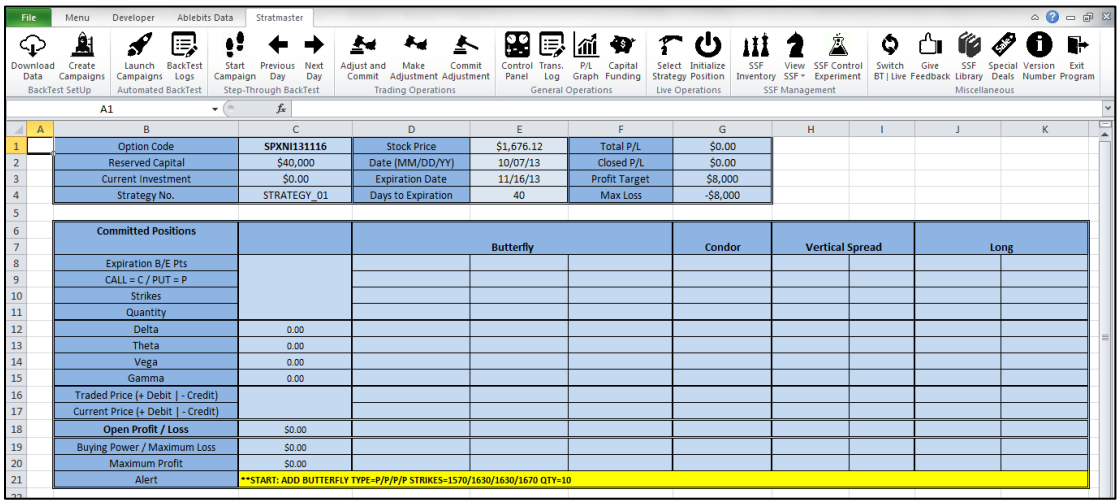


Option Code	SPXEC091121	Stock Price	$1,049.34	Total P/L	$0.00	
Reserved Capital	$100,000	Date (MM/DD/YY)	09/14/09	Closed P/L	$0.00	
Current Investment	$0.00	Expiration Date	11/21/09	Profit Target	$20,000	
Strategy No.	STRATEGY_01	Days to Expiration	68	Max Loss	-$20,000	

Committed Positions		Butterfly			Condor	Vertical Spread		Long	
Expiration B/E Pts									
CALL = C / PUT = P									
Strikes									
Quantity									
Delta	0.00								
Theta	0.00								
Vega	0.00								
Gamma	0.00								
Traded Price (+ Debit | - Credit)									
Current Price (+ Debit | - Credit)									
Open Profit / Loss	$0.00								
Buying Power / Maximum Loss	$0.00								
Maximum Profit	$0.00								
Alert	ENTRY REQUIREMENTS NOT MET TO ENTER TRADE								

Step 2: Click the 'Next Day' icon and 'Stock Price', 'Date' and DTE move forward by one trading day. If click on 'Previous Day', the Stock Price, Date, Expiration Date and DTE will move back by on trading day. The alert box shows "ENTY REQUIREMENT NOT MET TO ENTER TRADE" because for this STRATEGY_01, it is set to enter the trade only if DTE is 40 days or less (determined by SSF, see later section on SSF). Continue to click 'Next Day' icon, and the 'Stock Price', 'Date' and 'DTE' values will change accordingly.

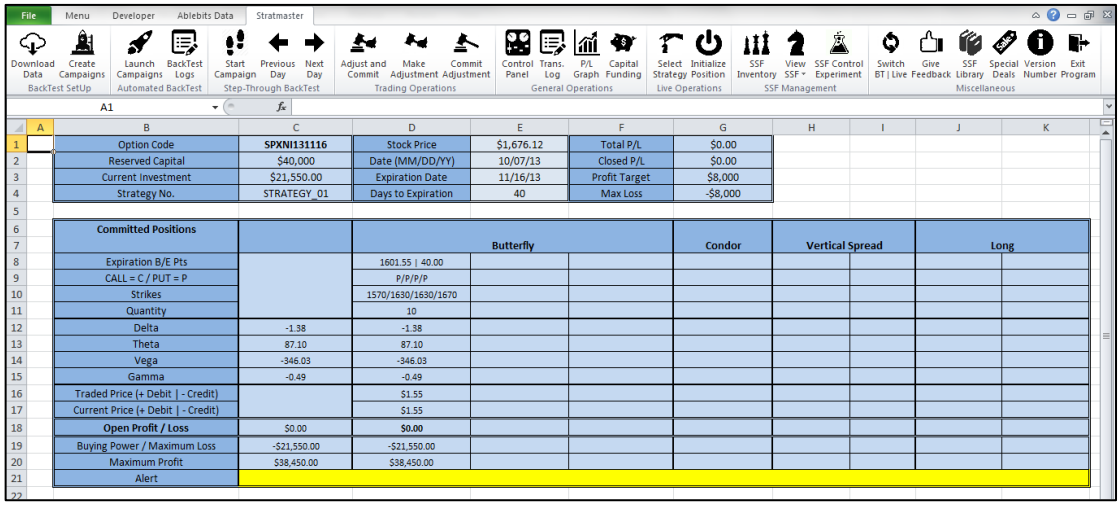
Once the condition to enter the trade is met, the alert yellow box message will display an alert message: "START: ADD BUTTERFLY TYPE=P/P/P/P STRIKES 1570/1630/1630/1670 QTY=10". See 'Appendix B: Alert Messages' to understand the meaning of the messages in the alert yellow box.



Option Code	SPXNI131116	Stock Price	$1,676.12	Total P/L	$0.00	
Reserved Capital	$40,000	Date (MM/DD/YY)	10/07/13	Closed P/L	$0.00	
Current Investment	$0.00	Expiration Date	11/16/13	Profit Target	$8,000	
Strategy No.	STRATEGY_01	Days to Expiration	40	Max Loss	-$8,000	

Committed Positions		Butterfly			Condor	Vertical Spread		Long	
Expiration B/E Pts									
CALL = C / PUT = P									
Strikes									
Quantity									
Delta	0.00								
Theta	0.00								
Vega	0.00								
Gamma	0.00								
Traded Price (+ Debit | - Credit)									
Current Price (+ Debit | - Credit)									
Open Profit / Loss	$0.00								
Buying Power / Maximum Loss	$0.00								
Maximum Profit	$0.00								
Alert	**START: ADD BUTTERFLY TYPE=P/P/P/P STRIKES=1570/1630/1630/1670 QTY=10								

Step 3: The alert message requires an action; in this case it is to enter the trade by buying a PUT Butterfly. You may take action in 2 ways, either by clicking 'Make Adjustment' followed by 'Commit Adjustment' or the combined 'Adjust and Commit' icon. In this example, click the 'Adjust and Commit' icon to execute the alert message immediately. After clicking 'Adjust and Commit' icon, the control panel changes to show the PUT Butterfly position entered in the 'Committed Position' Table. There are no more alerts shown at the alert message box as the instruction has successfully executed.

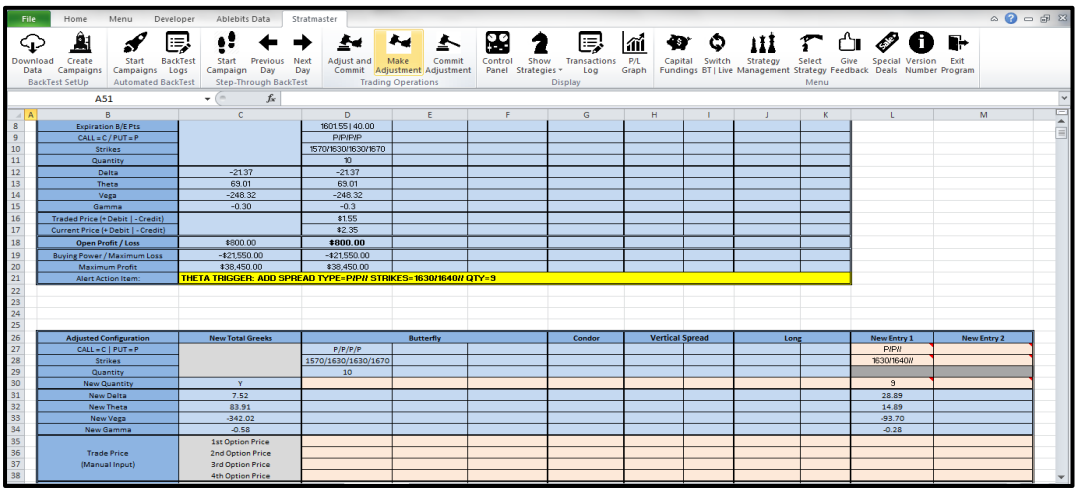


Option Code	SPXNI131116	Stock Price	$1,676.12	Total P/L	$0.00	
Reserved Capital	$40,000	Date (MM/DD/YY)	10/07/13	Closed P/L	$0.00	
Current Investment	$21,550.00	Expiration Date	11/16/13	Profit Target	$8,000	
Strategy No.	STRATEGY_01	Days to Expiration	40	Max Loss	-$8,000	

Committed Positions		Butterfly			Condor	Vertical Spread		Long	
Expiration B/E Pts		1601.55 | 40.00							
CALL = C / PUT = P		P/P/P/P							
Strikes		1570/1630/1630/1670							
Quantity		10							
Delta	-1.38	-1.38							
Theta	87.10	87.10							
Vega	-346.03	-346.03							
Gamma	-0.49	-0.49							
Traded Price (+ Debit | - Credit)		$1.55							
Current Price (+ Debit | - Credit)		$1.55							
Open Profit / Loss	$0.00	**$0.00**							
Buying Power / Maximum Loss	-$21,550.00	-$21,550.00							
Maximum Profit	$38,450.00	$38,450.00							
Alert									

Step 4: Continue to click 'Next Day'. At DTE at 37, there is an alert message shown: "THETA TRIGGER: ADD SPREAD TYPE=P/P// STRIKES=1630/1640 QTY=9', which means an adjustment is necessary due to Theta has reached a trigger, and the adjustment is to buy a Vertical Spread. Similarly you can click either 'Make Adjustment' followed by 'Commit Adjustment' or the combined 'Adjust and Commit' icon. In this case, we choose to click 'Make Adjustment' icon and then followed by 'Commit Adjustment' icon.

When you first click the 'Make Adjustment' icon and then scroll the screen slightly down to see the 'Committed & Adjusted Positions' table, you will see that the 'New Entry 1' column at the right side is being populated with a new entry.



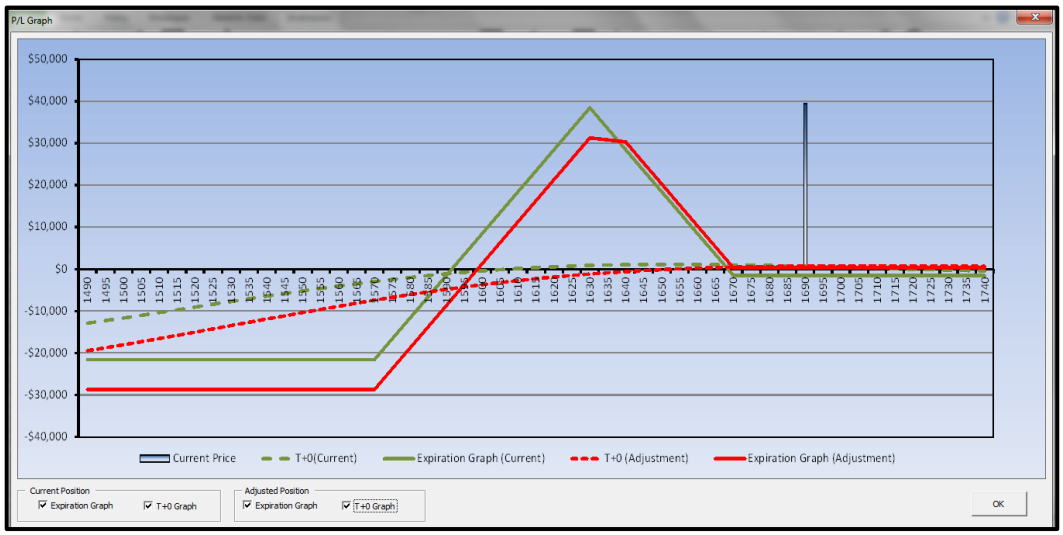
Expiration B/E Pts		1601.55 | 40.00	
CALL = C / PUT = P		P/P/P/P	
Strikes		1570/1630/1630/1670	
Quantity		10	
Delta	-21.37	-21.37	
Theta	69.01	69.01	
Vega	-248.32	-248.32	
Gamma	-0.30	-0.3	
Traded Price (+ Debit | - Credit)		$1.55	
Current Price (+ Debit | - Credit)		$2.35	
Open Profit / Loss	$800.00	**$800.00**	
Buying Power / Maximum Loss	-$21,550.00	-$21,550.00	
Maximum Profit	$38,450.00	$38,450.00	
Alert Action Item:	THETA TRIGGER: ADD SPREAD TYPE=P/P/ STRIKES=1630/1640/ QTY=9		

Adjusted Configuration	New Total Greeks	Butterfly	Condor	Vertical Spread	Long	New Entry 1	New Entry 2
CALL = C | PUT = P		P/P/P/P				P/P/	
Strikes		1570/1630/1630/1670				1630/1640/	
Quantity		10					
New Quantity	Y					9	
New Delta	7.52					28.89	
New Theta	83.91					14.89	
New Vega	-342.02					-93.70	
New Gamma	-0.58					-0.28	
Trade Price (Manual Input)	1st Option Price						
	2nd Option Price						
	3rd Option Price						
	4th Option Price						

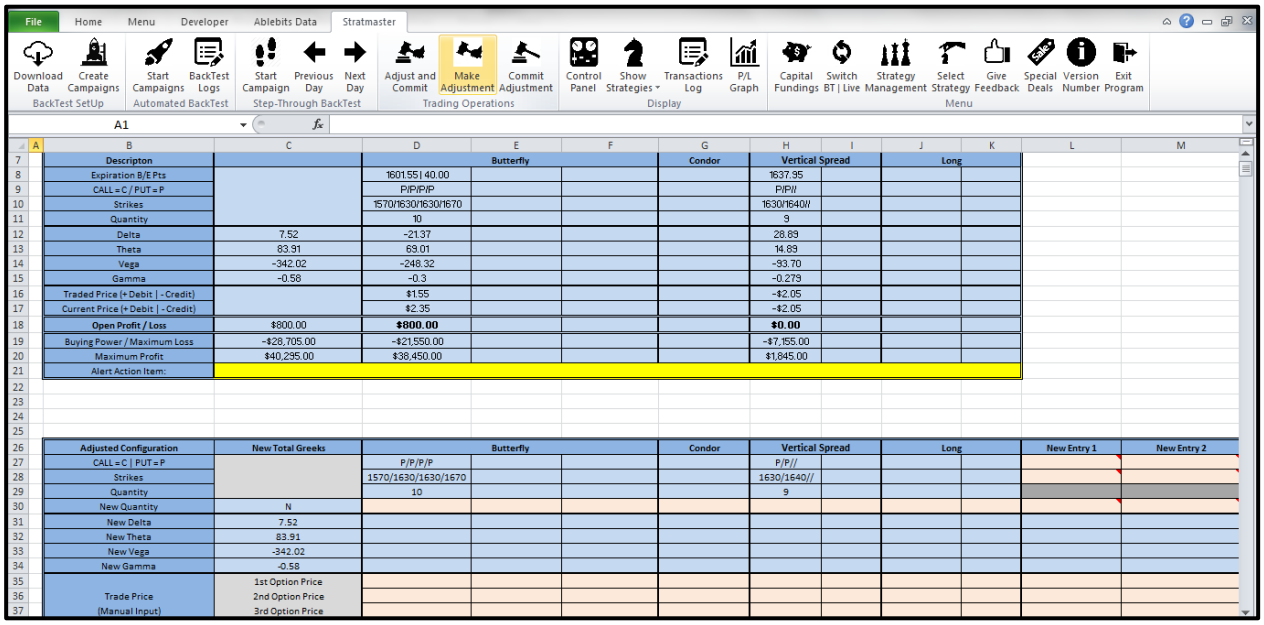
The pink colored cells in the 'Committed & Adjusted Positions' table can be modified by the user at any time without needing any alerts from alert message box. Also, in the event of an alert message, the user may choose to use a different value as otherwise suggested by alert message box. In this example, the alert message box required adding a PUT vertical spread with quantity of 9. In you wish to modify the adjustment rules, for example you may change the value to '10' by manually keying in '10' at Cell L30 instead of using '9' as suggested by the SSF. However such manual changes by the user is recommended only for experienced users of Stratmaster because any ad-hoc adjustment changes in position may render the final configuration to be unrecognizable by the SFF and the SFF may not be able to proceed with further alert messages. Also do note that the last 2 columns (labelled 'New Entry 1' and 'New Entry 2') are for new options position created. If an existing position needs to be modified, you will need to key in the new quantity values from Cells D30 to Cells K30, and corresponding trade prices the respective columns. For details on please see *Stratmaster Strategy File Development Manual.*

Back to our example, we do not wish to interfere with the alert message commands by SFF so we keep the position as they are (only click 'Make Adjustment' icon and made no further changes in any pink-cell in the 'Committed & Adjusted Positions' table).

Step 5: To see current and new P/L graph, click on the 'P/L Graph' icon. The green solid and dotted lines shows the current position in both T+0 and expiration graphs and the red solid and dotted lines shows the current and adjusted position in both T+0 and expiration graphs. Click on 'OK' button to return to Control Panel.



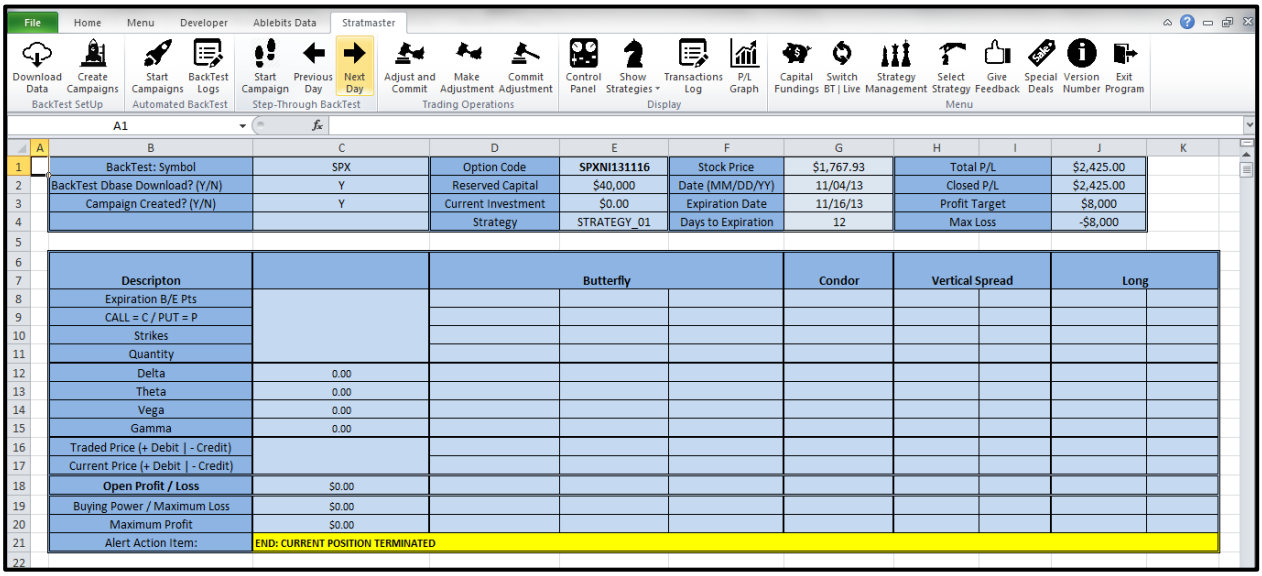
Step 6: Click on 'Commit Adjustment' icon to execute the adjustment. Notice that after clicking the 'Commit Adjustment', the Vertical Spread position previously at the 'Committed & Adjusted Positions' table is moved up to the 'Committed Positions' Table.



Descripton		Butterfly		Condor	Vertical Spread	Long
Expiration B/E Pts		1601.55 | 40.00			1637.35	
CALL = C / PUT = P		P/P/P/P			P/P//	
Strikes		1570/1630/1630/1670			1630/1640//	
Quantity		10			9	
Delta	7.52	-21.37			28.89	
Theta	83.91	69.01			14.89	
Vega	-342.02	-248.32			-93.70	
Gamma	-0.58	-0.3			-0.279	
Traded Price (+ Debit | - Credit)		$1.55			-$2.05	
Current Price (+ Debit | - Credit)		$2.35			-$2.05	
Open Profit / Loss	$800.00	**$800.00**			**$0.00**	
Buying Power / Maximum Loss	-$28,705.00	-$21,550.00			-$7,155.00	
Maximum Profit	$40,295.00	$38,450.00			$1,845.00	
Alert Action Item:						

Adjusted Configuration	New Total Greeks	Butterfly		Condor	Vertical Spread	Long	New Entry 1	New Entry 2
CALL = C | PUT = P		P/P/P/P			P/P//			
Strikes		1570/1630/1630/1670			1630/1640//			
Quantity		10			9			
New Quantity	N							
New Delta	7.52							
New Theta	83.91							
New Vega	-342.02							
New Gamma	-0.58							
Trade Price (Manual Input)	1st Option Price 2nd Option Price 3rd Option Price							

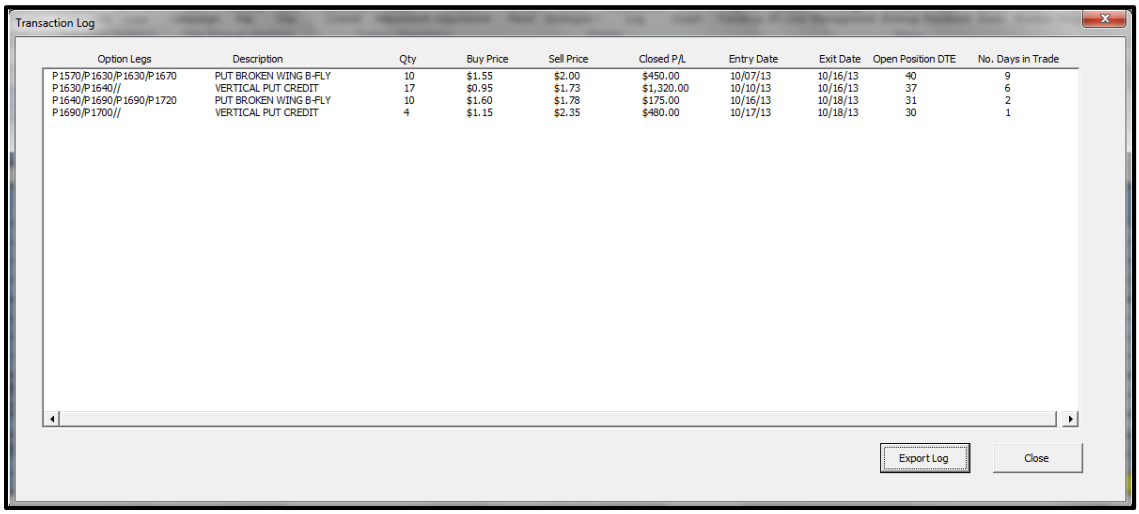
Step 7: Continue to advance the trading session but clicking 'Next Day' and 'Adjust and Commit' icons whenever the Strategy_01 generates an alert and required an adjustment to the positions. On DTE at 12, we see the following message at the Alert Action Item box "END: CURRENT POSITION TERMINATED" which means the current campaign has ended either due to maximum profit or loss reached, or the trade has reached a DTE which the SSF required the position to be closed. In this case, it is due to DTE that required closing the position.



BackTest: Symbol	SPX	Option Code	SPXNI131116	Stock Price	$1,767.93	Total P/L		$2,425.00
BackTest Dbase Download? (Y/N)	Y	Reserved Capital	$40,000	Date (MM/DD/YY)	11/04/13	Closed P/L		$2,425.00
Campaign Created? (Y/N)	Y	Current Investment	$0.00	Expiration Date	11/16/13	Profit Target		$8,000
		Strategy	STRATEGY_01	Days to Expiration	12	Max Loss		-$8,000

Descripton		Butterfly			Condor	Vertical Spread		Long	
Expiration B/E Pts									
CALL = C / PUT = P									
Strikes									
Quantity									
Delta	0.00								
Theta	0.00								
Vega	0.00								
Gamma	0.00								
Traded Price (+ Debit | - Credit)									
Current Price (+ Debit | - Credit)									
Open Profit / Loss	$0.00								
Buying Power / Maximum Loss	$0.00								
Maximum Profit	$0.00								
Alert Action Item:	END: CURRENT POSITION TERMINATED								

Step 8: To see all the transactions executed during the campaign session, click the 'Transaction Log' icon. The transaction log automatically captures all the transactions executed including manual adjustments made by the user manual keying in the pink cells at the 'Committed & Adjusted Positions' table. The Manual back-test Transaction Log has exact format as the Automated back-test Transaction Logs, and it can be exported to an Excel file by clicking the 'Export Log' button.

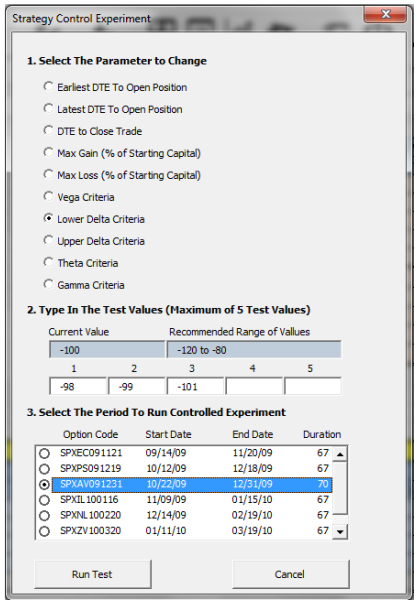


Congratulations, you have just completed doing a manual back-test session.

4.3.3 SSF Control Experiment

SSF Control Experiment is used when user wants to test the strategy's performance by varying only a single variable inside a particular SSF. In a controlled experiment, only change is made to one variable at a time within the SSF in order to isolate the results.

There are 3 areas for selection at the SSF Control Experiment form:



1. Select The Parameter to Change

This is the parameter or variable which the user wishes to change to see if any significant improvements are made from such a change. You may select only 1 variable to change.

The first five parameters are the same for any SSF as they are related to the entry or exit parameters such as the earliest allowed DTE to open a position, as well as maximum gain or maximum loss allowed before the campaign is closed.

The subsequent five parameters are variables that is unique to each individual SFF, and listing of these variables are dependent on what the strategy author or SSF developer has determined to be parameters that can be changed without affecting the design of the strategy to the extent that it loses its identity. For some SFF, there may be less than 5 parameters available for the Control Experiment.

2. Type In The Test Values (Maximum of 5 Test Values)

In this section, the user will key in the new test values which will be used instead of the default value has pre-determined by the SSF. A maximum of 5 values can be set, and the default value as well as a range of values will be shown in this section.

3. Select the Period to Run Controlled Experiment

This select is the trading period to execute the controlled experiment. The ranges of date available are based on the downloaded data (see earlier section on Data Download).

We will now run an example of a SSF Control Experiment. Follow with the same data selection to ensure you will see the exact data shown in this document. At 'Capital Funding' icon, our starting capital is $40,000. At 'Download Data' icon, we have downloaded data base on "SPX" selection and Expiration Dates Range from "09/01/13" to "12/01/13". We have imported 'Fruitfly_AB001' SSF into the SSF inventory in Strategy_01 slot. For SSF Control Experiment, it is not necessary to build a campaign list prior to running it as SSF Control Experiment requires user to manually select the SFF (by opening the SSF file to test) and manually select the trading date ranges.

Step 1: To start SSF Control Experiment, you have to first display the SSF which you plan to run the control experiment. Click on View SSF and select the SSF from the pull-down menu, select the Strategy slot which houses 'Fruitfly_AB001' SSF

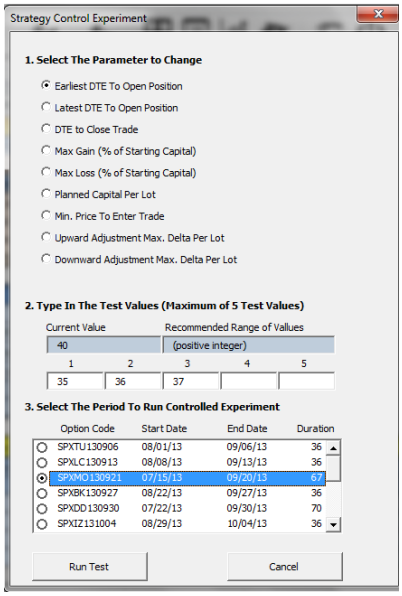
Once 'Fruitfly_AB001' SSF is displayed, click on SSF Control Experiment icon. The Strategy Control Experiment form will appear. Select the following

1. Select The Parameter to Change – select 'Earliest DTE to Change'

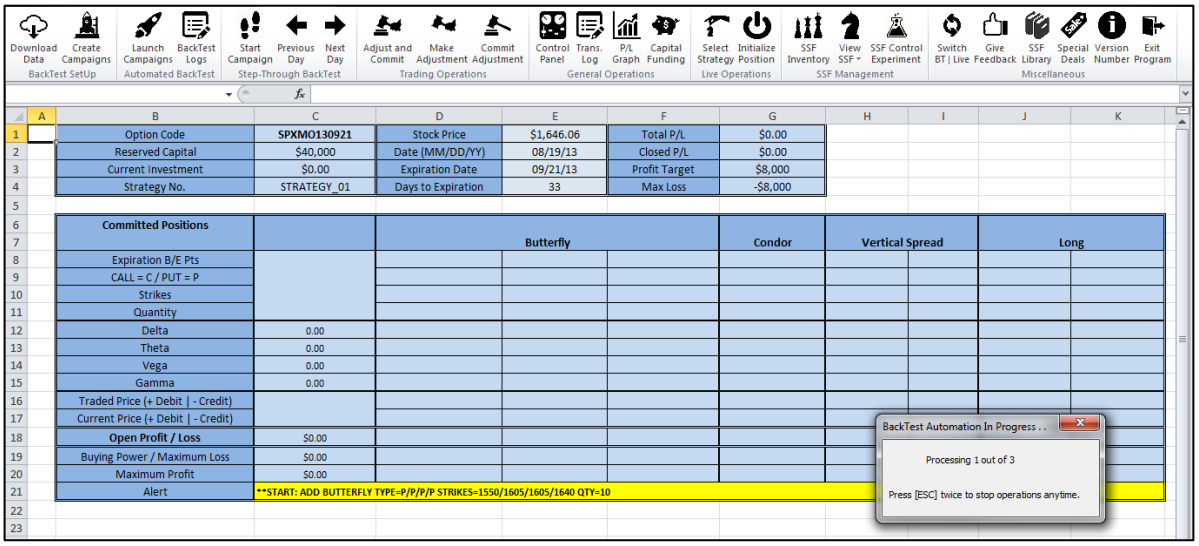
2. Type In the Test Values (Maximum of 5 Test Values). The default value '40' is shown. Type in '35', '36', '37' at the three of the five empty boxes below the default value.

3. Select the Period to Run The Controlled Experiment – Select the Option Code "SPXMO130921"

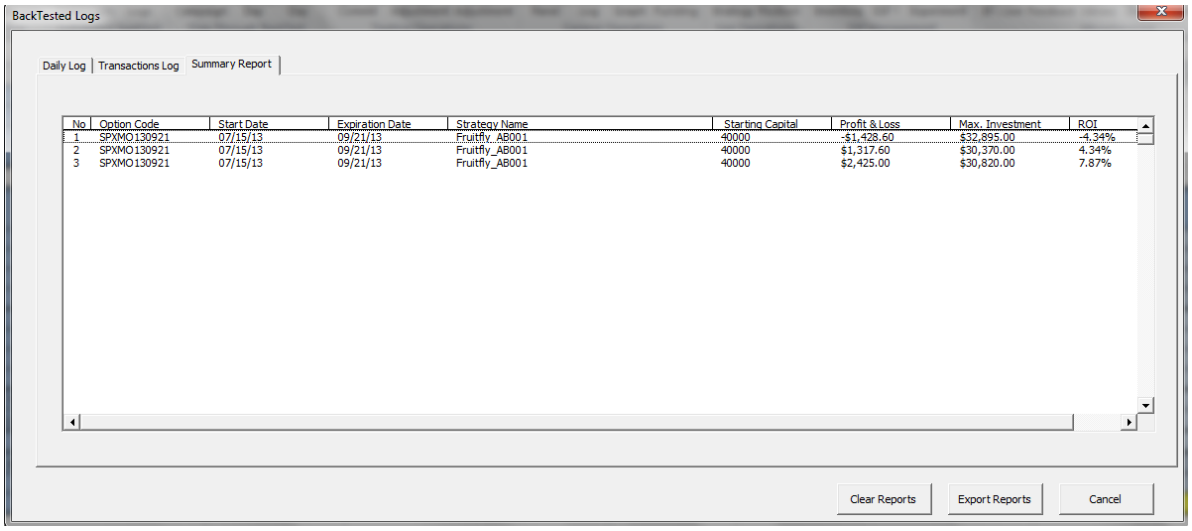
Press 'Run Test' button.



Step 2: Stratmaster will execute SSF Control Experiment similar to Automated Back-Testing.



Step 3: Upon completion of the 3 tests, press the ‘BackTest Logs’ icon and press ‘Export Logs’ to export the logs for further analysis.



When you open the log file, you will see the detailed breakdown based on 'DateLog', 'Transactions' and 'Summary' which is similar to Automated Back-Test. However, at summary page, there is a Remark column which states the parameter that has been changed which cause the differences in the ROI.

No	Option Code	Start Date	Expiration Date	Strategy Name	Starting Capital	Profit & Loss	Max. Investment	ROI	Remarks
1	SPXMO130921	07/15/13	09/21/13	Fruitfly_AB001	40000	-$1,428.60	$32,895.00	-4.34%	Earliest DTE To Open Position=35
2	SPXMO130921	07/15/13	09/21/13	Fruitfly_AB001	40000	$1,317.60	$30,370.00	4.34%	Earliest DTE To Open Position=36
3	SPXMO130921	07/15/13	09/21/13	Fruitfly_AB001	40000	$2,425.00	$30,820.00	7.87%	Earliest DTE To Open Position=37

Congratulations, you have successfully completed the SSF Control Experiment.

We have completed the BACKTEST mode and the next section is on LIVE mode.

5. LIVE MODE

LIVE Mode is where data-feeds into Stratmaster come from your online brokerage platform instead of using Stratmaster database server. The options geeks, stock and options prices at Stratmaster will follow with the same data that that is shown at your trading platform. It is not necessary to have current 'live' data from the online brokerage system. In LIVE mode, all Stratmaster does is it takes data from the brokerage platform even if the data is historical data, like in the case of thinkorswim, there is option to replay historical data with TOS OnDemand.

In order to use LIVE mode, you must have your online trading platform running alongside with Stratmaster on the same PC.

In this section's example, we will show step-by-step on the process to get Stratmaster to capture 'live' data and assist you on your live trading platform using Ameritrade's thinkorswim platform.

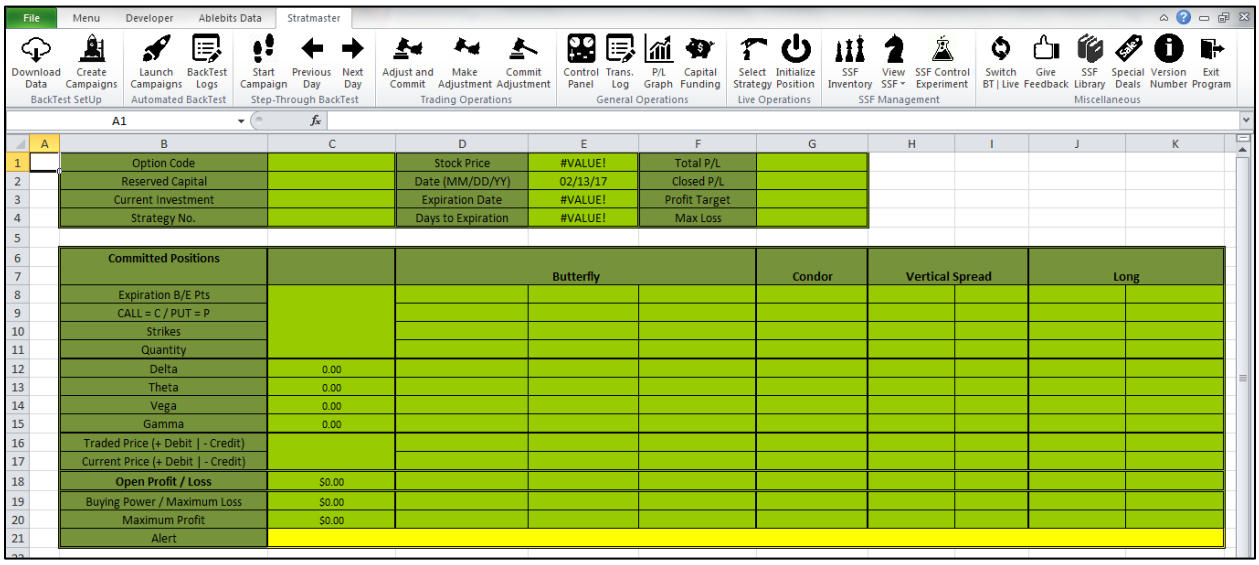
Step 1: Start thinkorswim application and login to your account. You may choose either 'Paper Money' account or 'Live Trading' account.

Step 2: Start Stratmaster, and type in your UserName and Password. Tick the box next to 'I agree to Terms of Agree' and select the 'LIVE' radio button. Then press 'OK' button.

(Important Note: For running LIVE mode, TOS has to be started BEFORE starting Stratmaster to ensure proper data linkage between the two applications and subsequent data-feeds from TOS into Stratmaster).

5.1 Live Campaign Initiation

In LIVE mode, the Control Panel is shown in color. This color differentiation from the blue cells in BACKTEST mode is to ensure that the user be aware about the mode that he is currently working in.



You may notice that unlike BACKTEST mode, in the General Settings Table, here are some cells which shows "#VALUE!'. This is because the user has yet to select an underlying stock so this cell is unable to process the data, which is normal.

Starting a 'Live' campaign involves 3 processes:

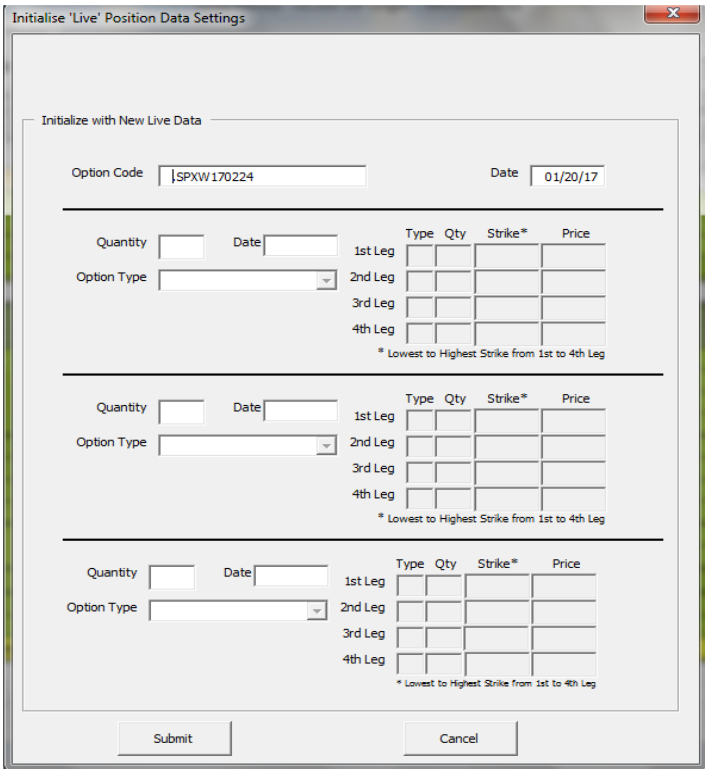
1. Capital Funding – similar to process for BACKTEST mode. See previous Section 3.1 on Capital Funding.
2. Linking an existing 'live' option code to Control Panel in LIVE mode
3. Select a SSF

The steps starting a 'live' campaign as follows:

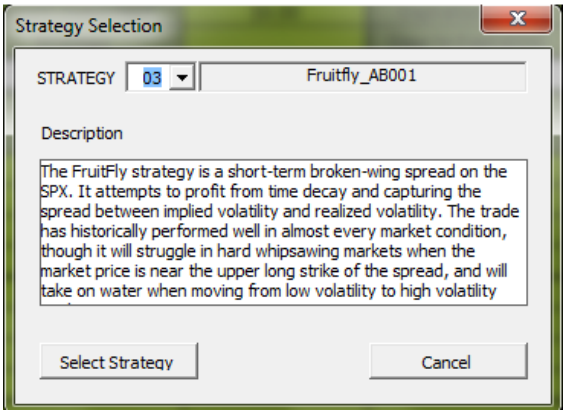
Step 1: Click on 'Capital Funding' icon and key in the amount of capital, as well as commission fees as per your trading account.

Step 2: Check under TOS application's 'Trade' tab for the DTE level which you like to do a campaign trade. In this example, we select options with DTE at 37. Click the down-arrow to expand the options table, and right-click on any of the options in that table to see the available commands available. Look for the 'Copy' command and click on it. You have now copied the options code.

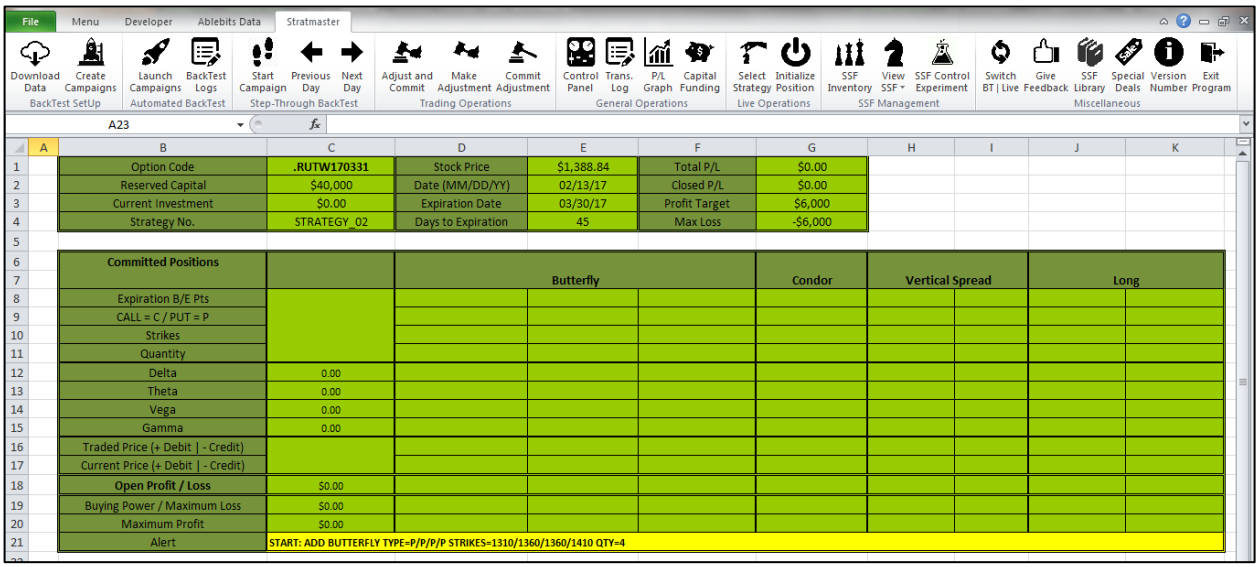
At Stratmaster, click on the 'Initialize Position' icon. A new form will appear. Click on 'Option Code' text-box and paste the copied data from Step 1. However, remove the information about the particular option value. In the example, the copied data is ".SPXW170224C1000" which is the CALL 1000 strike. Copy only ".SPXW170224" to 'Option Code' text-box. Press 'Submit' button.



Step 3: Select a SSF by clicking on the 'Select Strategy' icon. Then select the SSF which you want to use from the pull-down menu, and then click the 'Select Strategy' button.



Once the 3 steps are completed, the General Settings Table will be complete with live data.



Now Stratmaster tracks the platform's selected option using the rules from SSF and displays the alert actions, if any. In our above example, the SSF has determined that the position can be entered as shown in the alert message in the yellow alert box. In the next section, we will show you how to enter the trade in Stratmaster and track all the realized and unrealized position's P/L positions.

5.2 Live Campaign Alert Action

There are many types of alerts, some require follow-ups actions and some are for information purpose only (See Appendix B: Alert Messages for details).

For alert messages which requires actions taken, be it entry position, adjustments or exiting positions, the following process has to be done in order to track exactly the Profit and Loss of your trade.

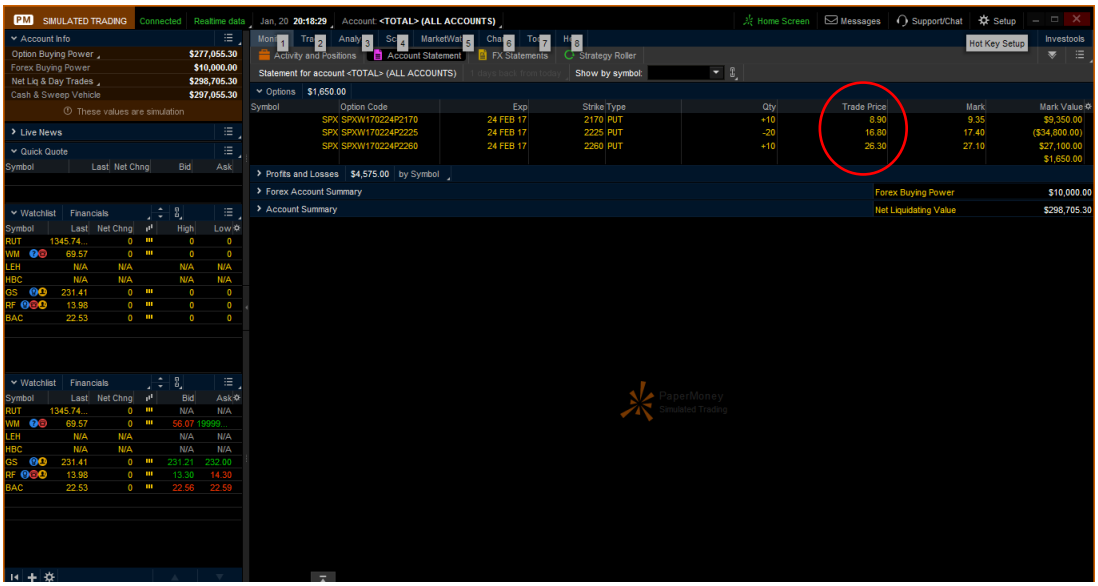
1. Execute the alert message at TOS, and note the filled order pricing

2. Click the 'Make Adjustment' icon at Stratmaster and fill in the prices that you got filled at TOS

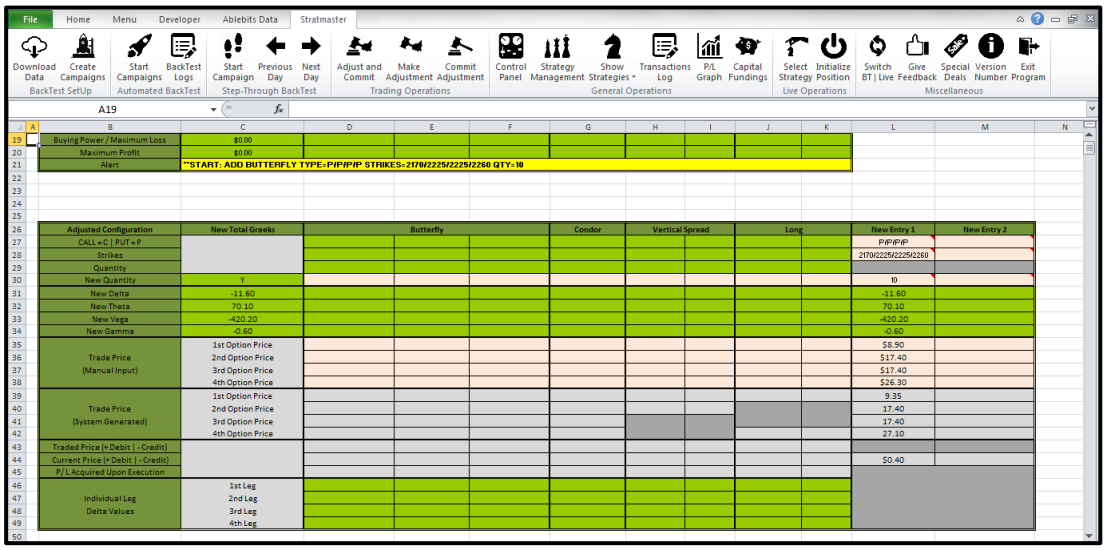
3. Click the 'Commit Position' icon to commit the order

The following is an example detailed walk-through on the previous 3 steps:

Step 1: The alert message in the Control Panel says: “ADD BUTTERFLY TYPE=P/P/P/P STRIKES=2170/2225/2225/2260 QTY=10”, which means to buy 10 PUT Butterfly with ATM at 2225 and wings at 2170 and 2260. At TOS, make a purchase for 10 PUT Butterfly with ATM at 2225 and wings at 2170 and 2260. Record the trade price for the individual legs of the Butterfly, which is this example, the price for PUT Strike 2170 is $8.90, PUT Strike 2225 is $17.40 and PUT Strike 2260 is $26.30.



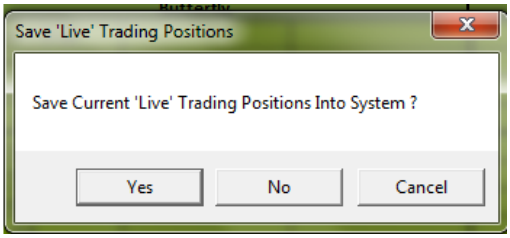
Step 2: At Stratmaster, press the ‘Make Adjustment’ icon, you will notice that Cells L27 to L44 will be populated with the new Butterfly values. Cells L39 to Cells L42 are the mid-price of the strikes at that particular point in time. If you commit then, those would be price which Stratmaster will use to calculate your P/L. To use the same prices that your position was filled at TOS, enter the values ‘8.90’, ’17.40’, ’17.40’, ’26.30’ at Cells L39 to Cells l42. Then press ‘Commit Position’ button. Any further adjustments would follow the same process to get the matching P/L values as the trading platform.



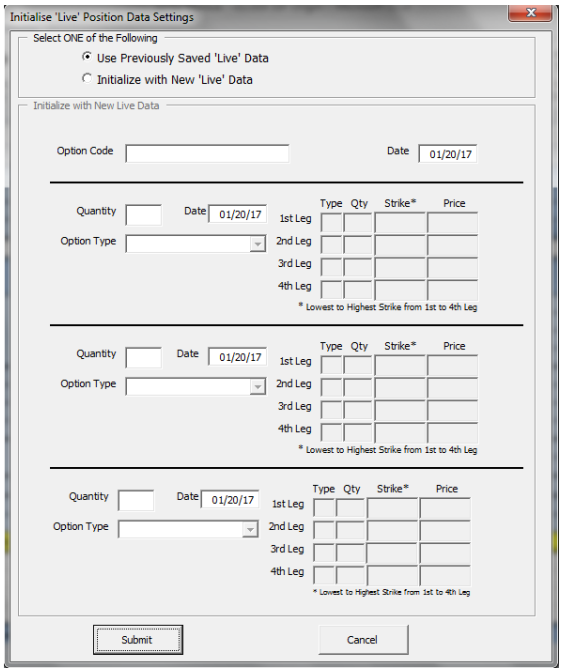
5.3 Switching Between LIVE Mode and BACKTEST Mode

There may be instances where you are using Stratmaster during market open-hours on LIVE mode to guide you through live trading with your online trading platform, but during non-trading days, you wish to use Stratmaster to further test other SSF or fine-tune the SSF, which then you want to switch to BACKTEST mode. Stratmaster allows for saving all the 'live' transactions at LIVE mode before you switch to BACKTEST mode and vice versa.

To switch between LIVE mode and BACKTEST mode, click on the 'Switch BT | Live' icon. A pop-up message will ask if you wish to save the current 'Live' trading positions into Stratmaster. Press 'Yes' if you wish to do so and Stratmaster will save all the 'live' data transactions before switching to 'BACKTEST' mode.



To switch back to 'LIVE' from 'BACKTEST' mode, click the 'Switch BT | Live' icon. The 'Initialize Live Position Data Setting' form will pop-up. This form is similar to the form which appears when you select 'Initialize Position' icon. However, you have to option to restore the previous saved 'live' position by choosing 'Use Previously Save 'Live' Data'.



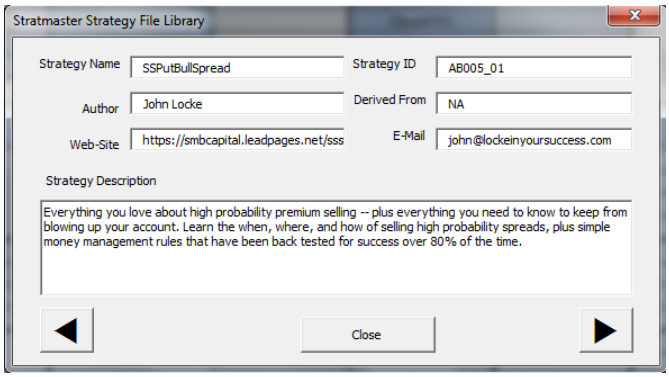
6. STRATMASTER STRATEGY FILE

As an Options Strategy Management System, the entire design of Stratmaster revolves around the options strategy files. In order to ensure system compatibility and interoperability, these digital files have to be organized in a certain format. The SSF is a digital file which can be easily imported into Stratmaster and used during trading sessions, and exported for safe-keeping. In this section, we will go through the basics design of an SSF. For details on designing a SSF, please request for the *Stratmaster Strategy File (SSF) Development Manual*.

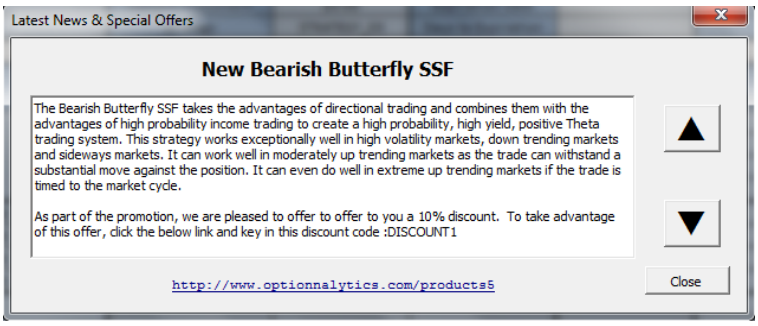
6.1 Stratmaster Strategy File Library

In order to use Stratmaster, the user must have at least one SSF file imported into the Stratmaster.

To see the entire library of SSF that is available from OptionNalytics, the user may click on 'SSF Library' icon and press the 'Right' and 'Left' button to scroll through the entire library listings. The strategy's guidelines on the rules of engagement i.e. how the strategy determines the purchase, adjustment and selling of options based on market conditions and option greeks are designed by the strategy authors; these strategy guidelines remains the intellectual property rights of the authors who created them and OptionNalytics will not provide any of these guidelines to the users unless prior approval is given by the strategy authors. If the user wants to purchase the strategy guidelines and videos explaining the workings of the strategy, he may contact the strategy author using the contact email and author's web-site shown in the SSF library form.



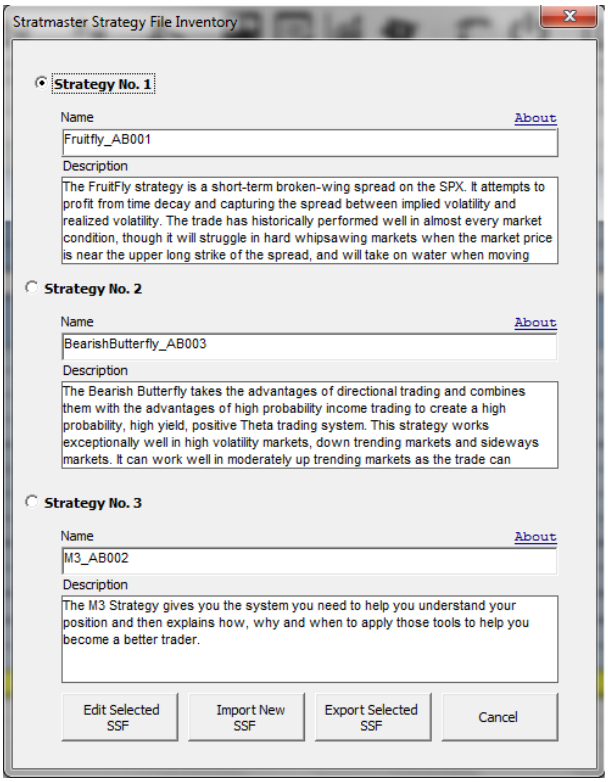
SSF files are only available for download from OptionNalytics website. From time-to-time, we offer promotions or trial usage of new SFF to all Stratmaster subscribers. To see if there are any promotions click on the 'Special Deals' icon. Click on the hyperlink to go to the page detailing the SSF.



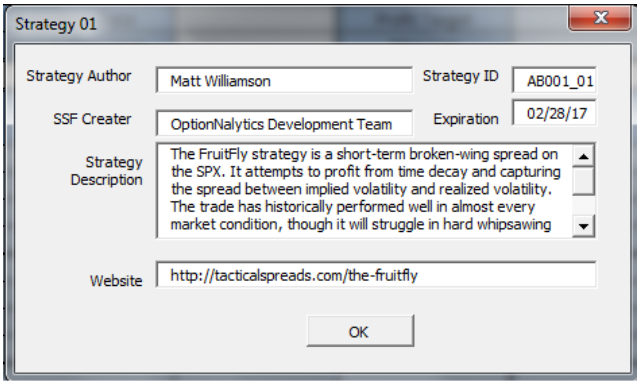
6.2 Stratmaster Strategy File Inventory

Click on 'SSF Inventory' icon and the following form will appear.

The maximum allowed SSF loaded into Stratmaster at one time is three SSF. Any free slots will be shown blank. Each SSF Name and Description is shown, and both can be changed by the user (see later section on Stratmaster Strategy File Details) as he makes changes to the SSF and he may choose to rename either SSF name or description to track the changes.



Nevertheless, to keep track of the authors and protect originality of work, there is a built-in mechanism in all SSFs which identifies the original creator of strategy as well as the names and description provided by the authors. To see that information - click on the 'About' link next to the SSF.



Note there is an expiration textbox, if there is a date shown, it means that the SFF is a trial version, and will be available for usage for a limited period of time, after the expiration date has passed, the SSF will be removed from the system automatically.

Click 'OK' and 'Strategy Management' form re-appears.

6.2.1 Import A Stratmaster Strategy File

To import SSF, click on 'Import New SSF'. You may select any of the 3 available blank slots by clicking any of the three radio buttons. Then click the 'Import New SSF' button to import a SSF. Select the directory in your local HD where the SSF is residing and then click 'OK' button. Once the SSF is successfully imported, you will see the strategy's name and description.

Important Note: Once you have successfully imported an SSF, you need to exit Stratmaster (click on 'Exit Program' icon and then click 'Yes' button to save and exit Stratmaster) and re-login before you can make use of the new SSF.

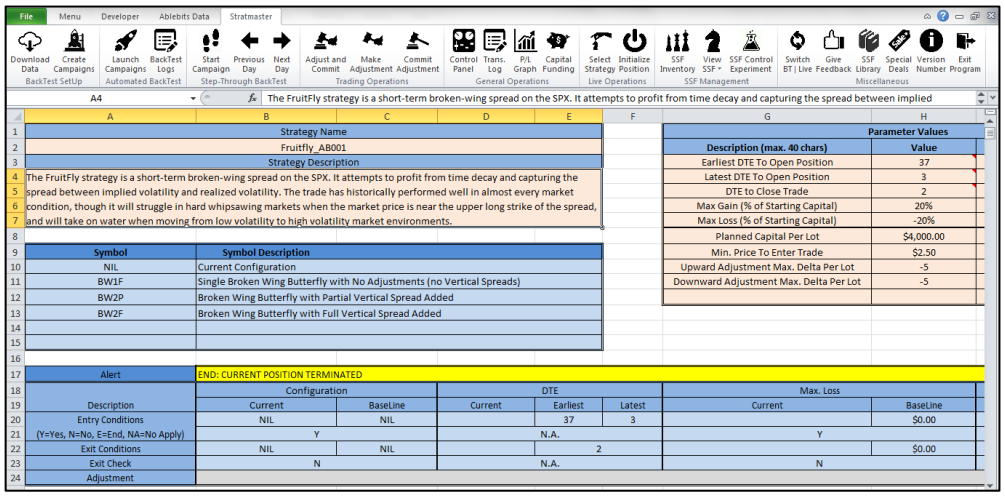
6.2.2 Export A Stratmaster Strategy File

To export a SSF that is currently residing in Stratmaster, first select the SSF by clicking on its radio button, and then click 'Export Selected SSF' button. There is a check-box "Keep SSF In System After Exporting". If you wish to have the SSF remaining in Stratmaster after exporting the file, click on the check-box. If the check-box is not ticked, the SSF will be remove from the system after successful export of the file.

6.3 Stratmaster Strategy File Details

There are 2 ways to display the SSF details. The first method is to click 'SSF Inventory' icon, then click the radio button of the SSF which you wish to display, and then click the 'Edit Selected SSF' button at the bottom left of the form. The second method is to click the 'View SSF' icon and then select the SSF from the pull-down menu.

An example of a selected SSF will open as shown in the following diagram.



Stratmaster allows subscribers full access to modify any parts of the SSF. However, cells have to be managed correctly in order to ensure that Stratmaster can process the commands from SFF correctly. All the cells in the SSF are color-coded in order for better understanding.

There are 3 color codes in SSF - Pink, Dark Blue and Light-Blue colors.

Cells in pink color contains numeric value and word descriptions, they are used as parameter settings, such as DTE ranges which a position may be entered, or they are used for customized display form of information such as SFF Control Experiment and Strategy Name and Description.

Light-Blue color cells are formula cells which are the building blocks that make up the SSF. Any changes or modifications to the light-blue color cells may result changes in the alert text-box. For most users of Stratmaster who wish to adopt the strategies that are developed by others, it is not necessary to understand the workings of these formula-cells. The details for constructing or modifying an SSF are beyond the scope of this document. The detailed guidelines for developing an SSF will be covered in a separate *Stratmaster Strategy File (SSF) Development Manual*.

Dark Blue color cells are label cells which offer description on the light-color formula cells.

Finally, there is one yellow alert text-box. The construction of the alert text is from a complex combination of data and formula cells. For detail understanding of alerts messages, please refer to ‘Appendix B: Alert Messages’.

7. CONCLUSION

Thanks again for subscribing to Stratmaster. I hope you have enjoyed using the Stratmaster System as much as the team in OptionNalytics has enjoyed in developing it.

When the team in OptionNalytics started the Stratmaster project, the single aim we had was to build a user-friendly option strategy tool that allows the user the flexibility and ease to test new ideas and encourage sharing of ideas between users. I hope that we have achieved part of what we have started out doing; nevertheless, I think we have only just scratched the surface. There is so much more to learn and improve on the tools that we have developed as it is a continually process of getting feedbacks then making changes and receiving new feedbacks from the options trading community. As such, I really appreciate your feedbacks on the experience on using the Stratmaster, that's why we have included a 'Feedback' icon inside the Stratmaster ribbon menu. Please use that feature to share your likes and "need-to-improve-on" takes about the system, as well as any new features you hope to see that may assist you to be a better trader. We will try our best to incorporate any features that may better serve the retail options trading community.

Thank you once again for being part of this exciting journey with us, I like to wish you the very best in your options trading career.

Cheers,

David Tang

Business Development Director,

OptionNalytics Pte Ltd

Email: david.tang@optionnalytics.com

APPENDIX A: BACKTEST LOG REPORTS

Upon completion of the Automated Back-testing (when the process of 'Start Campaigns' has ended), there is an option to export the back-test log reports as an Excel spreadsheet for ease of further analysis. The Excel spreadsheet will be named *REPORTS_HHMMSS.xlsb* where HHMMSS is the time-stamp when the file was created.

In the exported log report file, there will have 3 spreadsheets named as follows: DATELOG, TRANSACTIONS and SUMMARY.

1. DATELOG

DATELOG is the date-stamp on the entire campaign period, for every campaign in the campaign list. This is the most comprehensive log amongst the 3 spreadsheets, and it should be the spreadsheet to use for analyzing whether the SSF is performing properly in accordance to it opening, adjustment and exit rules. In it, there will have details for every trading day - the current positions, opening, adjustment and exit alerts as well as the greeks before and after an adjustment is made etc.

The following is descriptions of the columns for each spreadsheets as well as detailed explanation on 'Alert' and 'Configuration' columns.

Column Name	Description
No.	The number of for each campaign in the campaign list in sequential order. The first campaign is always numbered '1'.
Alert	The alerts messages shown at the yellow box Cell C21 (see Append B for further details)
Configuration	The current option position for each day (see below for further details)
Date	Trading date
DTE	Number of days until expiration date
Underlying Price	Price of underlying captured at 3:30pm
Total P/L	Total Profit and Loss as on the date, includes both closed and open positions
Profit Target ($)	Target profit as set by SSF, once Total P/L profit hits Profit Target, the entire campaign will end.
Max. Loss ($)	Maximum loss as set by SSF, once Total P/L profit hits Profit Target, the entire campaign will end.
Closed PL (BA)	The (BA) is abbreviation for 'Before Action', which is the configuration before action has been taken (if any) based on alert commands. Profit and Loss for all closed positions before making adjustments.
Open PL (BA)	The (BA) is abbreviation for 'Before Action', which is the configuration before action has been taken (if any) based on alert commands. Profit and Loss for open positions before making adjustments.
Closed PL (AA)	The (AA) is abbreviation for 'After Action', which is the configuration after action has been taken (if any) based on alert commands. Profit and Loss for all closed positions

	after making adjustments.
Open PL (AA)	The (AA) is abbreviation for 'After Action', which is the configuration after action has been taken (if any) based on alert commands. Profit and Loss for open positions after making adjustments.
Investment (BA)	The (BA) is abbreviation for 'Before Action', which is the configuration before action has been taken (if any) based on alert commands. Total investments before making adjustments.
Investment (AA)	The (AA) is abbreviation for 'After Action', which is the configuration after action has been taken (if any) based on alert commands. Total investments after making adjustments.
Delta (BA)	The (BA) is abbreviation for 'Before Action', which is the configuration before action has been taken (if any) based on alert commands. Total position Delta before making adjustments.
Delta (AA)	The (AA) is abbreviation for 'After Action', which is the configuration after action has been taken (if any) based on alert commands. Total position Delta after making adjustments.
Theta (BA)	The (BA) is abbreviation for 'Before Action', which is the configuration before action has been taken (if any) based on alert commands. Total position Theta before making adjustments.
Theta (AA)	The (AA) is abbreviation for 'After Action', which is the configuration after action has been taken (if any) based on alert commands. Total position Theta after making adjustments.
Vega (BA)	The (BA) is abbreviation for 'Before Action', which is the configuration before action has been taken (if any) based on alert commands. Total position Vega before making adjustments.
Vega (AA)	The (AA) is abbreviation for 'After Action', which is the configuration after action has been taken (if any) based on alert commands. Total position Vega after making adjustments.
Gamma (BA)	The (BA) is abbreviation for 'Before Action', which is the configuration before action has been taken (if any) based on alert commands. Total position Gamma before making adjustments.
Gamma (AA)	The (AA) is abbreviation for 'After Action', which is the configuration after action has been taken (if any) based on alert commands. Total position Gamma after making adjustments.

2. TRANSACTIONS

TRANSACTIONS is spreadsheet which contain all the transactions performed during the campaign period.

Column Name	Description
No.	Item Number
Option Legs	Describe the option position. 'P' represents PUT and 'C' represent CALL option. The number after either 'P' or 'C' is the strikes. All the option legs are separated by a '/' marker. For example, 'P1590/P1645/P1645/P1680' represents 4 option legs: 1st leg is PUT at 1590 strike 2nd leg is PUT at 1645 strike 3rd leg is PUT at 1645 strike 4th leg is PUT at 1680 strike
Description	Describes the configuration of the option legs (second item). In the earlier example of 'P1590/P1645/P1645/P1680' it would be described as 'PUT BROKEN WING B-FLY' which is a PUT broken wing butterfly. The outer wings are 1590 and 1680, and the Butterfly ATM is 1645.
Qty	This is the individual quantity of the legs of the option legs. Legs 1 and 4 uses the actual quantity, Legs 2 and 3 are always the inverse value of the Qty shown. For example, in the same example 'P1590/P1645/P1645/P1680' with Qty at 10 would mean the following: 1st leg is PUT at 1590 strike at quantity +10 2nd leg is PUT at 1645 strike at quantity -10 3rd leg is PUT at 1645 strike at quantity -10 4th leg is PUT at 1680 strike at quantity +10
Buy Price	The Buy Price for the entire position
Sell Price	The Sell Price for the entire position
Closed P/L	The Profit / Loss for the entire position
Entry Date	Date when the position was opened
Exit Date	Date when the position was closed
Open Position DTE	Days measured when the position was opened in terms of DTE
No. Days in Trade	Absolute number of days where the position existed

3. SUMMARY

SUMMARY is spreadsheet which contains all the summary profit/loss of every single campaign in the list.

Column Name	**Description**
No	Item Number
Option Code	The option code as shown which is unique for each campaign
Start Date	Starting date of campaign
Expiration Date	Expiration date of the option code used in the campaign
Strategy Name	Name of Strategy
Starting Capital	Starting reserved capital
Profit & Loss	Total Profit and Loss (both open and closed P/L)
Max. Investment	Maximum investment used in this campaign (same as maximum buying power)
ROI	Return on Investment, which is Total P/L divided by maximum investment

APPENDIX B: ALERT MESSAGES

Alert messages will intermittently show up at the yellow Cell C21 based on the design of the SSF. The message is usually an instruction to make an adjustment. However, there may be messages that is for information only for the user and does not require and actions taken. The following table is a list of examples of Alert messages.

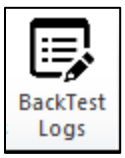
Message Type	Message Shown In Alert Box	Description
Full information Message	ENTRY REQUIREMENTS NOT MET TO ENTER TRADE	This message is shown when there is no current open position and no action is required. Based on the entry rules from the SSF, the condition was not fulfilled to enter the trade. User may press the 'Next Day' icon when this message is shown.
Full Information Message	CURRENT POSITION TERMINATED	This message is shown when there is there was a previous position which has terminated, there is no current open position and no action is required. Based on the exit rules from the SSF, the condition was not fulfilled to re-enter the trade. The reason may due to Maximum Profit or Maximum Loss is reached, or DTE value is too low to allow for re-entry of position.
Partial information Message (Message before the double colon)	**START:** ADD BUTTERFLY TYPE=P/P/P/P STRIKES=1590/1645/1645/1680 QTY=10 **DELTA TRIGGER:** ADD SPREAD TYPE=P/P// STRIKES=1645/1655// QTY=8 **THETA TRIGGER:** MODIFY SPREAD TYPE=P/P// STRIKES=1605/1615// QTY=15	All the words before the double-colon are information messages for ease of understanding to the user. The developer of the SSF uses the message to give better understanding on the reason behind an alert message which requires an adjustment, for example, when a maximum delta value is reached which requires an adjustment. The System will ignore those words before the double colon.
ADD Keyword	**ADD** BUTTERFLY TYPE=P/P/P/P STRIKES=1590/1645/1645/1680 QTY=10 **ADD** SPREAD TYPE=P/P// STRIKES=1645/1655// QTY=3 **ADD** CONDOR TYPE=P/P/C/C STRIKES=1600/1610/1690/1700 QTY=5	ADD keyword notifies the System to create a new position. The phrase next to ADD is the type of option position to create, examples would be BUTTERFLY (Butterfly position), SPREAD (spread position) or a CONDOR (Condor position), LONG (long position) etc. The characters after the phrase 'TYPE=' is the

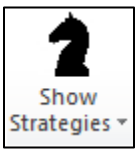
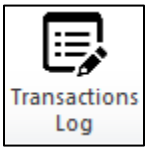
		type of option legs, either a CALL (C) or a PUT (P) leg. In the case of a PUT Butterfly, it will show "TYPE=P/P/P/P", for Iron Condor it will show "TYPE=P/P/C/C". For PUT Verticals, only 2 legs are used so will show "TYPE=P/P//" The characters after 'STRIKES=' show the strike prices for the option position, each separated by the '/' The characters after 'QTY=' show the quantity for the option position. The alert: 'ADD BUTTERFLY TYPE=P/P/P/P STRIKES=1590/1645/1645/1680 QTY=10' would mean add a PUT Butterfly with the following individual legs: Buy 10 PUT Strikes at 1590 Sell 20 PUT Strikes at 1645 Buy 10 PUT Strikes at 1680
MODIFY Keyword	**MODIFY** BUTTERFLY TYPE=P/P/P/P STRIKES=1590/1645/1645/1680 QTY=3 **MODIFY** SPREAD TYPE=P/P// STRIKES=1645/1655// QTY=6 **MODIFY** CONDOR TYPE=P/P/C/C STRIKES=1600/1610/1690/1700 QTY=0	MODIFY keyword notifies the System to modify an existing position to reach a final quantity which is the value stated after the "QTY=" phrase. The alert: 'MODIFY BUTTERFLY TYPE=P/P/P/P STRIKES=1590/1645/1645/1680 QTY=3' would mean to add or subtract from the current Butterfly quantity so that the final quantity of PUT Butterflies is 3. If the original Butterfly has a quantity of 10, the System will sell 7 based on current day prices Butterflies to get the final quantity of 3. If the original Butterfly has a quantity of 1, the System will buy 2 Butterflies based on current day prices to get the final quantity of 3. The alert:' MODIFY CONDOR TYPE=P/P/C/C STRIKES=1600/1610/1690/1700 QTY=0' would mean to close the condor position.
Canned messages	CLOSE ALL POSITIONS	This canned message informs the System to close all current open positions. There will have no open positions immediately after this alert

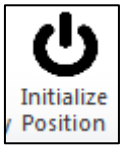
		message is executed.

APPENDIX C: STRATMASTER RIBBON TAB FUNCTIONS

Once you have successfully login, you will see the Stratmaster ribbon Tab. Click on it to see the various icons:

Icon	Description
	Start the request for historical options raw data to be downloaded from Stratmaster Database Server to your local PC.
	Start the process to create a campaign list for Back-testing one or more Stratmaster Strategy File (SSF). You must have at least one SSF imported into Stratmaster (see "Strategy Management") and have successfully downloaded data (see "Download Data") in order to starting this process.
	Start automating the back-test on the ENTIRE campaign list that was created in the "Create Campaign" section. You need to have successfully created a list of campaigns (see "Create Campaigns") in order launch the automation.
	Displays the results from "Start Campaigns" in 3 Page format - a "Daily Log" Page, a "Transaction Log" Page and a "Summary Report" Page. From here, you can export the data into an Excel form by clicking the "Export Reports" button at the bottom right hand of the form.
	Start Manual Back-testing on a single campaign. The campaign is selected from the Campaign list. You need to have successfully created a campaign list (see "Create Campaigns") in order start this process.
	To move the historical data back by one working day. The system will automatically skip through all weekend and holidays. This process is only available for Manual Back-testing (see "Start Campaign").

	To move the historical data forward by one working day. The system will automatically skip through all weekend and holidays. This process is only available for Manual Back-testing (see “Start Campaign”).
	If an alert message (yellow box Cell C21) requires an action to be performed, this process executes the alert message by Adjusting (See “Make Adjustment”) and then Committing (see ‘Commit Adjustment”). This process is only available for Manual Back-testing (see “Start Campaign”).
	If an alert message (yellow box Cell C21) requires an action to be performed, this process will follow the instructions show on the alert message. However the adjustment position is not yet executed and it is possible to make changes to instructions or ignore the instructions. This process is only available for Manual Back-testing (see “Start Campaign”).
	This process takes the adjusted position (See “Make Adjustment”) and executes it to completion. This process is only available for Manual Back-testing (see “Start Campaign”).
	Display the Control Panel.
	Display a drop-down selection box for you to select one of the three SSF that is imported into the software (see “Strategy Management” for importing a SSF).
	Display transaction logs based on current transactions.

	Display Profit/Loss graph.
	Select the amount of capital funding and commissions.
	Select to go on 'back-test' or 'Live' mode. On 'back-test' mode, the control panel is shown in blue color and on 'Live' mode, the control panel is shown in green color.
	Display the strategy names and descriptions of the SFFs that are currently imported into the software, as well as allow the Export and Import of SFF to/from a HD for back-up purpose.
	Activate 'Control Environment' feature whereby test slight variations in a single parameter within a strategy is done to see the effectiveness of the change.
	Select the Strategy for use on 'Live' mode. This process is only available when the Software is in 'Live' mode (see "Switch BT | Live").
	This process will initialize all the positions under 'Live' mode.
	Provide your feedbacks for us to make future improvements.

	Entire list of SSFs available. It also shows display the names of the strategy authors, web-sites and their contact details.
	Shows current special deals and promotions on new Stratmaster Strategy Files (SSF).
	Show the current software version number.
	Save and Exit Stratmaster.

APPENDIX D: SETTING UP AND TROUBLE-SHOOTING

1. DRIVER SETUP

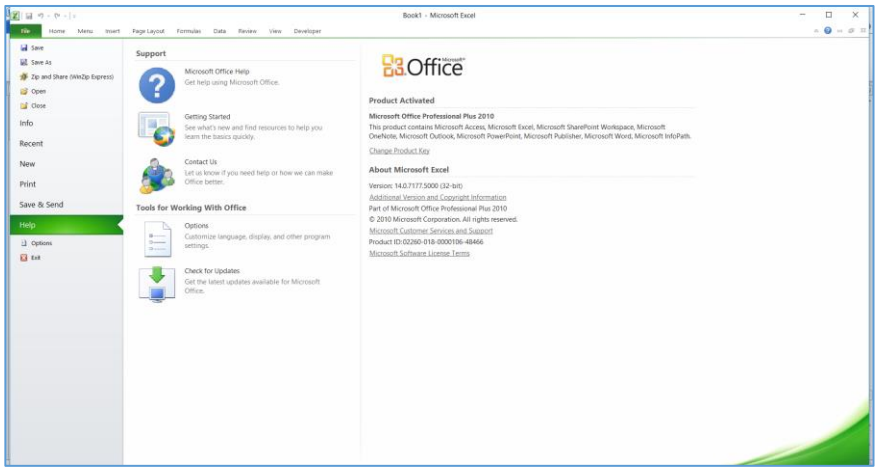
Stratmaster System's design framework uses on-line connectivity to its database server and its data-analytics server to constantly update the client-side Stratmaster program with data and alerts. In order to make use of this connectivity, the client PC has to install the following drivers prior to starting Stratmaster.

- MySQL Connector/ODBC standardized database driver for Windows

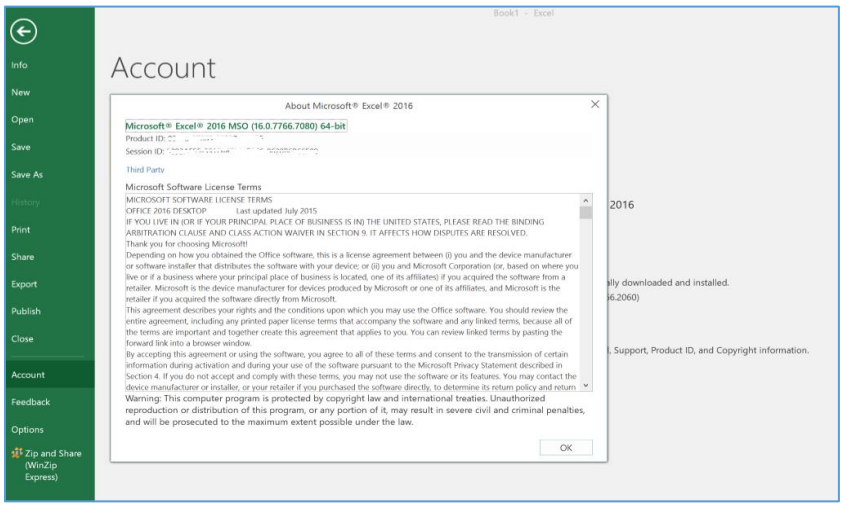
The following steps will guide you to successfully install the necessary drivers.

1. Check if your Microsoft Excel is installed as a 32-bit application or a 64-bit application. Open a Excel blank file.

   1.1 If your Microsoft Excel is Version 10, go to File->Help and look for the application type under "About Microsoft Excel"



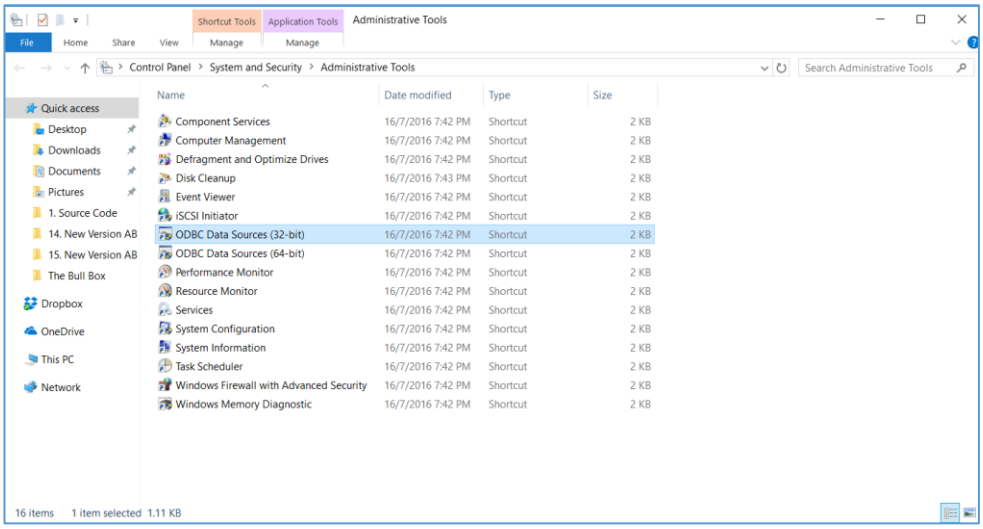
   1.2 If your Microsoft Excel is Version 16, go to File->Account and click the "About Excel" button.



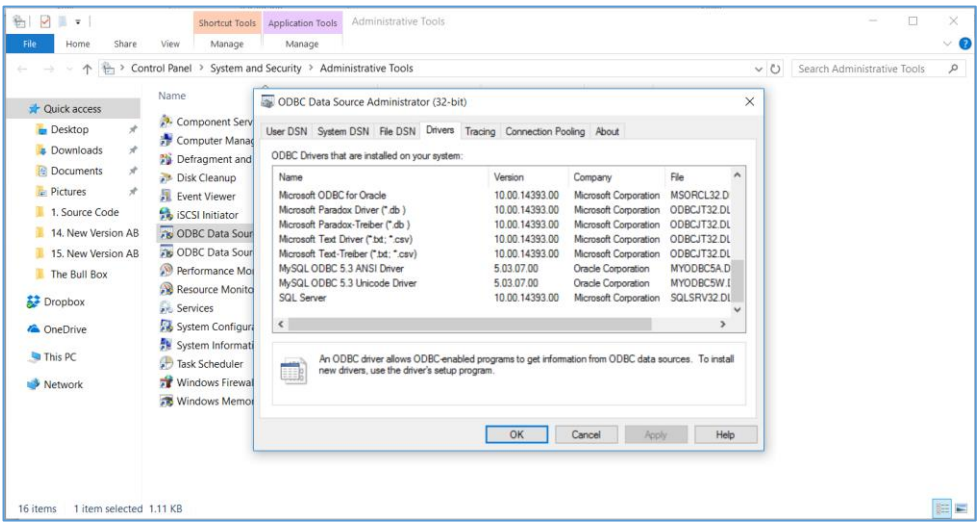
2. Close Excel application. Go to "Control Panel" -> "System and Security" -> Administrative Tools" ->

   Look for "ODBC Data Sources".

   If your Excel application is 32-bit application, click on the ODBC Data Sources (32-bit).
   If your Excel application is 64-bit application, click on the ODBC Data Sources (64-bit).

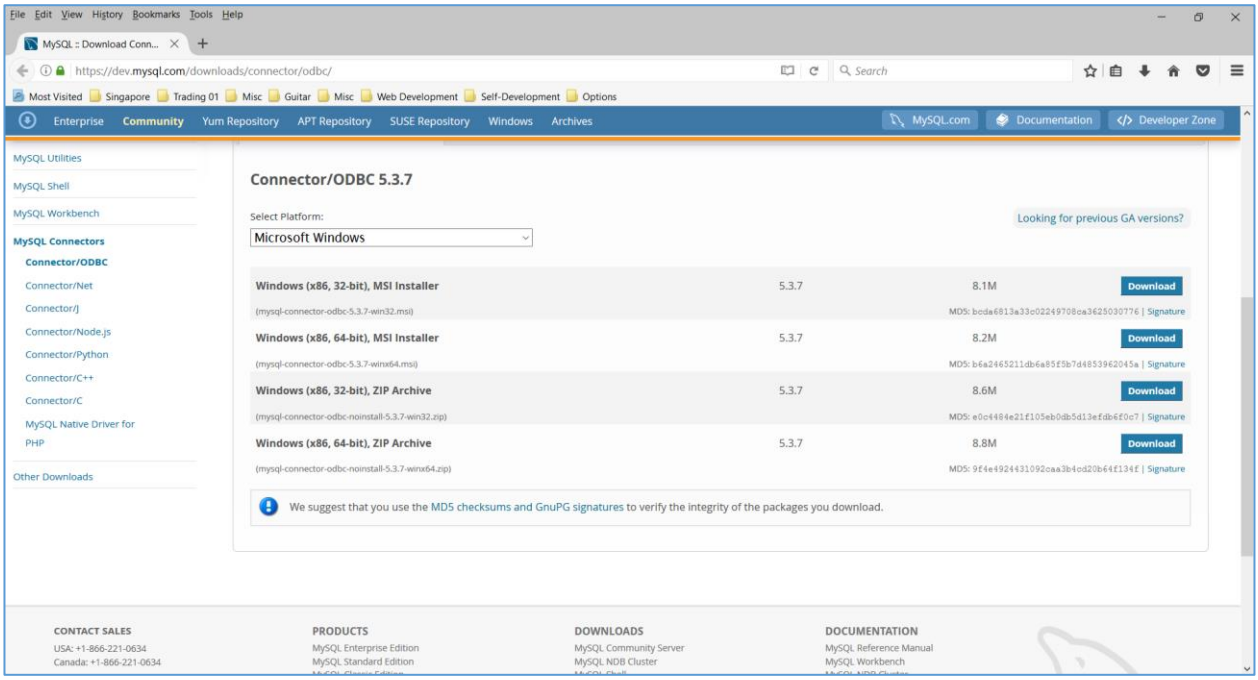


3. Click on the “Drivers” tab and then press scroll up/down bar on the right to search for "MySQL ODBC 5.3 ANSI Driver” and "MySQL ODBC 5.3 Unicode Driver". (You may see a different version of the MySQL ODBC driver on your PC. As of March 2017, the latest version is 5.3.7).



4. If you see MySQL ODBC drivers listed there, congratulations! You can close the system application by clicking 'Cancel' and then start Stratmaster. If the drivers are not listed, please proceed to step 5.
5. Open your internet web browser and go to the following URL to download and install the MySQL ODBC driver : https://dev.mysql.com/downloads/connector/odbc/

If your Excel application is 32-bit application, click on Windows (x86 32-bit), MSI Installer button.
If your Excel application is 64-bit application, click on Windows (x86 64-bit), MSI Installer button.



6. Click to open and install the drivers.

7. Upon completion, you may need to re-start your PC to ensure that the drivers are successfully loaded. Then go back to Steps 2, 3 and 4 to check if the drivers are successfully loaded before you start Stratmaster.

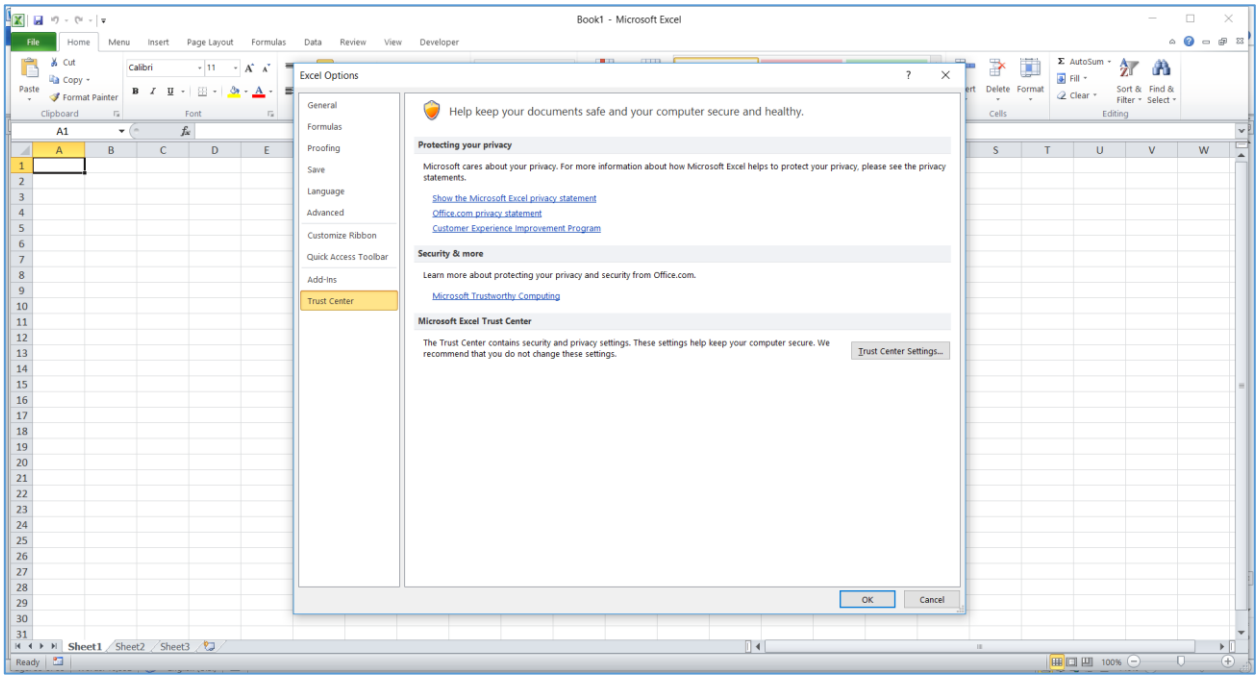
2. EXCEL CONFIGURATION – ENABLE MACRO SETTINGS

Stratmaster client-side PC uses Microsoft's Excel application to manage the complex computations needed for back-testing and linkage to on-line trading platforms. As such, the Excel software has to be properly configured so data and the necessary computation process will proceed without any issues.

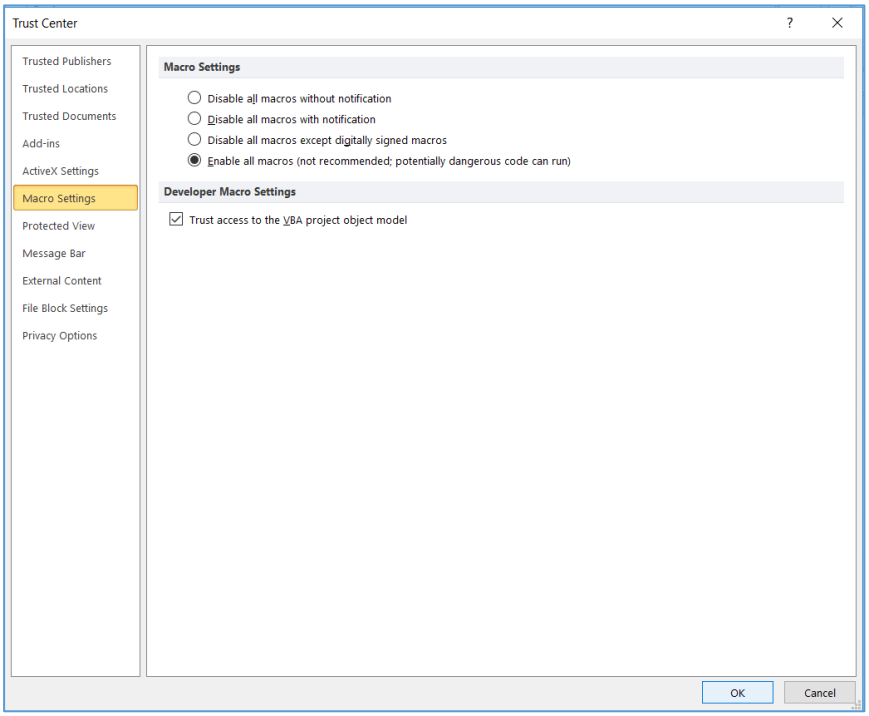
Due to security concerns, your Excel program may disable all macros operations, or allow macros with notifications. You may notice that the heading shows "Read Only" at the heading when you start Stratmaster or a yellow bar with security warning which reads "Macros have been disabled."

To run Stratmaster without interruptions, the macro settings have to be enabled. The steps to enabling macro settings as follows:

1. Open a blank Excel file. Click on File-> Options and then click on 'Trust Center'. Then click on Trust Center Settings' button



2. Click on ‘Macro Settings’ on the left column and select ‘Enable all macros’ radio button. Click OK button and exit the program.



3. Re-Start Stratmaster, and the program should proceed without any need for the user to enable macros when starting up.

About OptionNalytics

OptionNalytics was birthed literally inside an options community forum due to a need and desire to build a trading assisted platform to serve the community of retail options traders. Amongst many retail options trader, the common angst was there is a not a good user-friendly tool to allow retail traders to quickly back-test option strategies and hand-hold the retail trader for 'live' trading, as many of the commercial products available in the market were designed by professional traders.

OptionNalytics serves as an unbiased platform that uses many proven strategies (designed by fellow retail option traders as well as professional traders) to assist novice or experienced traders to test the challenging market conditions. For more information, please visit the official website at www.OptionNalytics.com.

About the Author

David Tang is the director of business development at OptionNalytics; he is also one of the co-founders of OptionNalytics. David has more than 15 years trading in stocks and options trading as a retail trader. He started his journey in trading stocks in the early 2000s, dabbling in Singapore's penny stocks. In 2008, he enrolled in an MSc Finance program with Baruch Colleague in New York, where he came under the tutorage of Professor Avner Wolf who was a prominent teacher of options trading within the trading community. Since then, David has joined numerous professional courses on stocks and options trading.

David holds a Master of Science (Finance) and Bachelor Honors Degree (Engineering), a Beta Gamma Sigma inductee, NLP practitioner and certified trainer on adult education from Singapore government Advanced Certificate in Training Assessment (ACTA) program.

His other interest is traveling and playing the guitar. He currently resides in Singapore with his wife.

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