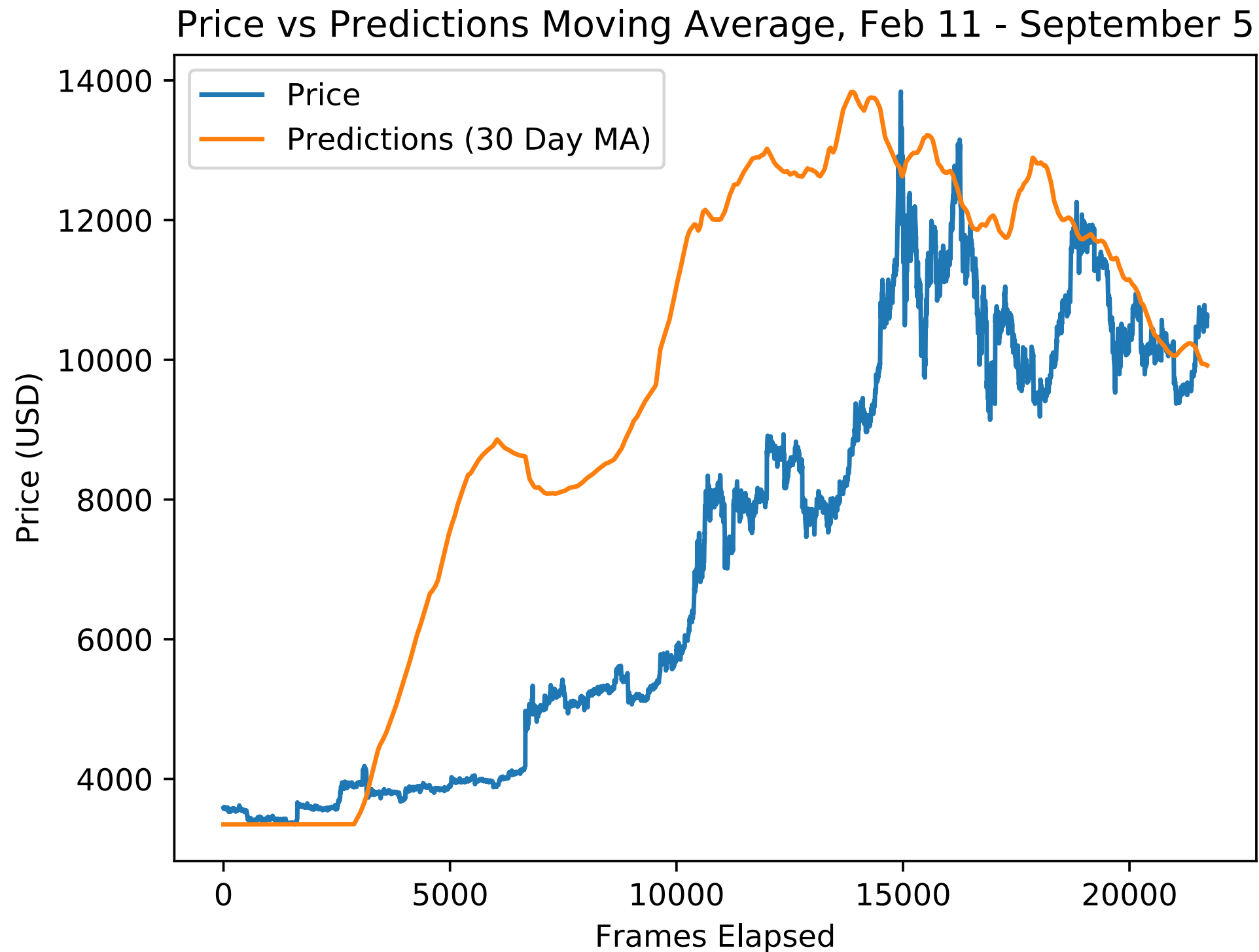


Demo:

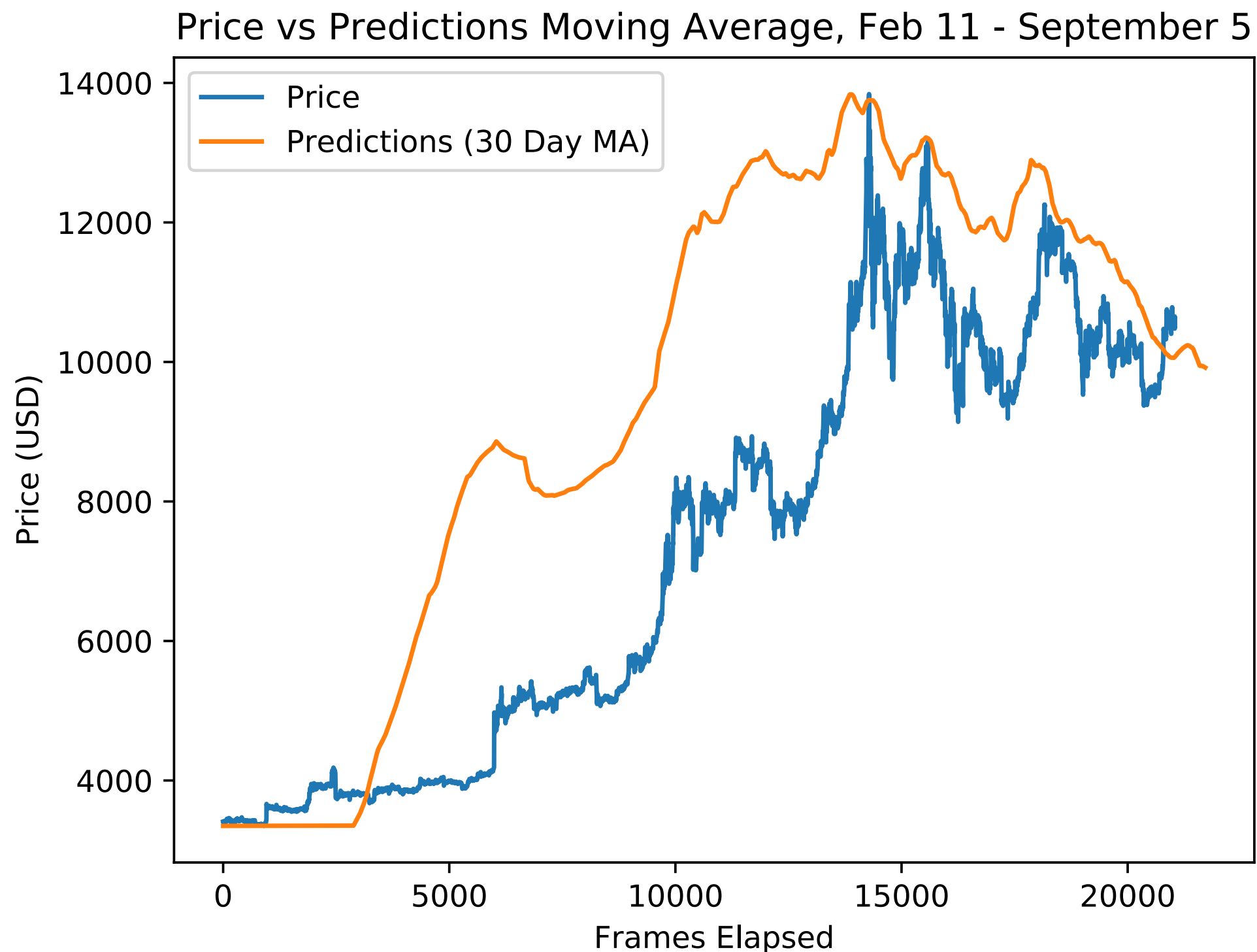
Predictions vs. Price

- The following shows the predictions issued every 15 minutes since Feb 11, 2019
 - First slide shows predictions vs price *at the time the prediction was issued*
 - Then, we *slide the predictions right* by 7 days, seeing what was forecast vs what happened
 - The major peaks / lows match up

30 day moving average vs price, in real time



30 day moving average vs price, slide predictions right by 7 days



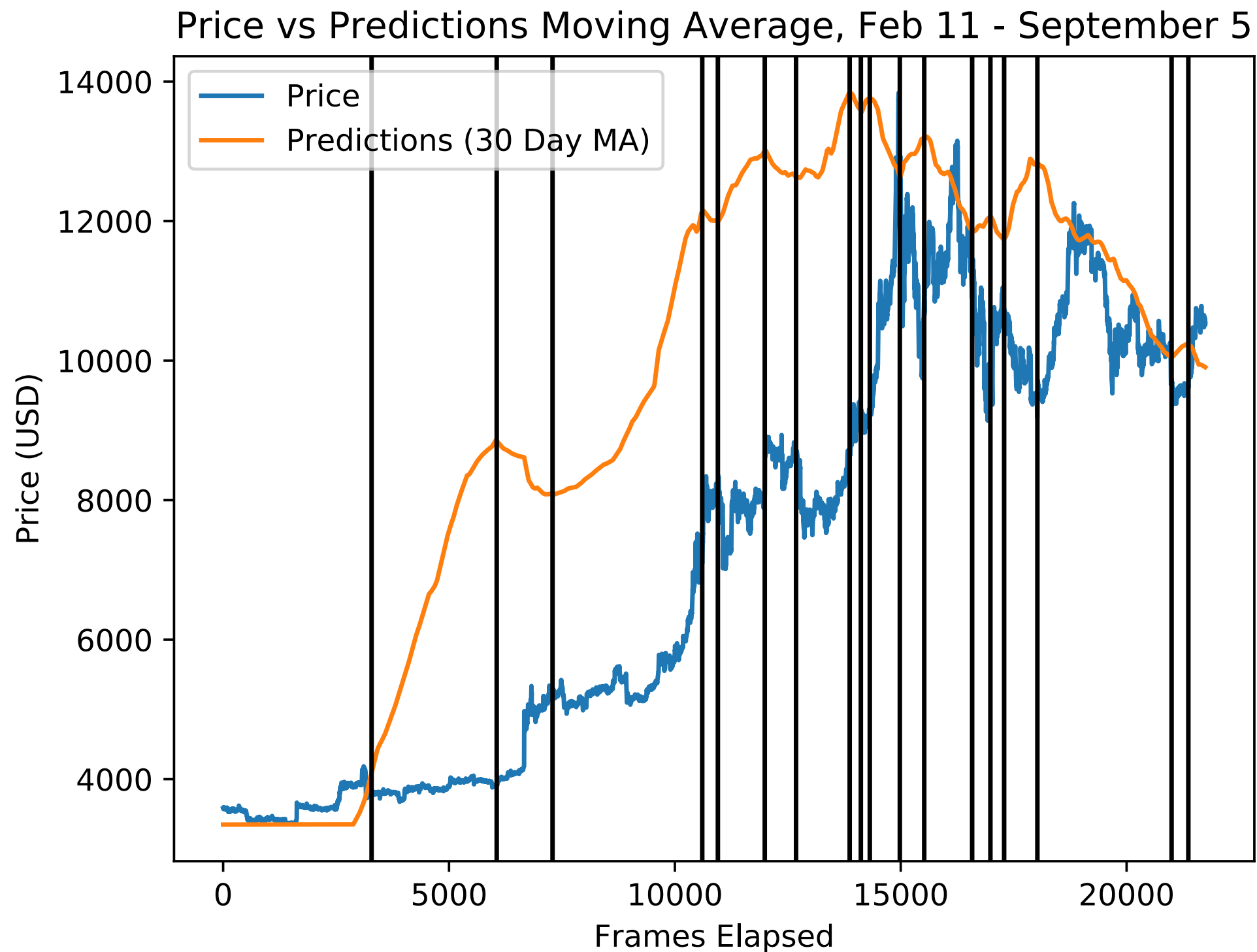
For YC Readers: Demo Ends

- Accurate forecasting with a track record is crucial point; missing a lot of nuance here but you get the gist**
- Intuitively we know we can use this info for \$; read on to see a simple example**
- Future knowledge is cool; need money, support to build it out further**

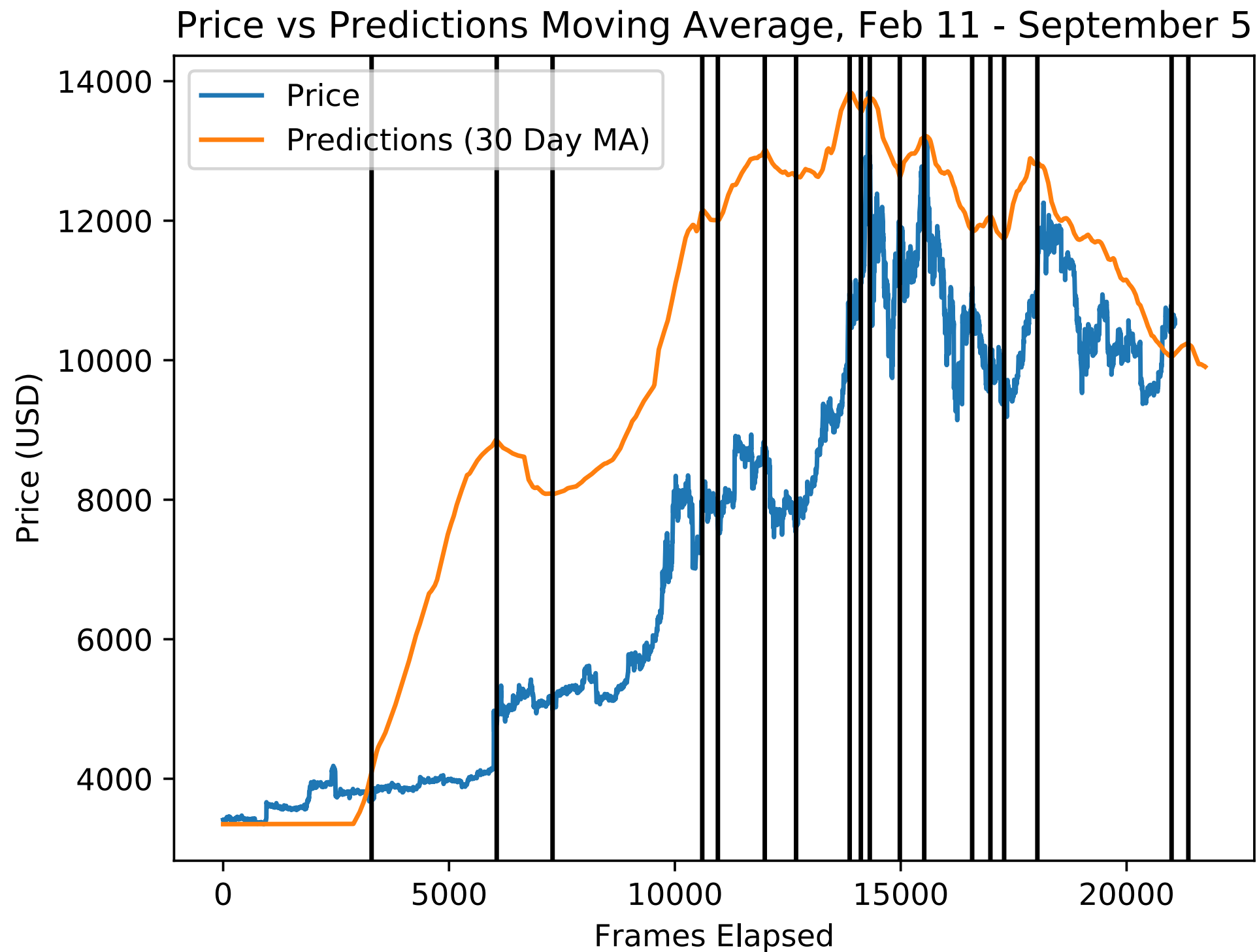
How to use this?

- Similarities are obvious: the moving average captures many movements in advance
- How to trade it? Let's use a simple method: we'll pick out prediction bottoms and tops when they occur, and buy or sell 7 days later. Nothing else!
- (So if the moving average bottom is on February 1st, we will buy on February 8th)

**30 day moving average vs price,
in real time,
with lines for inflection points**



**30 day moving average vs price,
slide predictions right by 7 days,
with lines for inflection points**



Results

- In a long only simulation, with a 1% fee levied per transaction, technique returns 269% vs 194% for Bitcoin, as of 9/5
- The point: we can easily extract value from a consistent future price curve

Summary

- Time stamped predictions have a clear predictive relationship to future price**
- Other results consistent with this finding: in a walk forward test of 2018, outperformed Bitcoin by 180%**

Methodology

- Supervised learning against a calculated objective function
 - Ensemble of regressions
- Rigorous experimentation to see what works and what doesn't

Competition

- Hard to say how exactly ML is being used in the hedge fund landscape: it's a secret!
- Hard to say if we're innovative; we are almost certainly idiosyncratic, and we are successful
- Most firms still use traditional quant approaches
- If our method generalizes we **are** being innovative, and we have hit paydirt

Questions?

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