



Delphian

Predictive Analytics for Smarter Trading

Delphian provides quant managers, investment banks, academia, money managers, proprietary traders and retail traders with an institutional strength market analysis, strategy development, optimization, and execution platform. Delphian equips traders of any level with dashboards and wizards to help easily build trading scenarios. Delphian provides built-in strategies for beginners and flexibility to create their own quantitative models to advanced traders.

Delphian helps traders to eliminate or manage costly emotions during highs or lows, and invest based on facts. Delphian provides buy & sell signals with price and time targets identified at trade entry point using proprietary machine learning algorithms.

Empowering
Stock and Options
Traders

Introducing an institutional-grade “trade analytics” platform designed for retail stock and options traders.

The Delphian platform propels investors into the realm of superior traders by offering unique support for the design and backtesting of comprehensive trading plans and strategies for stocks and options. This unique software allows options traders to devote their limited time and energy to the effective analysis of returns, thereby leading to the development of more productive trading strategies.

Our educational program and support staff offer thorough explanations and examples that aid in mastering the software. The end result is total confidence in trade plan designs.



PLAN the trade.

High probability trades are trades that have been proven statistically and have generated more wins, with an average win rate that is greater than an average loss rate.

With the Delphian platform, it's possible to master the three (3) building blocks – **WHAT, WHEN,** and **HOW** – to create an investment strategy with high probability trades.



Determine **WHAT** to trade.

When choosing which stocks and options to trade, investors may implement a variety of unreliable practices that fail to address key investment strategy questions.

~~Pick up favorite stocks~~

~~Gut Feel Model~~

~~Most talkative stocks~~

~~News-Driven~~



What is your investment objective?

- Income • Buy and Hold • Ride the Tide •
- Investment Protection • Growth •

What is the stock or index currently doing in the market?

- Event-Driven • Range Bound •
- Runners • Mover •



With the use of the Delphian platform, historical patterns can be examined, and stocks can be segregated to aptly fit investment objectives and/or combine the current context of the overall market.

Choose **WHEN** to trade.


There are a variety of techniques, tools and services that generate 'buy' and 'sell' signals, including:




Indicators in the trading world




Research on fundamentals



Analyst recommendations



Advisory services



Value-based timing



Other trading tools

The Delphian platform provides historical data going as far back as 2007, allowing investors to test the accuracy of the buy and sell signals, and to design a winning strategy for the WHEN component.

Know **HOW** to trade effectively.

Options provide investors with great leverage and flexibility, but their complexity requires a thorough understanding of "the Greeks," which describe associated risks.

For the same buy and sell signal, there are always two possibilities — earn a profit or lose money — that are entirely dependent upon which options strategy is selected.

Modifications made to an options structure during trading can help lock in profits, limit risks and reduce costs associated with a losing trade. With Delphian, it is possible to design a personal strategy after finding the sweet spots for any buy and sell signal, or to simply choose to backtest any popular options strategy.

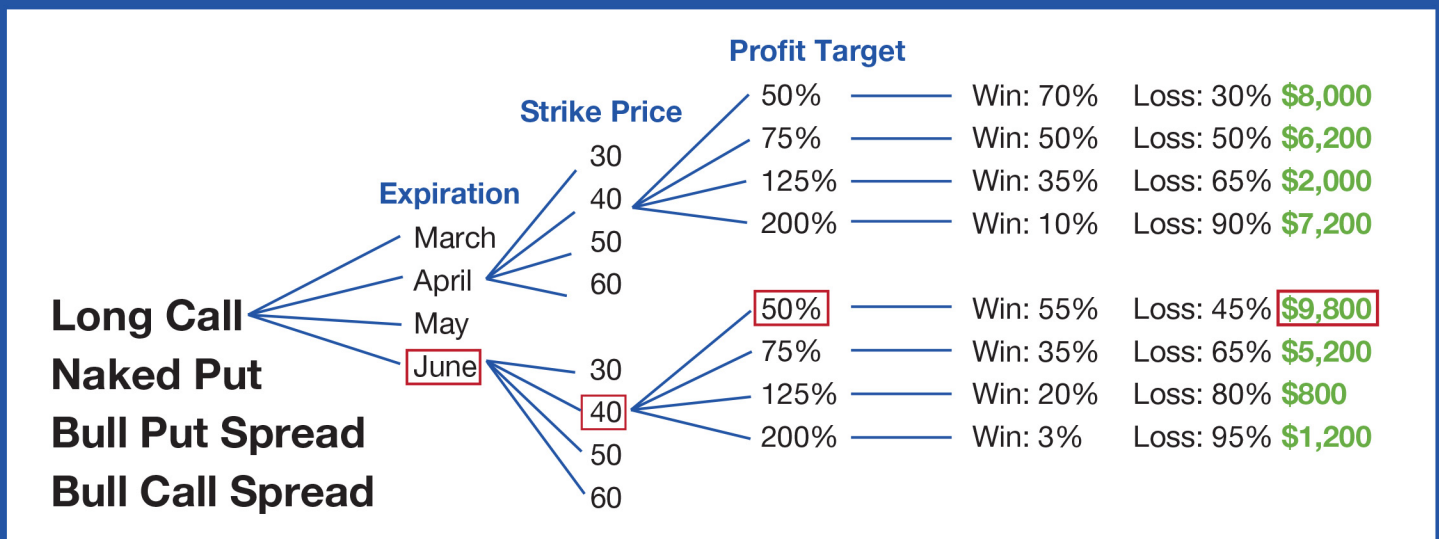


Options give you more “Options”

Since there are unlimited choices when trading options, option traders face many challenges in finding good trade setups that can generate profits.

- ❏ What symbol? What strategy? What expiration date? What strike price?
- ❏ At what point should I close the trade when making money or losing money?
- ❏ How to find an appropriate option strategy in any given current market condition?
- ❏ How to manage a position that helps mitigate risk as markets keep changing?

In the example below, we made several runs changing one variable at a time. All choices made money but when we look at the combination that made the most money, it has 55% win%. Some other combination gave more win% but did not make as much money. But it all depends on each individual's risk aversion and reward expectation. The only way to have certainty and confidence in option trades is to design a strategy that suits an individual's risk profile and reward expectations.



Strategy Design and Optimization Features

- ❏ There are 37+ strategies supported in Delphian and many custom strategies are possible to test.
- ❏ It is very important to select the right strike for particular strategy and particular prognosis. There are 8 ways to select strikes in Delphian: Delta, Targets, Indicators, Standard Deviation, Expected Move, Percentage from Close, Points from Close, and Strikes from Close.
- ❏ Options have an expiration date. Delphian supports weekly and monthly options with customizable days to expiration ranges.
- ❏ Test various profit and stop loss targets with different strategies to quickly find profitable trades.
- ❏ Extensive in trade management features can test multiple adjustment strategies. For example: Rolling options to next expiration or converting long call to bull call spread.
- ❏ For beginners, the platform provides built-in studies that identifies high probability trades.

Proprietary State Modeling - Buy and Sell Signals

- State Modeling is based on discrete mathematics called “finite-state modeling”
- State Modeling provides the State (Bullish or Bearish), Symbol, Entry Price and detailed price targets and timeline. Using machine learning, State Modeling assists with exit prices by providing target and stop loss price points.
- All odds (greens) are Bullish and evens (reds) are Bearish. State 1 is most Bullish and State 8 is most Bearish.
- State Modeling mandates that a symbol will be in only one state at any point in time. We project the most likely next state which helps manage an on-going trade. Entry, Target and Stop Loss prices are set on state entry date and tracked until the symbol transitions into a new state.



Wouldn't it be helpful to know when to **buy** and **sell**?



Buy signal is generated for **RUT** since State 1 (most bullish) is triggered on 11/20/2017 signal. Based on the 11/20/17, the below long call trades were constructed. Below are two examples demonstrating two ways to exhibit the trade:

1 Bullish RUT at \$1503.40 on 11/20/2017

Current Days: 51 Average Days: 37
 Current % Move: 2.92% Average % Move: 5.96%

	Price	%
Target 3	\$1606.23	6.84%
Target 2	\$1569.10	4.37%
Target 1	\$1559.78	3.75%
Entry	\$1503.4	N/A
Stop Loss 1	\$1467.17	-2.41%
Stop Loss 2	\$1464.31	-2.6%
Stop Loss 3	\$1462.21	-2.74%

Target Projections

Buy

Example 1: On 11/20/2017, buy 1 contract RUT 1580 call with expiration of 01/19/2018 at 6.30 (\$630.00)

Trade Rule 1: Profit target of 50% with a stop loss target of 50%

On 11/28/2017: Profit of 50% achieved. Sold 1 contract RUT 1580 call with expiration of 01/19/2018 at 12.40 (\$1240.00)

Example 2: On 11/20/2017
 Buy 1 contract with expiration of 03/16/2018
 RUT 1620 call at 9.40 (\$940.00)

Trade Rule 2: Exit option when RUT hits target 3 or stop loss 3

On 01/23/2018: Target 3 Hit.
 Sold 1 03/16/2018 RUT 1620 call at 29.10 (\$2,910.00)



3000 Bayport Drive, Suite 840, Tampa, Florida 33607
 Phone (813) 330-0900 Fax (813) 289-5359
 info@delphiantrading.com www.delphiantrading.com

  @Delphian

DISCLAIMER: Delphian, owned and operated by Capmark Solutions, LLC, does not give business, financial, or other professional advice. Materials from Delphian are for informational purposes only, meant to help investors educate themselves. No reliance should be placed upon the contents. Delphian does not warrant the accuracy or suitability of any information contained on the websites nor any other links or references to other websites, persons, or information. Delphian will not accept any responsibility for any loss, damage, costs, or expense (whether direct or indirect) incurred by you as a result of any error, omission, or misrepresentation in information on the website or application. Delphian will not accept liability for errors, omissions in, delays, interruptions to, or cessation of access to the website, through negligence or for any other reason whatsoever. Past performance is not an indicator of future results. You may lose more money than you invest in options trading.