

SOFTWARE REVIEW

Three traders at different levels of experience test **VantagePoint**.

Trader One

VantagePoint has a super-friendly sales and tech support team, which made the start up process simple. In my case they assisted with the remote installation.

VantagePoint is simple to use and the tutorials in the 'Learning Center' are short and to the point. The opportunity calculator, 'ProfitCalc', is a neat little tool that lets you compute the value associated with a move easily. It is especially handy if you are new to trading futures or forex and are still getting the hang of contract sizes and leverage. I thought it quite valuable, not just because it is easy to use, but because you start thinking in terms of risk versus reward. I found the same insight is built into the 'IntelliScan' feature, which lets the user scan their portfolio or watchlist for appropriate opportunities by searching for setups that meet a number of criteria. This helps you to take a rational statistical approach to trade selection.

If you have read anything about VantagePoint so far you will have heard about its Predicted Neural Index. Unfortunately I was not able to test this in a meaningful way. However, I suggest you check out the short video on this indicator in the Learning Center to understand it.

What I found is that the VantagePoint program gives you building blocks to create your own trading system. When you trial this program, have a close look at how each of the features fit together. I was really impressed with this. The package is simple enough that a new user won't get lost, but it covers all bases at the same time.

The VantagePoint team held my hand at the outset and made sure I was aware of all the important features. So if you are new, you will receive the help you need to get started.

Trader Two

VantagePoint is an end-of-day charting package first released in 1991 by Louis Mendelsohn. Mendelsohn is a leading pioneer in trading software, and it is clear from using VantagePoint that the platform was designed by a professional trader. Since its release, VantagePoint has been constantly improved and refined. VantagePoint offers trading in stocks, futures, currencies and ETFs.

Neural network engines, a form of artificial intelligence, are used in VantagePoint to identify which of twenty-five related markets (intermarkets) have the closest relationship to the main market. The neural network's analysis produces short-, medium-, and long-term predictions that can be used to improve any trading style. This is then computed into a crossover with leading indicators, based on the difference between actual moving averages and predicted moving averages.

Changes in the crossover lead indicator anticipate market direction, providing an early indication of where certain trends are headed.

The changes help the trader determine if trends will continue or stall, with an accuracy of around 80 per cent (based on independent third-party verification). VantagePoint's Predicted Neural Index, a proprietary indicator, predicts if a moving average of the typical price will rise or fall in the next few days, providing additional information regarding the anticipated trend direction.

The interface is simple, easy to use and very intuitive. To maximise the benefits offered by VantagePoint, detailed training is recommended. The company offers excellent support. Their sales support team is fantastic. I had issues with the settings on my computer and the support offered was second to none. I recommend reading Louis Mendelsohn's books.

VantagePoint is a logical and structured trading platform, which covers all the basics and provides all the must-have fundamentals. If you are an experienced trader who knows how to apply Louis Mendelsohn's trading strategy, or a trader willing to learn, then VantagePoint is for you.



YTE welcomes feedback on the Software Review. If you have any comments on what the reviewers have discussed, or would like to take part yourself, let us know! Send an email to editor@YTEmagazine.com

Trader Three

If anyone has ever doubted the value of intermarket analysis in trading, they have only to refer to the risk-on, risk-off environment that has characterised recent market conditions as key markets have had a significant influence on what happens to a number of other markets. As its name suggests, intermarket analysis is at the core of VantagePoint Intermarket Analysis Software.

The latest version of VantagePoint, 8.6, features a retrained neural network process that updates market influences to current conditions and adds a number of new markets to those available previously. The latest rendition covers not only most major commodities and currencies but also numerous stocks in the United States, Canada, Australia, United Kingdom and India and exchange-traded funds in seven categories: United States, United Kingdom, Canada, commodity, currency, international and short/ultra-short.

VantagePoint's strength is in turning the predictive data from the neural network process into indicators that lead rather than lag the market. VantagePoint's predicted difference indicators often provide even earlier alerts that market momentum is shifting, giving traders clues that a trend is strengthening or weakening and could possibly lead to a change in price direction.

Another VantagePoint predictive indicator, the Neural Index, compares three-day predicted and actual moving averages to forecast whether the typical price will be higher or lower in two days. VantagePoint also includes popular technical indicators such as Stochastics, MACD, Relative Strength Index and True Strength Index but with a one-day look-ahead feature that also makes them forecasting tools.

To be clear, with all the predictive capability that VantagePoint offers, it is not a trading system. It still requires work and judgment on the part of the trader to arrive at trading decisions. However, VantagePoint's forecasting edge can be instrumental in developing trading strategies because the software takes full advantage of computer power to select markets and to produce indicators that give traders insights and clues into what markets might do in the near future.

VantagePoint response

My father, Louis Mendelsohn, began trading some 40 years ago. Back then, traders did technical analysis by hand, literally – with hand-drawn charts and hand-held calculators. Steve Jobs changed that approach in the late 1970s with the introduction of the personal computer. My father quickly understood how the personal computer would revolutionise trading. As a commodities trader, he began developing software and utilising the personal computer to improve his own analysis and trading performance. This then prompted him to develop trading software for other traders, which led to the founding of Market Technologies in 1979.

In the early 1980s, my father and his new company, Market Technologies, pioneered the first commercially available strategy back-testing software for the personal computer. Then, by the mid-1980s, he realised that the emerging global economy, with its interconnected markets, would soon make analysing individual markets in isolation ineffective and obsolete. He understood that single-market analysis would someday go

the route of buggy whips. Anticipating that future, he redirected Market Technologies research efforts and focused his attention on developing the first commercial trading software for PCs that utilised intermarket analysis to analyse markets and their interconnections with one another.

Never satisfied, in the late 1980s he and his research team began applying an artificial intelligence capability known as neural networks to perform pattern recognition and ultimately highly accurate trend and price forecasting based on his analysis of intermarket data. In 1991 VantagePoint Intermarket Analysis Software was introduced. Traders finally had access to commercially available software that could handle the analysis needed to compete successfully in the globally intertwined markets of the 21st century. This was accomplished through the application of neural networks to intermarket analysis and the creation of truly predictive leading indicators. However, most traders continued to rely on single market analysis and lagging indicators to make their trading decisions. ^{17E}

For more information go to:
www.VPTrader.com or phone:
1-813-973-0496.

VantagePoint
Intermarket Analysis Software

