

## TRAIDY performance analysis

FINAID Tech Solutions Ltd started using TRAIIDY to manage a live trading portfolio on 15<sup>th</sup> August 2022. Figure 1 depicts the monthly equity curve of TRAIIDY compared to SPY (used as a proxy for S&P500). This figure provides evidence as to the performance of TRAIIDY (in the blue curve):

- Returns: TRAIIDY can generate positive returns even though S&P500 exhibit downtrends.
- Maximum drawdown: TRAIIDY (-10%) compared to SPY (-16%) by the end of Sep 2022.
- The overall performance of TRAIIDY improves over time: for example, when SPY was down by (9.2%) on 31<sup>st</sup> Oct 2022, TRAIIDY was down by (4.26%) over the same period. However, 2 months later, SPY was down by (9.67%) on 31<sup>st</sup> Dec 2022; this time TRAIIDY was down by only (-1.09%).



Figure 1 Monthly equity Curve: TRAIIDY vs SPY (source: Interactive Broker's Portfolio Analyst)

Overall, Figure 2, below shows that TRAIIDY has been outperforming major indices<sup>1</sup> during the period from 15<sup>th</sup> Aug 2022 to 28<sup>th</sup> April 2023.

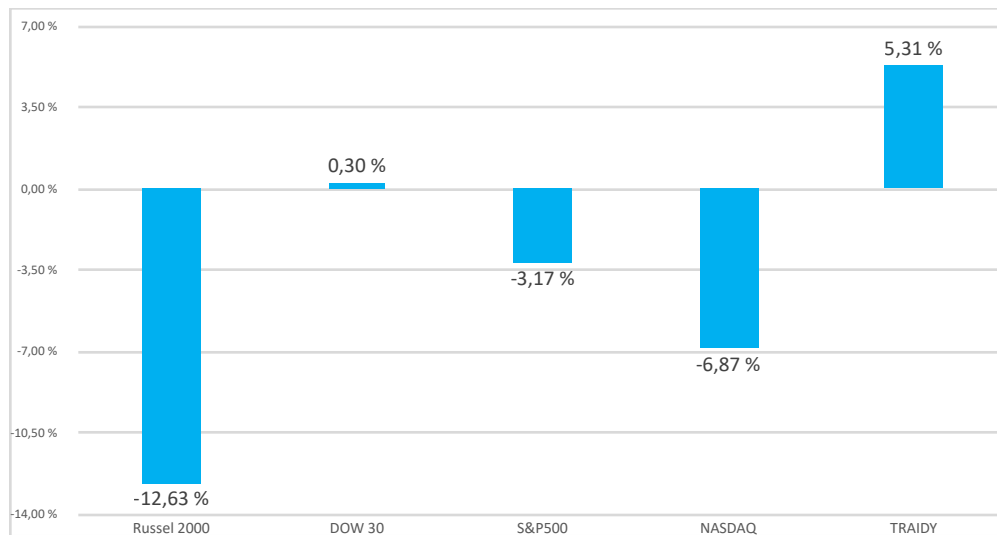


Figure 2 Overall returns between 15<sup>th</sup> Aug 2022 and 28<sup>th</sup> Apr 2023: TRAIIDY vs major indices

TRAIIDY gross returns are 8.4%; whereas TRAIIDY net returns are 5.3%. This difference is due to the brokerage and commissions fees. We have theoretical and practical evidence that TRAIIDY’s performance is positively correlated to the invested capital. This is due to the fact that the more we invest and trade, the less we pay for [commissions fees](#).

Moreover, TRAIIDY has less fluctuation in term of monthly returns as can be seen in Table 1 below. By considering both results (returns and fluctuation), one can conclude that TRAIIDY provides a risk-adjusted performance better than major market indices.

Table 1 Standard deviation of monthly returns for TRAIIDY and major market indices

Index	Std. Dev monthly returns
Russel 2000	7.7%
DOW 30	6.6%
S&P500	6.4%
NASDAQ	7.1%
TRAIIDY	4.9%

A few additional notes:

- We have performed 5,000+ buy/sell trades since August 2022.
- We have paid 4700+ USD as 'commission' to Interactive Broker.

<sup>1</sup> Typically, Robo-advisors do not outperform the market. Read [this article](#) and [this one](#). One can check [this website for more details on other major robo-advisors’ performances](#).

- The reported results in the figures above are the net results (i.e., after deducting all broker's commissions & fees).
- This is a 'cash' account. This means that A) no short selling was/is allowed, B) cannot trade complex securities (e.g., UVXY, VIX), and C) no margin/leverage was/is allowed.

### **Conclusion**

TRAIDY has one of the best risk-adjusted returns performances in the market.