HedgAI Signals - 10/20/2023

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- Current Signals
- Summary Of Signals
- Asset Charts
- Description/Tutorial/Disclaimer

- Longs Added:
- Shorts Added: NVIDIA
- Longs Closed: Natural Gas Futures
- Shorts Closed:

HedgAI Signals - Current Signals (Displaying Prediction Z Scores)

Asset	Current Position	Threshold	Today	1 Day Ago	2 Days Ago	3 Days Ago
Google	Long	0.8	1.37	1.49	1.24	0.97
Financials $XLF	Long	0.7	1.54	1.51	1.35	1.2
Copper Futures	Long	0.8	0.84	1.08	1.36	1.69
Corn Futures	Long	0.6	1.08	1.08	1.12	1.12
Soybean Futures	Long	0.5	0.98	0.95	1.03	1.02

Asset	Current Position	Threshold	Today	1 Day Ago	2 Days Ago	3 Days Ago
Apple	Short	0.8	-1.02	-0.84	-0.76	-0.68
NVIDIA	Short	0.7	-0.71	-0.61	-0.48	-0.49
Tesla	Short	0.8	-1.15	-0.96	-0.58	0.13
Bitcoin	Short	0.8	-1.16	-1.32	-1.25	-1.22
Gold	Short	0.6	-1.92	-2.0	-2.09	-2.19

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HedgAI Signals - Summary Signals

Asset	Current Position	Threshold	Today	1 Day Ago	2 Days Ago	3 Days Ago
S&P 500	Wait and Watch	0.9	0.76	0.46	0.19	-0.01
NASDAQ 100	Wait and Watch	1.0	0.91	0.56	0.53	0.87
Apple	Short	0.8	-1.02	-0.84	-0.76	-0.68
Microsoft	Wait and Watch	0.8	0.29	-0.49	-0.8	-0.65
Google	Long	0.8	1.37	1.49	1.24	0.97
Amazon	Wait and Watch	1.0	-0.15	-0.26	-0.44	-0.63
NVIDIA	Short	0.7	-0.71	-0.61	-0.48	-0.49
Tesla	Short	0.8	-1.15	-0.96	-0.58	0.13
Meta Platforms	Wait and Watch	0.8	0.4	0.41	0.23	-0.22
Netflix	Wait and Watch	1.0	-0.06	0.09	0.25	0.43
Financials $XLF	Long	0.7	1.54	1.51	1.35	1.2
Bitcoin	Short	0.8	-1.16	-1.32	-1.25	-1.22
WTI Crude Oil	Wait and Watch	1.0	0.18	0.13	0.04	-0.17
Natural Gas Futures	Wait and Watch	0.9	0.59	0.91	1.24	1.52
Copper Futures	Long	0.8	0.84	1.08	1.36	1.69
Gold	Short	0.6	-1.92	-2.0	-2.09	-2.19
Corn Futures	Long	0.6	1.08	1.08	1.12	1.12
Soybean Futures	Long	0.5	0.98	0.95	1.03	1.02

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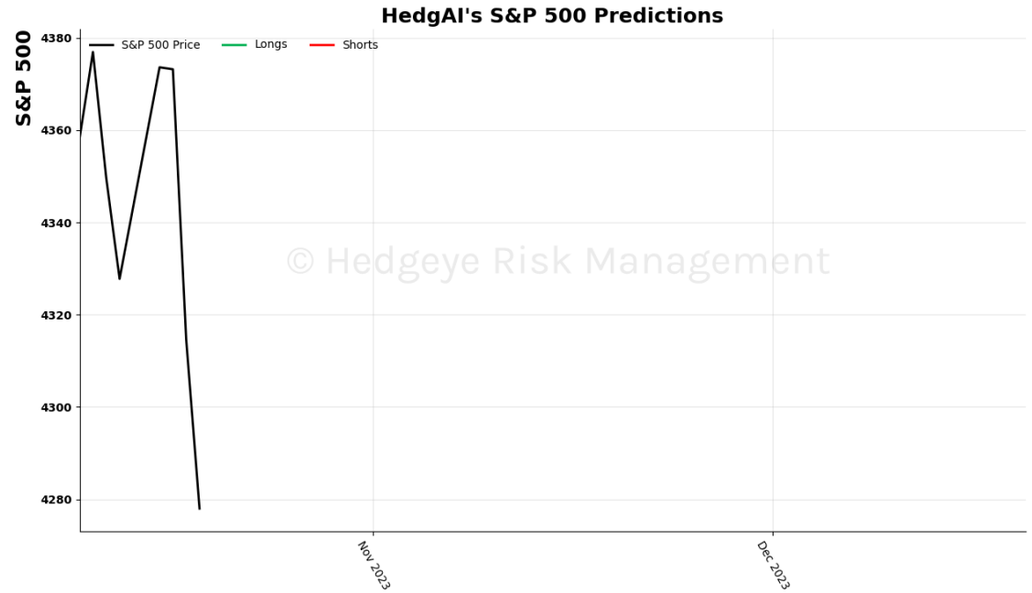
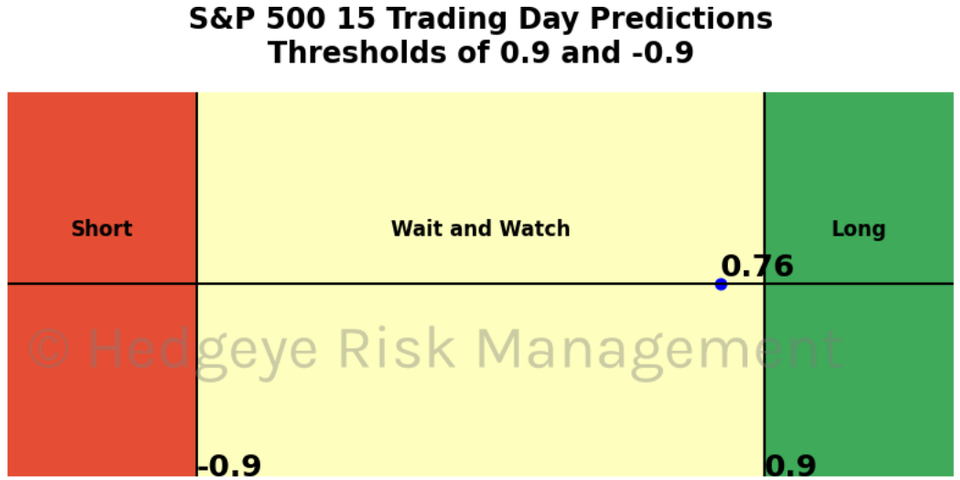
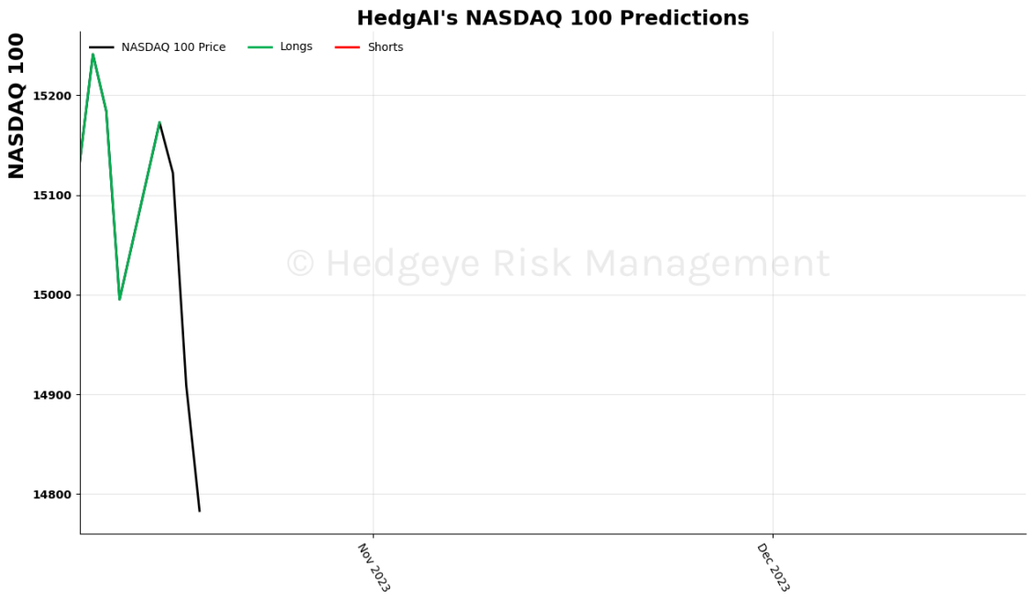
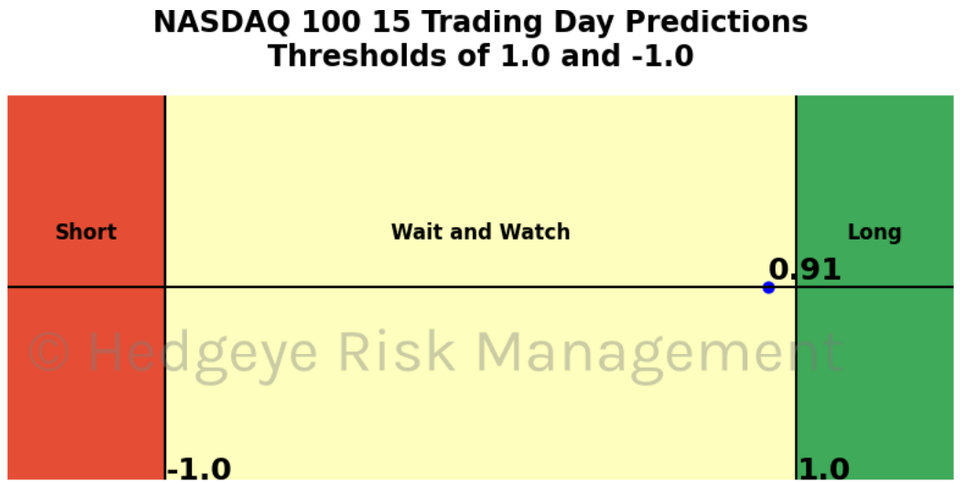
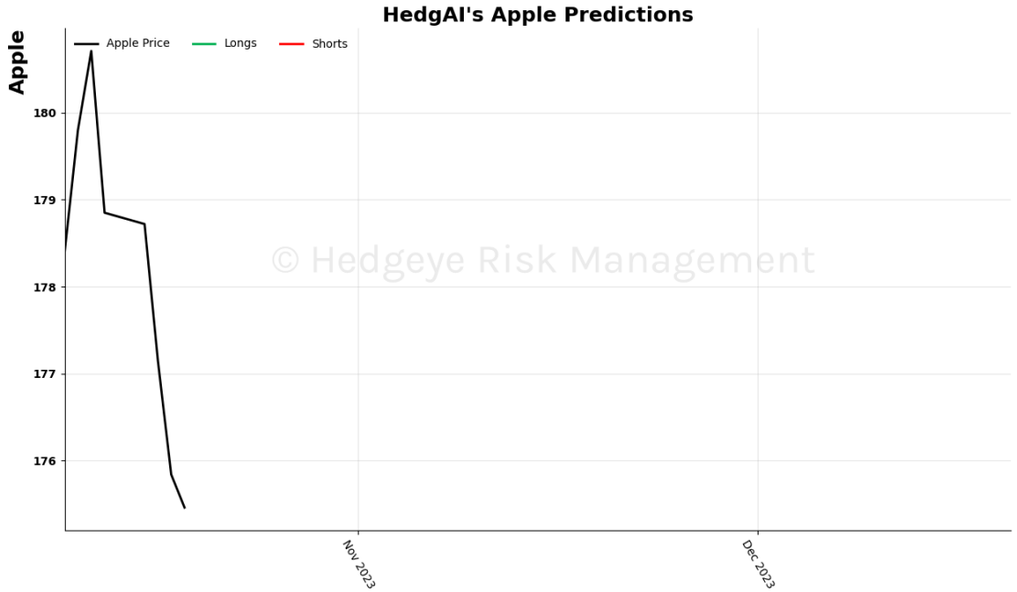
HedgAI Signals - Asset Charts







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Apple Price
Longs
Shorts
Apple
180
179
178
177
176
Nov 2023
Dec 2023
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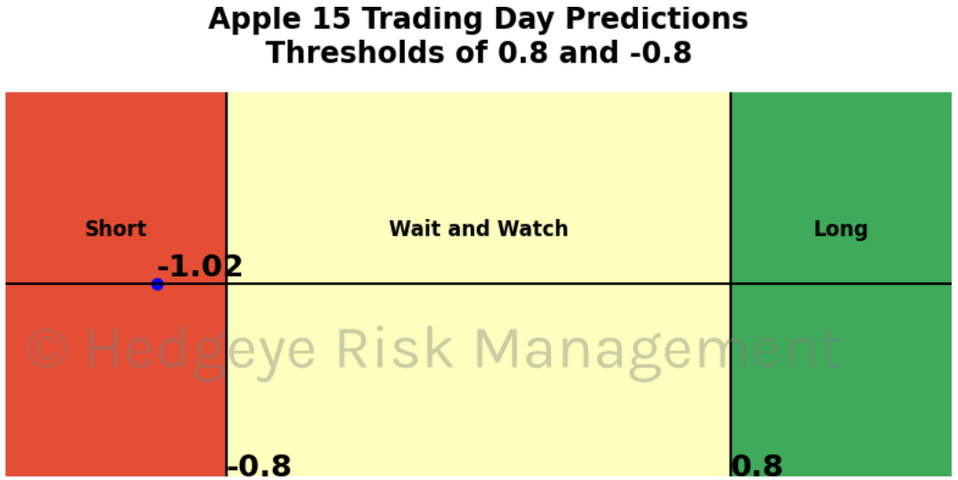
Apple 15 Trading Day Predictions
Thresholds of 0.8 and -0.8
Short
Wait and Watch
Long
-1.02
-0.8
0.8
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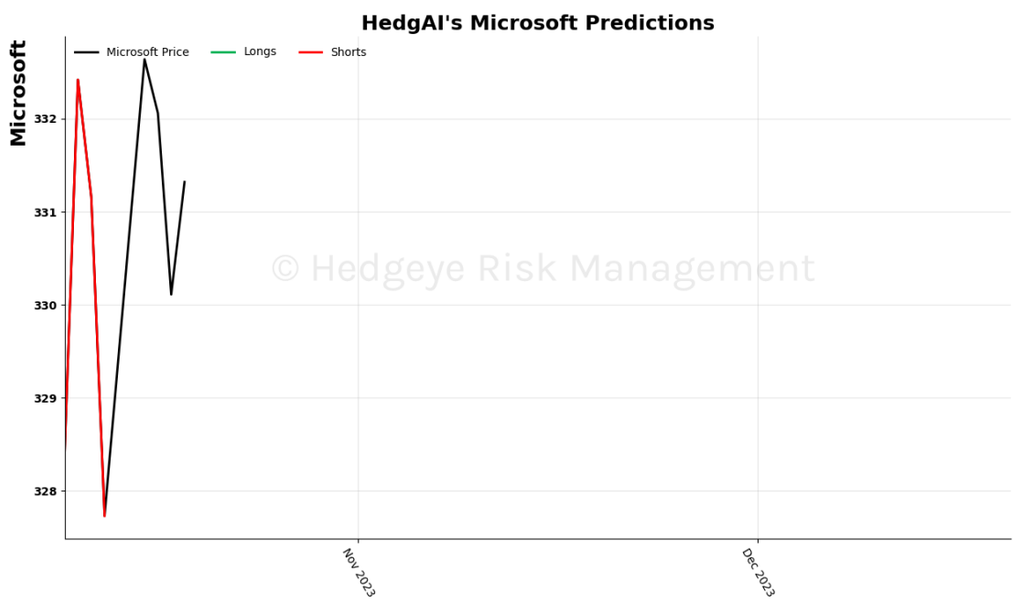
HedgAI's Microsoft Predictions
Microsoft Price
Longs
Shorts
Microsoft
332
331
330
329
328
Nov 2023
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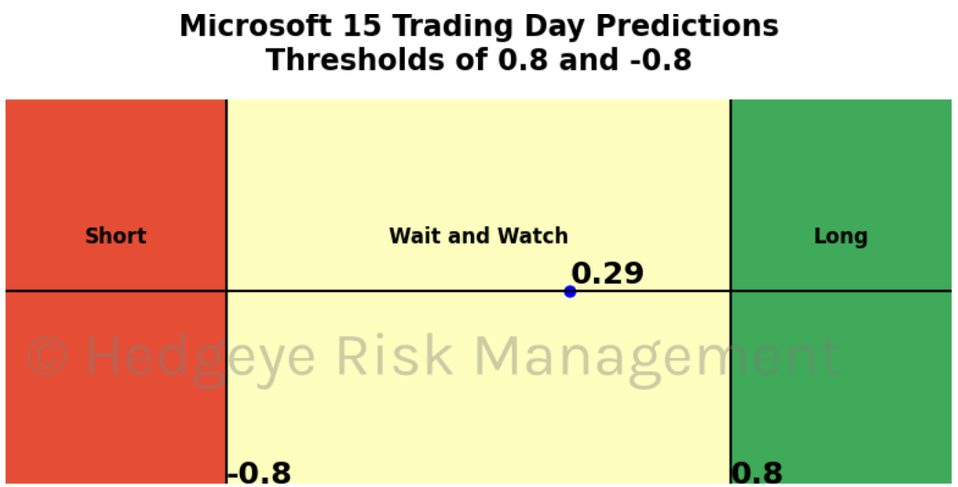
Microsoft 15 Trading Day Predictions
Thresholds of 0.8 and -0.8
Short
Wait and Watch
Long
0.29
-0.8
0.8
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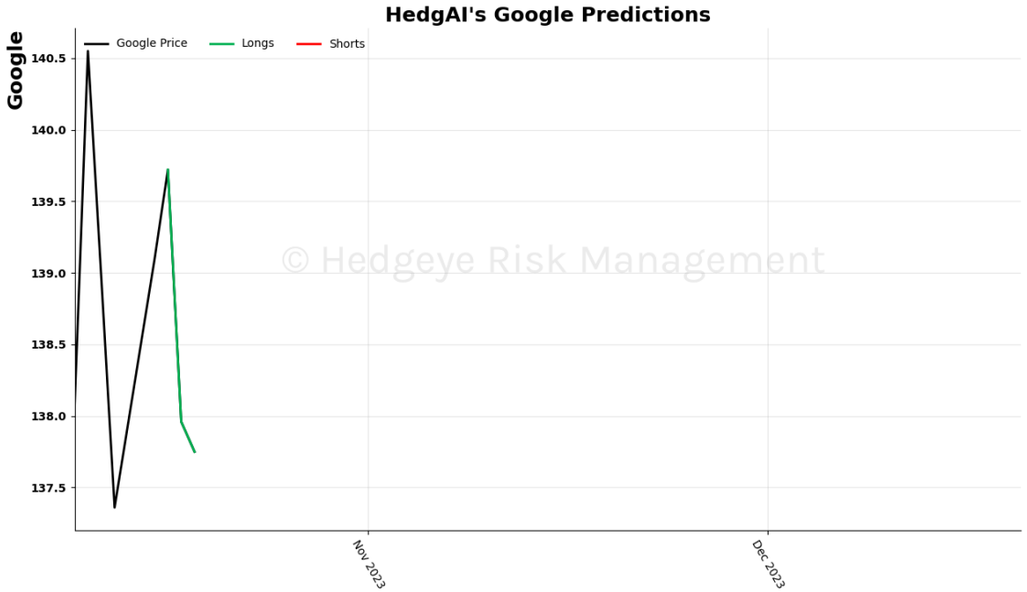
HedgAI's Google Predictions
Google Price
Longs
Shorts
Google
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140.0
139.5
139.0
138.5
138.0
137.5
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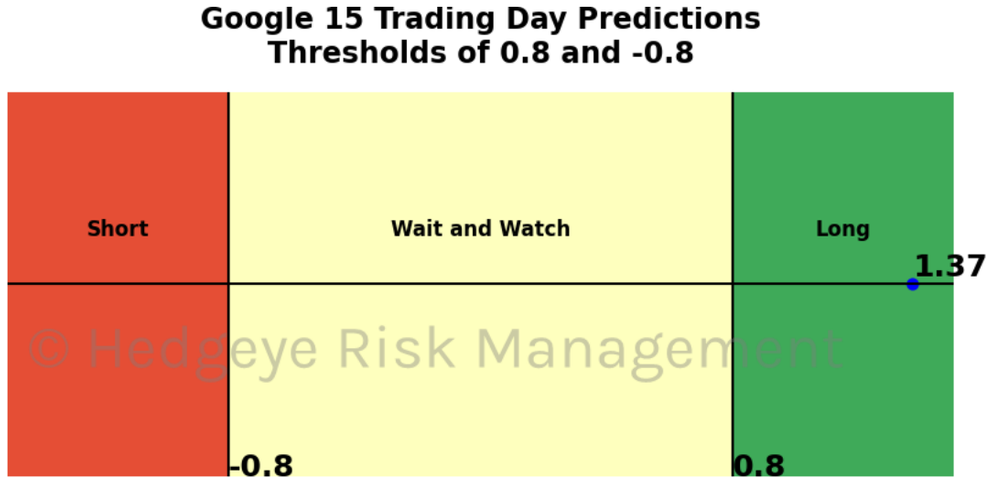
Google 15 Trading Day Predictions
Thresholds of 0.8 and -0.8
Short
Wait and Watch
Long
1.37
-0.8
0.8
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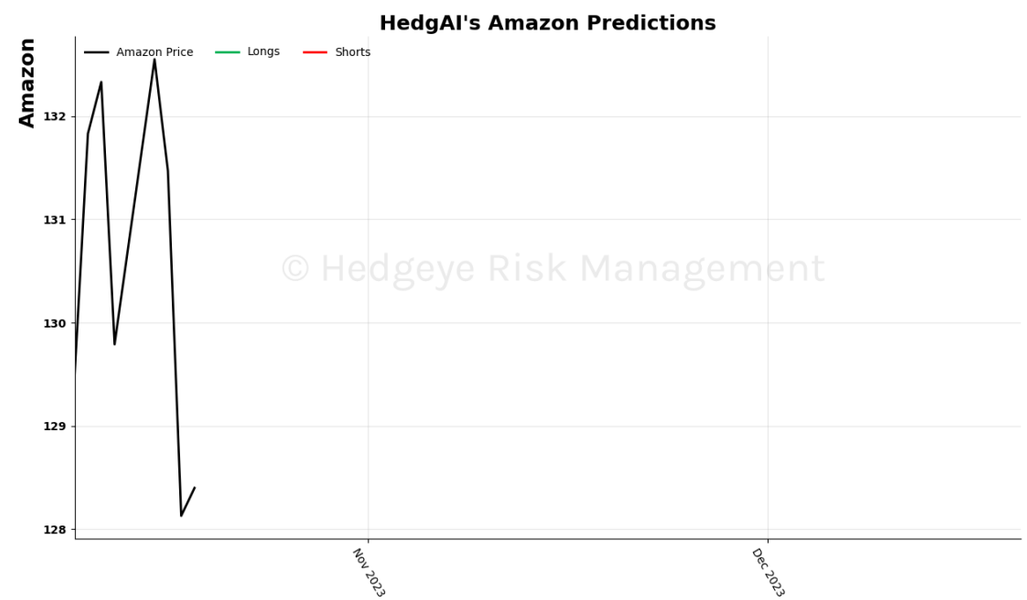
HedgAI's Amazon Predictions
Amazon Price
Longs
Shorts
Amazon
132
131
130
129
128
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Dec 2023
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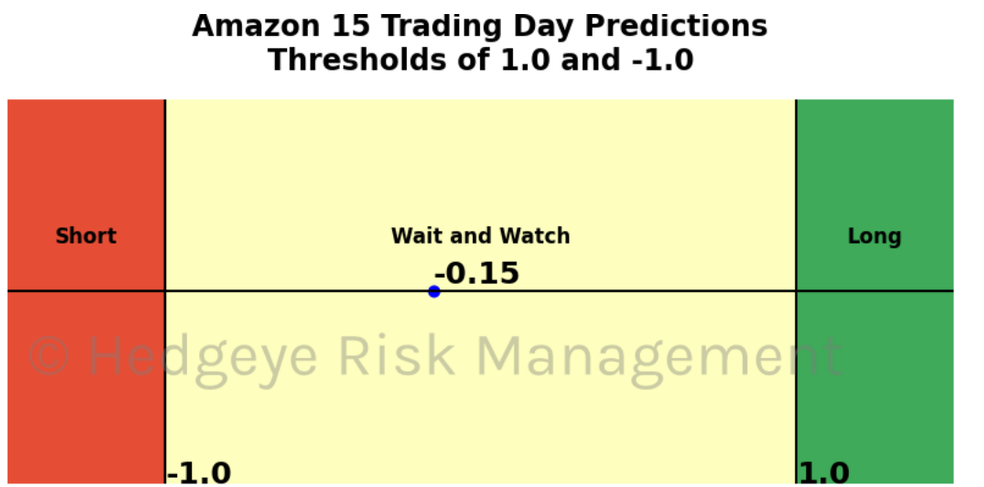
Amazon 15 Trading Day Predictions
Thresholds of 1.0 and -1.0
Short
Wait and Watch
Long
-0.15
-1.0
1.0
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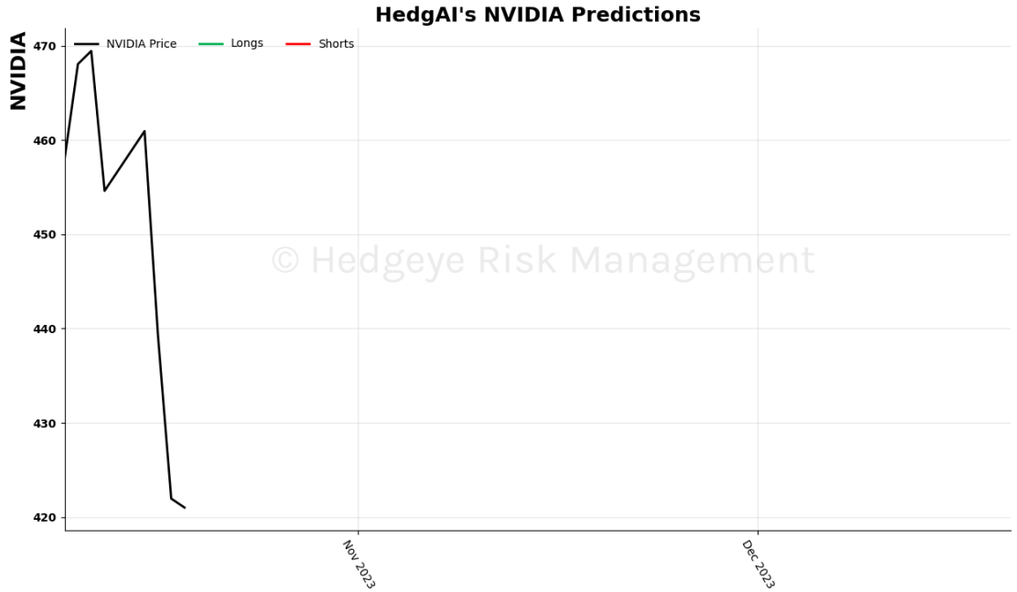
HedgAI's NVIDIA Predictions
NVIDIA
NVIDIA Price
Longs
Shorts
470
460
450
440
430
420
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Dec 2023
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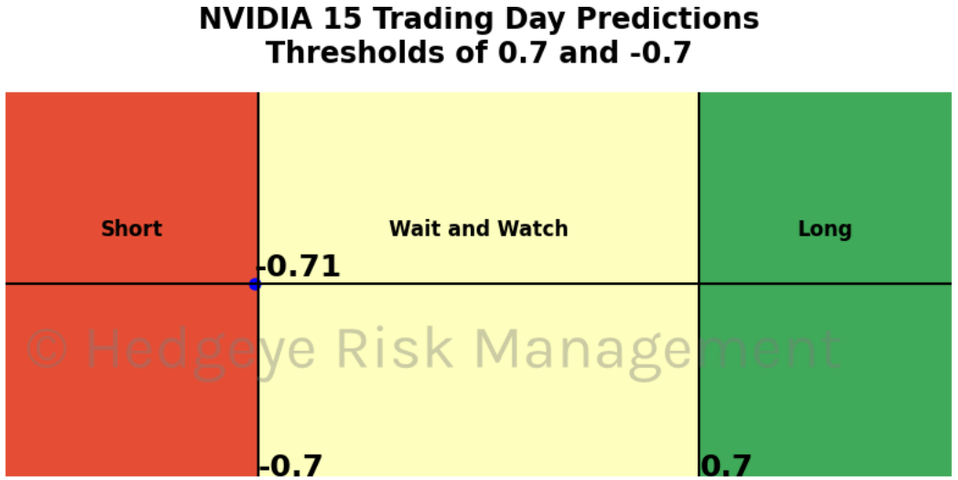
NVIDIA 15 Trading Day Predictions
Thresholds of 0.7 and -0.7
Short
Wait and Watch
Long
-0.71
-0.7
0.7
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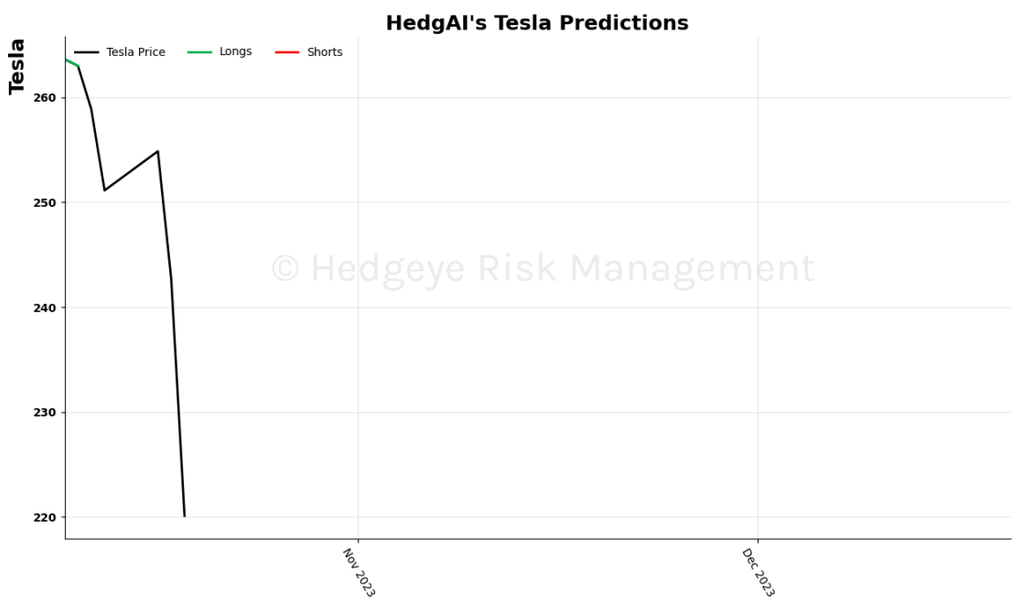
HedgAI's Tesla Predictions
Tesla
Tesla Price
Longs
Shorts
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250
240
230
220
Nov 2023
Dec 2023
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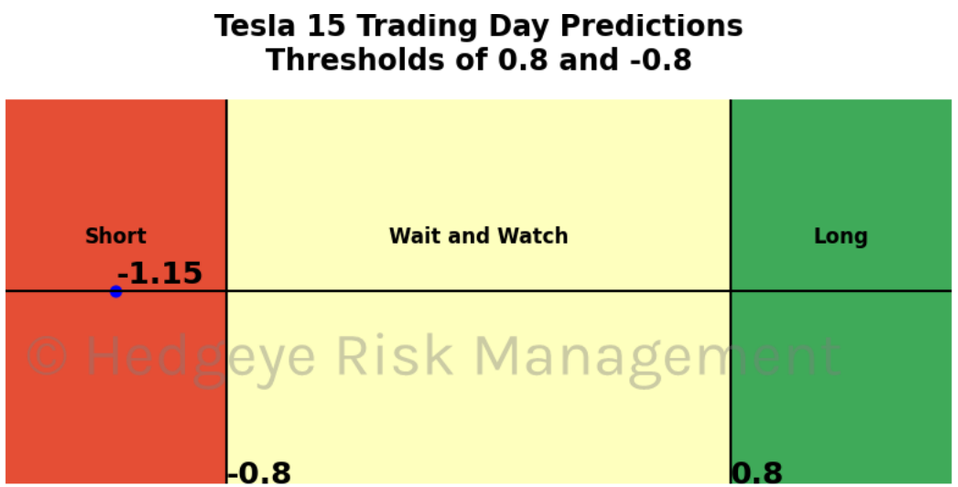
Tesla 15 Trading Day Predictions
Thresholds of 0.8 and -0.8
Short
Wait and Watch
Long
-1.15
-0.8
0.8
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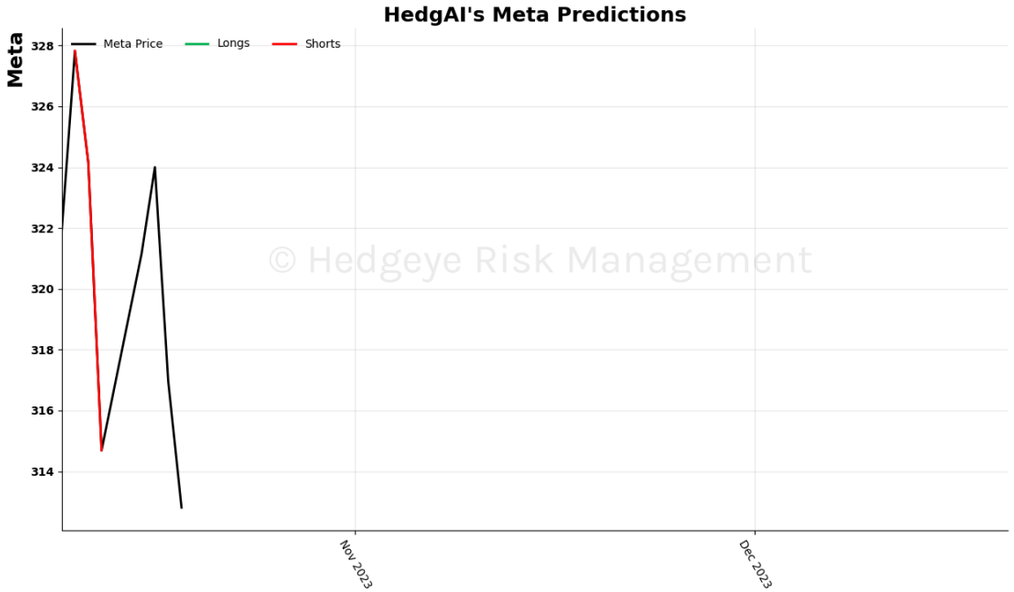
HedgAI's Meta Predictions
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Shorts
Meta
328
326
324
322
320
318
316
314
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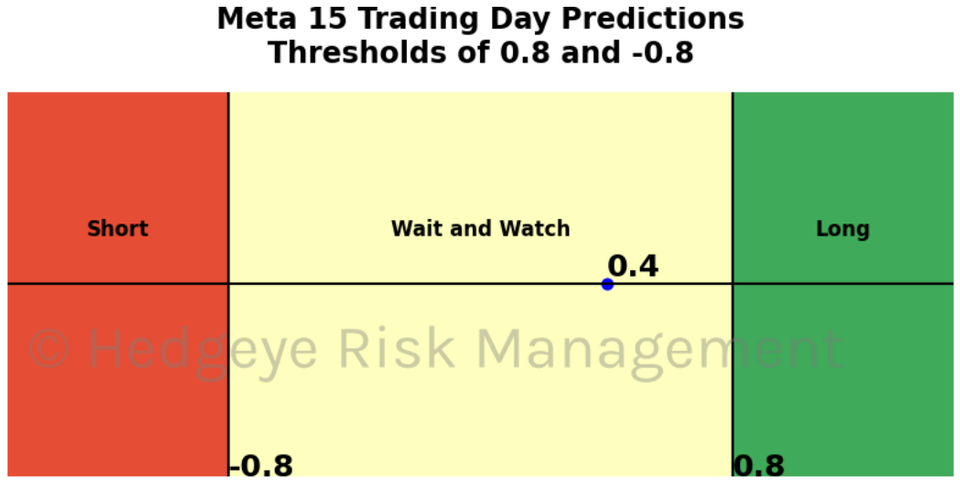
Meta 15 Trading Day Predictions
Thresholds of 0.8 and -0.8
Short
Wait and Watch
Long
0.4
-0.8
0.8
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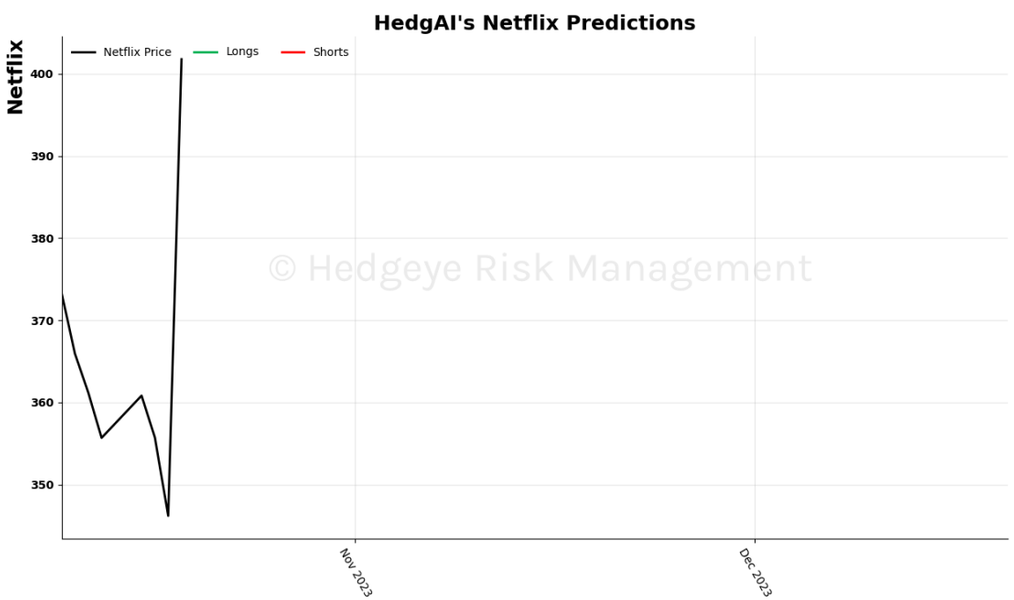
HedgAI's Netflix Predictions
Netflix Price
Longs
Shorts
Netflix
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390
380
370
360
350
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Dec 2023
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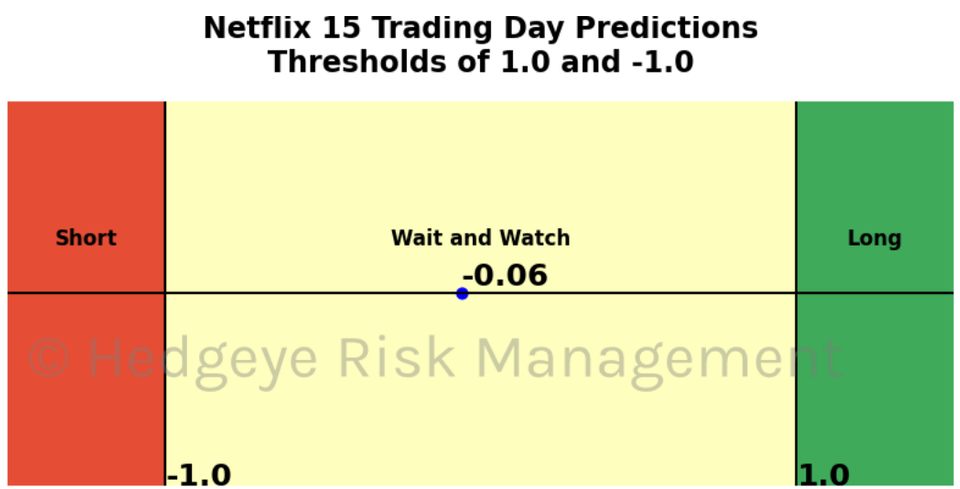
Netflix 15 Trading Day Predictions
Thresholds of 1.0 and -1.0
Short
Wait and Watch
Long
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-1.0
1.0
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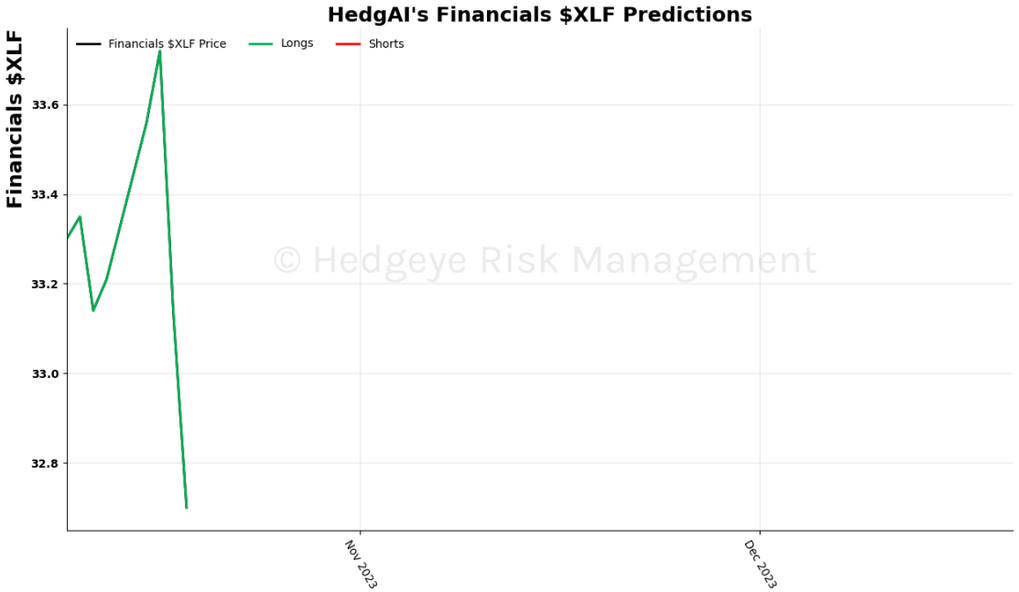
HedgAI's Financials $XLF Predictions
Financials $XLF Price
Longs
Shorts
Financials $XLF
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33.4
33.2
33.0
32.8
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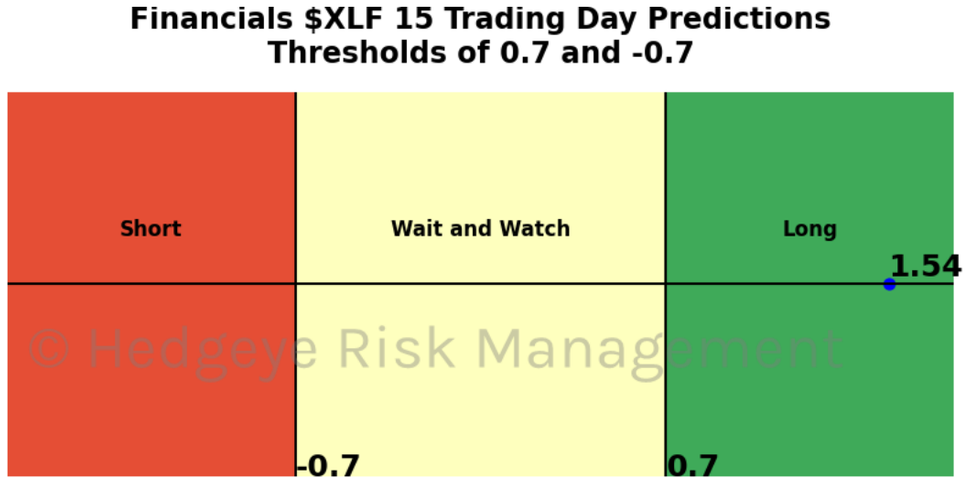
Financials $XLF 15 Trading Day Predictions
Thresholds of 0.7 and -0.7
Short
Wait and Watch
Long
1.54
-0.7
0.7
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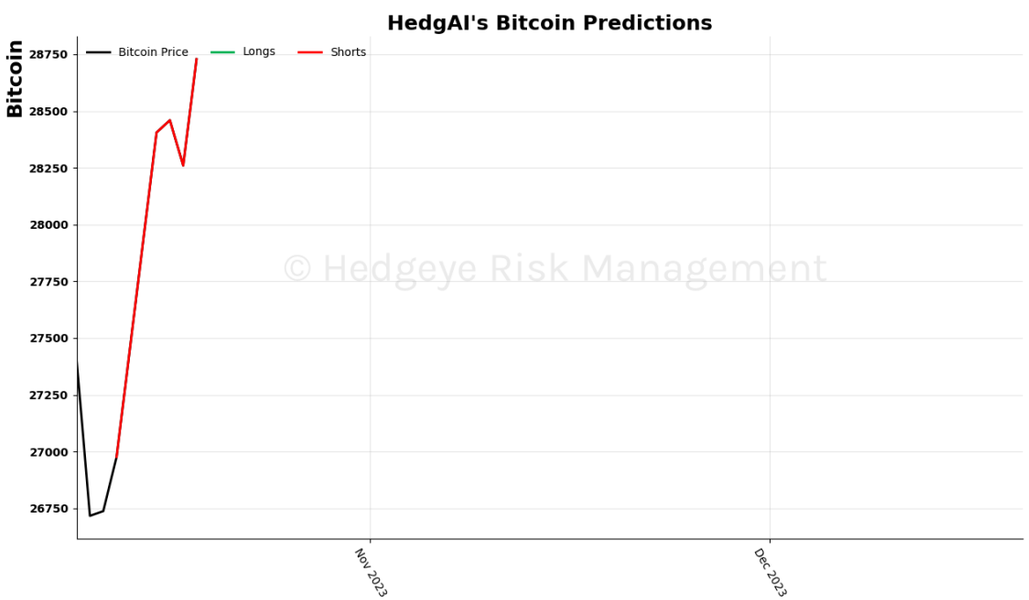
HedgAI's Bitcoin Predictions
Bitcoin Price
Longs
Shorts
Bitcoin
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27750
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27000
26750
Nov 2023
Dec 2023
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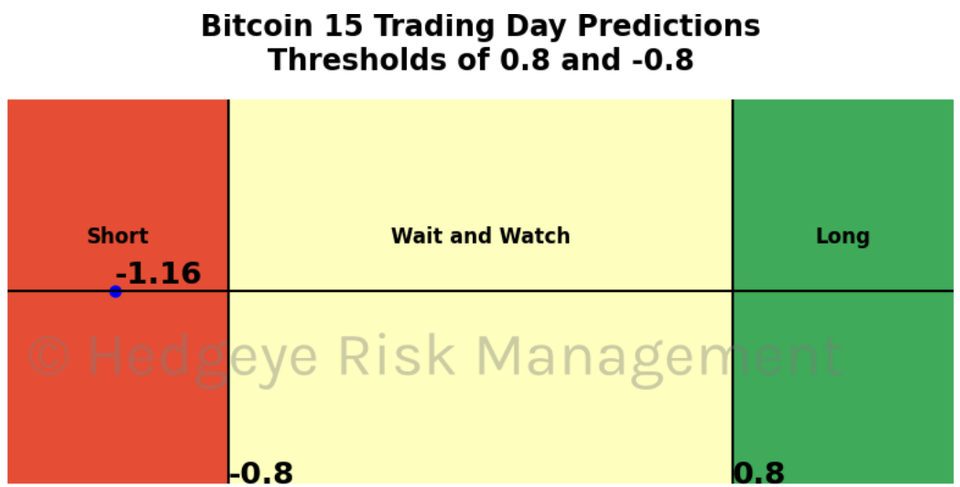
Bitcoin 15 Trading Day Predictions
Thresholds of 0.8 and -0.8
Short
Wait and Watch
Long
-1.16
-0.8
0.8
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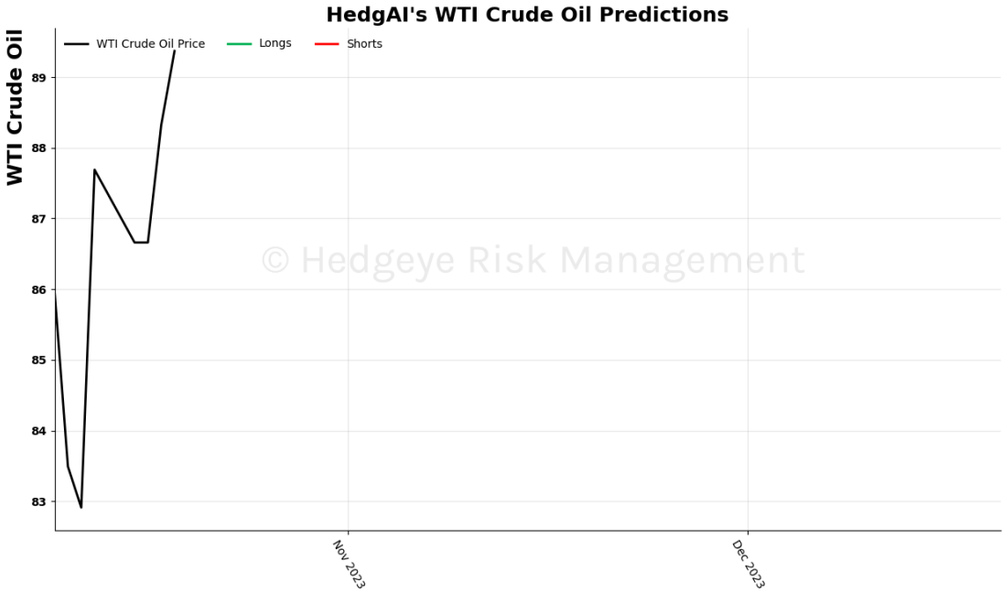
HedgAI's WTI Crude Oil Predictions
WTI Crude Oil Price
Longs
Shorts
WTI Crude Oil
89
88
87
86
85
84
83
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Dec 2023
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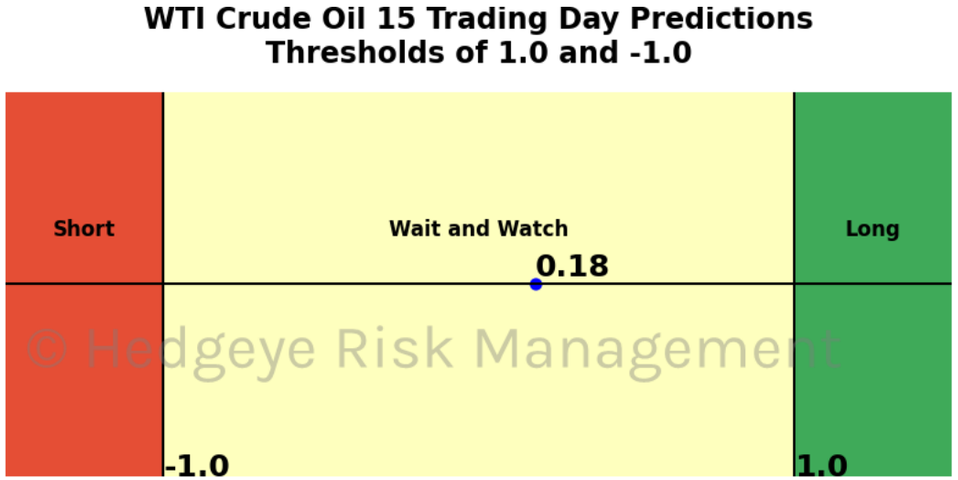
WTI Crude Oil 15 Trading Day Predictions
Thresholds of 1.0 and -1.0
Short
Wait and Watch
Long
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-1.0
1.0
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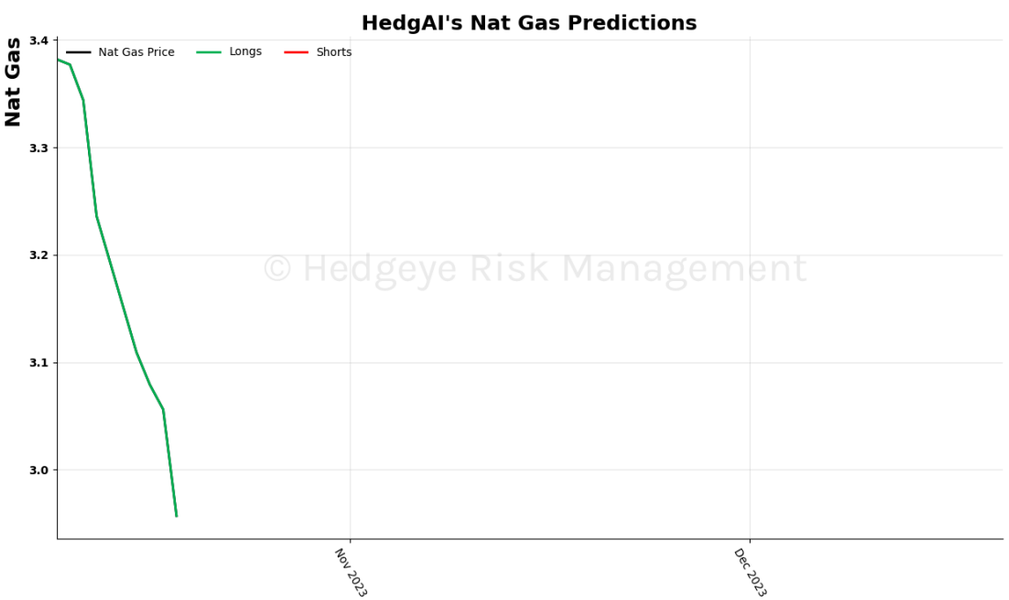
HedgAI's Nat Gas Predictions
Nat Gas Price
Longs
Shorts
Nat Gas
3.4
3.3
3.2
3.1
3.0
Nov 2023
Dec 2023
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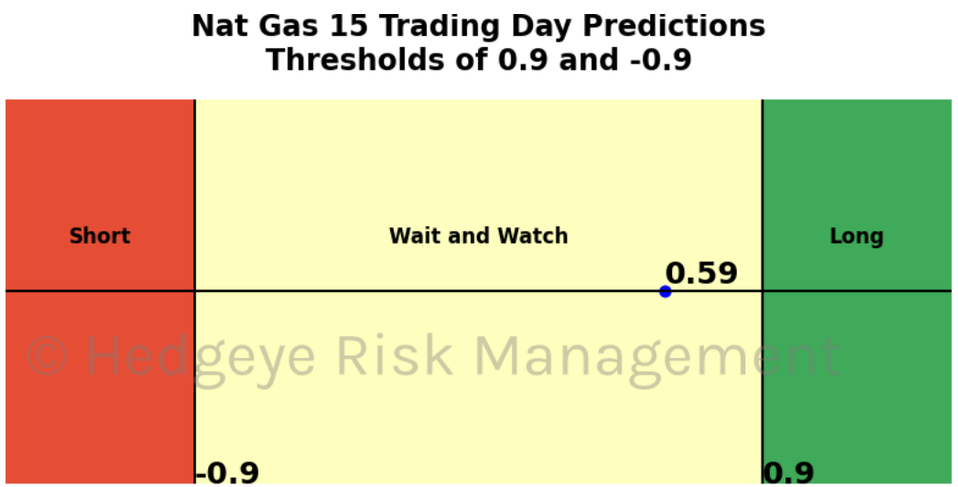
Nat Gas 15 Trading Day Predictions
Thresholds of 0.9 and -0.9
Short
Wait and Watch
Long
0.59
-0.9
0.9
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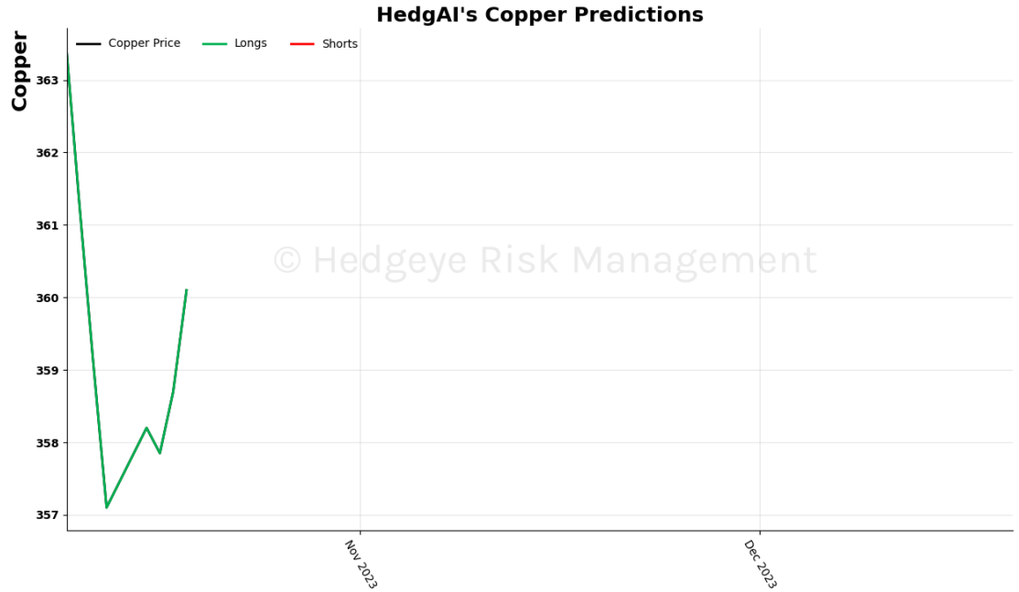
HedgAI's Copper Predictions
Copper Price
Longs
Shorts
Copper
363
362
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358
357
Nov 2023
Dec 2023
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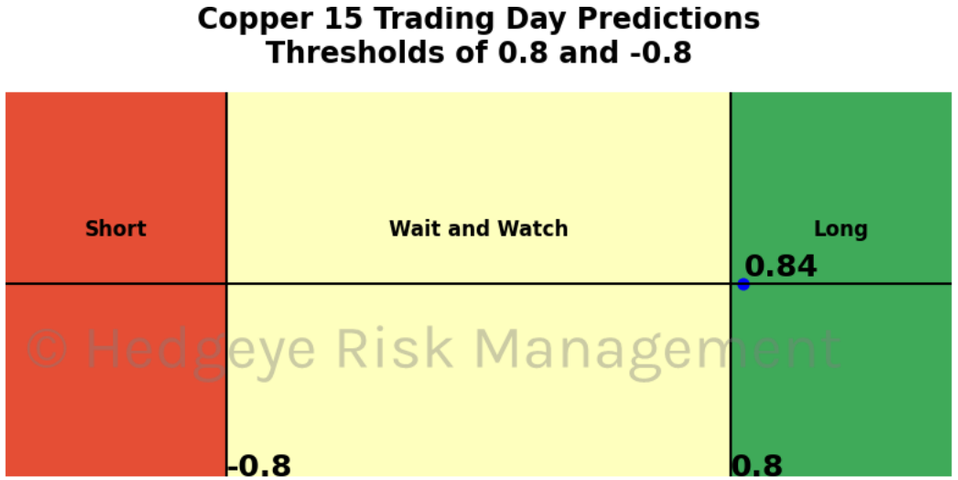
Copper 15 Trading Day Predictions
Thresholds of 0.8 and -0.8
Short
Wait and Watch
Long
0.84
-0.8
0.8
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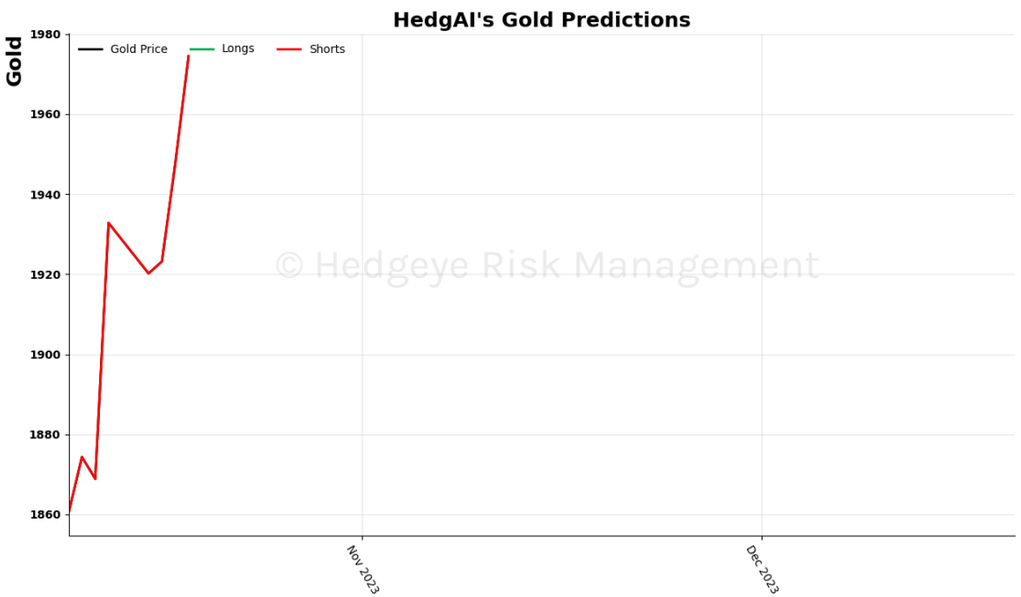
HedgAI's Gold Predictions
Gold Price
Longs
Shorts
Gold
1980
1960
1940
1920
1900
1880
1860
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Dec 2023
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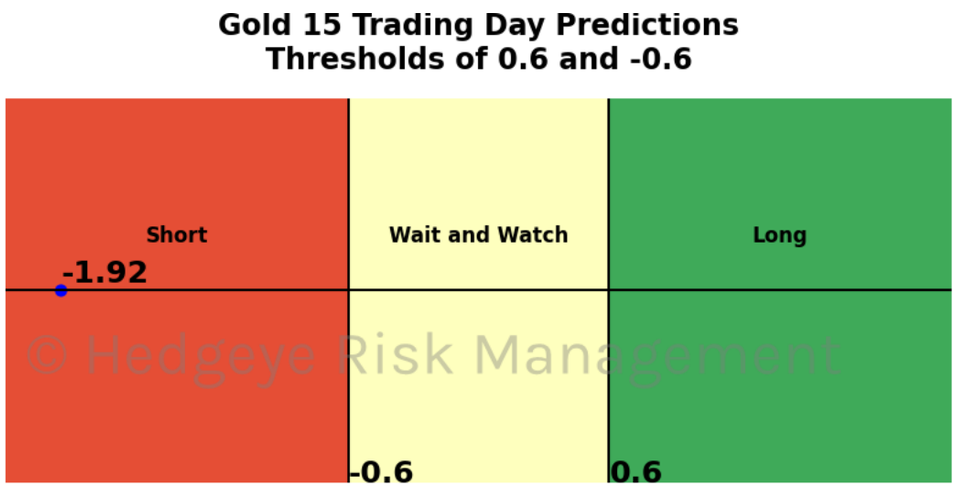
Gold 15 Trading Day Predictions
Thresholds of 0.6 and -0.6
Short
Wait and Watch
Long
-1.92
-0.6
0.6
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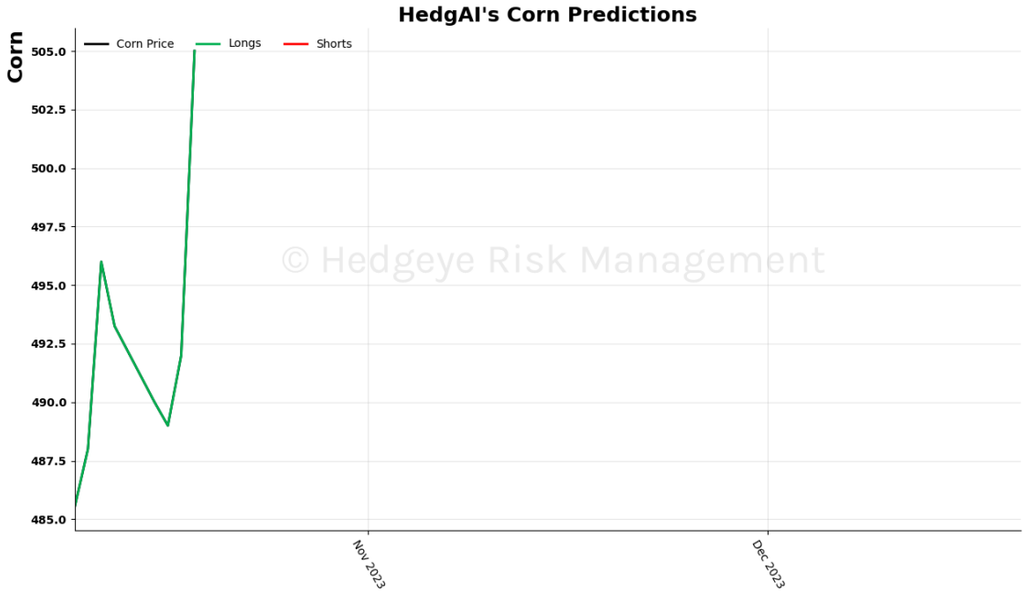
HedgAI's Corn Predictions
Corn Price
Longs
Shorts
Corn
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502.5
500.0
497.5
495.0
492.5
490.0
487.5
485.0
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Dec 2023
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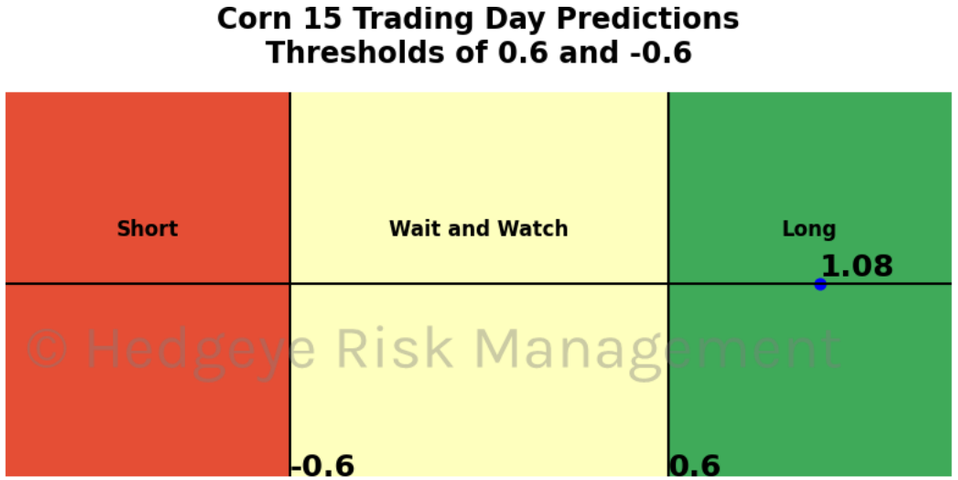
Corn 15 Trading Day Predictions
Thresholds of 0.6 and -0.6
Short
Wait and Watch
Long
1.08
-0.6
0.6
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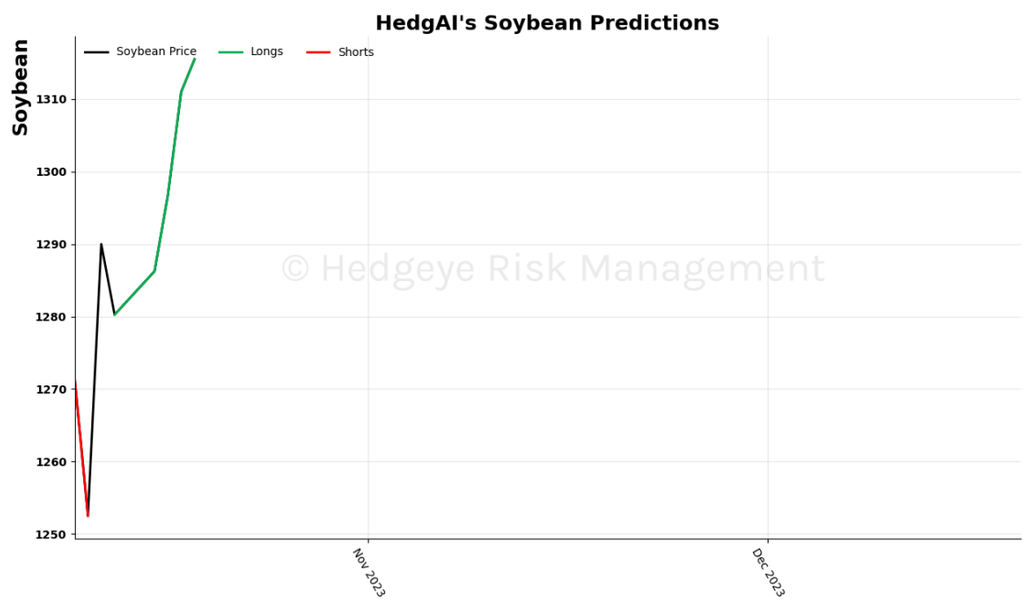
HedgAI's Soybean Predictions
Soybean Price
Longs
Shorts
Soybean
1310
1300
1290
1280
1270
1260
1250
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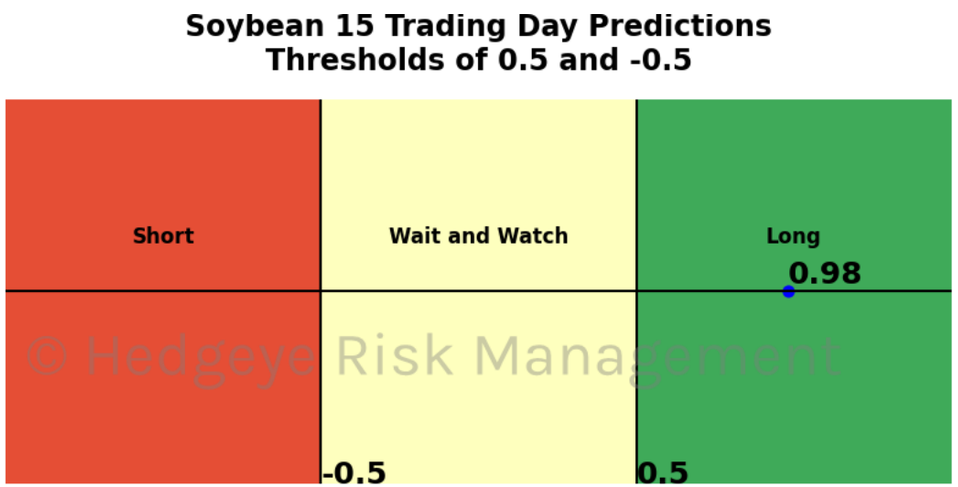
Soybean 15 Trading Day Predictions
Thresholds of 0.5 and -0.5
Short
Wait and Watch
Long
0.98
-0.5
0.5
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HedgAI Signals - Description/Tutorial/Disclaimer

HedgAI Signals – Product Description

HedgAI Signals are simple at their core. The Signals are generated by our proprietary "HedgAI" artificial intelligence (AI) trained algorithms—applying non-linear, squared error methods—to identify relationships between past market data and desired predictive outcomes. Each HedgAI algorithm (the "Algo" or "Algos") is trained using one data set and validated and operated on a separate data set.

We have back tested each Algo against years of historical market data and have been pleased with the results. We look forward to applying #timestamps to future iterations. Please keep an eye out for that.

Current signals (Long, Short, and Wait and Watch) are a directional call generated by the Algos, as of the date of publication. "Wait and Watch" means the Algo for that asset does not have a directional call as of the date of publication. Signals are updated daily based on the Algos' daily predictions.

Signaling data for each asset is the result of a unique Algo designed specifically for that asset, and trained using third-party historical market data. Each market day, the Algos ingests market data and updates their signal to either a Long, Sell or Wait and Watch. Based on proprietary calculations against historical market data, each Algo then predicts 15 trading days into the future. The resulting published Z Score is a trailing twelve-month (TTM) Z Score of the Algo's predictions.

Each asset has a unique threshold that marks the point where signals are opened and closed.

The Algo opens a Long signal if the TTM Z Score goes above the published threshold. The Algo closes a Long signal when the TTM Z Score dips back below the same published threshold.

The algorithm opens a Short signal if the TTM Z Score goes below the additive inverse of the published threshold (i.e. if a threshold is 1.0, a Short signal is opened when the TTM Z Score hits -1.0). The Short signal is closed when the TTM Z Score goes back above the same additive inverse of the published threshold.

Wait and Watch is an output generated by the Algo when the TTM Z Score is neither above or below the published threshold or its additive inverse. During Wait and Watch periods, the Algo assumes no signal (Long or Short) in the asset.

How HedgAI Works

When HedgAI opens a Long or Short signal, on a given day, the Algo notes the available closing price for that same day based on third-party market data available to Hedgeye. The Algo assumes the signal remains open until the TTM Z Score dictates the signal should be closed (above the threshold for a Long signal or below the additive inverse of the threshold for a Short signal). The Algo records the closing price based on third-party market data available to Hedgeye on the day that the Algo selects to close the signal based on the TTM Z Score moving below the threshold for an open Long signal, and above the additive inverse for a Short signal.

Using an example where the asset's threshold (and additive inverse) is 1.0 and -1.0 [Day, TTM Z Score, Closing Price]:

[8/14/2023, 0.9, 11], [8/15/2023, 1.2, 10], [8/16/2023, 1.3, 12], [8/17/2023, 1.4, 10], [8/18/2023, 0.8, 9], [8/21/2023, -1.1, 10], [8/22/2023, -2.0, 11], [8/23/2023, -0.9, 7], [8/24/2023, 0.2, 9].

Using the threshold stated (remember this is different for each Algo) the signals would be as follows: The Algo would open a long on 8/15/2023 at $10 and close the long on 8/18/2023 at $9, losing 10% on its signal. The Algo would also open a short on 8/21/2023 at $10 and close the short on 8/23/2023 at $7, a 30% positive price movement on the signal.

Understanding Product Graphics

Every day you will be given a list of 'Longs Added', 'Shorts Added', 'Longs Closed', 'Shorts Closed'

Current Signals

Each market day, the Current Signals will include any directional signals the Algo has "opened" and not yet closed, the Algo's predicted Threshold and the Z Score calculation against yesterday's closing price, one day prior to yesterday's close, 2 days prior to yesterday's close and 3 days prior to yesterday's close.

Summary Signals

Each market day, the Summary Signals will include the Current Signals plus "wait and watch" signals.

Trading Day Threshold Slider Graph

Each market day, the slider chart will illustrate the Algo's current TTM Z Score in relation to the threshold for all signals.

Algo Signal Graph

Each market day, the Algo Signal Graph will update with the prior day's signal generated by the model. The graph starts from the signal generated the day prior to the first day of publication for each asset. Signals are not actual trades.

Asset Non-Stock Asset Classes Models

The Algos designed to make predictions relating to exchange-traded securities are trained and tracked based on the third-party pricing available to those securities. The Algos designed to make predictions relating to assets classes which are not exchange-traded securities, have been trained and tracked based on the following Bloomberg® Tickers. The following chart also provides one example ETF that purports to correlate to the price movement of the corresponding asset.

Hedgeye does not have any influence or control over the management of the example Related ETFs listed and is not responsible for their performance. The Algos' performance in relation to tracking price movement of an asset may vary significantly from any ETF's performance for several reasons outside of Hedgeye's control. Hedgeye does not recommend the investment in any ETF relative to another.

Asset	Bloomberg Ticker	Example Related ETF
US 30yr yield	USGG30YR Index	TLT•
US 10yr yield	USGG10YR Index	UST•
US 2yr yield	USGG2YR Index	SHY•
Russell	RTY Index	IWM
S&P 500	SPX Index	SPY
Nasdaq	NDX Index	QQQ
Shanghai	SHCOMP Index	FXI
Japan	NKY Index	EWJ
Germany	DAX Index	EWG
Dollar	DXY Curncy	UUP
EUR/USD	EURUSD Curncy	FXE
USD/YEN	USDJPY Curncy	FXY•
GBP/USD	GBPUSD Curncy	FXB
CAD/USD	CADUSD Curncy	FXC
Brent Oil	CO1 Comdty	BNO
Copper	HG1 Comdty	CPER
Silver	SI1 Comdty	SLV
Sugar	SB1 Comdty	CANE
Steel	STEEL Index	SLX
Uranium	URA US Equity	URA
Lithium	LIT US Equity	LIT
Wheat	W 1 Comdty	WEAT
Palladium	XPD Curncy	PALL
Platinum	XPT Curncy	PPLT
Crude Oil	CL1 Comdty	USO
Corn	C 1 Comdty	CORN
Natural Gas	NG1 Comdty	UNG
Soybean	S 1 Comdty	SOYB
Gold	XAU Curncy	GLD
Cotton	CT1 Comdty	None
Coffee	KC1 Comdty	None
Bitcoin	XBTUSD Curncy	BITO

Disclaimer

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