



Sector Surfer
Change the Game

Monthly
Perspective



ALPHADROID
Change the Game

Perspective: Introducing Merlyn.AI -- Now Live Online

Oct 09, 2018

Dear Scott,

Again, Relax - The Market is Doing Fine!

Indeed, the [10-year minus 2-year bond spread chart](#) looks like it is headed for an inverted yield state where the 10-year rate becomes less than the 2-year rate. To many, this suggests that an imminent recession is foretold. However, note that in 1995 when rates were similar, this condition persisted for six years before the tech bubble brought the markets down. In 1995 the economy was starting to hum and no other economic problem was serious enough to possibly trigger a market collapse. Short of such a threat, the economy will likely persist in this state until something triggers sufficient investor fear to begin a selloff. Neither the fear of military conflicts nor trade wars have been able to cause any more than a few days blip in the market.

The relatively small market selloff for the past few days has some analysts worried that this may be the market top and that tech stocks are dead. The 6-month SPY chart (top-right) illustrates that the market for the past two weeks looks a lot like the market in last two weeks of May. Considering the indications of a very strong consumer Christmas shopping season ahead, it is more likely the markets will head higher, than lower, into the end of the year. Furthermore, the [StormGuard-Armor chart](#) is still pretty bullish. So relax and enjoy autumn. The markets are doing just fine.

Formally Introducing Merlyn.AI

Merlyn.AI is now live online, making the power of artificial intelligence investment technology available to everyone. Over the past few weeks we have been slowly and carefully putting all of the pieces in place to integrate Merlyn.AI into SectorSurfer, AlphaDroid, and in another day or so, also the Riskalyze Auto Pilot Store. The www.Merlyn.AI web page is your go-to page for learning everything about how Merlyn.AI improves investment strategies, [how Merlyn.AI works](#), links to the informational pages for the Strategies, and how to import them into your own account.

Keep in mind that these Strategies are created very differently from existing SectorSurfer and AlphaDroid Strategies, and that there will be a few differences that will likely never match the current presentation or content. Over the next few months we will be completing additional work that we believe will further improve Merlyn.AI's overall performance. We will strive to incorporate these changes only at month-end, but they may alter the set of reported historical trades. That's okay. These Strategies take the form of Master Strategies that only we can update and maintain, which means you have no control over the Strategy design or its operation. Any update or maintenance we perform on the Strategy



Now Live!

www.Merlyn.AI

(start here)



Merlyn.AI

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will automatically flow through to any copy in your account. So please click and follow the links provided above.

**Merlyn.AI Now Live Online:
Prudent Investing Just got Simpler and Safer**

Meetup: [Streamed Live Thrs. Oct. 11th 7:00PM PST](#)

Merlyn.AI is now live online, making the power of artificial intelligence investment technology available to everyone. I will demonstrate how easy it is to import Merlyn.AI Strategies into SectorSurfer, AlphaDroid, and Riskalyze accounts and assemble impressive portfolios. Merlyn.AI uses genetic algorithms and adaptive tuning that continuously evolve strategy design to better accommodate changing market conditions and remove fund hindsight selection bias, the primary scourge for achieving future performance estimated by the past. Merlyn.AI automatically evaluates hundreds of ETFs monthly for trend leadership and risk suitability characteristics and boils everything down to a simple Buy and Sell. I will only briefly review the technology under the hood that was covered in the August Meetup. If you would like to look a bit further under the hood, please view this edited version of that [presentation on YouTube](#).



Future Speaking Engagements.

- Houston, TX: [Houston Investors Association](#) - Saturday October 13, 2018, 8:30 AM
- Austin, TX: [AAII Chapter](#) - Monday October 15, 2018, 7:00 PM
- San Antonio, TX: AAI Chapter - Tuesday October 16, 2018
- San Antonio, TX: [Riskalyze Fearless Investing Summit](#), Marriott Rivercenter - October 17-19, 2018
- Las Vegas, NV: [AAII National Convention](#), Paris Hotel - October 26 - 28, 2018

Surf Well and Prosper,



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