

# OmniFunds Update

September 30, 2024

## Higher Profits with Lower Draw Downs!

Today, we published an OmniFunds Release that has several major enhancements. The biggest one was the implementation of Market on Close for actual trades.

### How We Increased Total Returns by up to 2x!

Barry Cohen ran extensive tests comparing results using both MOO and MOC orders. Here is a table with his results on 6 OmniFunds.

Since 2005						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 9953	Safe Harbor Diversified TEST	36.0%	42077.3%	30.4%	12.6%	
MOC 8697	Safe Harbor Diversified	38.6%	61170.1%	21.5%	10.9%	
5 Year						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 9953	Safe Harbor Diversified TEST	102.9%	3355.6%	30.4%	14.1%	
MOC 8697	Safe Harbor Diversified	117.5%	4789.3%	21.5%	11.2%	

Since 2005						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 9977	Growth Since Earnings All Stars TEST	31.2%	20651.0%	33.2%	13.0%	
MOC 8700	Growth Since Earnings All Stars	35.0%	36302.8%	27.3%	12.1%	
5 Year						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 9977	Growth Since Earnings All Stars TEST	97.2%	2894.9%	33.2%	14.2%	
MOC 8700	Growth Since Earnings All Stars	110.8%	4083.0%	27.3%	12.8%	

Since 2005						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 8634	NAS100 Medium Growth TEST	40.4%	74546.4%	27.9%	15.0%	
MOC 7007	NAS100 Medium Growth	47.4%	192658.4%	22.5%	13.1%	
5 Year						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 8634	NAS100 Medium Growth TEST	96.5%	2841.7%	27.9%	17.7%	
MOC 7007	NAS100 Medium Growth	115.6%	4576.5%	22.5%	15.3%	

Since 2005						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 9987	NAS100 Highly Liquid Low Drawdown TEST	29.3%	15618.0%	18.3%	10.0%	
MOC 9909	NAS100 Highly Liquid Low Drawdown	31.7%	22276.1%	14.9%	8.8%	
5 Year						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 9987	NAS100 Highly Liquid Low Drawdown TEST	69.6%	1307.6%	18.3%	12.7%	
MOC 9909	NAS100 Highly Liquid Low	79.3%	1759.8%	14.9%	10.3%	

Since 2005						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 6415	Aggressive Growth Test	61.3%	1130898.0%	49.5%	22.9%	
MOC 6178	Aggressive Growth	79.2%	8812920.0%	40.1%	21.3%	
5 Year						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 6415	Aggressive Growth Test	74.8%	1538.4%	49.5%	25.2%	
MOC 6178	Aggressive Growth	105.4%	3566.6%	40.1%	22.7%	

Since 2005						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 9986	SP500 Top 10 Stocks Monthly TEST	33.4%	28868.8%	24.2%	10.4%	
MOC 9897	SP500 Top 10 Stocks Monthly	35.1%	36813.9%	15.3%	9.8%	
5 Year						
ID	OmniFund	CAR	Return	MDD	AvgAMDD	
MOO 9986	SP500 Top 10 Stocks Monthly TEST	44.2%	524.7%	24.2%	11.3%	
MOC 9897	SP500 Top 10 Stocks	51.3%	693.7%	13.9%	9.6%	

Each “square” is a single OmniFund comparison, looking at “All Data” and “5 Years”. For each OmniFund, you can compare the CAR and MDD stats for MOO and MOC orders. The first one is Safe Harbor Diversified:

Since 2005						
	ID↓	OmniFund	CAR	Return	MDD	AvgAMDD
MOO	9953	Safe Harbor Diversified TEST	36.0%	42077.3%	30.4%	12.6%
MOC	8697	Safe Harbor Diversified	38.6%	61170.1%	21.5%	10.9%
5 Year						
	ID↓	OmniFund	CAR	Return	MDD	AvgAMDD
MOO	9953	Safe Harbor Diversified TEST	102.9%	3355.6%	30.4%	14.1%
MOC	8697	Safe Harbor Diversified	117.5%	4789.3%	21.5%	11.2%

You can see that for (all data) **Since 2005**, CAR increased from 36% to 38.6%, and Max Draw Down decreased from 30.4% down to 21.5%. Total Return increased by 50%. In the table above, NAS100 Medium Growth increased by over 100%!

This happens because of the “gap effect” – Stocks that are going up (or down) tend to “gap” in the same direction at the Open. By trading at the Close, we capture (or avoid) this move.

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Implementing this in OmniFunds was a really big deal.  
But it was NOT easy!

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To use MOC orders, our servers must complete their analysis 10 minutes prior to the Close. We use parallel processes to achieve this. If for any reason the orders are not submitted in time, or if they are not executed by the closing bell, they automatically become MOO orders.

There is also a potential “insufficient funds” problem when submitting all BUY and SELL orders as MOC at the same time. We have no way to enforce the execution order at the broker. Ideally, all SELLS would happen first, and then all BUYs. But the broker cannot guarantee that. This means there can easily be cases where there is insufficient buying power for one or more of the BUY orders, because not all of the SELL orders have executed.

Here’s how we handle it:

Accounts that have sufficient cash or margin available to handle all of the BUY orders (assuming no SELL orders are executed first) will be submitted as MOC before the Close.

For accounts without enough cash or margin to execute all BUY orders, all of the SELL orders will be submitted as MARKET about 20 minutes before the close of the day, thus freeing up necessary funds for the pending BUYs, which will then be submitted as MOC.

**This is an ENORMOUS improvement to an already great Platform.** Major Kudos to Barry Cohen for working through all the tests and Quality Assurance, and Constantine Craus for implementing these awesome changes. The following Change Summary lists the MOC change and all other changes that went into this release...

## Change Summary:

### **1. USING MARKET ON CLOSE EXECUTION**

In the prior version, on OmniFunds Simulation could use MOC, but not executions. Now, OmniFunds trading can also use Market On Close. There's a new setting (in the Lab) that allows selecting MOO or MOC on any custom OmniFund. If you don't have the Lab, it's important to note that All our published funds are set to MOC because of the performance advantage explained above. *Note: GXTrader Paper accounts do not support MOC orders, only MOO.*

### **2. AVOIDING ACCIDENTAL DAY TRADES**

If OmniFunds were ever to enter/exit the same symbol during a session, the Pattern Day Trading Rule would be invoked, resulting in trading suspension. That's why we carefully check for this possibility when submitting new Orders and adjust accordingly...

For accounts that are under \$25k, if a particular symbol has had an execution on the current day, then OmniFunds will not allow the opposite execution to occur that same day. For example, if AAPL has a BUY order in the morning, OmniFunds will not submit a SELL order for AAPL the same day, & vice versa. In those cases, a MOO order will be placed for the next day.

### **3. Connecting to the Broker**

When connecting a broker to OmniFunds, it will no longer submit trades immediately during market hours. Instead, it will submit trades upon the next trading window (MOC if the broker is connected during market hours or MOO if the broker is connected after market hours.)

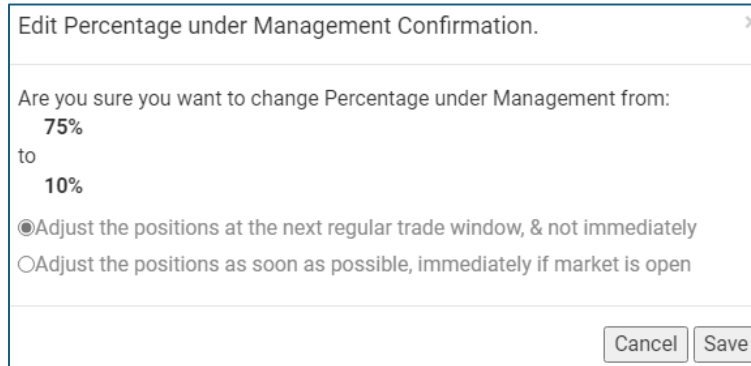
### **4. Using Margin to Trade Up to 200% of Equity.**

Capital Under Management now allows setting up to 200% (up from 100%) for Margin Accounts. The code checks if the account is a Margin Account & will disallow setting over 100% if it's not a Margin Account (i.e., a Cash or IRA Account).

The current AutoTrade subscription level must be greater than the amount of capital being traded. For example, if you have a \$50k AutoTrade level with a \$25k account, 200% would be allowed & result in trading \$50k. However if you have a \$25k AutoTrade level with a \$25k account, it will be limited to trading \$25k even if you set it to 200%.

## 5. Immediate Order Execution When Changes Are Made

When any change is made on the MyOmniFunds page, the user is prompted with a choice to submit the orders at the next trading interval or to submit immediately:



Edit Percentage under Management Confirmation. x

Are you sure you want to change Percentage under Management from:  
**75%**  
to  
**10%**

Adjust the positions at the next regular trade window, & not immediately  
 Adjust the positions as soon as possible, immediately if market is open

Cancel Save

Any of the following actions can be executed immediately if the 2<sup>nd</sup> option is selected.

- Changing Allocation from 0% (close all trades) to anything up to 200%
- Switching to a new OmniFund
- Establishing a new broker connection

If immediate is selected from the pop-up during market hours, the executions will occur immediately, unless some other issue prevents it (like the PDT Rule), in which case the Orders will be executed MOC or MOO, depending on how the OmniFund is configured. If this is done after-market hours, the executions will occur at market open (MOO) the next trading day.

## 6. Fixed Symbol Issue (applicable to Lab Users only)

\$SPX & \$VIX indexes did not allow saving in Portfolio formulas. This has been fixed.

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If you encounter any problems in OmniFunds as a result of these changes, please contact Support, [support@nirvsys.com](mailto:support@nirvsys.com) or call 512-345-2545. Thank you!