

ResiMentum

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As we announced recently, last quarter marked the integration of BOOST—our newest trading engine—into our proprietary investment strategies. Implemented at different levels across our offering, BOOST now operates in tandem with the other three protocols that guide the buy-hold-sell decisions of each of our strategies.

While our preexisting trading engines uncover, track, and amplify unfolding broad market trends, BOOST takes a different approach: it seeks out the specific assets that take turns leading the market—both within and across shifting trends. In short, BOOST is built to capture the power of asset rotations.

BOOST marks a major milestone in our continuing R&D effort to harness the power of the markets. Though its mechanics remain proprietary, it may be of interest to the broader circle of inquisitive investors to outline the core idea that inspired its creation.

BOOST did not invent the idea of spotlighting market leaders and investing in their relay-race. Indeed, most investors would identify this as the traditional aim of Momentum investing. This is where it begins—Momentum provides the starting point from which we can trace the key innovation that sets BOOST apart.

Momentum is one of finance’s most exhaustively researched and well-documented factors driving investment returns—after all, today’s market leaders couldn’t have reached their exalted positions without dominating the performance charts over time. So, why wouldn’t one invest in today’s strongest climbers to own tomorrow’s stars?

On the surface, Momentum appears not just as a factor—it looks like **the** recipe for any and all market gains?!

Not so fast. Momentum’s underlying intuition shines brightest in rewind—looking back, every one of today’s stars has broken successive performance records. Forward-looking, however, the picture changes: many promising climbers stumble, some leaders turn frothy and falter—a phenomenon Professor Moskowitz has dubbed “momentum crashes”—and what seemed certain in hindsight becomes real-time risk. Investors confronted with these ambiguities tend to fall into two camps: **panickers**, who get spooked easily, and **excusers**, who cling to yesterday’s climbers no matter what.

How could we correct for this?

An intriguing idea emerges: a framework that could analyze the inter-relation among climbers’ ascents, stalls, and tumbles, seeking to uncover fractal patterns of resilience that persist across time frames—potentially turning unfolding insight into forward-looking opportunity.

BOOST was born to meet this challenge—identifying and harnessing **ResiMentum** (resilient momentum). We invite clients and interested investors to contact us for more details.

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