Verification of VantagePoint Predictive Neural Index Accuracy

For the two year period September 28, 2007 to August 19, 2009

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As part of an independent verification of the VantagePoint Software, I have been requested to randomly select twelve of the over 600 markets of which VantagePoint provides data and to calculate the accuracy of the predicted neural index for each of these markets over a two year time period. In order to accomplish this task, I downloaded data provided to me from CRB and accessed it through VantagePoint Software. The following steps were taken in all twelve accuracy reports. The twelve markets chosen at random were:

Equities: Research In Motion (RIMM), Barclays (BCS), Citigroup (C), Target (T)

ETFs: Diamonds (DIA), SPDRs (SPY), iShares MSCI Hong Kong IDX (EWH)

Commodities: Soybean Oil (Cash), Sugar (Cash), Copper (Cash)

Interest Rates: 10 Year U.S. Treasury Notes (Continuous)

Forex Pairs: Euro/U.S. Dollar

Methodology:

This report uses RIMM for illustrative purposes. The exact number of trading days in the year varies slightly between categories, but the analysis remains the same.

Procedures followed:

1. Installed VantagePoint and CRB software on my desktop.
2. Downloaded data for the two year period showing the predicted neural index as well as the open, close, high and low price for Research in Motion every trading day in the specified two year period.
3. Converted the history file to an excel spreadsheet using the built-in export to excel feature in the Portfolio drop-down window of the VantagePoint Software.
4. Calculated column T which is a *Typical Price* consisting of the average of the open, close, high and low price for RIMM.
5. Copied column F, the *Predictive Neural Index,* to column U.
6. Calculated a three day simple moving average of the *Typical Price* (column T) and stored the result in column V (*3 day sma of Typ. Price*).
7. Used a nested if statement in column W to ascertain whether the predictive neural index was successful (True=1) and assigned 1 if successful, (False =0) and assigned 0 if not successful.

8. Took the sum of column W to determine how many times the predictive neural index was accurate for the two years (477 days in question—this number varied slightly according to the market analyzed). Stored the result in cell number W485.
9. Calculated the percent correct for the predictive neural index by dividing the number of correct predictions (374) by the total number of days in the two year period (477) and multiply by 100. **Note**: the first two days and the last two days of the two year period were excluded from the calculations due to incomplete data.
10. The accuracy which is stated in cell W486 is 78.4% (rounded to the nearest tenth).

Summary of All Results: (see Summary Data in Excel spreadsheet)

The range of all twelve markets selected is from a low of 73.9% to a high of 83.2%
The mean of all twelve markets is 78%

The percent for each market is given below:

Market	Percent Correct
DIA	78.2
Sugar	73.9
Copper	75.4
Euro/ U.S. dollar	79.6
Soybean Oil	79.0
Ten Year US Treasuries	75.8
SPDRS	78.6
iShares Hong Kong	75.9
Target	78.0
Citigroup	83.2
Barclays	80.7
Research In Motion	78.4

Biographical Sketch

Dr. Gerald H. Meyer is currently a full professor and Director of Computer Science at LaGuardia Community College, the City University of New York. He served as chair of the Computer Information Systems Department for over twenty years. In addition, to his work at LaGuardia, he has taught graduate level mathematics and computer science courses and has been invited to give lectures on Computer Security and Programming Languages. He is currently working on a NSF grant proposal in Cyber and Homeland Security Technology. His consulting includes work with the development of efficient algorithms for computation of the elementary functions, and an extensive statistical informational retrieval system for doctors at Albert Einstein College of Medicine. Before joining LaGuardia, Dr. Meyer was director of IT training at Blue Cross Blue Shield of Greater New York. He holds a B.S. degree in Mathematics from Brooklyn College and both an M.S. and Ph.D. in applied mathematics from Adelphi University in New York.

Certificate

I, Gerald H. Meyer, certify that, based on the methodology described above, VantagePoint Software produced predictive results which are nearly 80% accuracy for the two-year period ended August 19, 2009. The sample of twelve markets reflected a mean average accuracy of 78% for the two year period. The methodology used in selecting and testing the representative sample is appropriate to ensure that the results obtained in testing the sample properly reflects the results that could be expected from testing the entire market database.

Gerald H. Meyer Aug 27, 2009

Signature Date

STATE OF New York, COUNTY OF NASSAU

On this day, personally appeared before me

Gerald H. Meyer, Ph.D.,

to me known to be the person(s) described in and who executed the within and foregoing instrument, and acknowledged that he/she signed the same as his/her voluntary act and deed, for the uses and purposes therein mentioned.

Witness my hand and official seal hereto affixed

this 27 day of August, 2009.

Carol Norcott

Notary Public in and for the State of New York.

My commission expires 3·13·10.