



Interactive Brokers

in conjunction with

Toggle AI

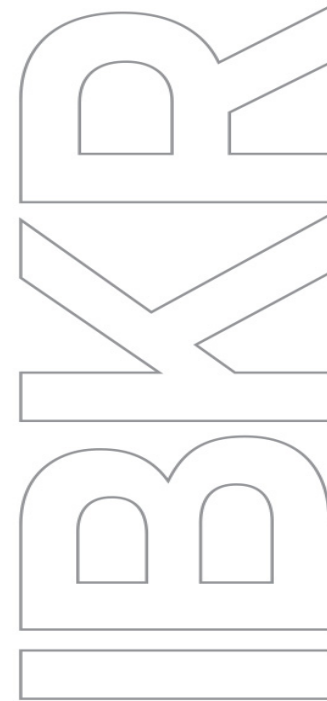
present:

Idea Generation with AI

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February 5, 2021

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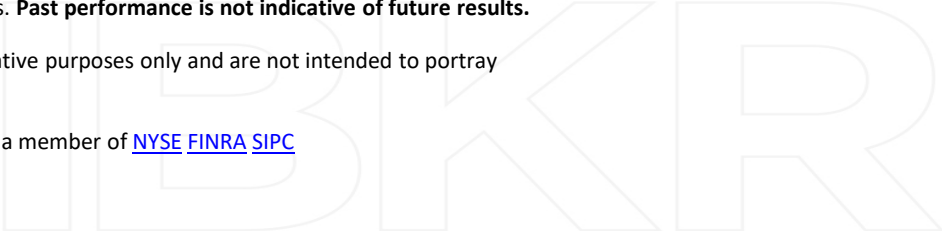
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Invest **Rationally** , Not **Rashly**

Idea generation with AI

February 5, 2021

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As portfolio managers, we constantly faced the challenge of inadequate infrastructure to cope with the growing mountain of data.

- Downloading data from a variety of disparate sources
- Maintaining and refreshing oodles of macro-enabled spreadsheets
- Writing ad-hoc code to answer questions like “If this happens, what next?”

It felt like sipping from an ocean with a straw.

Smart assistants are ubiquitous in our daily lives...Why don't they exist in investing?

- Machines are really good at monitoring and processing **large amounts of information**
- They can **uncover price patterns in assets** around events/data changes
- They can **test each relationship for robustness** ...in seconds
- They can **deliver curated insights** tailored to specific users

CAN SMART MACHINES HELP ACTIVE INVESTORS/TRADERS?



Human intelligence is very good at strategy (the “big picture”) but AI can be helpful with the tactics (the “details”).

For example, a portfolio manager decides they want to be long risk in equities and let the machine highlight the assets that are most undervalued/have strongest momentum.

STATISTICAL ANALYSIS AND BACK TESTING



Instead of competing with them, machines can empower users by replicating – fast – the work investors are already doing

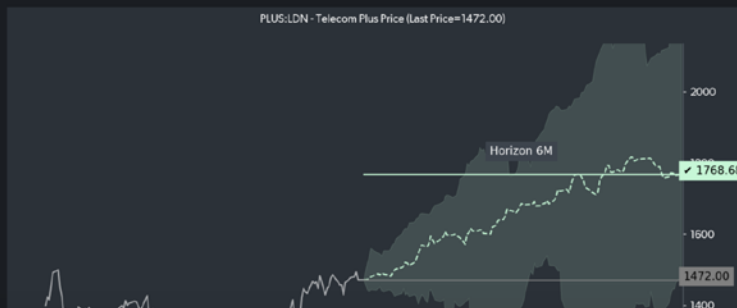
ACTIONABLE

BOOKMARK

PLUS - UK New Orders PMI crossed above 50, in the past this led to a increase in Telecom Plus price

by Toggle A.I. 1d ago

Economic Growth indicators for UK crossed above 50 . Historically this led to a median increase in Telecom Plus price of 18.31% over 6M, as shown in the chart below. In other words, it went up 18.31% at least half the time. This conclusion is based on 13 similar occasions in the past when this occurred, most recently on 2020-01-01. In our quality assessment this insight received 8 out of 8 stars. Insights with 6 stars and above exhibit the most compelling statistical properties. (What is a star rating?)



Source: Toggle

CAN SMART MACHINES HELP ACTIVE INVESTORS/TRADERS?



Where in the investment process can machines add most value

- Idea generation (“What assets best reflect my thesis?”)
- Hypothesis testing (“Is my hunch/instinct correct?”)
- Asset due diligence (“What am I missing?”)
- Portfolio risk management (“Do I really want to sell here? Should I get out?”)

IDEA GENERATION



Machine-generated ideas can connect a view to specific assets that best reflect it

Popular Insights

Bookmarked

POPULAR SCREENS

US Equity Benchmarks

Macro G7

Macro EM

Remove single names

STARS

5

6

7

8

DIRECTION

Bullish

Bearish

ASSET CLASS

Equities

Currencies

Commodities

Fixed Income

GEOGRAPHY

US

Canada

UK + Europe

All Insights

★ 5 Equity Yields

Communications

9432 - NIPPON TELEGRAPH's Equity Risk Premium on trailing EPS reached a recent high of 10.58, in the past this led to a increase in price

8h ago

BOOKMARK

SHARE



★ 5 Earnings Growth

Health Care

4568 - DAIICHI SANKYO's analyst expectations for EPS Forward Growth are low, in the past this led to a increase in price

8h ago

BOOKMARK

SHARE



★ 5 Momentum

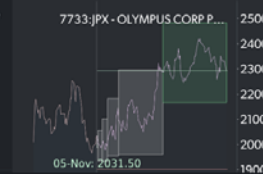
Health Care

7733 - OLYMPUS CORP momentum turned positive, in the past this led to a increase in price

8h ago

BOOKMARK

SHARE






Source: Toggle

Translating macro-environment into actionable ideas

ECONOMICS | News Wire Oct 21, 2020

Inflation ticks up but price pressures stay muted in Canada

Shelly Hagan, Bloomberg News   

Canada's annual inflation rate up in September, but retail sales data weighs

The soft inflation figures are the backdrop for stimulus the Bank of Canada has rolled out since the start of the pandemic, slashing its key policy rate to 0.25 per cent and snapping up government debt at an unprecedented rate.

Identifying beneficiaries of sector rotation, undervalued or lagging stocks

MAD MONEY

Jim Cramer breaks down Monday's rotation: 'Value has lagged'

The Tell

Investors need to brace for a 'violent rotation into' cyclicals, value stocks, says Lee

Last Updated: Nov. 10, 2020 at 1:07 p.m. ET

First Published: Nov. 10, 2020 at 10:32 a.m. ET

HYPOTHESIS TESTING



Machines can help you test your instincts against the data: is the economic environment bad for stocks?



Source: Toggle

HYPOTHESIS TESTING



Machines can help you test your instincts against the data: is weakening momentum a problem for the stock?



Source: Toggle

ASSET DUE DILIGENCE



Asset due diligence – where are the price pressures? – can be done instantly



Source: Toggle

The trickiest part often is assessing which assets will be impacted by the changing environment

TOGGLE MY FEED ANALYTICS PORTFOLIO

My Portfolio AAPL ALRS AMZN AUD.JPY BYND (Interacti... CNCR DIS EUR.USD EXPE GC NFLX OBLN PIMCO ACTIVE... SUI TGT

November 5, 2020

Latest market events impacting your positions

<p>USDJPY 104.71 ↓ <1%</p> <p>Sentiment ↓ ★ 2</p> <p>\$ - Sentiment is weak for a related economy, 54% of the time this led to a sideways move in USDJPY price (last: 105.47)</p>	<p>TGT:NYSE - Target 159.04 ↑ +4.67(+3.02%) 1% <small>as of 11:32 AM Eastern</small></p> <p>Sentiment ↓ ★ 1</p> <p>\$TGT - Sentiment is strong for a related economy, 57% of the time this led to a sideways move in Target price (last: n.a.)</p>	<p>DIS:NYSE - Disney 127.20 ↑ +7.05(+5.87%) 1% <small>as of 11:32 AM Eastern</small></p> <p>Momentum ↑ ★ 6</p> <p>DIS - Disney momentum turned positive, in the past this led to a increase in price</p>	<p>AUDJPY 73.90 ↑ 1%</p> <p>Economic Growth ↑ ★ 7</p> <p>- AUSTRALIA Citi Economic Surprise Index near highs, in the past this led to a increase in AUDJPY price</p>
<p>EURUSD 1.16 ↑ 1%</p> <p>Sentiment ↓ ★ 4</p> <p>\$ - Sentiment is strong for a related economy, 86% of the time this led to a decrease in EURUSD price (last: 1.17)</p>	<p>CNCR:NASD - LONCAR CANCER IMTH.ETF 15.81 ↓ <1%</p> <p>Key Price Level ↓ ★ 5</p> <p>CNCR - LONCAR CANCER IMTH.ETF is at a recent high of 29.67, 100% of the time this led to a decrease in price (last: 29.67)</p>	<p>Key Yield Level ↓ ★ 5</p> <p>\$DIS - Disney's yield is at a recent low of 0.81, 98% of the time this led to a decrease in price (last: 132.09)</p>	<p>WABC:NASD - Westamerica Bancorp 52.82 ↑ 1%</p> <p>Entry Point ↑ ★ 5</p> <p>\$WABC - Westamerica Bancorp is oversold, 82% of the time this led to a increase in price (last: 52.84)</p>
<p>SUN COMMUNITIES 0.02 ↑ <1%</p> <p>Momentum ↑ ★ 5</p> <p>\$SUI - SUN COMMUNITIES has strong negative momentum, 94% of the time this led to a increase in price (last: 140.90)</p>	<p>Technical Analysis ↓ ★ 5</p> <p>CNCR - LONCAR CANCER IMTH.ETF's 14D, 3D Stochastic KD spread just crossed below 0, 81% of the time this led to a decrease in price (last: 28.74)</p>	<p>Sentiment ↓ ★ 1</p> <p>\$DIS - Deteriorating sentiment for a related economy, 74% of the time this led to a sideways move in Disney price (last: 125.40)</p>	<p>Momentum ↑ ★ 8</p> <p>\$WABC - Westamerica Bancorp momentum turned negative, 82% of the time this led to a increase in price (last: 51.84)</p>

Source: Toggle

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