

**Rockefeller Treasury Services, Inc.**  
Daily Cumulative Track Record FUTURES  
**February 2017**

Any COLORED blocks denote corrections made after first publication of this track record.

**THESE RESULTS ARE HYPOTHETICAL. WE DID NOT EXECUTE THESE TRADES.**

Performance based on one CME futures contract per currency.

Percentage gain based on \$50,000 starting stake without compounding.

2007 Track Record	57,413.75	
2008 Track Record	207,640.75	
2009 Track Record	79,993.25	
2010 Track Record	96,785.00	
2011 Track Record	89,146.25	
2012 Track Record	16,683.75	
2013 Track Record	57,908.76	
2014 Track Record	17,889.95	
2015 Track Record	77,680.00	
2016 Track Record	111,319.45	
10-Year Cum. and Average %	812,460.91	162.49%

January 3,957.50

**See below for Rules.**

Rule 0 = Enter at open or regular re-entry

Rule 1 = Guerilla trade

Entry Date	Currency	Trade Direction	Entry Price	Rule	Exit Date	Exit Price	Points	P/L	Cumulative
01/31/17	Pound	Sell	12569	2	02/01/17	12619	50	312.50	-312.50
01/31/17	SF	Buy	10142	2	02/01/17	10106	36	450.00	-762.50
01/31/17	C\$	Buy	7701	2	02/01/17	7665	36	360.00	-1,122.50
01/31/17	Yen	Buy	8880	3	02/01/17	8840	40	500.00	-1,622.50
02/01/17	Pound	Sell	12629	0	02/01/17	12662	33	206.25	-1,828.75
02/01/17	Pound	Sell	12629	0	02/01/17	12662	33	206.25	-2,035.00
02/01/17	Euro	Buy	10810	1	02/01/17	10769	41	512.50	-2,547.50
02/01/17	Yen	Buy	8816	0	02/01/17	8854	38	475.00	-2,072.50
02/01/17	A\$	Buy	7570	1	02/02/17	7595	25	250.00	-1,822.50
02/01/17	C\$	Buy	7647	0	02/02/17	7668	21	210.00	-1,612.50
02/01/17	SF	Buy	10084	0	02/02/17	10127	43	537.50	-1,075.00
02/01/17	Euro	Buy	10810	3	02/02/17	10838	28	350.00	-725.00
02/02/17	Pound	Buy	12667	1	02/02/17	12616	51	318.75	-1,043.75
02/02/17	Yen	Buy	8838	1	02/02/17	8904	66	825.00	-218.75
02/02/17	A\$	Buy	7635	2	02/03/17	7651	16	160.00	-58.75
02/02/17	Pound	Sell	12536	4	02/03/17	12482	54	337.50	278.75
02/03/17	Euro	Sell	10778	0	02/03/17	10733	45	562.50	841.25
02/03/17	Yen	Sell	8871	0	02/03/17	8842	29	362.50	1,203.75
02/03/17	SF	Sell	10091	0	02/03/17	10056	35	437.50	1,641.25
02/03/17	C\$	Sell	7679	0	02/03/17	7652	27	270.00	1,911.25
02/03/17	A\$	Buy	7638	0	02/03/17	7680	42	420.00	2,331.25
02/06/17	Euro	Buy	10763	1	02/06/17	10721	42	525.00	1,806.25
02/06/17	A\$	Buy	7672	0	02/06/17	7639	33	330.00	1,476.25
02/06/17	Yen	Buy	8890	0	02/06/17	8932	42	525.00	2,001.25
02/06/17	SF	Sell	10098	0	02/06/17	10064	34	425.00	2,426.25
02/06/17	C\$	Buy	7676	1	02/06/17	7649	27	270.00	2,156.25
02/06/17	Pound	Sell	12481	0	02/07/17	12440	41	256.25	2,412.50
02/06/17	Euro	Buy	10763	3	02/07/17	10761	2	25.00	2,387.50

02/07/17	Pound	Sell	12400	2	02/07/17	12440	40	250.00	2,137.50
02/07/17	A\$	Sell	7652	0	02/07/17	7617	35	350.00	2,487.50
02/07/17	Yen	Sell	8948	1	02/07/17	8913	35	437.50	2,925.00
02/07/17	SF	Sell	10106	0	02/07/17	10067	39	487.50	3,412.50
02/07/17	C\$	Sell	7647	0	02/07/17	7611	36	360.00	3,772.50
02/07/17	Euro	Buy	10721	2	02/08/17	10672	49	612.50	3,160.00
02/07/17	Yen	Sell	8948	3	02/08/17	8901	47	587.50	3,747.50
02/07/17	SF	Sell	10027	2	02/08/17	10070	43	537.50	3,210.00
02/07/17	Pound	Buy	12520	4	02/09/17	12581	61	381.25	3,591.25
02/07/17	C\$	Sell	7571	2	02/09/17	7610	39	390.00	3,201.25
02/08/17	A\$	Sell	7620	1	02/09/17	7644	24	240.00	2,961.25
02/08/17	Yen	Buy	8948	3	02/09/17	8917	31	387.50	2,573.75
02/09/17	A\$	Sell	7652	0	02/09/17	7621	31	310.00	2,883.75
02/09/17	SF	Sell	10066	0	02/09/17	10029	37	462.50	3,346.25
02/09/17	Yen	Sell	8870	0	02/09/17	8836	34	425.00	3,771.25
02/09/17	Euro	Sell	10705	0	02/10/17	10653	52	650.00	4,421.25
02/09/17	C\$	Sell	7620	1	02/10/17	7634	14	140.00	4,281.25
02/10/17	Pound	Sell	12462	2	02/10/17	12505	43	268.75	4,012.50
02/10/17	A\$	Sell	7638	1	02/10/17	7666	28	280.00	3,732.50
02/10/17	Yen	Sell	8794	2	02/10/17	8834	40	500.00	3,232.50
02/10/17	SF	Sell	9959	2	02/10/17	9999	40	500.00	2,732.50
02/13/17	Pound	Sell	12508	1	02/13/17	12546	38	237.50	2,495.00
02/13/17	Euro	Sell	10658	1	02/13/17	10623	35	437.50	2,932.50
02/13/17	Yen	Buy	8806	0	02/13/17	8769	37	462.50	2,470.00
02/13/17	A\$	Buy	7656	1	02/13/17	7626	30	300.00	2,170.00
02/13/17	Pound	Sell	12508	3	02/14/17	12539	31	193.75	1,976.25
02/13/17	SF	Sell	9974	0	02/14/17	9951	23	287.50	2,263.75
02/13/17	C\$	Buy	7636	1	02/14/17	7653	17	170.00	2,433.75
02/13/17	Yen	Buy	8806	3	02/14/17	8788	18	225.00	2,208.75
02/14/17	Pound	Buy	12539	0	02/14/17	12499	40	250.00	1,958.75
02/14/17	Euro	Buy	10634	1	02/14/17	10590	44	550.00	1,408.75
02/14/17	A\$	Buy	7636	1	02/14/17	7674	38	380.00	1,788.75
02/14/17	Yen	Sell	8788	0	02/14/17	8753	35	437.50	2,226.25
02/14/17	SF	Sell	9957	0	02/15/17	9934	23	287.50	2,513.75
02/14/17	C\$	Buy	7646	1	02/15/17	7631	15	150.00	2,363.75
02/15/17	Euro	Sell	10589	0	02/15/17	10552	37	462.50	2,826.25
02/15/17	A\$	Sell	7666	0	02/15/17	7636	30	300.00	3,126.25
02/15/17	Yen	Sell	8754	0	02/15/17	8722	32	400.00	3,526.25
02/15/17	SF	Sell	9934	0	02/15/17	9904	30	375.00	3,901.25
02/15/17	Pound	Sell	12431	1	02/15/17	12471	40	250.00	3,651.25
02/15/17	C\$	Sell	7631	0	02/16/17	7648	17	170.00	3,481.25
02/16/17	Euro	Buy	10604	0	02/16/17	10641	37	462.50	3,943.75
02/16/17	Yen	Sell	8772	1	02/16/17	8812	40	500.00	3,443.75
02/16/17	SF	Buy	9953	0	02/16/17	9978	25	312.50	3,756.25
02/16/17	C\$	Buy	7688	2	02/17/17	7634	54	540.00	3,216.25
02/16/17	A\$	Buy	7706	0	02/17/17	7691	15	150.00	3,066.25
02/17/17	Pound	Sell	12414	1	02/20/17	12448	34	212.50	2,853.75
02/17/17	Pound	Sell	12488	0	02/21/17	12432	56	350.00	3,203.75
02/17/17	Euro	Buy	10681	2	02/21/17	10618	63	787.50	2,416.25
02/17/17	SF	Buy	10018	2	02/21/17	9963	55	687.50	1,728.75
02/17/17	Yen	Buy	8833	1	02/21/17	8860	27	337.50	2,066.25
02/20/17	A\$	Sell	7670	1	02/21/17	7670	0	0.00	2,066.25
02/21/17	Euro	Buy	10618	0	02/21/17	10591	27	337.50	1,728.75
02/21/17	A\$	Buy	7680	0	02/21/17	7654	26	260.00	1,468.75
02/21/17	SF	Buy	9948	0	02/21/17	9918	30	375.00	1,093.75
02/22/17	Euro	Sell	10564	0	02/22/17	10531	33	412.50	1,506.25

02/22/17	Yen	Sell	8800	0	02/22/17	8839	39	487.50	1,018.75
02/22/17	Yen	Sell	8800	3	02/22/17	8839	39	487.50	531.25
02/22/17	SF	Sell	9913	0	02/22/17	9892	21	262.50	793.75
02/22/17	C\$	Sell	7607	0	02/22/17	7583	24	240.00	1,033.75
02/22/17	Pound	Sell	12481	0	02/22/17	12417	64	400.00	1,433.75
02/22/17	A\$	Sell	7686	1	02/23/17	7667	19	190.00	1,623.75
02/23/17	Pound	Sell	12469	1	02/23/17	12519	50	312.50	1,311.25
02/23/17	Yen	Sell	8828	0	02/23/17	8864	36	450.00	861.25
02/23/17	SF	Sell	9901	0	02/23/17	9932	31	387.50	473.75
02/23/17	C\$	Sell	7611	1	02/23/17	7639	28	280.00	193.75
02/23/17	Euro	Sell	10563	0	02/24/17	10613	50	625.00	-431.25
02/24/17	A\$	Buy	7704	1	02/24/17	7674	30	300.00	-731.25
02/24/17	Yen	Buy	8875	0	02/24/17	8911	36	450.00	-281.25
02/24/17	SF	Buy	9939	0	02/24/17	9971	32	400.00	118.75
02/24/17	Pound	Buy	12530	1	02/24/17	12492	38	237.50	-118.75
02/24/17	C\$	Buy	7667	2	02/24/17	7627	40	400.00	-518.75
02/23/17	Euro	Sell	10563	3	02/27/17	10598	35	437.50	-956.25
02/27/17	Pound	Sell	12458	0	02/27/17	12410	48	300.00	-656.25
02/27/17	A\$	Buy	7657	1	02/27/17	7688	31	310.00	-346.25
02/27/17	Yen	Buy	8918	1	02/27/17	8883	35	437.50	-783.75
02/27/17	SF	Sell	9949	1	02/27/17	9921	28	350.00	-433.75
02/27/17	Euro	Sell	10614	0	02/28/17	10592	22	275.00	-158.75
02/28/17	Euro	Buy	10592	0	02/28/17	10634	42	525.00	366.25
02/28/17	Yen	Sell	8874	1	02/28/17	8906	32	400.00	-33.75
02/28/17	SF	Sell	9922	1	02/28/17	9949	27	337.50	-371.25
02/28/17	C\$	Sell	7584	0	02/28/17	7555	29	290.00	-81.25
								81.25	

#### Open Positions

02/28/17	Pound	Sell	12444	0
02/28/17	A\$	Sell	7686	1

#### Contingency "Footnote" Rules (Revised 01/30/17)

**Proportionality Rule:** *The recommendation to enter at the close obviously cannot be met.* It means enter at the next open. In spot, normally the close and open are only a few points apart. But, if the open is 15 points or more away from the close, apply the number of points in the stop and target to the actual open. This prevents stupid stops and wrong targets. A version of the proportionality rule is used in Rule 3 below.

Note that if the gap between close and open is 40 points or more and in the same direction as the Position Direction, you should apply Rule 2. If the move is 40 points or more in the opposite direction, you should do nothing unless it goes far enough to qualify for Rule 4.

#### 1. No Position Recommended (NPR).

NPR is not, technically, a Rule, or rather it's a rule that says "do not trade" except under special circumstances. NPR is a statement that uncertainty is unbearably high. NPR can appear in two places, the Recommended Entry column or the Position Direction column.

When NPR appears in the **Position Direction** column, it means not only that we can't find a positive expectancy, we are seriously unsure about direction. When we have NPR in the Position Direction column, we always have NPR in the Recommended Entry, too.

You might think that Rules 2 and 4 described below have big enough hurdle criteria to overcome this qualm, but in practice, there

are occasions when either or both Rules get activated and result in a net loss. If we see that coming, we judge the best tactic is to withdraw altogether. Notice that word “judgment.” This is indeed an instance of operator interference in the trading system, named “discretion,” something we disapprove of on the whole and to be used only sparingly.

When NPR appears in the Recommended Entry column only but there is still a long or short recommendation in the Position Direction box, it means do not enter any trades except Rule 2 or Rule 4 trades.

By definition, if we get the breakout during an NPR “stand-pat/do nothing” period, it should trigger a Rule 2 or a Rule 4. In other words, when a Contingency Rule is hit, it means conditions have changed and changed by a sufficient amount to restore confidence in our estimate of direction and trendedness.

Rule 2, for example, is triggered when the price moves 40 points past the last exit on the same day or the previous close. See below. In the case of an NPR on the end-of-day Monday report, we would still apply Rule 2 on a Tuesday--off the Monday close. The same thing holds for Rule 4, the reversal rule. If the price moves 80 points in the opposite direction of the last close, we want to participate in the move. **Note that if the Position Direction has changed, from Long to Short or vice versa, you would apply Rule 2 or Rule 4 to the new direction. A new direction is always marked in red.**

Notice that Rule 3, re-enter in same direction and at the same price after a loss, is not included in the NPR rules. Rule 3 is not eligible to override NPR because Rule 3 runs off the entry that was used in the last loss. By definition, the last loss occurred yesterday and is no longer relevant to today. Yesterday’s trading action is now a dead duck. **The only thing from yesterday that is relevant to today is the close.** We start each trading session anew. The previous entry, stop and target in Rule 3 are yesterday’s news. Today we have an updated Average True Range, a new standard error slope, new momentum readings, etc.. Starting anew with new data for today makes the system more **adaptive** to new conditions. And new conditions are coming along continuously.

### **Rule 2: Runaway Move**

Rule 2 is the most important of the rules and generates the most gains. Rule 2 states that if a move continues in the same direction by 40 points after taking profit or from the last close if the recommended guerilla entry is not hit, re-enter in same direction with a stop 40 points and target 60 points away from entry. You do not apply Rule 2 to a previous close if you have already hit the profit target—you apply it to the level of the last profitable exit. You can apply Rule 2 if it comes before a guerilla trade entry and in fact this is quite common.

A runaway move that triggers Rule 2 sometimes starts on a gap, i.e., a substantial difference between the close and the open. Gaps are a misery for trading rules, as we saw in the Swiss franc in January 2015 and the pound after Brexit. The gap must be respected.

If the gap between close and Recommended Entry is 40 points or more and in the same direction as the Recommended Direction, enter at the open as though you were applying Rule 2 (stop 40, target 60 points). IT IS, INDEED, A RUNAWAY MOVE and qualifies for Rule 2. It may seem that a gap or more than 40 points doesn’t offer enough room for a 60-point gain, the standard for the Rule 2 profit target, and this may be true, but fine-tuning the stop and target to the size of a gap would make trading too complicated. You are welcome to modify the Rule 2 stop and target to what you consider reasonable in the event of gaps.

Also, if the open is 80 points from the close and in the opposite direction, apply Rule 4 as usual.

What if the price moves in the opposite direction by 40 points or more but not the full 80 points that would trigger Rule 4? In this case we continue to respect the BUY/SELL advice in the Direction cell. Rule 2 or a proportionality trade is not applicable because the direction is wrong. We chose to not trade at all unless the price returns to the Recommended Entry, either the previous close or a guerilla level.

Whether on a gap or not, Rule 2 runaway trades can number two, or ten. During Brexit in June 2016, we probably had as many as twenty or more Rule 2 trades. We were unable to count them because the action was so fast that it would have been unfair (and taken days) to assume every Rule 2 was executable in the real world. An important point is that a series of Rule 2 trades almost always ends with a loss, except when the runaway trade carries over to the next day. Then we give a new stop and target that differs from the standard Rule 2 version.

### **Rule 3: Recovery Rule**

You placed a trade and hit the stop. Now the price has returned to the same level as your entry. If you were willing to buy or sell at that level a few hours ago, you should be willing to do it again. A return to your entry level is vindication that it was a good entry.

Re-enter at same level as the original entry if the price returns to it after a stop, using the same stop and target as originally instructed. But we need to adjust the stop or target if the old stop or target is a stupid number, either delivering the opposite outcome (e.g. loss on a target) or a small number of 15 points or less. This can happen when a position is already in place from the

outcome (e.g. loss on a target) of a small number of 15 points or less. This can happen when a position is already in place from the day before and the stop and target on the open order are designed to get an exit from the position and start over with a new entry. We could have, for example, a stop of 40 points and a target of 15 points, which is not the optimum set for a new trade. We always want the target to be a higher number of points than the stop.

Therefore, if the difference between entry and stop or target is negative or 15 points or less, adjust the stop to 38 points from entry and target to 44 points from entry.

***Do not take more than three losses on the same trade, i.e., the initial trade and two Rule 3's.***

#### **Rule 4: Reversal Rule**

If the price moves 80 points in the opposite direction of the Position Direction after a stop or target, or off the close if the new re-entry level is not hit, reverse direction with the stop at 44 points and target at 48 points. You should use Rule 4 off the close if there is an NPR in the Recommended Entry column. You may also chose to use it if there is NPR in the Position Direction column, too, although we don't do it and it does not appear in the hypothetical track record--but logically, after an 80-point move, clearly conditions have changed. The number of points to use in the Reversal Rule changes from time to time as ATR changes. It will always be noted in this commentary box.

#### **Combined Rules**

We sometimes get a situation where Rule 2 is triggered, sometimes several times, only to get a Rule 4 reversal off the last exit, whether a gain or a loss. We always take these trades as a matter of principle, even if we judge the latest signal is wrong. But be careful not to use any price from the day before to enter any Rule-based trade. You may have used that close to start a chain of Rule-based trades, but once you have a Rule-based entry, the previous close and also any entry in the Recommended Entry column, whether at the close or guerilla, are dead ducks. The first application on a Rule-based trade eliminates them as influencing any additional trades.

#### **CFTC REQUIRED RISK DISCLOSURE STATEMENT:**

NOTICE: "HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.