

The Aberration Futures Trading System

Trade Center, Inc.

What is Aberration

The **Aberration** trading system was developed in 1986 to trade a basket of commodities. It trades across all eight commodity groups: grains, meats, softs, metals, petroleum products, currencies, financials, and stock indices using the exact same rules and parameter values for each market group. The system trades each commodity approximately three to four times per year and is in each market about sixty percent of the time.

Who developed Aberration

The **Aberration** trading system was produced by Keith Fitschen of Trade System, Inc. Mr. Fitschen has been investigating commodity trading systems for the last 20 years. It started when he was in the Air Force splitting time between flying and engineering assignments. Since retiring from the Air Force, he has intensified his efforts. Mr. Fitschen has looked at many ways to trade commodities -- moving averages, stochastics, oscillators, momentum, cycles, neural nets, wavelets, patterns -- and has developed a lot of effective systems based on his research.

Expertise, your best investment.

Trade Center, Inc.

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Futures trading involves substantial risk and is not appropriate for all investors

What markets can be traded with Aberration

One of the keys to Aberration's success is its ability to be diverse. By trading 57 markets around the globe, Aberration does not depend on one market or even one sector to make a substantial move. Using markets as diverse as Nickel, traded on the London Metals Exchange, to Corn at the Chicago Board of Trade, most markets are applicable for Aberration.

Examples of markets include:

Kansas City Wheat	Live Cattle	Cotton	Coffee	Palladium
London Copper	Crude Oil	Dollar Index	T-Notes	Five-Year Notes
Euro-Currency	Euro-Bund	Sugar	Nikkei	Australian Bond

...and many more

What makes Aberration different from other trading systems

- **Diversification**— While some systems only trade the currencies, financials, or stock indices, Aberration trades all eight of the commodity groups. The exposure to all groups allows the potential for profits from the “moving” group to make up for losses in other groups. In the course of a year, based on hypothetical testing, one or more commodities in each group will make a big move. Aberration endeavors to pinpoint these.
- **It avoids curve fitting**—Curve-fit systems yield extraordinary performance in computer testing because the system rules and parameters have been “tweaked” to fit the data. The more rules and parameters in a system, the greater the danger of curve-fitting. The problem with curve-fit systems is that the real time performance doesn't match the back-tested performance. A clue to a curve-fit system is one that uses “unique” rules for each market, or different parameter value for each commodity it trades. **Aberration uses one equation and one entry and exit rule for all 57 commodities. The equation has only one parameter, and the same parameter value is used across all 57 commodities. Clearly, Aberration is not a curve-fit system.**
- **Works to keep transaction costs down**—One of the reasons traders lose money in futures is commissions and slippage. If you are buying and selling every day, for every commodity you have in your portfolio, the impact of your expenditures in commission and slippage (the difference between the price you intend to achieve and that which you were actually filled at) could be the difference between success and failure. Aberration trades each commodity approximately three to four times per year and is in each market only about sixty percent of the time. The intent is to wait until there is a higher probability of success as opposed to staying in the market and hope that success finds you.



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Does Aberration fit into your portfolio?

First and foremost, each investor must determine if futures trading is appropriate for them in light of their financial condition. Futures trading involves a substantial amount of risk. For those investors who are suited for futures trading, the Aberration system may offer many advantages. One key is that trading a system such as Aberration offers an investment tool which may be non-correlated to other traditional investments. While not a guarantee, it is likely that your stock portfolio is highly correlated, whereas individual stocks tend to rise and fall together. As Aberration trades both from the long and short side, it strives to be non-correlated to the movements of the stock market.

Flexibility is also an important consideration. The Aberration trading system offers a host of ways to be implemented in a portfolio for the savvy investor. Depending on your personal investing goals, various strategies can be implemented. From minimums as low as \$15,000 to \$1,000,000, employing more advanced money management and risk strategies, a Trade Center, Inc. licensed futures broker can help you understand the risk and rewards of the various portfolios.

Aberration can also be used in concert with other trading systems. For those employing stock index trading systems such as Keith Fitschen's I-Master Index Futures Trading System, Aberration may be a good compliment to the shorter term strategies used by I-Master. The key to any investment portfolio is diversification, and the blend of the shorter term, index trading system such as I-Master with a longer term, trend following system may be the solution you are looking for.

System Performance

For updates every quarter, you are invited to get a free copy *SystemTrac*, a comprehensive report on Aberration, as well as other publicly available futures trading systems. On a hypothetical basis, you will be able to view the performance, drawdown, and related statistics, side by side.

You can: Download a **free** *SystemTrac* at www.tradecenterinc.com/systrac.htm

 Call Trade Center, Inc. direct for a **free report** at 800.894.8194 or 949.643.7100

 Call Keith Fitschen direct at 800.372.3942

We're on the web!
www.tradecenterinc.com



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How much does it cost to buy Aberration

The trading system can be purchased for \$1,995. Clients who already own one of Mr. Fitschen's other trading systems such as I-Master or Aztec will enjoy a reduced price of only \$1,795. Convenient payment plans are available.

What do you get when you buy Aberration

With each Aberration purchase, you will receive the following:

- A manual which details the rules of the system, and discusses the rationale behind each system component.
- A standalone, Windows based program which allows you to not only generate the trade signals, but do historical back-testing as well.
- Integrated portfolio back-testing with a suite of Mr. Fitschen's trading systems. You will be able to test portfolio concepts and ideas using I-Master, Aztec, and Aberration.
- Open TradeStation code that will work on both the TS 4.0 and TS2000i platforms.
- Full technical support.
- Price database of 57 commodities

How can Trade Center, Inc. help

Guidance The staff at Trade Center, Inc. is experienced, qualified, and trained to provide you with the services necessary to navigate through the trading system waters. First, we determine what your objectives are. We work with you to determine what risk levels you are comfortable with, and what are your objectives.

Service—A Turn Key Solution Once your plan has been established and the system purchased from the developer, simply open and fund your account with Trade Center, Inc. Your broker will execute the trading system exactly according to the specifications, just as if you were doing it from your computer. You can monitor the progress of both the system and your account on a live basis via the Internet. Thus, you have a team of professionals working for you, executing your investment plans, 24 hours a day.

WE LISTEN *As ours is a service business, we work for you. We supply you with as much professional information and research as possible. Our job is to listen to your experiences, goals, ideas, and plans; then assist you in achieving what you set out to do. We do not "sell systems," or direct clients to systems the house has created. We seek to have no conflicts of interest. **Our interest is our clients.***



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