

You have an outrageous idea.  
You believe that technology can  
help you win the investing game.  
You've come to the right place.  
Join the algo revolution.

# ABOUT ZOMMA

Harry Long is the inventor of Hedged Contango Capture and Hedged Convexity Capture and is the Managing Partner of Zomma, an innovative algo creator which specializes in predicting moves in the Brent/WTI spread.

Mr. Long is a globally recognized expert on the research and development of quantitative investment strategies. The Zomma IP portfolio of strategy indices is sought after by asset management firms, investment banks, hedge funds, principal trading organizations, index providers, ETP sponsors, and private equity firms to help them develop and deploy active manager-crushing quantitative investment strategies.

Zomma helps global institutions create long term value by replacing emotional decision making with cutting-edge technology based upon objective evidence.

Mr. Long is a graduate of Rice University with a B.A. in Economics.

[www.OilAlgos.com](http://www.OilAlgos.com)

Zomma's technology has been used by:

- Macquarie
- Cargill
- Castleton Commodities

Zomma specializes in algorithmic methods which separate signal from noise. Increasingly, machine learning methods underpinned by the most advanced applied mathematics are proving their value in an increasingly brutal competitive landscape.

Forward looking firms have embraced these methods in their search for a technological edge over their competitors.

Zomma believes that the industry is moving away from databases which merely provide information and analytics, and instead, is moving towards technologies which provide complete solutions—when to buy and when to sell.

2020 and 2021 have been spectacular years for the Zomma Double Bell Curve Flat Price WTI Algorithm. The algo's focus on separating predictive signals from noisy price data has been richly rewarded and proven robust in an environment which has combined sideways motion and the sheer exhilaration of massive, record-setting price moves.

Zomma's algorithms can create a strong algorithmic capability for firms and can trade a variety of energy futures directionally, all major spreads, precious metals, including stocks and bonds.

Firms which gain access to Zomma's algorithms have a complete solution right out of the box which has already been embraced by large trading firms.

This dramatically reduces the business risk for firms which are often faced with the daunting and expensive task of hiring teams of data scientists and programmers, funding an expensive multi-year development process, then hoping for a result.

Zomma offers a proven, robust turn-key solution which allows firms to enjoy the upside of an algorithmic solution without the time, heartache, and massive expense of internal development and the associated business and career risks.

The Zomma Double Bell Curve WTI algorithm generates directional signals for WTI. The algorithm can be long, short, or in cash. It is Zomma's most robust algorithm for energy trading.

The algorithm uses powerful statistical methods to separate signal from noise.

First, it gathers hourly price data. Second, it creates short term and long term bell curves of this price data. Third, when both short term and long term prices are at the tail end of both bell curves, the algorithm creates predictive signals.

Imagine a metaphor of a class of 10 year old children. Most children, by definition, are close to the average height for 10 year olds. This is statistical noise. However, imagine a class of 10 year olds which has three 7 foot tall children. This might signal that there is something special in the food, or genetics, that might predict a further increase in the average height of 10 year olds in the class (the metaphor would be rising prices).

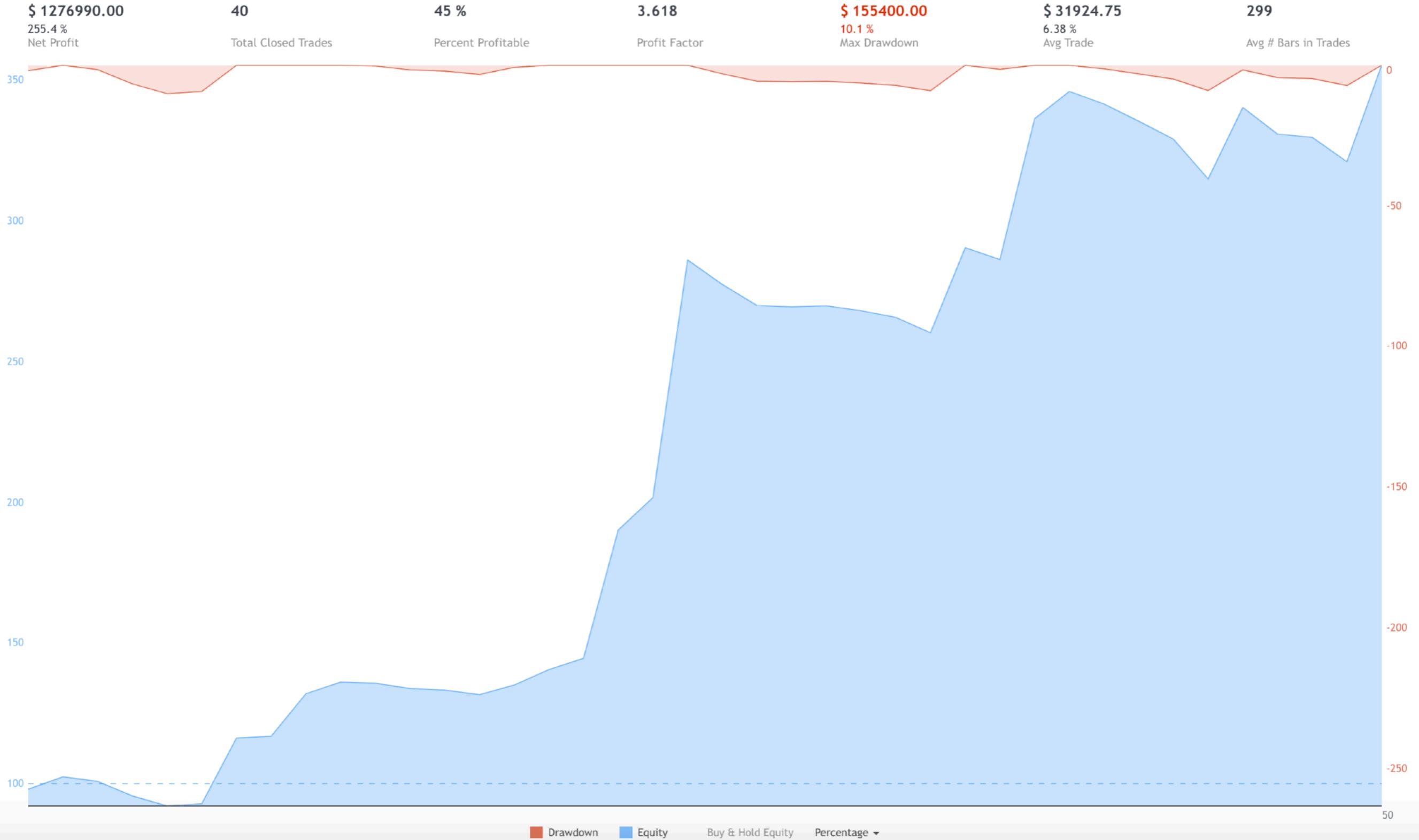
Similarly, imagine that a class of 10 year olds has three 2 foot tall children. This might signal that there is something special in the food, or genetics, that might predict a further decrease in the average height of 10 year olds in the class (the metaphor would be falling prices).

Most importantly, the focus on the tails of multiple bell curves which must agree (like a Venn diagram) in both the short term and long term is both empirically advantageous and is in accordance with the latest academic research, which shows that bell curves of price data in financial markets are fat-tailed.

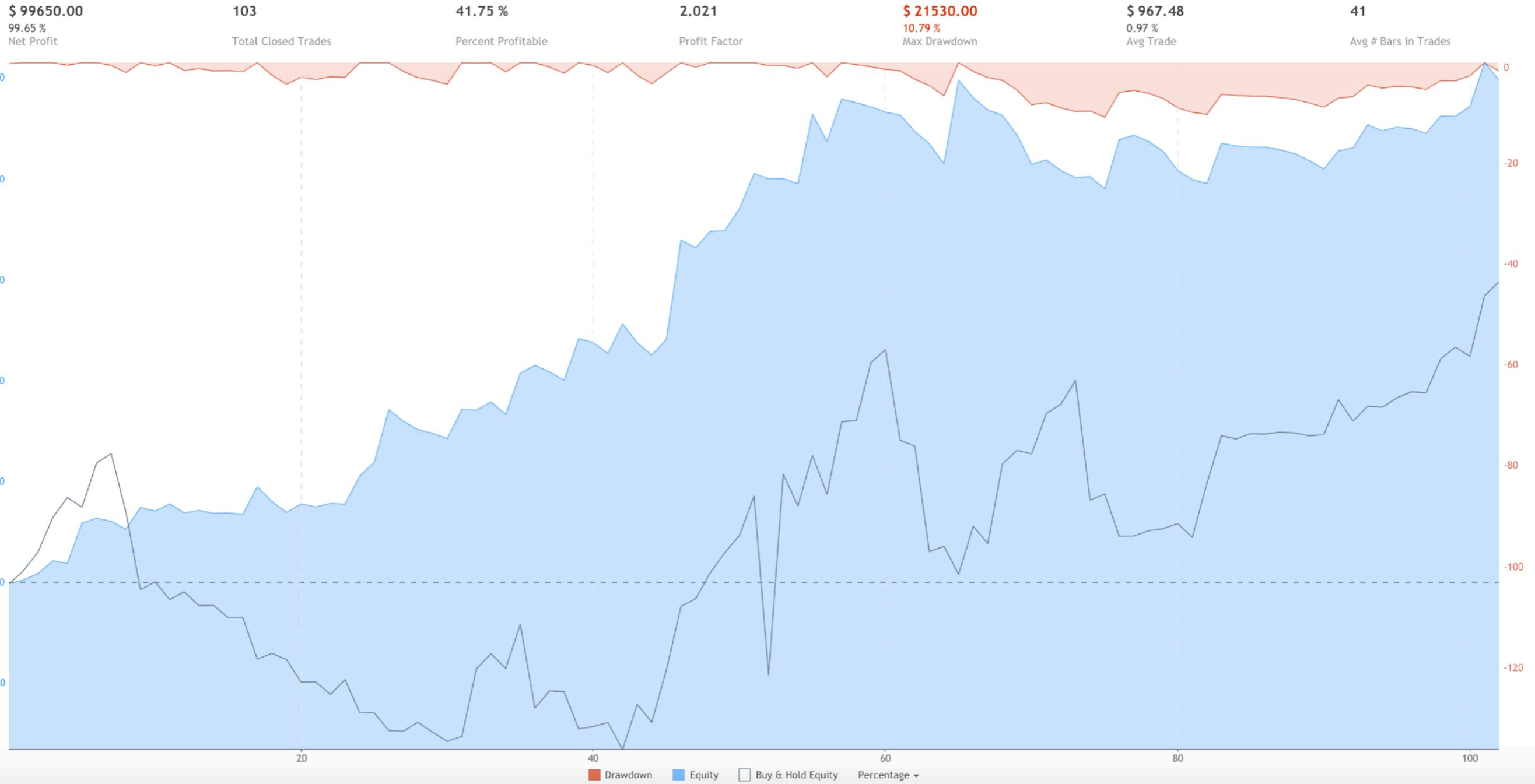
Therefore, the algorithm does not get chopped to death in a sideways market the way humans do, but instead only seeks to directionally enter when both the short term and long term bell curves of prices are fat tailed in the same direction. If either bell curve disagrees, the algo remains or moves to cash. In effect, the algorithm is trend following the fat tails of the bell curves as they become fatter.

This gives the algorithm an extreme advantage over human traders, who find this sort of continuous, precision, data capture and processing to be largely impossible in their heads without the aid of large amounts of computing power.

# Zomma Double Bell Curve Flat Price WTI Algo Backtest March 28th 2018 to November 4th 2021

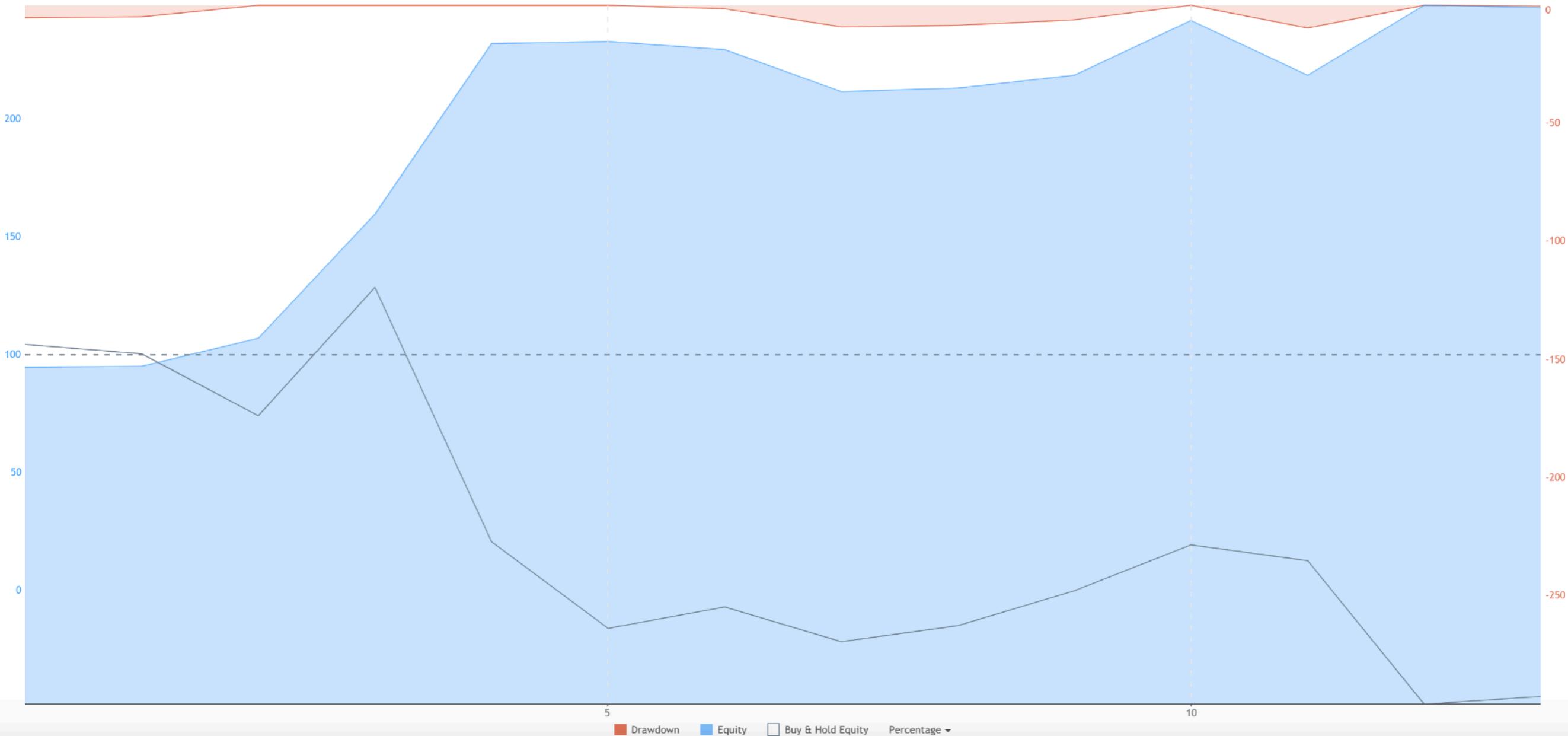


# Zomma Flat Price Nat Gas Algo Backtest August 30th 2019 to June 29th 2021



# Zomma Rbob to Heat Algo Backtest October 10th 2019 to June 29th 2021

**\$ 147117.60**      **14**      **64.29 %**      **3.902**      **\$ 23247.00**      **\$ 10508.40**      **191**  
 147.12 %      Total Closed Trades      Percent Profitable      Profit Factor      9.62 %      10.51 %      Avg # Bars in Trades  
 Net Profit                          Max Drawdown      Avg Trade



■ Drawdown    ■ Equity     Buy & Hold Equity    Percentage ▾

# Zomma Rbob Flat Price Algo Backtest February 26th 2018 to July 2nd 2021



# Zomma Grayscale Bitcoin Trust Algo Backtest March 7th 2017 to June 29th 2021

**\$ 6517533.84**  
1303.51 %  
Net Profit

**6**  
Total Closed Trades

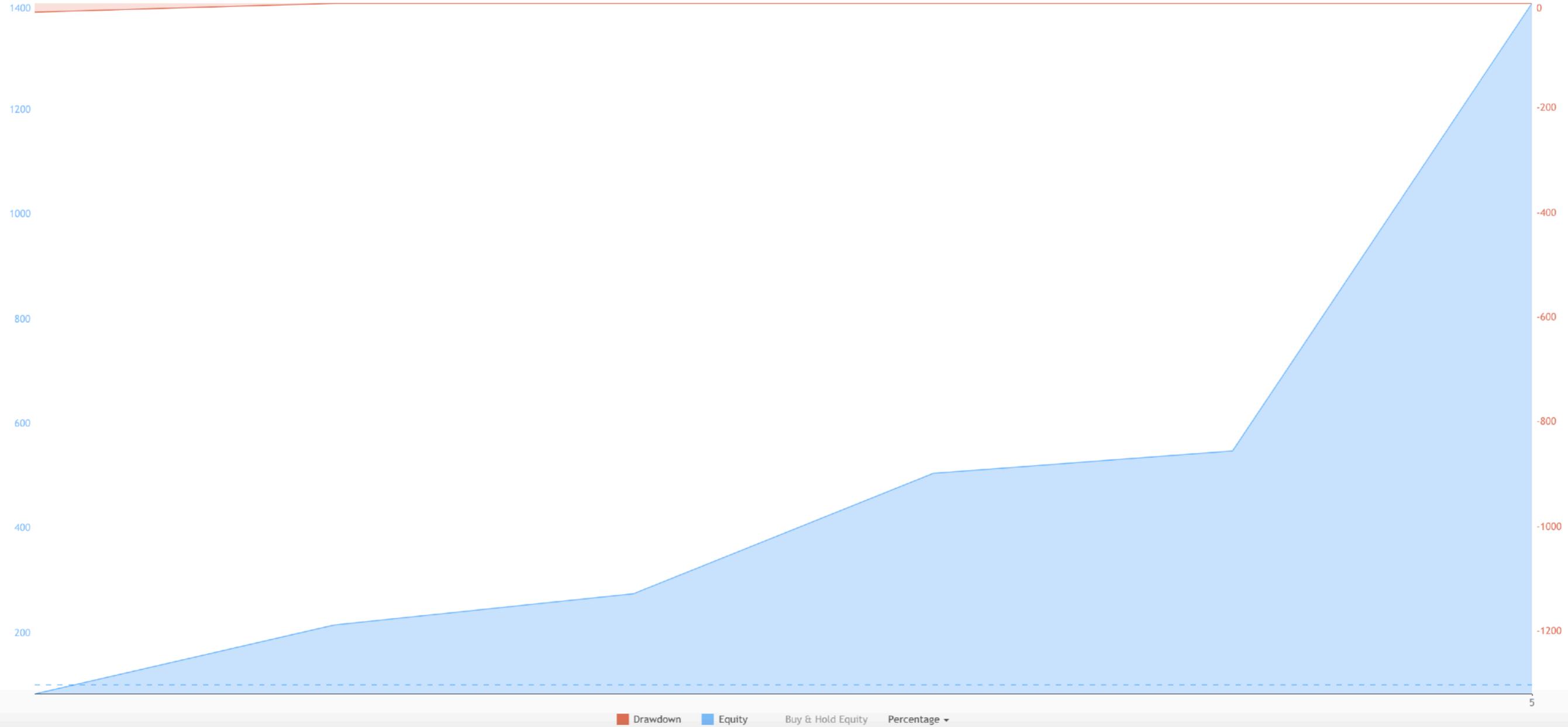
**83.33 %**  
Percent Profitable

**78.805**  
Profit Factor

**\$ 83767.56**  
16.75 %  
Max Drawdown

**\$ 1086255.64**  
217.25 %  
Avg Trade

**398**  
Avg # Bars in Trades



# Use Of Hypothetical Results

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 of 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 which can adversely affect trading results.