

FastBreak – 2025 Year in Review

We completed our 29th year since the initial release of FastBreak in 1996. Before we get to a yearly review, along with the performance metrics of a few sample FastBreak strategies, we want to take care of housekeeping issues.

Housekeeping Issues

FastBreak/FastGraph Updates

There are no updates to any of our software products in 2025. The last updates were in 2023. See the 2023 commentary or the release notes on the upgrade page.

It is quite easy to upgrade. You can find all the updates on our website: <https://www.edge-ware.com/upgrade.htm>. Download the zipped file to the directory where you have your application installed (typically ftbreak, fbreakp, fgraph). **Note: Some antivirus software may make it difficult for you to download and run the new versions. Contact us if you run into difficulties.** Click on the zipped file to extract the exe (ftbreak.exe, ftbreakp.exe, ftgraph.exe). This will become the executable you need to run so you will probably want to change all your shortcuts to run this version. You can either put a shortcut on your desktop, start button etc. Different versions of Windows have various ways of creating shortcuts. Typically, you will right click on the exe and select: Pin to Start, Create Shortcut etc.

The vast majority of our technical support requests continue to be related to reinstallation on new computers so check our “installation help guide” that should address the vast majority of issues: <http://www.edge-ware.com/FastBreak%20Installation.pdf>

Published Articles and Research Papers We had another article published in *Technical Analysis of Stocks & Commodities* magazine (Traders.com). The December, 2025 issue includes our article *Trading the NDX Using A Hedged, Variable-Leverage Mean-Reversion Strategy*. The article came about because of our work using FastBreak Pro to develop hedge strategies. The hedge strategy has proven successful and we used it to trade leveraged NDX funds – however, the last half of 2025 proved challenging for the hedging strategies. See later in the commentary. The original work was with S&P Index funds, but the NDX funds tend to outperform. If you want to understand the variable leverage aspect, you can read the report we submitted to the NAAIM Founders Award contest. You can request a free copy at: <https://naaim.org/programs/find-a-whitepaper/> Look at the list of 2025 papers and request report 2025-00C

Windows 11® We finally bit the bullet and upgraded to Windows 11 on new computers. Because of advances in processor speed we are enjoying about a 2X improvement in FastBreak Pro optimization speed – which is quite nice. The new processors allow up to 24 copies of FastBreak Pro to be run simultaneously, but honestly, once you start working with more than about 10 copies keeping track of all your runs can be challenging.

Standard FastBreak Demo Available

The Standard FastBreak 30-day demo on our website is based on V6.2 of Standard FastBreak that contains most of the functionality of the latest release. There isn't a demo for FastBreak Pro, but all our user manuals are available at our website if you want to take a look.

Contact and other information

Our contact email address is [email2ew \(put @ here\) edge-ware.com](mailto:email2ew (put @ here) edge-ware.com) for all inquiries and tech support. We recommend you put the word "FastBreak" in the title of your emails so our spam blockers don't block your message.

Visit www.edge-ware.com for more information.

2025 Markets and Performance Review

All sample strategies can be downloaded from our website: <https://www.edge-ware.com/strategi.htm>

The first version of FastBreak, now called Standard FastBreak, was released in early 1996. Potential users of any investment software product should always ask the question "What is actual performance?" Soon after the initial release, we developed example trading systems that could be monitored for "real time" performance. We don't modify trading system parameters during the performance reporting period and report on the systems on a yearly basis. If you would like to review all reports since 1997 visit our web site www.edge-ware.com and go to the Strategies page. We tell you the good, bad, and sometimes ugly performance for some trading systems.

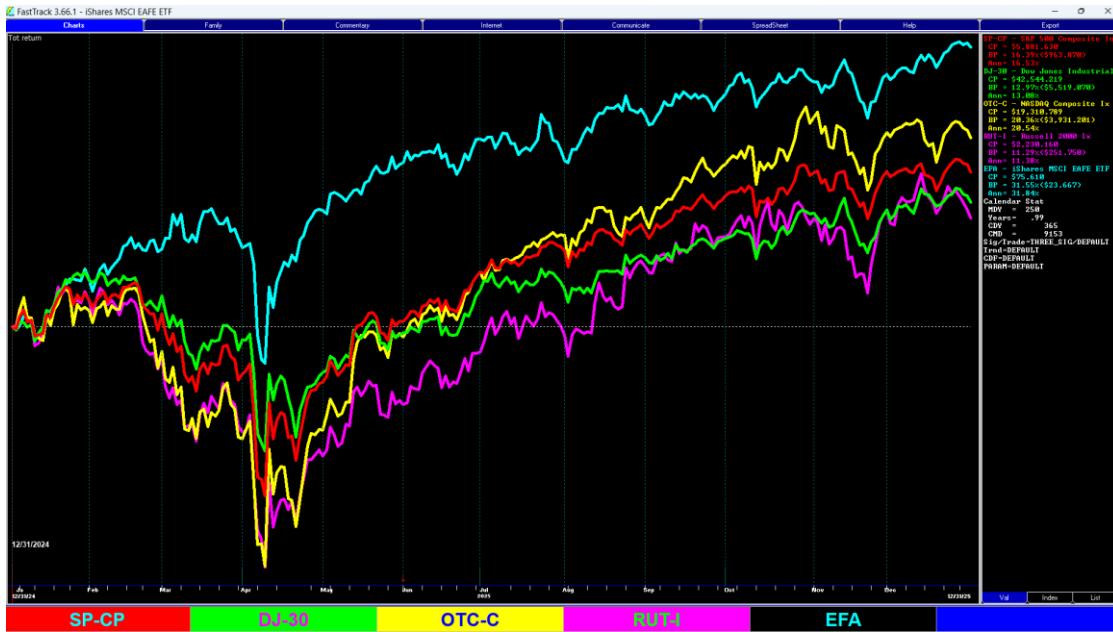
The example FastBreak trading systems on the Strategy page of our web site may provide users and potential users a starting point on the different types of trading systems that FastBreak can build. It also allows us to provide an honest benchmark for real time performance. Users of both Standard and Pro versions can download these systems. The Standard FastBreak 30-day demo (Note: The current demo is based on Version 6.2) that can be downloaded from the web site can also run most of these strategies but will not display the last 60 market days of trades. Some of these systems are several years old. We can now build better trading systems, but we keep these systems on our web site to show that many trading systems are effective for long periods of time.

Note: The example strategies should not be considered investment advice. We don't often post or change the example strategies on our web site because we believe investors' needs are very unique and users of our software should feel confident developing their own trading systems. Edge Ware, LLC assumes no responsibility for anyone trading these strategies. In addition, these systems are NOT rigorously maintained and with the demise of funds or symbol changes the systems may be affected. Also, some of the older strategies have been affected by the change in the RSI calculation in V6.8.4

Note 2: All maximum drawdown (MDD) values reported below are daily values. In the investment industry you will typically see reported MDD values that are monthly values. Monthly values are very often substantially less than daily values.

The US Stock Market – 2025 was again all about inflation and the Fed, but this year had the added wrinkle of tariffs that caused a major pullback in March and April. Overall, it was an excellent year if you were in the large cap indexes (S&P or NDX) or the right handful of individual stocks – some variation of the MAG 7. Small caps had some tremendous rallies early in the year but significantly underperformed large caps and the volatility makes staying with a trend difficult. More about this later.

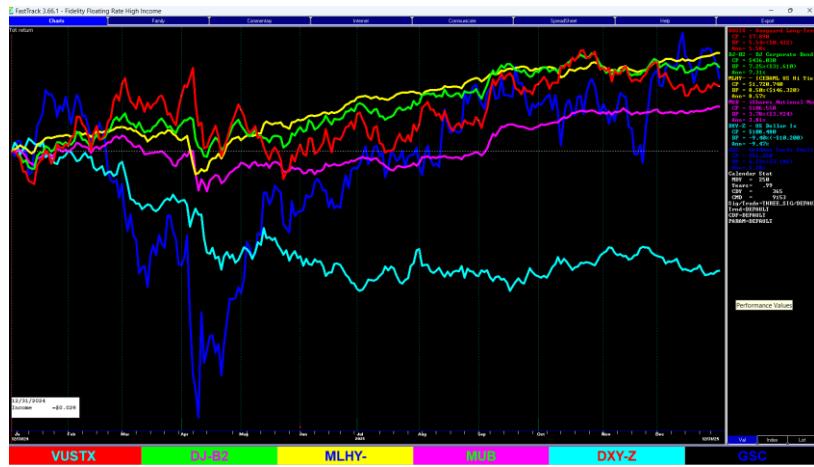
World Markets - Major world markets, as measured by EFA (MSCI EAFE ETF), had a great year doing significantly better than the US markets.



In what has become a monotonous story in recent years, except for 2022, the capitalization weighted averages have been driven in large part by a handful of mega-cap stocks. FastTrack allows us to take a quick look at this by comparing the S&P (SP-CP 16.4%) with the S&P equal weight (SP-EW 9.4%). The market started to broaden out in early November as some of the high flier started to lose some momentum. And I'm sure that most investors know that perhaps 10 stocks are responsible for some 80% of the overall market gains.



Bonds, US Dollar and Commodities As rates go up, bonds go down, and the US dollar typically strengthens – but that didn't happen in 2025. The Dollar (DXY-Z) actually declined significantly in 2025 even with steady and sometimes increasing rates. Much of this was due to Government deficits and the fear of future inflation. Commodities were all over the place, but honestly, not all commodities moved together. For example, oil was quite weak but base metals and other commodities were strong.



The following table summarizes the various indexes and categories. We also included the popular 60/40 stock/bond investment (using VBINX). And good old cash had its best year in decades.

Summary of Common Benchmarks for 2025

	Total Return %	MDD%
S&P 500 (SP-CP)	16.53	-18.9
DJ-30 (DJ-30)	13.08	-16.12
OTC (OTC-C)	20.54	-23.87
Small Cap (RUT-I)	11.38	-24.04
World Markets (EFA)	31.84	-14.05
LT Treas. Bonds (VUSTX)	5.58	-8.77
DJ Bond Index (DJ-B2)	7.31	-3.54
High Yield (MLHY-)	8.57	-3.83
Muni Bonds (MUB)	3.81	-4.49
Dollar Index (DXY-Z)	-9.47	-11.85
Commodities (GSG)	5.97	-13.38
60 stock/40 bond (VBINX)	13.57	-11.59
Cash (VMFXX)	4.25	0

Two measures of investment returns for professional managers:

https://www.barclayhedge.com/	Return%
Managed Futures Funds (CTAs)	2.47
Hedge Funds	12.15

Clearly, stocks, specifically international and US large cap stocks, were the place to be. High yield did well in the bond arena, but it should be noted, very few high yield funds actually perform as well as the MLHY index. Hedge funds, on average, had a decent year. CTAs again struggled. Of course, there are hedge funds and CTAs that had an outstanding year, but we are only reporting averages. A large number of funds continue to close so “survivor bias” may make the above numbers look even better than actual performance due to poorly performing funds closing and not included in the above numbers.

How did the FastBreak strategies posted on our web site perform? We didn't add any new strategies to the website. We will try to add some new ideas in the coming years. ***Note: The date in the table below indicates when the system was posted on our web site. In many cases the system was trading real-time well before posting.***

FastBreak Strategy	System	MDD%
Bond system (3/2001)	3.66	-5.93
Bonds LT Gov and HY (12/2002)	5.68	-2.74
Muni Bond (2/2010)	5.05	-2.41
ETF Style (1/12/2024)	20.89	-9.23
TASC ETF Hedging VFINX (50%/50%) (1/2/2021)	1.37	-12.59
Fidelity Income Strategy (req. V6.8) (11/29/2023)	11.75	-1.94
Updated (+commodity fund) Rydex Hedge with S&P	-0.01	-11.72

Bond systems – The three bond strategies did just Okay. Nothing to brag about, but no disasters.

Income Strategy – We are again thrilled with the Fidelity Income strategy. The February, 2024 TASC magazine article is a description of a similar strategy. The trading family is made up of a variety of Fidelity bond funds and a low volatility preferred stock ETF (FPE). This strategy holds funds for a minimum of 30 days – to avoid breaking Fidelity short term trading rules. This has become our favorite low volatility/income strategy with a very low MDD. We call this an income strategy, but look at the relative performance compared to the S&P. Yes, it has underperformed the S&P for the last decade, but with much lower volatility and MDD.



ETF Style Two years we explained that we were unhappy with our style strategies. After investigating, we determined the problem was the small cap funds in the trading family. Small caps tend to be very volatile and lead to whipsaws. Rather than simply deleting small caps from the trading family – which would have perhaps been a smart move, we took another approach and used Sharpe Ratio Ranking to buy funds with a better risk adjusted return. This year the strategy did very well. Fingers crossed going forward.

Hedging strategies – Finally, we get to the ugly. After picking on the CTAs for a number of years, this was a little hummiating. If you have read our commentaries the past few years, you know we have been worried about the end of the great bond bull, and we put a good deal of effort into hedging strategies. Our benchmark is the 60/40 stock/bond balanced strategy – which has done very well for decades, but, as anticipated, had its worst year ever in 2022 with rising rates and declining equities.

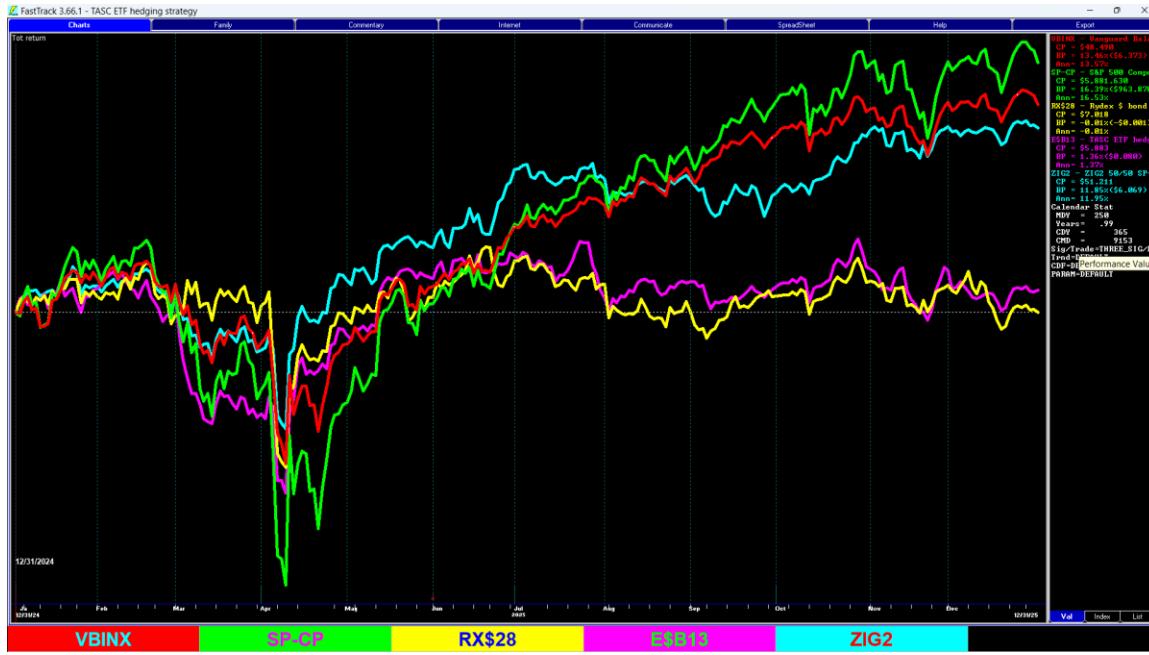
The original Rydex hedging strategy was the subject of our 2019 National Associate of Active Investment Managers (NAAIM) paper. The paper is titled *Hedging the S&P 500 Index: ZIG when the Market Zags* and can be downloaded from our website:

https://www.edge-ware.com/ZIG_Hedging%20the%20S&P%20500%20Index.pdf We posted the Rydex hedging strategy on our website in 2017, and updated it in 2022 and added the Rydex commodity fund.

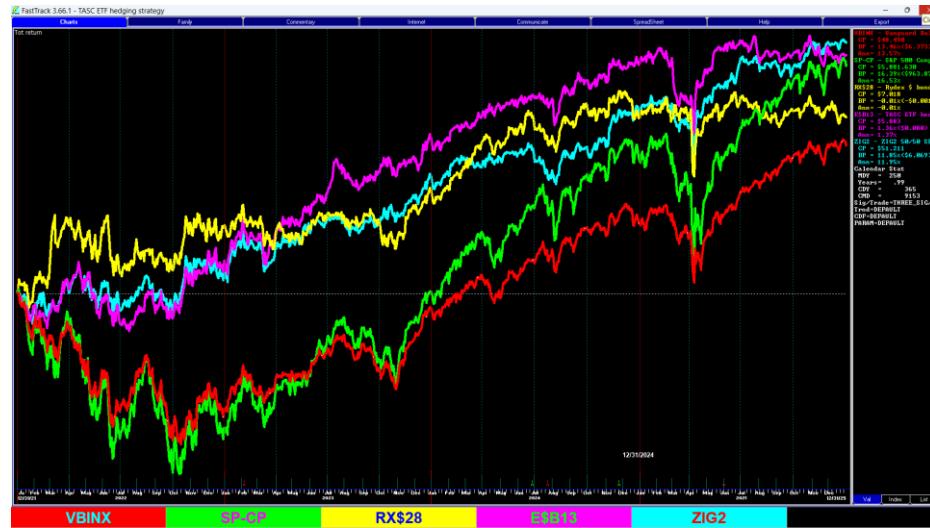
In the December, 2020 issue of *Technical Analysis of Stocks & Commodities* magazine (www.traders.com) we created a similar hedging strategy using ETFs rather than Rydex funds.

After a some really good years, 2025 was quite bad for both the modified Rydex and the ETF versions of our hedging strategies. Actually, the first half of 2025 the strategies were doing quite well and mitigated the Feb-April drawdown while matching the S&P return until mid-June. But then over about ten weeks, beginning in late June, the hedging strategies were whipsawed into a significant decline offsetting the very good return of the S&P during that period. Below we compare a 60/40 fund (VBINX), the S&P 500 index (SP-CP), the modified Rydex strategy (RX\$28 that includes the

commodity fund), the ETF version (E\$B13 – published in TASC), the original Rydex strategy (ZIG2 without the commodity fund that was published in the 2021 NAAIM paper).



Clearly, the original Rydex hedging strategy did much better (12% gain and -9.4% MDD) than either the modified Rydex strategy or the TASC ETF version; however, six months of poor performance doesn't negate what has been a winning strategy; however, it bears watching. Here are the past four years.



We have experimented over the past couple of years using a combination of three variations of the Rydex hedging strategies, looking for additional low correlation, rather than putting all the hedging into a one strategy. Having said that, our results have been better than the above, but 2025 was unlike most years when it comes to trading long/short bond and dollar index funds.

Note: We provide these strategies for informational purposes only.

Summary

We were very happy with the Income and ETF Style strategies. The bond strategies were nothing to write home about, but then, they didn't have much to work with in a choppy bond market. Again, after several good years our hedge strategies had a poor middle of the year wiping out a good first half. Best wishes for the New Year.

What is FastBreak and Who needs FastBreak

Unlike other trading methods, the FastBreak "mechanical" trading strategies gives specific buy and sell recommendations. Mechanical trading systems leave no room for historic "revision". These types of trading systems may not be for everyone, but we believe they should be considered if you recognize yourself in the following:

- Do you have trouble "pulling the trigger" on trades, e.g., selling your losers, taking profits on your winners, waiting for a bounce to get out of a bad trade ...?
- Do you have a limited amount of time to devote to your investments? If you are a full time investor, or enjoy sitting in front of CNBC and your computer all day, you may be able to do better with other investment methods. However, if you have limited time (or better things to do with your time!) a few minutes an evening is all you need to download your FastTrack data and run your FastBreak strategies.
- We have stopped reporting on some of the older FastBreak systems for a variety of reasons: Many of the mutual funds used in these old trading system families have since been discontinued, the market timing signals (unrelated to FastBreak) used did not stand the test of time, and we can build much more effective strategies with the functionality added to FastBreak in recent years. We felt that those systems don't accurately reflect the performance that FastBreak can produce.

Standard Disclaimer

As the saying goes, "Past performance is not a guarantee of future results."

Ordering information - PLEASE READ CAREFULLY

Standard FastBreak

- New user purchase: \$499
- Current user upgrade: \$199 (If you have purchased ANY previous version of Standard FastBreak – even if it was 20 years ago!)
- Save up to \$125 on FastGraph (see commentary 8163) when purchased with Standard FastBreak: add \$125

FastBreak Pro

- New user purchase: \$1900
- Current user upgrade: \$400 (If you have purchased ANY previous version of FastBreak Pro even if it was Version 1 back in 2000!)
- If you purchase Standard FastBreak and later decide to purchase FastBreak Pro within 60 days, we will credit your full purchase price toward the FastBreak Pro purchase.
- Save up to \$125 on FastGraph when purchased with FastBreak Pro: add \$125

FastGraph

- New user purchase: \$250

If you have any questions contact us at [email2ew \(put @ here\) edge-ware.com](mailto:email2ew (put @ here) edge-ware.com)

When ordering include:

- 1) New user or Upgrade
- 2) FastTrack account number (not your password)

Order by check or money order, send check to:

Edge Ware, LLC
188 Huck Lane
Vincent, OH 45784

All orders receive an installation CD (if you prefer a USB drive let us know) and hardcopy manuals. New users will also receive a 60-minute DVD. The video is to help you get started faster with the basic functionality of Standard FastBreak and FastGraph. Although the DVD doesn't cover FastBreak Pro it will help you with general functionality in FastBreak Pro.

FastBreak **IS NOT** offered with a money back guarantee. If you are not sure FastBreak is for you, we recommend going to our web site (www.edge-ware.com) and download the user manuals and 30-day Standard FastBreak demo program. You can also download the sample trading system from our web site and run them in the demo.

Compatibility with Windows®

We get inquires asking if FastBreak is compatible with the latest versions of Windows® and is it compatible with Apple OS. If you read the guidelines at this link you shouldn't have any installation or reinstallation problems: <http://www.edge-ware.com/FastBreak%20Installation.pdf> As for Apple OS, we are aware of users running FastBreak on Apple OS, but we have no direct experience.

If you have additional questions we can be contacted at [email2ew \(put @ here\) edge-ware.com](mailto:email2ew (put @ here) edge-ware.com) **DO NOT CALL INVESTORS FASTTRACK for information or problems. We have a great relationship with them, but they are not responsible for our software.**