CERTIFICATE OF BACKTEST

NorthTape Box

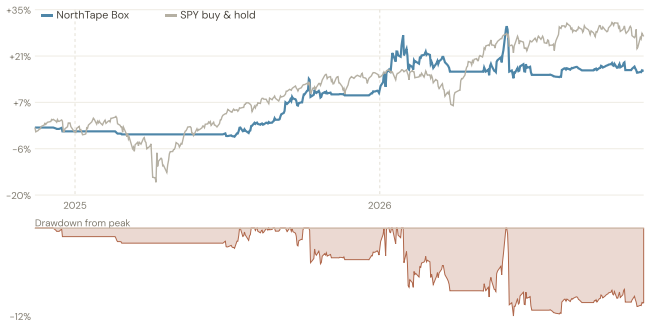
DARVAS BOX BREAKOUT ALGORITHM

Nasdaq-100 + 20 growth leaders · daily, scans every close

+17.0%	+8.2%	-11.9%	0.67	64	35.9%	1.80	17%
Total return	Per year (CAGR)	Max drawdown	Sharpe (daily)	Trades	Win rate	Profit factor	Time invested

Average winner +15.0% per trade, average loser -4.7%. Winners are fewer than losers by design: the stop is tight and there is no profit target. Average hold 12 sessions. 1 position was still open at the end and is counted in the equity curve but not in the trade stats.

Equity curve and drawdown



Year by year

CALENDAR YEAR	STRATEGY	SPY BUY & HOLD
2024 (from Nov 15)	-1.1%	-1.2%
2025	+11.6%	+16.4%
2026 (to Nov 13)	+6.1%	+10.6%

What the rules do

- Only trades when the market regime is healthy: SPY above its 200-day average and SPY volatility below its one-year median.
- Looks for a stock that made a 52-week high, then built a tight box with a confirmed top and floor.
- Buys the breakout above the box top only when breakout volume is at least 1.25× the 50-day average.
- Starts with a stop just under the box top, raises it under every new box floor, never lowers it, and has no profit target, so winners can run.

This is a summary. Exact thresholds and code ship with the product.

How it was tested

TEST PERIOD	2024-11-15 to 2026-11-13 (2 years, daily bars)
INSTRUMENTS	Nasdaq-100 + 20 growth leaders · daily, scans every close
DATA SOURCE	Massive daily adjusted OHLCV
EXECUTION	enter at the close of a volume-confirmed breakout day; exit at the close that is at or below the stop; 5 bps per side
COSTS	5 basis points (0.05%) per side on every buy and sell; no leverage; idle cash earns 0%
STARTING EQUITY	Indexed to 1.00 (shown as % growth); results do not depend on account size
BENCHMARK	SPY bought and held over the same window (Massive daily adjusted closes)

Hypothetical backtest. These results were produced by running fixed rules over past market data. They were not earned by a real account, and they are not a promise or guarantee of future results. Real trading adds slippage, gaps, partial fills, outages and behavior that a simulation does not capture, and losses can exceed what is shown. This certificate was generated by NorthTape from its own records; it has **not been audited or verified by any third party**. Nothing here is investment advice. See the risk disclosure.

Integrity receipt (SHA-256 of record.json with the sha256 and certificate_id fields removed, keys sorted, compact JSON): `835f81ac3fad7b46d2d8ecd0e7330296a44d900abd2b25f7f1875d714b288e8f`