

It's Not **HOW** You Trade. It's **WHAT**.

We ran the exact same trading rules on five different stocks. Nothing changed except **what** was being traded — and the results flipped from mostly losing to mostly winning.

5,130

strategy versions tested, one by one

5

stocks and funds, same rules on each

Oct 2024 – Oct 2026

fresh test period the rules had never seen

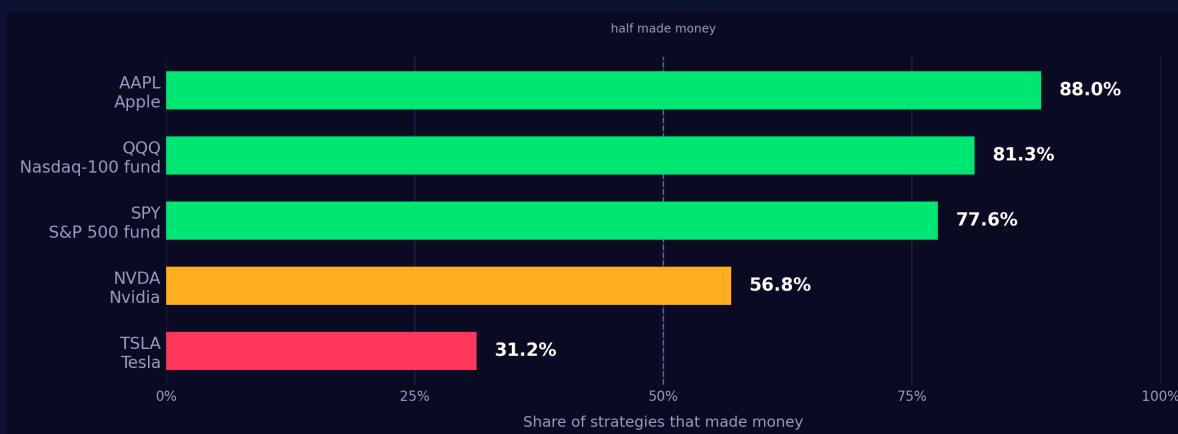
What we actually did, in plain words

A **backtest** means replaying history: you take a set of buy and sell rules, run them against old prices, and see whether they would have made or lost money. No real money moves. It is practice on the past.

A **strategy** is just those rules written down — for example, “buy when the price crosses above its recent average, sell when it falls below.” A **variant** is the same idea with one setting changed. We tested 5,130 variants.

Out-of-sample means the final test used a stretch of history the rules were *not* tuned on — in this case October 2024 to October 2026. It is the difference between an open-book practice quiz and a real exam. Results here come from the exam.

Same rules. **Opposite results.**



Share of the 5,130 strategy variants that finished in profit on each stock or fund, out-of-sample, October 2024 to October 2026. SPY tracks the S&P 500 (500 large US companies). QQQ tracks the Nasdaq-100 (100 large, mostly technology companies).

TSLA — 31.2%

On Tesla, fewer than 1 in 3 strategies made money. The same rules, losing most of the time.

AAPL — 88.0%

On Apple, almost 9 in 10 strategies made money. The same rules, winning most of the time.

Read the chart like this: pick any 100 strategies at random. On Apple, about 88 of them ended up ahead. On Tesla, only about 31 did. The rules did not change. The stock did.

Why Tesla broke them — and Apple forgave them

Stocks do not all move the same way. Some climb in long, smooth stretches. Others jump, drop back, and reverse without warning. That difference in *how a price moves* decided whether the same rule looked smart or broken.

Tesla: choppy

Choppy means the price zig-zags — up one week, down the next, with no steady direction. Timing rules kept getting **whipsawed**: pushed to buy after a rise, then sell after a drop, over and over. Each round trip cost a little. Added up, most strategies bled out.

Apple: smoother trends

A **trend** means the price keeps moving mostly one way for a while. Apple's moves were smoother, so the same signals arrived cleaner and less often. The rules were not better on Apple — Apple was easier for them to handle. It forgave their mistakes.

Nvidia landed in the middle at 56.8% — barely better than a coin flip. SPY (77.6%) and QQQ (81.3%) behaved more like Apple: funds holding many companies tend to move more smoothly than one headline-driven stock.

+60.2%

The twist: Tesla was not a bad stock. Simply buying Tesla and holding it — **buy-and-hold**, meaning you buy once and do nothing, no timing at all — returned +60.2% over the test period. That was the single best result in the entire study. The stock was fine. The strategies just could not handle how it moved.

Pick the battlefield, not just the weapon.

Most beginners shop for a strategy first. This study says the order is backwards. **What** you trade shaped the result more than **how** you traded it. A great rule on the wrong stock lost. An average rule on the right stock won.

Ask these three questions first

- 1 What am I trading?** One company, or a fund that holds many? One company can swing hard on a single headline.
- 2 How does it actually move?** Look at a year of its chart: smooth stretches, or sharp zig-zags?
- 3 Does my plan fit that movement?** A jumpy stock punishes jumpy rules. Match the plan to the stock — not the other way around.

The honest limits: this is one test, over one two-year window (October 2024 to October 2026), in a **bull market** — a period when prices rose overall, which makes most buy rules look better than usual. Treat the lesson as directional, not gospel: in a flat or falling market, the ranking could change. Past patterns do not promise future results.

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