

QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

November 24, 2008

Issue 195

Market Overview

Summary of Recent Active Studies (see <http://QuantifiableEdges.blogspot.com> or Letters from listed dates for details)

Study Date	Description	Time span	Bias	Avg Max Move	Avg MM + 1 Std Dev
November 24, 2008	Op-ex Friday Up > 1%	1-4 days	Bearish	-1.80%	-3.34%
November 24, 2008	50 Low High Vol then Up Hi Vol	1-3 days	Bullish	2.65%	5.10%
November 21, 2008	2 Days Down in Chop	1-2 days	Bullish	1.50%	3.20%
November 20, 2008	5% Drops	1-4 days	Bullish	5.28%	8.43%
November 20, 2008	Up Issues % 10ema < 30	1-5 days	Bullish	4.50%	7.78%
March 17, 2008	Consumer Sentiment Stretch	1-12 months	Bullish		

If the avg max move is achieved it will appear in **bold and brown**. If the avg + 1 std deviation is achieved, the study will in **bold italic blue** and will be removed tomorrow.

Short-term Outlook (1-5 days) –slightly bullish – updated 11/24

Readings reached **conditions that were incredibly stretched** Thursday afternoon and Friday morning. This led to a nice pop on Friday. All of the major indices closed up around 5%-6.5%. Breadth was strongly positive on the NYSE and Nasdaq. You'd expect it to be on a day with such strong gains. While strong I certainly wouldn't consider breadth extreme. Up volume led down volume by around 4:1 and up issues led down issues by close to 3:2. Total volume rose and came in at a very high level for the 2nd day in a row.

In July I looked at how the market performed based on the price gain the first day higher off a 100-day low. I found that generally the stronger the day 1 move, the better the chance of further gains. ([Click here to review that study.](#)) Friday's 6% gain in the S&P would certainly qualify as a good start.

Another potential bullish sign from Friday's action was the strong volume. You're typically better off seeing the reversal occur on strong volume. Below are some tests to demonstrate this.

First, let's look at what happens after a big volume selloff to a 50-day low occurs and the rebound comes with weaker volume:

Yesterday SPX closes at 50-day low on highest volume in 20 days. Today it closes higher on decreased volume.										
Buy SPX on close. Sell X days later. \$100k/trade. 1960-present.										
X days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
10	(\$39,467.29)	38	16	22	42.11	\$2,605.58	(\$3,688.93)	0.71	0.51	(\$1,038.61)
9	(\$39,437.82)	38	14	24	36.84	\$2,821.37	(\$3,289.04)	0.86	0.50	(\$1,037.84)
8	(\$17,551.05)	38	12	26	31.58	\$3,752.74	(\$2,407.08)	1.56	0.72	(\$461.87)
7	(\$11,028.45)	38	20	18	52.63	\$2,338.05	(\$3,210.53)	0.73	0.81	(\$290.22)
6	(\$16,260.57)	39	20	19	51.28	\$2,035.91	(\$2,998.88)	0.68	0.71	(\$416.94)
5	(\$19,851.96)	40	19	21	47.50	\$2,059.84	(\$2,809.00)	0.73	0.66	(\$496.30)
4	(\$31,711.49)	40	18	22	45.00	\$1,563.55	(\$2,720.70)	0.57	0.47	(\$792.79)
3	(\$34,885.18)	41	16	25	39.02	\$1,438.28	(\$2,315.90)	0.62	0.40	(\$850.86)
2	(\$39,792.03)	42	13	29	30.95	\$1,550.74	(\$2,067.30)	0.75	0.34	(\$947.43)
1	(\$19,395.28)	42	17	25	40.48	\$736.60	(\$1,276.70)	0.58	0.39	(\$461.79)

In this case results are bearish across the board. Low Win% and Average Loss being greater than the Average Win makes for a consistently negative outcome.

Now let's see what happens if volume manages to come in higher on the rebound day:

Yesterday SPX closes at 50-day low on highest volume in 20 days. Today it closes higher on increased volume.										
Buy SPX on close. Sell X days later. \$100k/trade. 1960-present.										
X days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
10	\$15,754.44	16	11	5	68.75	\$3,134.16	(\$3,744.26)	0.84	1.84	\$984.65
9	\$10,661.87	16	9	7	56.25	\$4,007.43	(\$3,629.28)	1.10	1.42	\$666.37
8	\$16,646.13	16	10	6	62.50	\$3,369.58	(\$2,841.62)	1.19	1.98	\$1,040.38
7	\$12,870.91	16	9	7	56.25	\$3,177.75	(\$2,246.98)	1.41	1.82	\$804.43
6	\$6,246.13	16	9	7	56.25	\$2,611.04	(\$2,464.74)	1.06	1.36	\$390.38
5	\$12,284.89	16	10	6	62.50	\$2,475.72	(\$2,078.72)	1.19	1.98	\$767.81
4	\$11,563.90	16	10	6	62.50	\$2,509.93	(\$2,255.89)	1.11	1.85	\$722.74
3	\$22,385.64	16	13	3	81.25	\$2,142.45	(\$1,822.06)	1.18	5.10	\$1,399.10
2	\$13,233.27	16	9	7	56.25	\$2,252.64	(\$1,005.79)	2.24	2.88	\$827.08
1	\$11,779.50	16	10	6	62.50	\$2,037.64	(\$1,432.82)	1.42	2.37	\$736.22

Less instances than I'd typically like to see, but the stats are significantly better everywhere. Higher Win % and W/L Ratio above 1 make for consistently positive results. Not seen in the table above is that 15 of 16 instances closed higher at some point within the next 4 days. Close examination, though, reveals that the bullish edge here is short-term in nature and peters out after 3 days.

If we require the SPX to make a 100-day low as opposed to a 50-day low then results are even stronger:

Yesterday SPX closes at 100-day low on highest volume in 20 days. Today it closes higher on increased volume.											
Buy SPX on close. Sell X days later. \$100k/trade. 1960-present.											
X days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade	
10	\$10,208.31	11	7	4	63.64	\$3,809.37	(\$4,114.33)	0.93	1.62	\$928.03	
9	\$5,389.57	11	7	4	63.64	\$3,986.94	(\$5,629.76)	0.71	1.24	\$489.96	
8	\$11,723.01	11	7	4	63.64	\$3,884.72	(\$3,867.50)	1.00	1.76	\$1,065.73	
7	\$9,889.17	11	7	4	63.64	\$3,179.07	(\$3,091.08)	1.03	1.80	\$899.02	
6	\$3,857.92	11	6	5	54.55	\$2,923.11	(\$2,736.15)	1.07	1.28	\$350.72	
5	\$9,712.84	11	6	5	54.55	\$3,251.63	(\$1,959.39)	1.66	1.99	\$882.99	
4	\$9,294.36	11	7	4	63.64	\$2,798.47	(\$2,573.73)	1.09	1.90	\$844.94	
3	\$22,545.71	11	10	1	90.91	\$2,552.74	(\$2,981.68)	0.86	8.56	\$2,049.61	
2	\$15,220.28	11	7	4	63.64	\$2,681.12	(\$886.90)	3.02	5.29	\$1,383.66	
1	\$11,273.05	11	8	3	72.73	\$2,267.75	(\$2,289.64)	0.99	2.64	\$1,024.82	

Average gain of 2% over the first 3 days once again proves to be short-term and peaks at the 3-day mark.

Also notable is the fact that Friday was options expiration. I wrote last month about the tendency of the market to underperform in the week follow options expiration. From the 10/20 Subscriber Letter:

I've discussed in the past the tendency of the market to sell off following option expiration. There are some other characteristics of this option expiration Friday that more strongly suggest short-term downside. Let's look at a few stats to provide some baselines.

First, how the market has performed in weeks not following an options expiration.

Today is a Friday with no options expiration.												
Buy SPX on close. Sell X days later. \$100k/trade. 1987-present.												
X Days	Net Profit	Trades	Wins	Losses	% Wins	Max Win	Max Loss	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
5	\$257,016.23	763	454	309	59.50	\$7,515.60	(\$18,000.90)	\$1,731.83	(\$1,712.73)	1.01	1.49	\$336.85
4	\$215,978.61	841	499	342	59.33	\$7,145.28	(\$17,037.90)	\$1,429.39	(\$1,454.06)	0.98	1.43	\$256.81
3	\$168,219.58	842	496	343	58.91	\$6,877.26	(\$10,286.10)	\$1,224.81	(\$1,280.72)	0.96	1.38	\$199.79
2	\$147,855.42	842	481	359	57.13	\$10,965.69	(\$9,270.00)	\$1,068.42	(\$1,019.65)	1.05	1.40	\$175.60
1	\$112,606.22	842	499	343	59.26	\$11,558.43	(\$8,265.12)	\$763.59	(\$782.58)	0.98	1.42	\$133.74

As you would expect it has typically risen over the last 21 years.

Now let's look at weeks following option expiration:

Today is options expiration.												
Buy SPX on close. Sell X days later. \$100k/trade. 1987-present.												
X Days	Net Profit	Trades	Wins	Losses	% Wins	Max Win	Max Loss	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
5	(\$71,086.79)	257	121	136	47.08	\$7,739.42	(\$12,167.91)	\$1,321.99	(\$1,698.88)	0.78	0.69	(\$276.60)
4	(\$63,300.30)	257	117	140	45.53	\$5,439.43	(\$12,157.32)	\$1,222.89	(\$1,474.13)	0.83	0.69	(\$246.30)
3	(\$39,430.09)	257	118	139	45.91	\$4,592.40	(\$8,584.96)	\$1,154.56	(\$1,263.80)	0.91	0.78	(\$153.42)
2	(\$72,341.85)	257	116	141	45.14	\$4,786.41	(\$16,188.58)	\$876.65	(\$1,234.28)	0.71	0.58	(\$281.49)
1	(\$64,249.59)	257	104	152	40.47	\$3,877.95	(\$20,424.58)	\$746.38	(\$933.38)	0.80	0.55	(\$250.00)

As you can see, the stats are not only significantly worse, but also carry a negative expectation. A look at the Max Loss column reveals that Black Monday occurred following option expiration. So as not to skew some results more negatively, I'll exclude

this outlier date for the rest of the tests. First I'll re-run the above test look at performance after all op-ex Friday's.

Today is options expiration. 10/16/87 excluded.												
Buy SPX on close. Sell X days later. \$100k/trade. 1987-present.												
X Days	Net Profit	Trades	Wins	Losses	% Wins	Max Win	Max Loss	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
5	(\$58,918.88)	256	121	135	47.27	\$7,739.42	(\$5,973.00)	\$1,321.99	(\$1,621.33)	0.82	0.73	(\$230.15)
4	(\$51,142.98)	256	117	139	45.70	\$5,439.43	(\$6,334.85)	\$1,222.89	(\$1,397.28)	0.88	0.74	(\$199.78)
3	(\$30,845.13)	256	118	138	46.09	\$4,592.40	(\$5,455.74)	\$1,154.56	(\$1,210.75)	0.95	0.82	(\$120.49)
2	(\$56,153.27)	256	116	140	45.31	\$4,786.41	(\$5,855.85)	\$876.65	(\$1,127.46)	0.78	0.64	(\$219.35)
1	(\$43,825.01)	256	104	151	40.63	\$3,877.95	(\$3,791.21)	\$746.38	(\$804.30)	0.93	0.64	(\$171.19)

Even with Black Monday excluded the results remain strongly negative.

Next is performance following options expirations when the SPX is trading under its 200-day moving average:

Today is options expiration. SPX closes < 200ma. 10/16/87 is excluded.												
Buy SPX on close. Sell X days later. \$100k/trade. 1987-present.												
X Days	Net Profit	Trades	Wins	Losses	% Wins	Max Win	Max Loss	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
5	(\$23,650.57)	72	36	36	50.00	\$7,739.42	(\$5,973.00)	\$1,387.34	(\$2,044.30)	0.68	0.68	(\$328.48)
4	(\$30,179.80)	72	30	42	41.67	\$5,439.43	(\$6,334.85)	\$1,327.23	(\$1,666.59)	0.80	0.57	(\$419.16)
3	(\$27,296.94)	72	32	40	44.44	\$4,508.00	(\$5,455.74)	\$1,247.20	(\$1,680.18)	0.74	0.59	(\$379.12)
2	(\$27,231.30)	72	31	41	43.06	\$4,786.41	(\$5,855.85)	\$1,023.42	(\$1,437.98)	0.71	0.54	(\$378.21)
1	(\$12,039.86)	72	31	40	43.06	\$3,877.95	(\$3,791.21)	\$936.16	(\$1,026.52)	0.91	0.71	(\$167.22)

Under the 200ma performance has been even worse.

Tonight (11/23) I looked at the week following options expiration if the market rises 1% or more on expirations day:

Today is options expiration. SPX closes 1% higher.												
Buy SPX on close. Sell X days later. \$100k/trade. 1987-present.												
X days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade		
5	(\$16,915.96)	26	8	18	30.77	\$1,527.65	(\$1,618.73)	0.94	0.42	(\$650.61)		
4	(\$18,425.11)	26	5	21	19.23	\$1,798.49	(\$1,305.60)	1.38	0.33	(\$708.66)		
3	(\$13,971.36)	26	9	17	34.62	\$1,225.09	(\$1,470.42)	0.83	0.44	(\$537.36)		
2	(\$6,837.37)	26	11	15	42.31	\$1,034.62	(\$1,214.55)	0.85	0.62	(\$262.98)		
1	\$54.48	26	15	11	57.69	\$781.23	(\$1,060.36)	0.74	1.00	\$2.10		

These results are even weaker than anything above. Filtering further and just looking at those times when the S&P closed below its 200-day moving average provided the below results:

Today is options expiration. SPX closes < 200ma. SPX closes 1% higher.												
Buy SPX on close. Sell X days later. \$100k/trade. 1987-present.												
X days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade		
5	(\$9,882.50)	12	4	8	33.33	\$1,079.90	(\$1,775.26)	0.61	0.30	(\$823.54)		
4	(\$9,166.69)	12	3	9	25.00	\$1,020.02	(\$1,358.53)	0.75	0.25	(\$763.89)		
3	(\$9,328.09)	12	5	7	41.67	\$968.30	(\$2,024.23)	0.48	0.34	(\$777.34)		
2	(\$5,746.89)	12	5	7	41.67	\$867.76	(\$1,440.81)	0.60	0.43	(\$478.91)		
1	(\$1,285.85)	12	6	6	50.00	\$821.02	(\$1,035.33)	0.79	0.79	(\$107.15)		

Too few instances to read much into, but these are the worst numbers of all.

Of course this week is Thanksgiving week. I've seen several studies over the years based on Thanksgiving week. Most of them suggested it has a seasonally bullish bias. I looked at Thanksgiving weeks when buying at the close of the Friday before and testing each day through the Monday after. I ran the test back 21 years to match the options expiration tests:

<i>Buy SPX on close of Friday before Thanksgiving. Sell X trading days later. \$100k/trade. 1987-present.</i>										
X days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
5	(\$1,016.41)	21	12	9	57.14	\$1,221.94	(\$1,742.19)	0.70	0.94	(\$48.40)
4	\$5,189.22	21	11	10	52.38	\$1,226.58	(\$830.32)	1.48	1.62	\$247.11
3	(\$1,493.54)	21	11	10	52.38	\$975.50	(\$1,222.40)	0.80	0.88	(\$71.12)
2	(\$3,033.62)	21	11	10	52.38	\$768.27	(\$1,148.46)	0.67	0.74	(\$144.46)
1	(\$1,887.77)	21	8	13	38.10	\$961.36	(\$736.82)	1.30	0.80	(\$89.89)

I don't see a bullish or bearish edge over the last 21 years. It appears the fact that it is Thanksgiving is not enough to offset the bearish options expiration tendencies observed above.

In an email group I participate in John Bollinger of www.BollingerBands.com made the astute observation that the VIX had been trading higher than the VXN lately. This is unusual because most of the time Nasdaq 100 stocks are considered riskier than S&P 500 stocks. During the 2000-2002 bear market the VXN sometimes gave readings close to 3 times higher than the VIX. In the current environment, volatility for S&P is at the premium. Financial stocks would seem to be the main culprit. The ratio of VIX:VXN closed above 1 again on Thursday after dipping below it for a few days.

I looked at this ratio a little bit over the weekend, specifically looking at price action when the VIX crossed above the VXN. Results are shown below:

<i>Ratio of the VIX:VXN crosses over 1.</i>										
<i>Buy SPX on close. Sell X days later. \$100k/trade. 1995-present.</i>										
X days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
5	\$16,035.81	6	5	1	83.33	\$3,347.33	(\$700.82)	4.78	23.88	\$2,672.64
4	\$5,957.39	6	3	3	50.00	\$4,309.65	(\$2,323.85)	1.85	1.85	\$992.90
3	\$13,384.85	6	4	2	66.67	\$3,968.07	(\$1,243.72)	3.19	6.38	\$2,230.81
2	\$21,176.13	6	5	1	83.33	\$4,352.48	(\$586.25)	7.42	37.12	\$3,529.36
1	\$12,748.85	7	5	2	71.43	\$3,502.46	(\$2,381.74)	1.47	3.68	\$1,821.26

Instances are too few to draw solid conclusions. It does appear that the move of the VIX over the VXV has often signalled things are overdone in the VIX and the market is likely to bounce in the very-short-term. Below is the list of trades leading up to this week with a 2-day holding period.

#	Type	Date/Time	Signal	Price	Roll Over USD/Lot	Shares/Ctrts Profit	Net Profit Cum Net Profit	% Profit	Run-up DrawDown
1	Buy	10/21/05	Buy	\$1,179.59	\$0.00	84	\$1,423.80	1.44%	\$1,823.64
	Sell	10/25/05	Sell	\$1,196.54			\$1,423.80		\$0.00
2	Buy	07/26/07	Buy	\$1,482.66	\$0.00	67	(\$586.25)	(0.59%)	\$393.29
	Sell	07/30/07	Sell	\$1,473.91			\$837.55		(\$1,898.78)
3	Buy	08/03/07	Buy	\$1,433.07	\$0.00	69	\$3,011.16	3.05%	\$3,810.87
	Sell	08/07/07	Sell	\$1,476.71			\$3,011.16		(\$391.92)
4	Buy	09/17/08	Buy	\$1,156.42	\$0.00	86	\$8,484.76	8.53%	\$9,348.20
	Sell	09/19/08	Sell	\$1,255.08			\$12,333.47		(\$1,971.12)
5	Buy	10/24/08	Buy	\$876.77	\$0.00	114	\$7,266.36	7.27%	\$7,266.36
	Sell	10/28/08	Sell	\$940.51			\$19,599.83		(\$3,591.00)
6	Buy	11/06/08	Buy	\$904.88	\$0.00	110	\$1,576.30	1.58%	\$5,177.70
	Sell	11/10/08	Sell	\$919.21			\$21,176.13		\$0.00

Some strong upside with limited downside. Again, too few instances to read much into but it could be a relationship worth monitoring and exploring further.

Breadth remains strongly oversold by many measures, including the Up Volume % 10ema, the Up Issues % 10-ema and the CBI – all of which can be found on the [charts page](#).

Taking the volume and option expiration studies into account the [Aggregator](#) now looks like this:



Even with Friday's strong performance the black differential line shows the S&P has underperformed expectations over the last 3 days. The green Aggregator line shows that expectations remain strongly positive. I'm not big on buying after up days of 5% or more. I did [a study on such days](#) earlier this month. While the implications are choppy to bearish over the short-term there simply aren't enough instances to include the study in the Aggregator. Still, it's not a great buy point.

Rather than take on more exposure, I'm therefore content to manage the long positions already in place. The only one where partial profits were taken was the SPY trade, as subscribers were alerted about ½ hr. before the bell that if SPY closed over \$79.00 half of the trade idea would be exited at the close.

Intermediate-term Outlook (1 week – 2 months)–neutral -updated 11/24

I have very little to say from an intermediate-term standpoint this week. The market has several times in the last 2 months reached levels that have nearly always led to a sizable rally over at least a period of a few weeks to a few months. This market's failure to do so is just another example of the historical extremes we are hitting.

Of course as I mentioned last week, we have had two rallies in the last month and a half that were near or above 20%. The problem was that the first one lasted a day and a half and the second one lasted six days. It's possible that the intermediate-term rally that I've been expecting has come in condensed versions, but it seems unlikely. At some point soon I expect this market to rally for long enough to convince a great number of people that the worst is behind us.

Against the current backdrop, though, I'll need to see some strong evidence that a bounce is likely to turn into something more substantial. Often evidence of this sort takes the form of a change in the market's character. I'll be watching closely to try and observe such changes but with the current rally less than 1 day old it's a bit too early for me to make any such observations.

Catapult and Capitulative Breadth Statistics

(Catapult Presentation Part 1) (Catapult Presentation Part 2)

Open Catapult Trades

IP - bought @ \$11.77 limit (now out although the signal is officially still active)

CBS – bought @ \$6.07 limit (now out although the signal is officially still active)

GD – @ \$53.51

GD - @ \$53.24

GD – @\$48.67

F – passed but still tracking for CBI purposes

AA - @ \$6.35 limit (not filled – remove limit order)

BAC - @ \$11.25 limit

CBS - @ \$4.51 limit

DD - @ \$21.95 limit

GS - @ \$52.00 limit

MDT - @ \$29.04 limit (not filled – remove limit order)

TYC - @ \$15.65 limit

New

C @ \$3.77 (I have no desire to mess with Citigroup. I shall pass on this one as far as a trade idea, but track it for CBI calculation purposes.)

Catapult for ETF's Trades

None new

Broad Market Large Cap CBI – 13/10 (IP, CBS-2, GD-3, F, AA, BAC, DD, GS, MDT, TYC)

Sector CBI Breakdown (% of stocks with active catapult triggers within each sector.)

Index	ETF	CBI %	Index	ETF	CBI %
DJ US Broker Dealers	IAI	10.34	DJ US Energy	IYE	12.79
DJ US Insurance Index	IAK	9.46	DJ US Financial	IYF	9.59
DJ US Regional Banks	IAT	2.50	DJ US Financial Services	IYG	6.99
DJ US Utilities	IDU	0.00	DJ US Healthcare	IYH	14.08
DJ US Oil&Gas Expl & Prod	IEO	8.62	DJ US Industrial Sector	IYJ	18.01
DJ US Oil Equip & Svcs	IEZ	17.31	DJ US Consumer Goods	IYK	21.09
DJ US Pharmaceuticals	IHE	5.41	DJ US Basic Materials	IYM	27.03
DJ US Healthcare Providers	IHF	18.37	DJ US Real Estate	IYR	15.85
DJ US Medical Devices	IHI	17.07	DJ US Transportation	IYT	14.29
DJ US Aerospace & Defense	ITA	19.44	DJ US Technology Sector	IYW	15.58
DJ US Home Construction	ITB	23.81	DJ US Telecommunications	IYZ	2.63
DJ US Consumer Svcs	IYC	25.00	Nasdaq 100	QQQQ	12.00

CBI levels remain high across the board. More of a bounce is needed to work them off.

Additional New Trade Ideas

None today – position management mode now.

Active Trades Table

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Stop	Notes
GD	11/18/2008	\$53.51	\$51.95	-2.92%		Catapult
GD	11/19/2008	\$53.24	\$51.95	-2.42%		Catapult
GD	11/20/2008	\$48.67	\$51.95	6.74%		Catapult
SPY	11/20/2008	\$75.45	\$79.52	5.39%		<i>sold 1/2 on close</i>
BAC	11/21/2008	\$11.25	\$11.47	1.96%		Catapult
CBS	11/21/2008	\$4.51	\$4.98	10.42%	\$4.51	sell 1/2 @ \$4.95 limit
DD	11/21/2008	\$21.95	\$23.03	4.92%	\$21.95	Catapult
GS	11/21/2008	\$52.00	\$53.31	2.52%		Catapult
TYC	11/21/2008	\$15.65	\$17.74	13.35%	\$15.65	sell 1/2 @ \$17.60 limit

If SPY closes higher again on Monday I will look to exit the rest of this trade idea.

GD is “all in” at an average price of \$51.81.

CBS and TYC are up strongly enough that I’m looking to take partial profits and place a stop on the remaining at breakeven.

I am also putting a breakeven stop on DD.

Depending on how they open I may also do the same thing with BAC and GS.

I will send out intraday updates tomorrow morning with any nearby target prices or adjusted stop levels.

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