

QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

May 6, 2009

Volume 2 Issue 86

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
Active					
May 6, 2009	WR10 Up then NR10	1-5 days	Bearish	-2.20%	-3.60%
May 5, 2009	Banks Up 10%	1-2 days	Bearish		
May 5, 2009	3% up on strong volume	1-7 days	Bullish	3.20%	6.60%
May 4, 2009	10-high low volume low bar pattern	1-5 days	Bearish	-2.00%	-3.50%
April 27, 2009	Gap-n-go	1-9 days	Bearish	-3.40%	-6.50%
April 24, 2009	Poor Nasdaq Breadth on Up Day	1-9 days	Bearish	-4.10%	-8.20%
Active - Long Term					
April 20, 2009	Low Nasdaq Weekly Vol Spyx	1-10 weeks	Bearish		
March 26, 2009	Rise after follow through day		Bullish	920 before 666	
Dropped Tonight					
May 5, 2009	2 Up In Chop	1-4 days	Bearish		

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**.

Short-term Outlook (1-5 days) – updated 5/6 – bearish

After a big up day on Monday the market was extremely quiet on Tuesday. The range was the tightest in months. The major indices all gave back a small amount of profits. Breadth was about even and volume came in a little lower than the day before.

What marked the day most in my eyes was the fact that it was a narrow range inside day that followed a wide range day. I've looked at narrow range days several times in the Letter and found them to typically have a bearish influence. In the January 23rd Subscriber Letter I showed a few studies related to inside days. I've included an excerpt below (studies not updated):

Inside days have historically acted as a short-term negative for the SPY. This is especially true when the SPY is in a long-term downtrend:

SPY posts an inside day under the 200-day moving average.											
Buy on close. Sell X days later. \$100k/trade. 1994-present.											
X Days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg. Trade	
15	(\$45,018.85)	55	27	28	49.09	\$3,053.36	(\$4,552.13)	0.67	0.65	(\$818.52)	
14	(\$43,647.67)	57	27	30	47.37	\$3,028.86	(\$4,180.89)	0.72	0.65	(\$765.75)	
13	(\$51,717.17)	60	32	28	53.33	\$2,553.48	(\$4,765.30)	0.54	0.61	(\$861.95)	
12	(\$48,633.05)	64	36	28	56.25	\$2,434.97	(\$4,867.57)	0.50	0.64	(\$759.89)	
11	(\$20,127.32)	65	38	27	58.46	\$2,707.39	(\$4,555.86)	0.59	0.84	(\$309.65)	
10	(\$16,246.62)	67	36	31	53.73	\$3,188.60	(\$4,226.97)	0.75	0.88	(\$242.49)	
9	(\$25,062.04)	68	36	32	52.94	\$2,792.48	(\$3,924.73)	0.71	0.80	(\$368.56)	
8	(\$19,459.38)	72	39	33	54.17	\$2,363.60	(\$3,383.02)	0.70	0.83	(\$270.27)	
7	(\$20,414.80)	77	40	36	51.95	\$2,235.12	(\$3,050.54)	0.73	0.81	(\$265.13)	
6	(\$38,790.29)	85	36	49	42.35	\$2,433.42	(\$2,579.46)	0.94	0.69	(\$456.36)	
5	(\$38,495.32)	89	44	45	49.44	\$1,917.38	(\$2,730.23)	0.70	0.69	(\$432.53)	
4	(\$25,158.78)	99	52	47	52.53	\$1,797.52	(\$2,524.04)	0.71	0.79	(\$254.13)	
3	(\$55,085.50)	104	50	53	48.08	\$1,741.12	(\$2,681.92)	0.65	0.61	(\$529.67)	
2	(\$47,185.33)	118	55	63	46.61	\$1,220.34	(\$1,814.35)	0.67	0.59	(\$399.88)	
1	(\$34,631.24)	124	59	65	47.58	\$891.01	(\$1,341.55)	0.66	0.60	(\$279.28)	

The fact that today's range was not only inside yesterday's but also the smallest of the last 3 days is also a bad sign:

SPY posts an inside day under the 200-day moving average. Range is smallest in 3 days.											
Buy on close. Sell X days later. \$100k/trade. 1994-present.											
X Days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade	
15	(\$73,836.06)	48	24	24	50.00	\$2,587.11	(\$5,663.61)	0.46	0.46	(\$1,538.25)	
14	(\$47,126.22)	49	24	25	48.98	\$2,535.56	(\$4,319.19)	0.59	0.56	(\$961.76)	
13	(\$47,715.63)	50	24	26	48.00	\$2,512.52	(\$4,154.47)	0.60	0.56	(\$954.31)	
12	(\$73,742.77)	50	27	23	54.00	\$2,039.35	(\$5,600.23)	0.36	0.43	(\$1,474.86)	
11	(\$43,229.83)	51	29	22	56.86	\$2,415.95	(\$5,149.66)	0.47	0.62	(\$847.64)	
10	(\$41,564.08)	54	27	27	50.00	\$2,888.10	(\$4,427.51)	0.65	0.65	(\$769.71)	
9	(\$28,422.79)	55	30	25	54.55	\$2,543.41	(\$4,189.00)	0.61	0.73	(\$516.78)	
8	(\$25,009.80)	58	33	25	56.90	\$2,015.49	(\$3,660.84)	0.55	0.73	(\$431.20)	
7	(\$47,355.91)	62	29	32	46.77	\$2,078.98	(\$3,363.95)	0.62	0.56	(\$763.81)	
6	(\$65,261.72)	66	27	39	40.91	\$1,935.84	(\$3,013.57)	0.64	0.44	(\$988.81)	
5	(\$57,808.67)	69	30	39	43.48	\$1,685.05	(\$2,778.47)	0.61	0.47	(\$837.81)	
4	(\$49,151.79)	76	35	41	46.05	\$1,603.91	(\$2,568.02)	0.62	0.53	(\$646.73)	
3	(\$58,319.03)	82	36	46	43.90	\$1,678.59	(\$2,581.49)	0.65	0.51	(\$711.21)	
2	(\$40,737.50)	88	39	48	44.32	\$1,170.77	(\$1,799.95)	0.65	0.53	(\$462.93)	
1	(\$36,318.75)	90	38	52	42.22	\$798.71	(\$1,282.11)	0.62	0.46	(\$403.54)	

As I mentioned above, not only was it an inside day, but it came on extremely narrow range as well. This also has had bearish implications over the last several years. Below is a table from the 3/30 Subscriber Letter which illustrates this:

SPY's intraday range is the smallest in the last 60 days.										
Buy on close. Sell X days later. \$100k/trade. 1999 - present.										
Days In	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
15	(\$48,225.60)	40	19	21	47.50	\$1,763.08	(\$3,891.62)	0.45	0.41	(\$1,205.64)
14	(\$46,269.73)	41	20	21	48.78	\$1,568.30	(\$3,696.94)	0.42	0.40	(\$1,128.53)
13	(\$41,837.61)	41	21	20	51.22	\$1,526.58	(\$3,694.79)	0.41	0.43	(\$1,020.43)
12	(\$47,352.36)	41	19	22	46.34	\$1,554.49	(\$3,494.89)	0.44	0.38	(\$1,154.94)
11	(\$61,229.92)	42	18	24	42.86	\$1,172.81	(\$3,430.86)	0.34	0.26	(\$1,457.86)
10	(\$50,715.11)	43	19	24	44.19	\$1,223.41	(\$3,081.67)	0.40	0.31	(\$1,179.42)
9	(\$49,573.22)	44	18	26	40.91	\$1,407.98	(\$2,881.41)	0.49	0.34	(\$1,126.66)
8	(\$35,733.95)	47	19	28	40.43	\$1,485.47	(\$2,284.21)	0.65	0.44	(\$760.30)
7	(\$28,833.58)	47	18	29	38.30	\$1,739.00	(\$2,073.64)	0.84	0.52	(\$613.48)
6	(\$22,073.38)	47	18	29	38.30	\$1,663.83	(\$1,793.87)	0.93	0.58	(\$469.65)
5	(\$22,344.92)	50	22	28	44.00	\$1,482.94	(\$1,963.20)	0.76	0.59	(\$446.90)
4	(\$21,281.87)	53	20	33	37.74	\$1,567.86	(\$1,595.12)	0.98	0.60	(\$401.54)
3	(\$17,944.56)	55	21	34	38.18	\$1,301.67	(\$1,331.75)	0.98	0.60	(\$326.26)
2	(\$21,454.62)	57	26	31	45.61	\$868.09	(\$1,420.16)	0.61	0.51	(\$376.40)
1	(\$16,357.79)	60	27	33	45.00	\$608.57	(\$993.61)	0.61	0.50	(\$272.63)

What I found especially interesting about Tuesday's actions, though, is that it followed Monday's big move up. The technician in me said perhaps it's just consolidating yesterday's gains before making another move higher. The skeptic in me said I'd better take a look. (The skeptic in me is a better technician than the technician is.)

Below is a table that shows results after the widest range in 10 days, which is also an up day, is followed by the narrowest range in 10 days:

SPY has a WR10 bar with a positive close followed by an NR10 bar.										
Buy on close. Sell X days later. \$100k/trade. 1993-present.										
X Days	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Fact	Avg Trade
5	(\$14,375.03)	12	3	9	25.00	\$745.36	(\$1,845.68)	0.40	0.13	(\$1,197.92)
4	(\$10,142.57)	12	3	9	25.00	\$1,137.83	(\$1,506.23)	0.76	0.25	(\$845.21)
3	(\$4,108.51)	12	4	8	33.33	\$1,068.87	(\$1,048.00)	1.02	0.51	(\$342.38)
2	(\$490.34)	12	7	5	58.33	\$936.23	(\$1,408.79)	0.66	0.93	(\$40.86)
1	(\$554.90)	12	7	5	58.33	\$578.69	(\$921.15)	0.63	0.88	(\$46.24)

Instances are a bit low, but seem to favor a bearish outlook.

I also decided to isolate the effect that the width of the wide and narrow range bars had. First I looked at the five day returns based on the width of the wide range bar.

SPY has a WR-X bar with a positive close followed by an NR10 bar.										
Buy on close. Sell 5 days later. \$100k/trade. 1993-present.										
WR-X	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Fact	Avg Trade
20	(\$2,690.55)	2	0	2	0.00	\$0.00	(\$1,345.28)	0.00	0.00	(\$1,345.28)
19	(\$5,475.71)	3	0	3	0.00	\$0.00	(\$1,825.24)	0.00	0.00	(\$1,825.24)
18	(\$5,475.71)	3	0	3	0.00	\$0.00	(\$1,825.24)	0.00	0.00	(\$1,825.24)
17	(\$9,325.01)	5	0	5	0.00	\$0.00	(\$1,865.00)	0.00	0.00	(\$1,865.00)
16	(\$11,042.52)	8	2	6	25.00	\$266.01	(\$1,929.09)	0.14	0.05	(\$1,380.32)
15	(\$14,157.52)	9	2	7	22.22	\$266.01	(\$2,098.50)	0.13	0.04	(\$1,573.06)
14	(\$14,157.52)	9	2	7	22.22	\$266.01	(\$2,098.50)	0.13	0.04	(\$1,573.06)
13	(\$15,002.10)	10	2	8	20.00	\$266.01	(\$1,941.76)	0.14	0.03	(\$1,500.21)
12	(\$14,375.03)	12	3	9	25.00	\$745.36	(\$1,845.68)	0.40	0.13	(\$1,197.92)
11	(\$14,375.03)	12	3	9	25.00	\$745.36	(\$1,845.68)	0.40	0.13	(\$1,197.92)
10	(\$14,375.03)	12	3	9	25.00	\$745.36	(\$1,845.68)	0.40	0.13	(\$1,197.92)
9	(\$13,068.85)	14	4	10	28.57	\$960.14	(\$1,690.94)	0.57	0.23	(\$933.49)
8	(\$10,413.17)	16	6	10	37.50	\$1,082.71	(\$1,690.94)	0.64	0.38	(\$650.82)
7	(\$6,278.08)	19	9	10	47.37	\$1,181.26	(\$1,690.94)	0.70	0.63	(\$330.43)
6	(\$8,642.78)	22	9	13	40.91	\$1,181.26	(\$1,482.62)	0.80	0.55	(\$392.85)
5	(\$13,839.08)	30	11	19	36.67	\$1,418.96	(\$1,549.88)	0.92	0.53	(\$461.30)

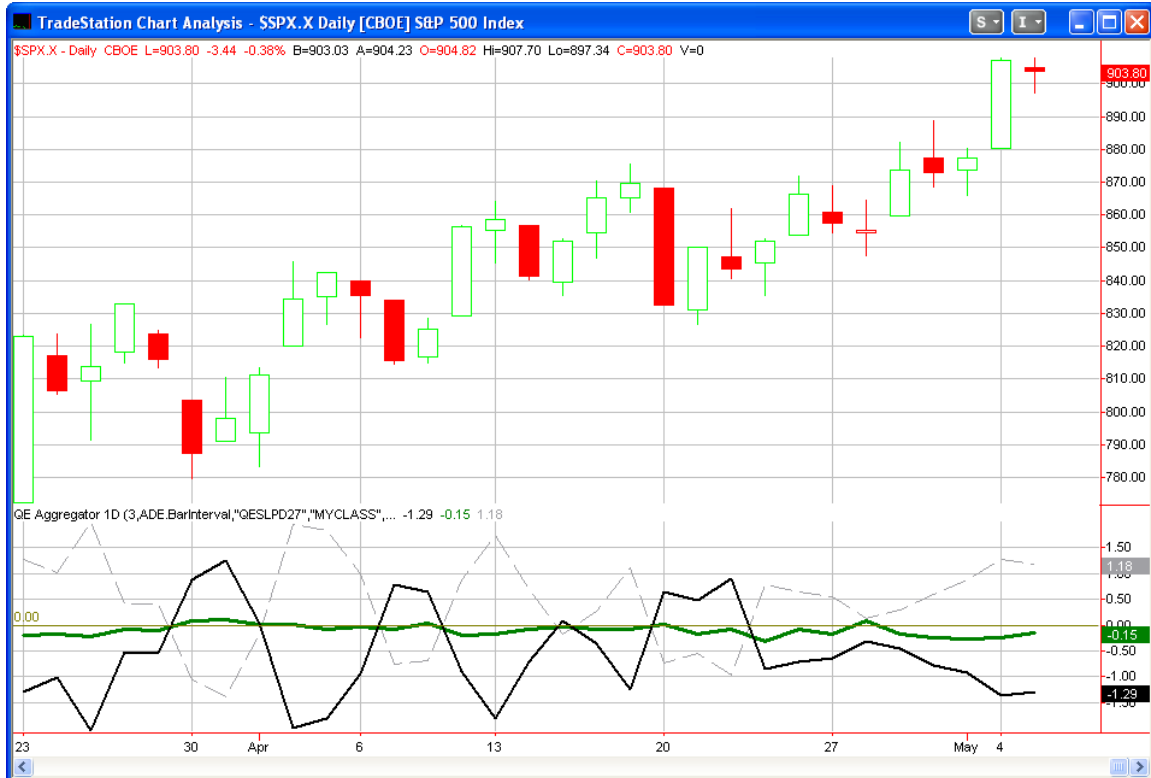
Generally it appears that the wider the wide-range up bar, the more bearish the outlook following the narrow range bar. Monday's bar was the widest in over a month.

Now let's look at the narrow range bar:

SPY has a WR10 bar with a positive close followed by an NR-X bar.										
Buy on close. Sell 5 days later. \$100k/trade. 1993-present.										
NR-X	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Fact	Avg Trade
25	(\$10,565.17)	5	0	5	0.00	\$0.00	(\$2,113.03)	0.00	0.00	(\$2,113.03)
24	(\$8,861.10)	6	1	5	16.67	\$1,704.07	(\$2,113.03)	0.81	0.16	(\$1,476.85)
23	(\$10,200.30)	7	1	6	14.29	\$1,704.07	(\$1,984.06)	0.86	0.14	(\$1,457.19)
22	(\$10,200.30)	7	1	6	14.29	\$1,704.07	(\$1,984.06)	0.86	0.14	(\$1,457.19)
21	(\$10,200.30)	7	1	6	14.29	\$1,704.07	(\$1,984.06)	0.86	0.14	(\$1,457.19)
20	(\$11,044.88)	8	1	7	12.50	\$1,704.07	(\$1,821.28)	0.94	0.13	(\$1,380.61)
19	(\$12,057.47)	10	2	8	20.00	\$884.24	(\$1,728.24)	0.51	0.13	(\$1,205.75)
18	(\$12,057.47)	10	2	8	20.00	\$884.24	(\$1,728.24)	0.51	0.13	(\$1,205.75)
17	(\$12,057.47)	10	2	8	20.00	\$884.24	(\$1,728.24)	0.51	0.13	(\$1,205.75)
16	(\$12,057.47)	10	2	8	20.00	\$884.24	(\$1,728.24)	0.51	0.13	(\$1,205.75)
15	(\$12,057.47)	10	2	8	20.00	\$884.24	(\$1,728.24)	0.51	0.13	(\$1,205.75)
14	(\$12,057.47)	10	2	8	20.00	\$884.24	(\$1,728.24)	0.51	0.13	(\$1,205.75)
13	(\$14,842.63)	11	2	9	18.18	\$884.24	(\$1,845.68)	0.48	0.11	(\$1,349.33)
12	(\$14,842.63)	11	2	9	18.18	\$884.24	(\$1,845.68)	0.48	0.11	(\$1,349.33)
11	(\$14,375.03)	12	3	9	25.00	\$745.36	(\$1,845.68)	0.40	0.13	(\$1,197.92)
10	(\$14,375.03)	12	3	9	25.00	\$745.36	(\$1,845.68)	0.40	0.13	(\$1,197.92)
9	(\$8,498.78)	15	6	9	40.00	\$1,352.06	(\$1,845.68)	0.73	0.49	(\$566.59)
8	(\$8,498.78)	15	6	9	40.00	\$1,352.06	(\$1,845.68)	0.73	0.49	(\$566.59)
7	(\$8,143.25)	17	8	9	47.06	\$1,058.48	(\$1,845.68)	0.57	0.51	(\$479.01)

Here we see that the more narrow the narrow range bar, the more bearish the implications. Again, Tuesday's bar was the narrowest in over 70 days. With the wide range up bar and the narrow range bar so convincingly wide and narrow it would seem the implications of these tests are quite bearish over the next few days.

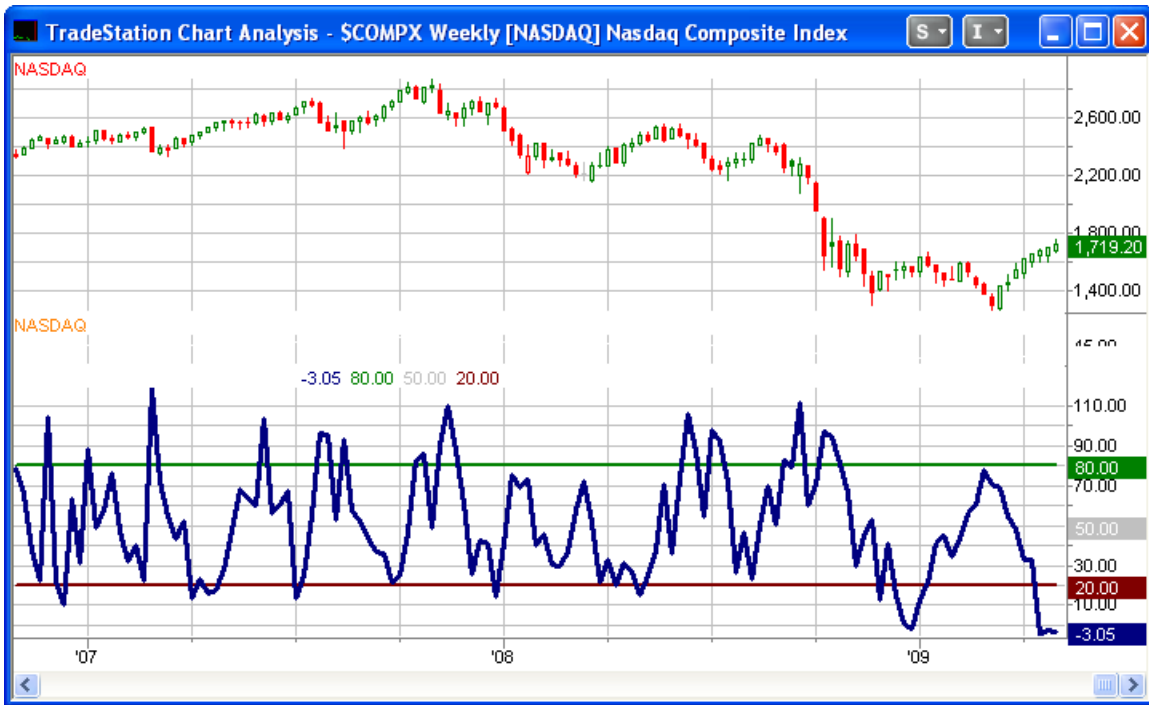
The **Aggregator** chart has been updated below.



The pullback Tuesday did little to affect the Aggregator chart. The green Aggregator line is still solidly below 0 as is the black Differential line. This again implies a downside edge.

Intermediate-term Outlook (2 weeks – 2 months)–starting to lean bearish -updated 5/4

One indicator that I've discussed the last couple of weeks that has been suggesting an intermediate-term pullback may in order is the Nasdaq Weekly Volume Spyx. While the Nasdaq rose again this week, the Spyx remained quite low. Below is this week's chart form the chart page on the website:



No sense in beating a dead horse here. This indicator is still suggesting a selloff. Subscribers may reference research from either of the last 2 weeks for details.

One concern about the move higher last week was the leadership of the move. It appears the 2 strongest major sector ETF's last week were IYZ(telecom) and XLU (Utilities). Both of these rose over 4.5% on the week while the S&P closed less than 1.5% higher. Neither Utilities nor Telecom are among the sectors that you would prefer to see exerting leadership. Below are some studies that explain why this is.

First let's look at utilities. For this test I used the XLU and SPY ETF's. I looked for other times the SPY moved higher but lagged XLU by a substantial amount:

SPY closes up on the week. XLU (utilities) outperforms SPY by at least 1 percent.										
Buy on close. Sell X weeks later. \$100k/trade. 11/2002-present.										
X Weeks	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade
10	(\$22,678.48)	16	9	7	56.25	\$4,802.86	(\$9,414.89)	0.51	0.66	(\$1,417.41)
9	(\$26,900.35)	17	7	9	41.18	\$4,646.20	(\$6,602.64)	0.70	0.55	(\$1,582.37)
8	(\$7,421.94)	18	8	10	44.44	\$5,207.29	(\$4,908.02)	1.06	0.85	(\$412.33)
7	(\$6,506.53)	18	10	8	55.56	\$3,806.87	(\$5,571.90)	0.68	0.85	(\$361.47)
6	(\$11,361.32)	21	10	11	47.62	\$5,310.61	(\$5,860.67)	0.91	0.82	(\$541.02)
5	(\$22,555.94)	23	12	11	52.17	\$3,665.47	(\$6,049.24)	0.61	0.66	(\$980.69)
4	(\$28,800.92)	27	14	13	51.85	\$3,300.32	(\$5,769.65)	0.57	0.62	(\$1,066.70)
3	(\$9,685.25)	29	14	15	48.28	\$2,829.20	(\$3,286.27)	0.86	0.80	(\$333.97)
2	\$331.81	31	16	15	51.61	\$2,531.31	(\$2,677.94)	0.95	1.01	\$10.70
1	(\$1,217.69)	32	17	14	53.13	\$1,528.59	(\$1,943.12)	0.79	0.96	(\$38.05)

This study was actually run back to 1/1/2000, but no instances occurred prior to 2002. I also looked to see how typical weeks over the time period had performed. The average

week from 11/2002 to present gained about 0.03%. The negative results of the study above are therefore quite a bit worse than a typical week.

I also ran a similar study looking at telecom:

SPY closes up on the week. IYZ (telecom) outperforms SPY by at least 1 percent.											
Buy on close. Sell X weeks later. \$100k/trade. 06/2004-present.											
X Weeks	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade	
10	(\$31,889.45)	17	9	8	52.94	\$4,213.25	(\$8,726.08)	0.48	0.54	(\$1,875.85)	
9	(\$47,317.82)	18	9	9	50.00	\$2,676.56	(\$7,934.10)	0.34	0.34	(\$2,628.77)	
8	(\$59,963.94)	18	6	12	33.33	\$2,666.42	(\$6,330.20)	0.42	0.21	(\$3,331.33)	
7	(\$36,768.88)	20	8	12	40.00	\$3,029.84	(\$5,083.96)	0.60	0.40	(\$1,838.44)	
6	(\$13,044.45)	20	11	9	55.00	\$2,617.74	(\$4,648.84)	0.56	0.69	(\$652.22)	
5	(\$29,047.58)	23	12	11	52.17	\$2,185.12	(\$5,024.46)	0.43	0.47	(\$1,262.94)	
4	(\$27,583.29)	25	11	14	44.00	\$2,380.07	(\$3,840.29)	0.62	0.49	(\$1,103.33)	
3	(\$21,176.42)	27	14	13	51.85	\$1,882.17	(\$3,655.91)	0.51	0.55	(\$784.31)	
2	(\$15,856.63)	30	13	17	43.33	\$1,716.56	(\$2,245.40)	0.76	0.58	(\$528.55)	
1	(\$25,379.81)	33	12	21	36.36	\$984.66	(\$1,771.22)	0.56	0.32	(\$769.09)	

Here again I'm only showing results from the first instance forward. Over the time period above the average week experienced a loss of 0.06%, or -\$56.20. So while negative results would be expected over the test period, results are still substantially more bearish than typical.

Of course both of these studies understate the percentage outperformance by the sectors over the broad S&P. Below is a breakdown of IYZ for a 4-week holding period based on the size of the outperformance.

SPY closes up on the week. IYZ (telecom) outperforms SPY by at least X percent.											
Buy on close. Sell 4 weeks later. \$100k/trade. 06/2004-present.											
X Weeks	Net Profit	Trades	Wins	Losses	% Wins	Avg Win	Avg Loss	W/L Ratio	Profit Factor	Avg Trade	
2.5	(\$10,168.22)	4	1	3	25.00	\$1,429.23	(\$3,865.82)	0.37	0.12	(\$2,542.06)	
2	(\$21,468.53)	8	3	5	37.50	\$1,128.00	(\$4,970.51)	0.23	0.14	(\$2,683.57)	
1.5	(\$26,821.52)	14	6	8	42.86	\$1,968.71	(\$4,829.23)	0.41	0.31	(\$1,915.82)	
1	(\$27,583.29)	25	11	14	44.00	\$2,380.07	(\$3,840.29)	0.62	0.49	(\$1,103.33)	
0.5	(\$15,213.51)	34	17	17	50.00	\$2,783.61	(\$3,678.52)	0.76	0.76	(\$447.46)	

The larger the outperformance the worse the market performed over the next month. When looking at XLU the results weren't as cut and dry since there were a few strong moves higher when the differential was greater than 2%. Still, the overall edge remained lower.

Lastly you'll note that the breadth thrust was removed from the active studies list tonight. It's been a month since it triggered and our previous tests found the bulk of the move often came within the 1st month. Therefore, with its bullish influence potentially waning, I've removed it from the list.

More and more evidence is suggesting the market is ripe for a pullback. I expect we may begin to see one fairly soon. Still, from a price standpoint the uptrend is obviously still in place. Before getting too aggressive on the short side I'll need to see these negative indications confirmed by price. I'm not excited about chasing intermediate-term long positions at this point.

Catapult and Capitulative Breadth Statistics

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

Open Catapult Triggers

none

Catapult for ETF's Trades

none

Broad Market Large Cap CBI – 0

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

Index	ETF	CBI %	Index	ETF	CBI %
DJ US Broker Dealers	IAI	0.00	DJ US Energy	IYE	0.00
DJ US Insurance Index	IAK	0.00	DJ US Financial	IYF	0.00
DJ US Regional Banks	IAT	0.00	DJ US Financial Services	IYG	0.00
DJ US Utilities	IDU	0.00	DJ US Healthcare	IYH	0.00
DJ US Oil&Gas Expl & Prod	IEO	0.00	DJ US Industrial Sector	IYJ	0.38
DJ US Oil Equip & Svcs	IEZ	0.00	DJ US Consumer Goods	IYK	0.00
DJ US Pharmaceuticals	IHE	0.00	DJ US Basic Materials	IYM	0.00
DJ US Healthcare Providers	IHF	0.00	DJ US Real Estate	IYR	0.00
DJ US Medical Devices	IHI	0.00	DJ US Transportation	IYT	0.00
DJ US Aerospace & Defense	ITA	0.00	DJ US Technology Sector	IYW	0.00
DJ US Home Construction	ITB	0.00	DJ US Telecommunications	IYZ	0.00
DJ US Consumer Svcs	IYC	0.00	Nasdaq 100	QQQQ	0.00

Still no signs of capitulative selling.

Additional New Trade Ideas

CPB – short @ \$26.50 limit. From the system triggers sheet, CPB triggered system -81217. It is just below price resistance and its 50-day moving average. I'll put a cover stop at \$26.85 in case it blows through both levels of potential resistance. The profit-taking exit is a close below its 5-day ma.

Active Trades Table

Symbol	Entry Date	Entry Price	Current Pr	% Gain/Lo	Stop	Notes
SPY(1/4)(s)	4/30/2009	\$88.55	\$90.57	-2.28%		
SPY(1/4)(s)	5/4/2009	\$88.55	\$90.57	-2.28%		
SPY(1/4)(s)	5/5/2009	\$90.75	\$90.57	0.20%		
IYT(s)	5/5/2009	\$60.15	\$59.54	1.01%		

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