

QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

August 16, 2011

Volume 4 Issue 157

Market Overview



Signals Overview

Aggregator	Aggressive VIX	Conservative VIX	NDX Trend Timer
Short	100% Long VXX	100% Long VXX	Long

Tonight's Research Points

- The sharp drop in the VXO suggest a pullback is near.
- Rising prices and dropping volume over the last few days suggest a short-term bearish edge.
- The exceptionally strong breadth could be good news for the bulls in the coming days and weeks.

Short-term Outlook

The Bottom Line

The market is now overbought and most indicators are suggesting a downside edge. I am looking to take on some short exposure.

*Summary of Recent Active Studies (see Letters from listed dates for details) **Not updated due to computer difficulties***

Study Date	Description	Time span	Bias	Avg Max Move
Active				
August 12, 2011	CBI >= 10		Bullish	
August 12, 2011	SPY gap-n-go under 200ma	1-2 days	Bearish	
August 12, 2011	SPY 1% below high but still up 1%	1-2 days	Bullish	
August 12, 2011	3% rise on lowest volume in 5 days	1-3 days	Bearish	
August 11, 2011	Reversal from low then dip	1-3 days	Bullish	3.50%
Active - Long Term				
August 8, 2011	SPX Down 9 of 10 days and > 7.5%	1-20 days	Bullish	13.30%
July 22, 2011	Up Issue% > 75% 2 of 3. Close 10 high.	1-20 days	Bullish	5.50%
July 5, 2011	QE2 Over	int term	Bearish	
March 22, 2011	3 Days Up Issues % > 70%	8 months	Bullish	19.00%
October 25, 2010	SPX Golden Cross	int term	Bullish	

If the avg max move is achieved the study will appear in **bold italic blue** and no longer be active.

The Evidence

Price action on Monday was very strong. The market gapped up to start the day, held above the gap area and then powered higher for much of the day finally closing near its high. The SPX rose 2.2%, the Nasdaq was up 1.9% and the Russell 2000 added on 3.0%. Breadth was extremely strong as the NYSE Up Issues % came in at 91% and the Up Volume % was 96%. Total NYSE Volume was weak, though. It declined for the 5th day in a row and came in at the lowest level in over 2 weeks. Also notable among our indicators is that the Capitulative Breadth Indicator (CBI) dropped from 12 to 1.

There is quite a bit to go over tonight, so let's get to it.

The strong move up in prices was mirrored by a strong move down in VXO, which dropped 18% on Monday. Sharp drops in VXO are often followed by drops in SPX over the next few days. In the past I have showed this study without any trend filter. Tonight I ran it requiring a close under the 200-day moving average.

VXO closes down over 15%. SPX closes < 200ma. Buy SPX on close. Sell X days later. \$100k/trade. 1987 - present.										
X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
5	-31,477.59	14	5	9	35.71	2,719.74	-5,008.48	0.54	0.30	-2,248.40
4	-28,898.35	16	7	9	43.75	1,716.33	-4,545.85	0.38	0.29	-1,806.15
3	-32,374.24	17	4	13	23.53	1,262.97	-2,878.93	0.44	0.13	-1,904.37
2	-41,556.22	17	3	14	17.65	951.36	-3,172.17	0.30	0.06	-2,444.48
1	-20,497.77	17	2	15	11.76	414.48	-1,421.78	0.29	0.04	-1,205.75
All 17 instances posted a close below the entry price at some point in the next 3 days.										

As you can see, inclinations for the downside are quite evident. All 17 instances since 1998 have posted a lower close within 3 days, and the 2-15 record on day 1 is quite compelling. Of course 15%+ is a wide range. So I broke it down a bit further. Below are results for a 15%-20% in the VXO, and for a 20%+ drop.

VXO closes down 15% - 20%. SPX closes < 200ma. Buy SPX on close. Sell X days later. \$100k/trade. 1998 - present.										
X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
5	-9,424.45	9	5	4	55.56	2,719.74	-5,755.79	0.47	0.59	-1,047.16
4	-7,365.70	10	6	4	60.00	1,549.62	-4,165.85	0.37	0.56	-736.57
3	-14,447.82	11	3	8	27.27	1,506.03	-2,370.74	0.64	0.24	-1,313.44
2	-17,379.53	11	2	9	18.18	1,422.37	-2,247.14	0.63	0.14	-1,579.96
1	-10,443.80	11	2	9	18.18	414.48	-1,252.53	0.33	0.07	-949.44

As you can see, the 15%-20% drop still shows compelling numbers, just not quite as bearish as above. This means 20%+ should be especially powerful.

VXO closes down over 20%. SPX closes < 200ma. Buy SPX on close. Sell X days later. \$100k/trade. 1987 - present.										
X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
5	-22,053.14	5	0	5	0.00	0.00	-4,410.63	0.00	0.00	-4,410.63
4	-21,532.65	6	1	5	16.67	2,716.60	-4,849.85	0.56	0.11	-3,588.77
3	-17,926.42	6	1	5	16.67	533.80	-3,692.04	0.14	0.03	-2,987.74
2	-24,176.69	6	1	5	16.67	9.35	-4,837.21	0.00	0.00	-4,029.45
1	-10,053.97	6	0	6	0.00	0.00	-1,675.66	0.00	0.00	-1,675.66

And as you can see, it is.

Lastly, I closely examined the 11 trades that fell into the 15% - 20% category. Below you can see the full list assuming a 2-day holding period.

VXO closes down 15% - 20%. SPX closes < 200ma.
Buy SPX on close. Sell 2 days later. \$100k/trade. 1998 - present.

Date/Time	Signal	Price	% Profit	Run-up Drawdown
09/01/98	Buy	\$994.25	(1.21%)	\$1,895.00
09/03/98	Sell	\$982.25		(\$2,495.00)
09/08/98	Buy	\$1,023.45	(4.23%)	\$412.25
09/10/98	Sell	\$980.20		(\$5,315.60)
01/03/01	Buy	\$1,347.53	(3.64%)	\$200.54
01/05/01	Sell	\$1,298.47		(\$3,890.92)
07/29/02	Buy	\$898.96	1.41%	\$1,407.48
07/31/02	Sell	\$911.62		(\$1,582.86)
07/19/06	Buy	\$1,259.81	(1.55%)	\$217.25
07/21/06	Sell	\$1,240.29		(\$1,666.11)
03/18/08	Buy	\$1,330.71	(0.09%)	\$810.00
03/20/08	Sell	\$1,329.51		(\$2,661.75)
10/28/08	Buy	\$940.51	1.44%	\$3,105.80
10/30/08	Sell	\$954.09		(\$1,934.50)
01/21/09	Buy	\$840.24	(0.99%)	\$0.00
01/23/09	Sell	\$831.95		(\$4,066.23)
02/24/09	Buy	\$773.14	(2.63%)	\$900.42
02/26/09	Sell	\$752.83		(\$2,759.31)
05/27/10	Buy	\$1,103.06	(2.93%)	\$0.00
06/01/10	Sell	\$1,070.71		(\$2,985.30)
06/02/10	Buy	\$1,098.38	(3.05%)	\$663.39
06/04/10	Sell	\$1,064.88		(\$3,447.08)
Avg Run-up: 0.9%				
Avg Drawdown: -3.0% Smallest Drawdown: -1.6%				

In addition to the basic stats found in the 1st table, risk/reward appears strongly bearish here as well. Drawdowns dwarf run-ups and there was a dip of at least 1.5% for the SPX in every case.

Several studies appeared in the Quantifinder related to volume. The one below uses SPY volume. I found it to be especially appealing and worth showing again because it seems to suggest not just a short-term edge, but an intermediate-term one as well. An unfiltered (for trend) version was found in the 4/13/10 subscriber letter. I have added a 200ma filter to this one.

SPY rises 3 days in a row while SPY volumes declines 3 days in a row. Close < 200ma.
Buy on close. Sell X days later. \$100k/trade. 1993 - present.

X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
20	-45,429.39	11	3	8	27.27	2,628.38	-6,664.32	0.39	0.15	-4,129.94
19	-40,791.35	11	4	7	36.36	2,259.81	-7,118.66	0.32	0.18	-3,708.30
18	-38,115.14	12	5	7	41.67	1,777.46	-6,714.63	0.26	0.19	-3,176.26
17	-33,304.01	12	4	8	33.33	1,691.46	-5,008.73	0.34	0.17	-2,775.33
16	-27,275.08	12	4	8	33.33	2,837.21	-4,827.99	0.59	0.29	-2,272.92
15	-30,031.91	12	4	8	33.33	2,592.29	-5,050.13	0.51	0.26	-2,502.66
14	-34,210.60	12	4	8	33.33	2,745.78	-5,649.21	0.49	0.24	-2,850.88
13	-35,095.47	12	4	8	33.33	1,756.96	-5,265.41	0.33	0.17	-2,924.62
12	-22,667.11	12	6	6	50.00	1,626.58	-5,404.43	0.30	0.30	-1,888.93
11	-13,180.07	12	6	6	50.00	2,099.96	-4,296.64	0.49	0.49	-1,098.34
10	-13,746.63	12	6	6	50.00	2,346.41	-4,637.52	0.51	0.51	-1,145.55
9	-10,924.46	12	7	5	58.33	2,044.09	-5,046.61	0.41	0.57	-910.37
8	-10,145.55	12	5	7	41.67	2,681.21	-3,364.51	0.80	0.57	-845.46
7	-13,215.59	12	7	5	58.33	1,169.49	-4,280.40	0.27	0.38	-1,101.30
6	-14,755.07	12	4	8	33.33	1,364.35	-2,526.56	0.54	0.27	-1,229.59
5	-12,218.87	12	4	7	33.33	980.74	-2,305.98	0.43	0.24	-1,018.24
4	-16,726.45	12	2	10	16.67	1,125.76	-1,897.80	0.59	0.12	-1,393.87
3	-19,372.18	12	3	9	25.00	912.42	-2,456.61	0.37	0.12	-1,614.35
2	-6,351.00	13	5	8	38.46	1,581.66	-1,782.41	0.89	0.55	-488.54
1	3,778.12	15	9	6	60.00	1,758.58	-2,008.19	0.88	1.31	251.87

Again we see what appears to be a strong downside inclination

I've mentioned over the last several days that shorting after a possible intermediate-term low can be tricky and dangerous. This is especially true when the CBI is elevated. With the big dip today the CBI is no longer a concern. Still, many of the multiple up day / declining volume studies like the one above would have showed much different results coming off a possible intermediate-term low. The study below is from the 9/13/10 subscriber letter and I have updated the stats. You'll note the requirements are a bit loose in this study because I want to demonstrate the importance of the 50-day low.

SPX closes up for exactly the 3rd day in a row but below the 200ma. It did not close at a 50-day low prior to the rally. Volume has declined at least one of the last 2 days.
Buy on close. Sell X days later. \$100k/trade. 1999 - present.

X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
5	-37,184.50	32	13	19	40.63	1,344.86	-2,877.24	0.47	0.32	-1,162.02
4	-46,772.97	34	11	23	32.35	978.73	-2,501.69	0.39	0.19	-1,375.68
3	-52,440.76	34	9	25	26.47	840.64	-2,400.26	0.35	0.13	-1,542.38
2	-35,982.57	34	8	26	23.53	717.69	-1,604.77	0.45	0.14	-1,058.31
1	-16,449.71	34	13	21	38.24	1,108.82	-1,469.73	0.75	0.47	-483.82

As you can see this setup suggests a strong short-term bearish edge. The SPX did NOT close at a 50-day low 3 days ago so the current setup DOES qualify for this study. But it JUST missed. What if it had closed 1 point lower on 8/10 and it did mark a 50-day low?

SPX closes up for exactly the 3rd day in a row but below the 200ma. It closed at a 50-day low just prior to the rally. Volume has declined at least one of the last 2 days. Buy on close. Sell X days later. \$100k/trade. 1999 - present.										
X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
5	14,573.72	14	9	5	64.29	3,427.76	-3,255.22	1.05	1.90	1,040.98
4	10,861.51	14	8	6	57.14	2,901.21	-2,058.02	1.41	1.88	775.82
3	5,136.12	14	8	6	57.14	2,404.56	-2,350.05	1.02	1.36	366.87
2	9,887.49	14	11	3	78.57	1,580.79	-2,500.39	0.63	2.32	706.25
1	10,766.82	14	9	5	64.29	1,711.57	-927.46	1.85	3.32	769.06

Here you can see that the results look much different. Strong moves off bottoms are often a good thing. Overbought will frequently be ignored when the market is charging off an intermediate-term low. And although the current setup falls into the first category, the market position is so close to an intermediate-term low that I feel it is worth considering.

While the VXO action and the volume were suggesting bearish consequences, the extremely strong breadth provided a ray of hope for the bulls. The study below was last seen in the 7/5/11 subscriber letter.

SPX closes higher for at least the 3rd day in a row and the NYSE Up Volume % > 90%.
Buy SPX on close. Sell X days later. \$100k/trade. 1970 - present.

X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
20	76,972.74	30	19	11	63.33	5,374.95	-2,286.49	2.35	4.06	2,565.76
19	71,559.41	30	20	10	66.67	4,864.78	-2,573.61	1.89	3.78	2,385.31
18	73,190.56	30	22	8	73.33	4,451.04	-3,091.53	1.44	3.96	2,439.69
17	72,413.59	31	23	8	74.19	4,273.18	-3,233.70	1.32	3.80	2,335.92
16	73,418.30	31	21	10	67.74	4,612.88	-2,345.21	1.97	4.13	2,368.33
15	73,677.97	32	22	10	68.75	4,399.61	-2,311.34	1.90	4.19	2,302.44
14	68,550.31	32	24	8	75.00	3,803.90	-2,842.92	1.34	4.01	2,142.20
13	57,803.71	33	24	9	72.73	3,389.75	-2,616.69	1.30	3.45	1,751.63
12	43,743.77	33	22	11	66.67	3,125.45	-2,274.19	1.37	2.75	1,325.57
11	44,137.27	33	20	13	60.61	3,171.90	-1,484.67	2.14	3.29	1,337.49
10	49,706.67	33	23	10	69.70	3,049.74	-2,043.74	1.49	3.43	1,506.26
9	40,018.56	33	22	10	66.67	2,826.02	-2,215.39	1.28	2.81	1,212.68
8	32,772.27	33	23	10	69.70	2,567.60	-2,628.24	0.98	2.25	993.10
7	38,133.65	33	21	12	63.64	2,898.22	-1,894.08	1.53	2.68	1,155.57
6	29,279.53	33	19	14	57.58	2,666.02	-1,526.77	1.75	2.37	887.26
5	27,054.45	33	22	11	66.67	2,218.06	-1,976.63	1.12	2.24	819.83
4	23,907.00	33	22	11	66.67	1,851.99	-1,530.61	1.21	2.42	724.45
3	12,408.26	33	20	12	60.61	1,564.39	-1,573.29	0.99	1.66	376.01
2	11,331.60	33	24	9	72.73	1,026.13	-1,477.28	0.69	1.85	343.38
1	10,612.54	34	18	16	52.94	940.05	-394.27	2.38	2.68	312.13

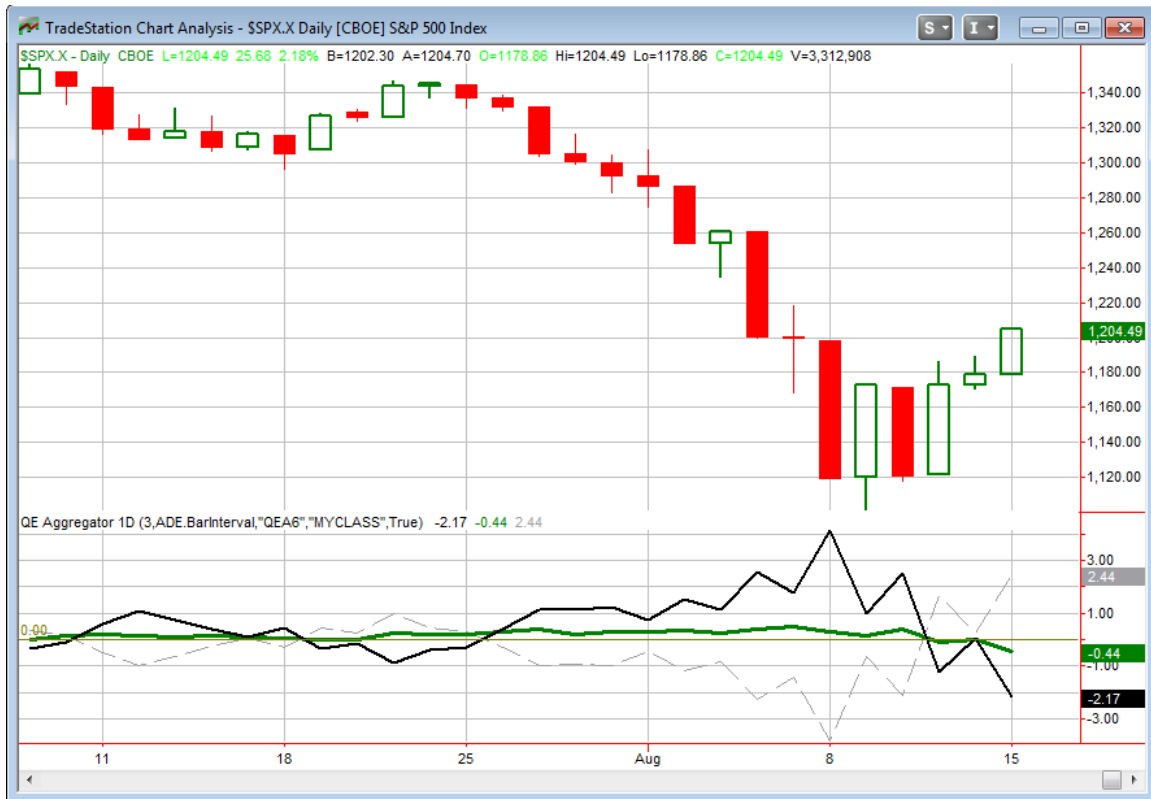
As you can see results start off strong and stay that way for some time. Last time I also ran the results back to just after the Crash of '87. I did that again this time.

SPX closes higher for at least the 3rd day in a row and the NYSE Up Volume % > 90%.
Buy SPX on close. Sell X days later. \$100k/trade. 10/20/87 - present.

X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
20	33,509.25	15	10	5	66.67	4,685.94	-2,670.03	1.76	3.51	2,233.95
19	27,799.49	15	11	4	73.33	3,713.93	-3,263.45	1.14	3.13	1,853.30
18	30,848.69	15	12	3	80.00	3,449.55	-3,515.31	0.98	3.93	2,056.58
17	33,619.54	15	11	4	73.33	4,024.64	-2,662.86	1.51	4.16	2,241.30
16	34,949.23	15	12	3	80.00	3,618.49	-2,824.23	1.28	5.12	2,329.95
15	36,423.85	16	12	4	75.00	3,668.62	-1,899.90	1.93	5.79	2,276.49
14	38,060.98	16	15	1	93.75	2,696.46	-2,385.90	1.13	16.95	2,378.81
13	28,610.51	17	14	3	82.35	2,345.57	-1,409.13	1.66	7.77	1,682.97
12	23,314.41	17	13	4	76.47	2,264.93	-1,532.42	1.48	4.80	1,371.44
11	22,446.08	17	10	7	58.82	2,717.88	-676.11	4.02	5.74	1,320.36
10	24,467.32	17	12	5	70.59	2,789.12	-1,800.43	1.55	3.72	1,439.25
9	24,085.41	17	13	4	76.47	2,259.75	-1,322.82	1.71	5.55	1,416.79
8	19,444.41	17	13	4	76.47	2,141.96	-2,100.26	1.02	3.31	1,143.79
7	23,220.70	17	12	5	70.59	2,446.42	-1,227.26	1.99	4.78	1,365.92
6	16,237.67	17	11	6	64.71	2,184.08	-1,297.86	1.68	3.09	955.16
5	14,797.08	17	13	4	76.47	1,796.47	-2,139.25	0.84	2.73	870.42
4	13,185.28	17	13	4	76.47	1,447.35	-1,407.58	1.03	3.34	775.60
3	4,326.16	17	11	6	64.71	1,345.71	-1,746.11	0.77	1.41	254.48
2	2,916.99	17	14	3	82.35	818.75	-2,848.51	0.29	1.34	171.59
1	7,206.47	17	9	8	52.94	961.74	-181.15	5.31	5.97	423.91

These more recent results appear even more bullish than the larger set.

I have updated the [Aggregator](#) chart below.



Tonight's bearish studies combined with the drop back to neutral in the CBI caused the green Aggregator line to drop further into negative territory. Levels below 0 mean net expectations from the Active List are for downside over the next few days. Meanwhile, the Differential Line also took a sharp dive below 0. A negative Differential reading means the SPX has outperformed expectations over the last few days. So net expectations are negative and the SPX is overbought versus recent expectations. Historically this combination has suggested a downside edge. Negative configurations can be seen on the Aggregator chart whenever both lines are below 0. Due to this the Aggregator System changed to short.

The green Aggregator line is likely to finish negative again on Tuesday. Of course this could change if strong bullish evidence emerges. Meanwhile, the Differential Pivot is will be 1,176.67. This is over 2% below Monday's close. So for the SPX to move out of "overbought" territory it would take a drop of at least this magnitude.

The evidence points to a pullback over the next few days. I remain somewhat cautious since we are emerging from a possible intermediate-term low. I exited nearly all long positions at the close on Monday, including all Catapults that triggered. (Subscribers were notified via intraday-update.) The "standard" exit would have been Tuesday's

open. As volatile as the market has been I wasn't inclined to take chances. And as rough as the last couple of weeks has been, psychologically I felt much more comfortable booking some wins rather than pushing my luck and possibly regretting it if the market gapped down. Sometimes keeping sanity is more important than getting every extra dollar out of a trade. For Tuesday, while I remain cautious, I will look to establish a small short position in the hope of taking advantage of the current apparent downside edge.

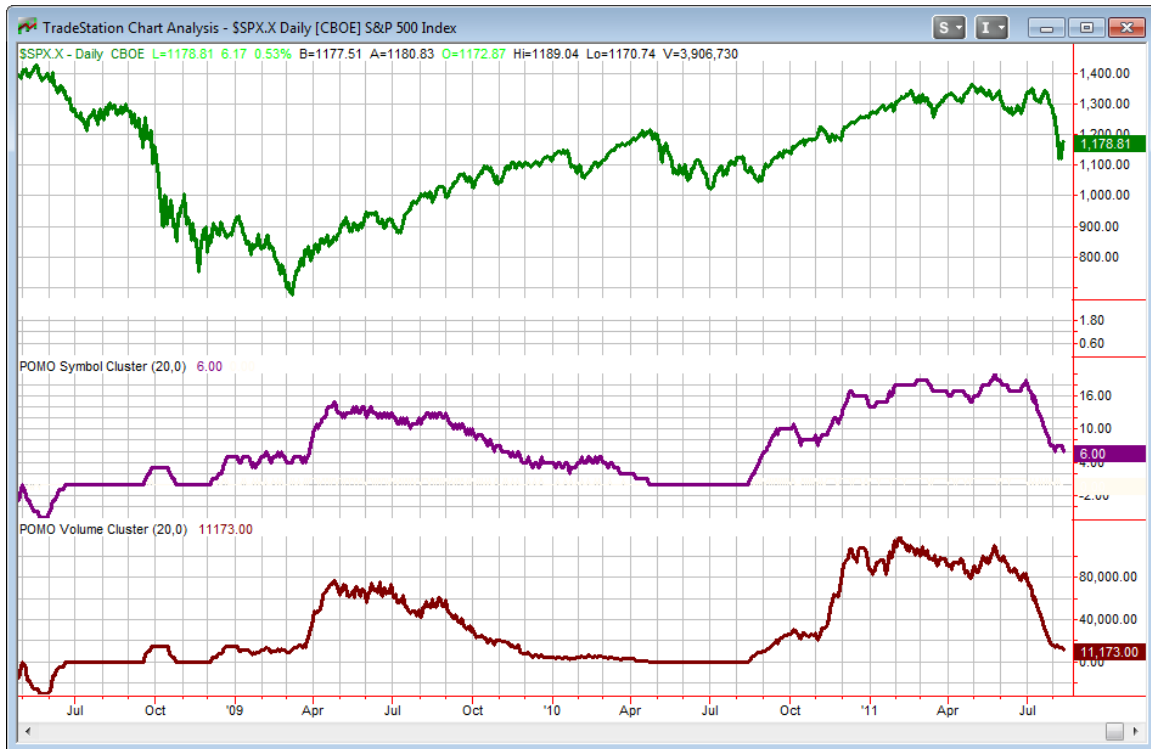
Intermediate-term Outlook (2 weeks – 2 months)– updated 8/15 – neutral

The trend is obviously down at this point. Some readings were reached this past week that were so extreme that they suggested a long-term bottom could be in place. Still, the market has yet to provide any confirmation of that beyond a few up days. To me it appears dangerous to bet big on either side at the moment.

I've been updating the POMO chart most weekends in the letter. For those who may not recall below is a brief refresher on POMO. Beneath that I have updated our POMO indicator chart.

POMO stands for Permanent Open Market Operations and it is how the Fed goes into the open market to buy securities. The net effect of this buying is an influx of cash into the system. It appears a portion of that cash makes its way to the stock market and works as a bullish influence. A "POMO Day" is simply a day where these operations take place... The chart below (shows a couple of POMO indicators). The top pane is the S&P 500. The middle pane is the rolling number of days in the last 20 that have been POMO days. The bottom pane is the total amount of money infused into the system over the previous 20 days. Information on acquiring the data and constructing the chart can be found in the January 3rd POMO presentation linked below. (Not available for trial users.)

<http://www.quantifiableedges.com/members/pomo.php>



POMO indicators dipped a little more this past week. In the past when POMO stimulus ended – it ended. This time the end of QE2 marked a period of substantially less stimulus, rather than none. This made it tricky in determining whether the end of QE2 would completely pull the rug out from under the market. At this point it appears it has. The new operations schedule was released by the Fed on Wednesday and it is calling for about the same level of stimulus as we saw this past month. While there IS still liquidity pumping going on, it appears the reduced level is akin to providing a heroin addict a couple of aspirin to try and get high. The link below shows the new schedule.

http://www.newyorkfed.org/markets/tot_operation_schedule.html

If you click it you will notice there is a tab on the page where you can see “All Schedules” rather than just the “Current Schedule”. Clicking that tab you will see that the monthly estimate of POMO activity for last month and this month is about \$14 billion. During QE2 the level was normally around \$100 billion/month. So is the market capable of mounting a serious new bull move with the modest amount of stimulus currently being provided? So far I have seen no evidence of that.

Catapult and Capitulative Breadth Statistics

[Catapult & CBI Presentation Link](#)

Open Catapult Triggers

ALL – 1/3 @ \$24.57

Catapult for ETF's Trades

None.

Broad Market Large Cap CBI – 1 (ALL)

Additional New Trade Ideas

A full listing of system triggers can be found at the [system triggers page](#) each night. I will cherry pick some of my favorite setups from the S&P 100 and ETF lists along with occasional other trade ideas to track below.

[SPY – short ¼ index position at \\$120.62 LIMIT ON CLOSE.](#) Based on short-term outlook above..

Current Open Trade Ideas

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Stop	Notes
<i>SPY(1/4)</i>	<i>7/28/2011</i>	<i>\$130.22</i>	<i>\$120.62</i>	<i>-7.37%</i>		<i>sold on close</i>
<i>WAG(1/3)</i>	<i>8/5/2011</i>	<i>\$37.05</i>	<i>\$36.74</i>	<i>-0.84%</i>		<i>sold on close</i>
<i>WAG(1/3)</i>	<i>8/8/2011</i>	<i>\$36.00</i>	<i>\$36.74</i>	<i>2.06%</i>		<i>sold on close</i>
<i>BAC(1/3)</i>	<i>8/8/2011</i>	<i>\$7.40</i>	<i>\$7.76</i>	<i>4.86%</i>		<i>sold on close</i>
<i>WAG(1/3)</i>	<i>8/9/2011</i>	<i>\$35.22</i>	<i>\$36.74</i>	<i>4.32%</i>		<i>sold on close</i>
<i>ALL(1/3)</i>	<i>8/9/2011</i>	<i>\$24.57</i>	<i>\$26.01</i>	<i>5.86%</i>		<i>Catapult</i>
<i>EXC(1/3)</i>	<i>8/9/2011</i>	<i>\$39.94</i>	<i>\$42.24</i>	<i>5.76%</i>		<i>sold on close</i>
<i>HON(1/3)</i>	<i>8/9/2011</i>	<i>\$44.29</i>	<i>\$47.00</i>	<i>6.12%</i>		<i>Intraday stop</i>
<i>RTN(1/3)</i>	<i>8/9/2011</i>	<i>\$39.41</i>	<i>\$41.24</i>	<i>4.64%</i>		<i>sold on close</i>
<i>TXN(1/3)</i>	<i>8/9/2011</i>	<i>\$26.19</i>	<i>\$27.49</i>	<i>4.96%</i>		<i>sold on close</i>
<i>BAX(1/3)</i>	<i>8/9/2011</i>	<i>\$50.31</i>	<i>\$53.35</i>	<i>6.04%</i>		<i>Intraday stop</i>

The index trades have been hammered this month but at least the Catapults put in some nice gains.

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