

QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

June 3, 2013

Volume 6 Issue 105

Market Overview



Signals Overview

Aggregator	Aggressive VIX	QE Buy Pwr Swing	NDX Trend Timer
Long	100% Long XIV	Long	Long

Tonight's Research Points

- Since the Crash of '87, strong Friday selloffs have almost always been followed by a bounce on Monday.
- The strongly negative closing TICK values of late have again triggered a bullish setup for our TICK Tomoscillator.
- The 1st trading day of the month is often bullish, and that tendency has been very strong when there has been a late-month selloff during a long-term uptrend.

Short-term Outlook

The Bottom Line

Lots of people got scared and sold late on Friday. This has triggered a number of studies suggesting a likely quick bounce. With the market as short-term oversold as it has been since April, I am looking to take advantage of this weakness.

Summary of Recent Active Studies (see Letters from listed dates for details)

Study Date	Description	Time span	Bias	Avg Max Move
Active				
June 3, 2013	Big drop on Friday	1-6 days	Bullish	2.70%
June 3, 2013	Pullback into end of month	1 day	Bullish	
June 3, 2013	TICK Tomoscillator low extreme	1 day	Bullish	
May 28, 2013	2 unfilled gaps down. 5-low.	1-5 days	Bullish	1.80%
May 28, 2013	3 dn from 50-high. < 10ma & > 10-low	1-5 days	Bullish	1.80%
Active - Long Term				
May 23, 2013	3-hi. 3-low. 3-low close. Close > 200.	1-15 days	Bullish	4.10%
May 9, 2013	Breadth Confirms Rally (Study of Tops)	int term	Bullish	
May 6, 2013	Nasdaq leading SPX	int term	Bullish	
April 29, 2013	Sell in May unless Jan-April strong	1-6 months	Bullish	6.80%
April 29, 2013	6 months higher in a row	1-10 months	Bullish	14.30%
September 17, 2012	QE3	int term	Bullish	
February 1, 2012	Golden Cross	int term	Bullish	
Dropped Tonight				
May 30, 2013	Unfill gap up. Unfill gap dn.	1-3 days	Bearish	

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

The Evidence

Friday spent most of the day wiggling near breakeven. But investors got spooked in the last half hour and the market sold off hard into the close. SPX finished with a 1.4% loss, while the Nasdaq and Russell 2000 each fell 1.0%. Breadth was strongly negative as the NYSE Up Issues % was 15% and the Up Volume % was just 10%. Total NYSE volume spiked to the highest level in since mid-April.

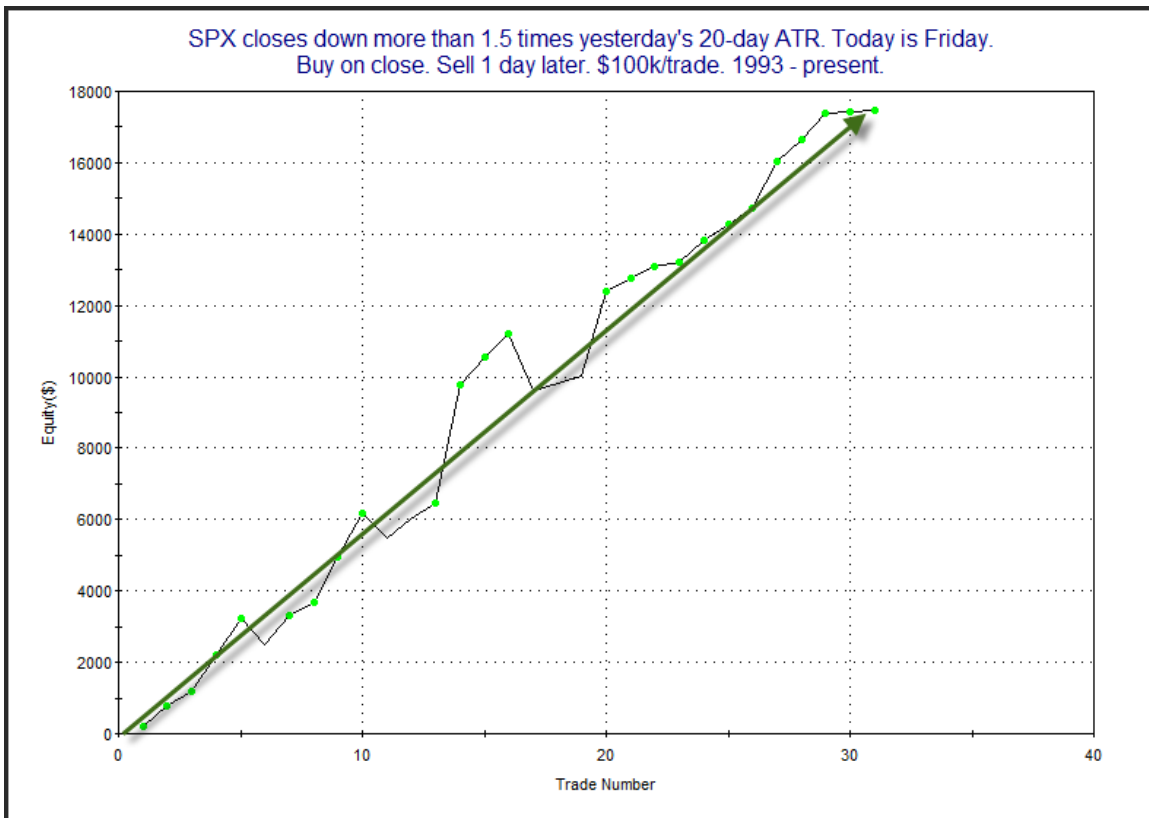
Perhaps the most compelling study that appeared in the Quantifinder examined large drops on Fridays. Both the Crash of '29 and the Crash of '87 happened on Monday. The Crash of '87 is still remembered by many traders that are active today. There was a strong selloff on Friday and then all hell broke loose on Monday. But since then strong Friday selloffs have commonly been followed by bounces on Mondays. Perhaps this is due to the fact that fear of a crash causes what might otherwise be an ordinary selloff to become exaggerated and overdone on Fridays. Or perhaps it is just that people don't want to hold over the weekend. Whatever the reason, the tendency to bounce has been very strong. The study below looks at strong drops on Fridays and was last discussed in the 10/22/12 subscriber letter.

SPX closes down more than 1.5 times yesterday's 20-day ATR. Today is Friday.
Buy on close. Sell X days later. \$100k/trade. 1993 - present.

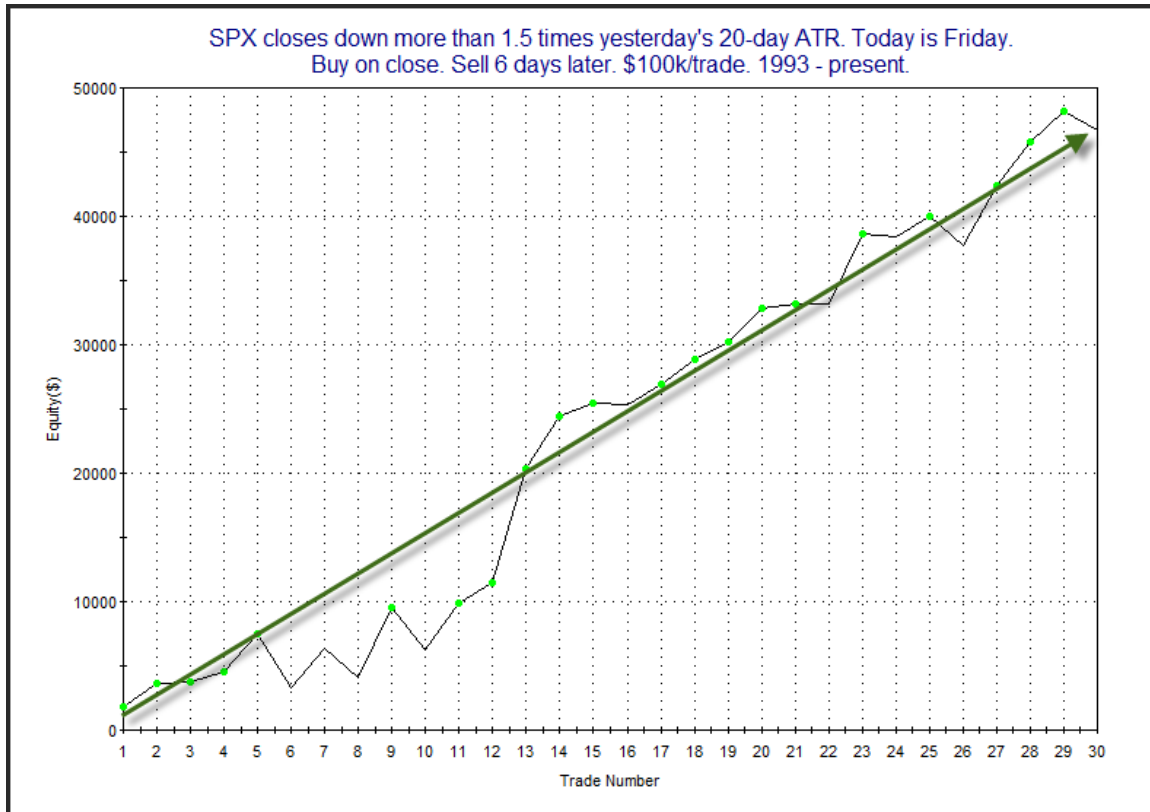
X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Avg Winning Trade	All: Max Winning Trade	All: Avg Losing Trade	All: Max Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
10	29,886.24	30	19	11	63.33	3,138.76	9,241.60	-2,704.57	-6,049.40	1.16	2.00	996.21
9	32,737.21	30	19	11	63.33	2,998.91	7,602.40	-2,203.83	-5,483.80	1.36	2.35	1,091.24
8	41,569.24	30	21	9	70.00	2,820.21	7,949.70	-1,961.69	-3,550.72	1.44	3.35	1,385.64
7	40,549.97	30	20	10	66.67	2,943.80	7,662.81	-1,832.61	-4,599.52	1.61	3.21	1,351.67
6	46,718.24	30	22	8	73.33	2,754.97	8,870.96	-1,736.40	-4,202.80	1.59	4.36	1,557.27
5	32,055.55	31	22	9	70.97	2,315.53	5,393.97	-2,098.46	-6,368.04	1.10	2.70	1,034.05
4	23,559.40	31	21	10	67.74	1,933.22	5,731.96	-1,703.83	-4,917.36	1.13	2.38	759.98
3	26,589.58	31	21	10	67.74	1,830.80	5,215.85	-1,185.72	-3,492.36	1.54	3.24	857.73
2	21,169.75	31	21	10	67.74	1,519.87	6,245.15	-1,074.74	-4,320.06	1.41	2.97	682.90
1	17,459.11	31	28	3	90.32	734.04	3,322.23	-1,031.38	-1,614.72	0.71	6.64	563.20

2 of the 3 instances that didn't bounce on Monday kept dropping and failed to post a close above the entry price at all in the next 2 weeks. They were 7/5/96 and 7/31/98.

The numbers here are all very impressive and suggest a strong bullish bias. I decided to look at the 1-day and 6-day returns in a little more detail. First, below is the profit curve for a 1-day holding period.



The Monday inclination has been strong, and I see no red flags here. For the 6-day I also produced a profit curve.

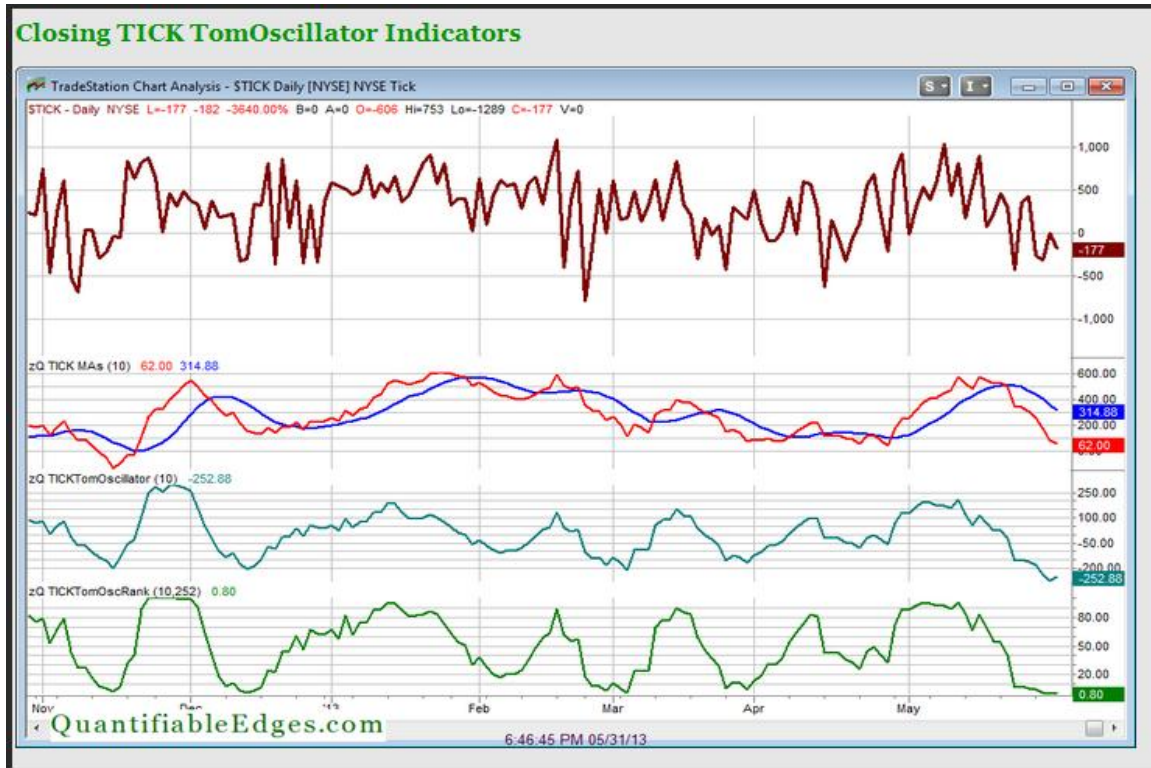


Here too the results remain impressive. This certainly seems to be a study worth taking under consideration.

In Wednesday night's Letter we saw an interesting setup provided by our TICK Tomoscillator indicator. The excerpt below is from Wednesday night's letter. I have updated the stats and the chart.

The TICK Tomoscillator is the brain child of my friend and fellow market analyst, Tom McClellan of McClellan Financial Publications ([click for Tom's article on the indicator](#)). It uses the NYSE closing TICK readings to measure recent end-of-day sentiment. I first introduced the TICK Tomoscillator in the 4/19/11 subscriber letter. For those that are not familiar with the TICK Tomoscillator, you may find a detailed description in the [May 13, 2011 blog](#). The TICK Tomoscillator posted an extremely low reading of -252.88. This kept the Tomoscillator % Rank down below 1%, meaning Friday's reading is among

the lowest 1% in the last year. Subscribers may find Tomoscillator readings on the charts page every night. Below you can see the Oscillator reading from tonight's chart page:



The TICK Tomoscillator is also included in the QE Indicators/Functions for Tradestation package which can be downloaded by all subscribers for free.

The study below uses the Tomoscillator % Rank reading rather than just the raw reading.

TICK TomOscillator 1-year % Rank < 1% and SPX closes at 10-day low. SPX > 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: Max Winning Trade	All: Avg Losing Trade	All: Max Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
10	13,142.26	11	7	4	63.64	2,795.09	5,308.60	-1,605.84	-4,360.44	1.74	3.05	1,194.75
9	16,551.87	11	8	3	72.73	2,764.58	4,786.10	-1,854.93	-5,073.84	1.49	3.97	1,504.72
8	18,415.08	12	9	3	75.00	2,885.33	4,792.75	-2,517.64	-5,882.94	1.15	3.44	1,534.59
7	17,077.73	12	10	2	83.33	2,119.29	4,205.84	-2,057.61	-2,375.10	1.03	5.15	1,423.14
6	11,789.83	12	9	3	75.00	1,748.94	3,839.52	-1,316.88	-1,781.60	1.33	3.98	982.49
5	6,289.69	12	8	4	66.67	1,360.12	3,199.60	-1,147.82	-2,274.60	1.18	2.37	524.14
4	5,081.55	13	9	4	69.23	1,266.96	2,288.36	-1,580.28	-3,019.20	0.80	1.80	390.89
3	8,338.06	14	9	5	64.29	1,281.03	2,450.24	-638.25	-997.56	2.01	3.61	595.58
2	8,577.06	15	10	5	66.67	1,153.15	1,963.50	-590.88	-1,057.20	1.95	3.90	571.80
1	11,243.74	16	15	1	93.75	812.22	2,230.60	-939.60	-939.60	0.86	12.97	702.73

All 16 instances closed above the entry price
on either day 1 or day 2.

While instances are just a little low we see what appears to be a strong inclination for the market to bounce immediately, and then eventually follow through with more upside. Below is a list of all instances with a 1-day exit.

TICK TomOscillator 1-year % Rank < 1% and SPX closes at 10-day low. SPX > 200ma.
Buy SPX on close. Sell X days later. \$100k/trade. 1998 - present.

Date/Time	Signal	Price	% Profit	Run-up Drawdown
07/23/98	Buy	\$1,139.74	0.09%	\$904.80
07/24/98	Sell	\$1,140.80		(\$925.68)
08/04/98	Buy	\$1,072.12	0.87%	\$1,179.24
08/05/98	Sell	\$1,081.42		(\$1,374.54)
05/25/99	Buy	\$1,284.38	1.59%	\$1,574.65
05/26/99	Sell	\$1,304.76		(\$450.45)
07/24/00	Buy	\$1,464.29	0.70%	\$811.92
07/25/00	Sell	\$1,474.47		\$0.00
06/25/03	Buy	\$975.32	1.08%	\$1,143.42
06/26/03	Sell	\$985.82		(\$155.04)
06/30/03	Buy	\$974.50	0.80%	\$893.52
07/01/03	Sell	\$982.32		(\$1,264.80)
10/24/03	Buy	\$1,028.91	0.22%	\$857.48
10/27/03	Sell	\$1,031.13		\$0.00
02/22/05	Buy	\$1,184.17	0.56%	\$785.40
02/23/05	Sell	\$1,190.80		\$0.00
02/27/07	Buy	\$1,399.14	0.55%	\$1,189.25
02/28/07	Sell	\$1,406.82		(\$176.79)
03/02/07	Buy	\$1,387.17	(0.94%)	\$337.68
03/05/07	Sell	\$1,374.12		(\$950.40)
03/05/07	Buy	\$1,374.12	1.55%	\$1,712.16
03/06/07	Sell	\$1,395.41		\$0.00
07/27/07	Buy	\$1,458.95	1.03%	\$1,287.24
07/30/07	Sell	\$1,473.91		(\$314.84)
10/28/09	Buy	\$1,042.63	2.25%	\$2,299.00
10/29/09	Sell	\$1,066.11		\$0.00
04/18/11	Buy	\$1,305.14	0.57%	\$574.56
04/19/11	Sell	\$1,312.62		(\$88.92)
06/10/11	Buy	\$1,270.98	0.07%	\$472.68
06/13/11	Sell	\$1,271.83		(\$416.52)
05/29/13	Buy	\$1,648.36	0.37%	\$813.00
05/30/13	Sell	\$1,654.41		\$0.00

I see no red flags here. And not only is the % Rank at an extreme, but the raw reading of -252.88 is extremely low and triggering some studies of its own. The study below is from the 6/13/11 Subscriber Letter. It looks at TICK Tomoscillator readings below -250 that occur in conjunction with a 5-day low in the SPX.

TICK TomOscillator < -250 and SPX closes at 5-day low. SPX > 200ma.
Buy 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: Max Winning Trade	All: Avg Losing Trade	All: Max Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
10	22,541.47	9	6	3	66.67	3,989.19	6,470.87	-464.55	-835.24	8.59	17.17	2,504.61
9	26,089.33	9	8	1	88.89	3,310.98	6,030.49	-398.48	-398.48	8.31	66.47	2,898.81
8	27,086.43	9	9	0	100.00	3,009.60	4,792.75	0.00	0.00	100.00	100.00	3,009.60
7	20,306.33	9	9	0	100.00	2,256.26	4,494.98	0.00	0.00	100.00	100.00	2,256.26
6	19,452.19	9	9	0	100.00	2,161.35	4,039.08	0.00	0.00	100.00	100.00	2,161.35
5	12,953.52	9	8	1	88.89	1,839.17	3,456.11	-1,759.84	-1,759.84	1.05	8.36	1,439.28
4	11,192.82	9	8	1	88.89	1,431.67	2,689.81	-260.52	-260.52	5.50	43.96	1,243.65
3	11,096.42	9	8	1	88.89	1,441.26	2,450.24	-433.68	-433.68	3.32	26.59	1,232.94
2	9,612.31	9	7	2	77.78	1,496.34	1,916.72	-431.02	-611.80	3.47	12.15	1,068.03
1	7,350.04	9	8	1	88.89	975.01	2,230.60	-450.08	-450.08	2.17	17.33	816.67

All 9 instances closed above the entry price
at some point in the next 3 days.

Instances here are quite low, but the results couldn't be any more bullish. It is rare you see such bullishly volatile numbers when using a "close > 200ma" filter. Uptrends tend to be less volatile than downtrends so most of the time even very strong results are less forceful. Below I have listed all of the qualifying instances using an 8-day exit technique.

TICK TomOscillator < -250 and SPX closes at 5-day low. SPX > 200ma.
Buy on close. Sell 8 days later. \$100k/trade. 1998 - present.

Date/Time	Signal	Price	% Profit	Run-up Drawdown
10/24/03	Buy	\$1,028.91	2.23%	\$3,155.41
11/05/03	Sell	\$1,051.81		\$0.00
02/22/05	Buy	\$1,184.17	3.20%	\$3,409.56
03/04/05	Sell	\$1,222.12		\$0.00
07/27/07	Buy	\$1,458.95	2.64%	\$3,055.92
08/08/07	Sell	\$1,497.49		(\$2,146.08)
10/01/09	Buy	\$1,029.85	4.21%	\$4,812.17
10/13/09	Sell	\$1,073.19		(\$960.30)
10/28/09	Buy	\$1,042.63	4.84%	\$4,799.40
11/09/09	Sell	\$1,093.08		(\$1,258.75)
09/23/10	Buy	\$1,124.83	3.19%	\$3,337.84
10/05/10	Sell	\$1,160.75		\$0.00
02/24/11	Buy	\$1,306.10	1.20%	\$1,989.68
03/08/11	Sell	\$1,321.82		(\$267.52)
04/18/11	Buy	\$1,305.14	4.48%	\$4,515.92
04/29/11	Sell	\$1,363.61		(\$88.92)
06/10/11	Buy	\$1,270.98	1.27%	\$2,155.14
06/22/11	Sell	\$1,287.14		(\$1,006.98)
Avg Run-up: 3.5% Avg Drawdown: -0.6% Minmum Run-up: 1.99%				

Even the weakest one saw a gain of 1.2% over the 8 days. Whether looking at raw readings or % Ranks, the TICK Tomoscillator is strongly suggesting a quick bounce is likely.

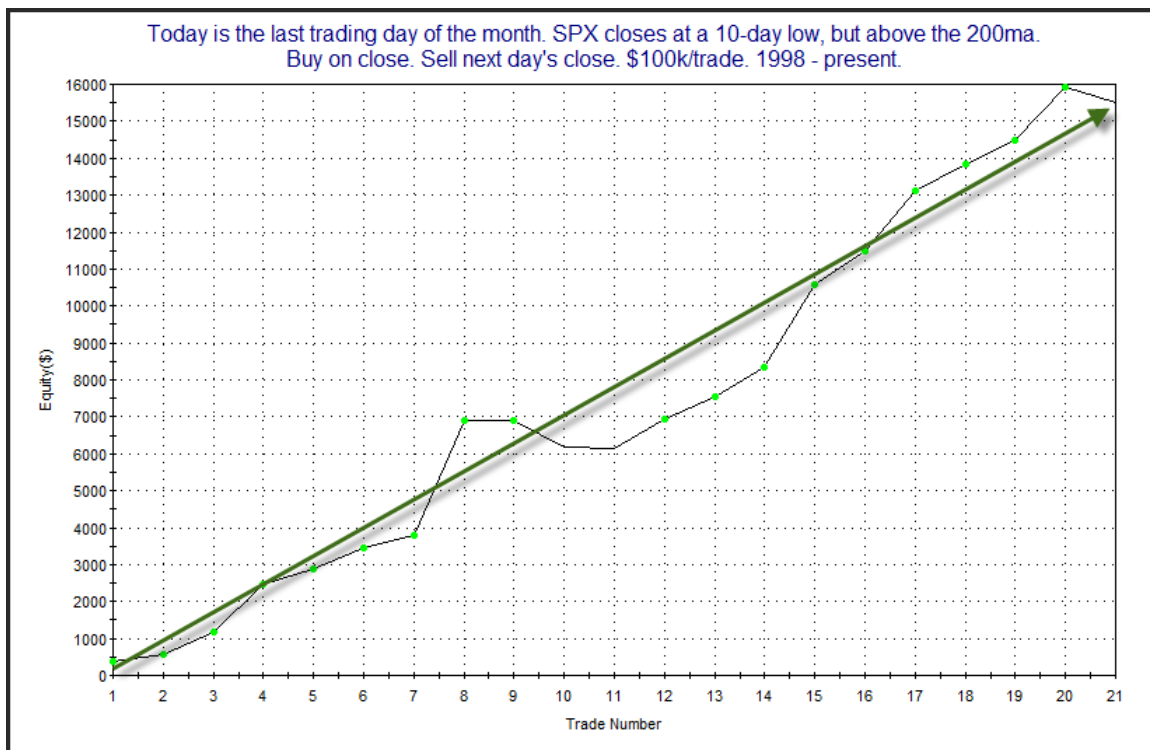
And Monday there is the extra advantage of it being the 1st trading day of the month. Since the late eighties the 1st trading day of the month has had a strong propensity to rise, (though the edge has really only been strong during bull markets). It is something I have shown a number of different ways over the years. But it is not a well-kept secret. Many traders and investors are aware of it. And because of this it is unusual to see such a strong selloff to close out the month. But when months have ended poorly, that has made the Day 1 upside edge even strong. Below I will show this a couple of ways.

This 1st study is one I have never shown before. It examines instances where SPX closes at a 10-day low, but above the 200ma on the last day of the month.

Today is the last trading day of the month. SPX closes at a 10-day low, but above the 200ma.
Buy on close. Sell next day's close. \$100k/trade. 1998 - present.

TradeStation Performance Summary				Collapse ^
All Trades				
Total Net Profit	\$15,501.46	Profit Factor	13.99	
Gross Profit	\$16,694.47	Gross Loss	(\$1,193.01)	
Total Number of Trades	21	Percent Profitable	85.71%	
Winning Trades	18	Losing Trades	3	
Even Trades	0			
Avg. Trade Net Profit	\$738.16	Ratio Avg. Win:Avg. Loss	2.33	
Avg. Winning Trade	\$927.47	Avg. Losing Trade	(\$397.67)	
Largest Winning Trade	\$3,119.10	Largest Losing Trade	(\$731.58)	

The numbers here are all very strong. It's interesting that over the last 25 years there have only been 21 prior instances, which speaks again to the fact that months rarely end so poorly. Not only did 86% of the instances close up the next day, but the winning days were more than twice the size of the losing days. Below is a profit curve showing how it has played out over time.



The nice, steady rise is impressive. You'll note the last instance was one of the 3 losers. That occurred on August 1, 2011. As you may recall, there were quite a few historical norms that got run over by that selloff.

This next study was last seen in the 10/3/11 letter. It looked at times the SPX dropped at least 1% on the last day of the month and closed above its 200ma.

SPX closes down over 1% on the last day of the month. Close > 200ma. Buy on close. Sell next days close. \$100k/trade. 1988 - present.			
TradeStation Performance Summary			Collapse ^
All Trades			
Total Net Profit	\$8,575.30	Profit Factor	7.93
Gross Profit	\$9,813.13	Gross Loss	(\$1,237.83)
Total Number of Trades	12	Percent Profitable	83.33%
Winning Trades	10	Losing Trades	2
Even Trades	0		
Avg. Trade Net Profit	\$714.61	Ratio Avg. Win:Avg. Loss	1.59
Avg. Winning Trade	\$981.31	Avg. Losing Trade	(\$618.92)
Largest Winning Trade	\$2,225.00	Largest Losing Trade	(\$731.58)

Though the number of instances is low the results again appear bullish. Below is the full list of instances.

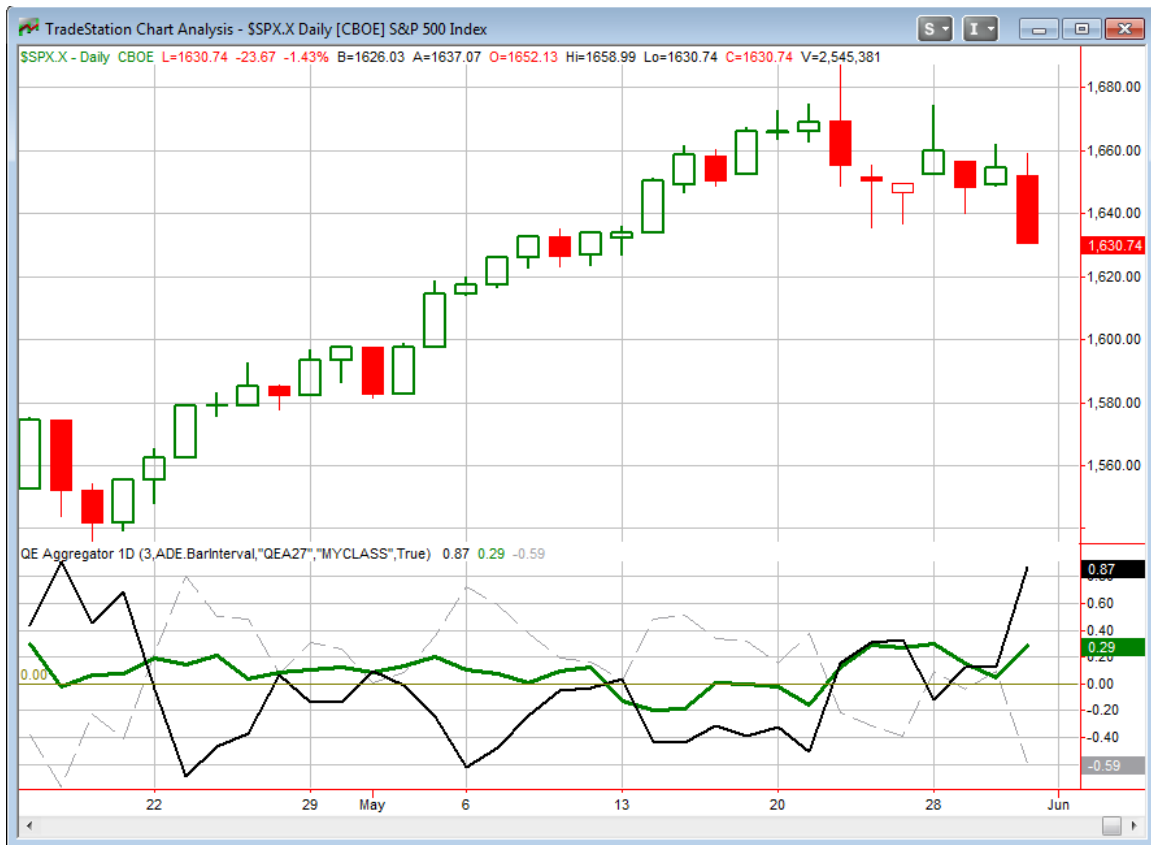
SPX closes down over 1% on the last trade day of the month. Close > 200ma.
Buy on close. Sell next day's close. \$100k/trade. 1988 - present.

Date/Time	Signal	Price	% Profit	Run-up Drawdown
12/31/96	Buy	\$740.74	(0.51%)	\$279.45
01/02/97	Sell	\$736.99		(\$1,510.65)
03/31/97	Buy	\$757.12	0.33%	\$576.84
04/01/97	Sell	\$759.64		(\$773.52)
07/31/98	Buy	\$1,120.66	(0.73%)	\$99.68
08/03/98	Sell	\$1,112.44		(\$914.92)
11/30/98	Buy	\$1,163.62	1.00%	\$1,042.10
12/01/98	Sell	\$1,175.28		(\$1,132.20)
03/31/99	Buy	\$1,286.37	0.57%	\$621.39
04/01/99	Sell	\$1,293.72		(\$282.59)
11/30/99	Buy	\$1,389.07	0.62%	\$784.55
12/01/99	Sell	\$1,397.72		(\$119.99)
09/30/03	Buy	\$995.97	2.23%	\$2,225.00
10/01/03	Sell	\$1,018.22		\$0.00
02/28/06	Buy	\$1,280.66	0.83%	\$868.92
03/01/06	Sell	\$1,291.24		\$0.00
07/31/07	Buy	\$1,455.27	0.72%	\$891.48
08/01/07	Sell	\$1,465.81		(\$1,066.24)
10/30/09	Buy	\$1,036.19	0.65%	\$1,535.04
11/02/09	Sell	\$1,042.88		(\$653.76)
12/31/09	Buy	\$1,115.10	1.60%	\$1,670.53
01/04/10	Sell	\$1,132.99		\$0.00
04/30/10	Buy	\$1,186.69	1.31%	\$1,548.96
05/03/10	Sell	\$1,202.26		\$0.00

Seeing that the last 9 instances have all resulted in gains the next day makes the study look even stronger than the initial numbers suggested.

So between the strong Friday selling, the TICK Tomoscillator, and the turn of the month on Monday, we are seeing some very compelling studies suggesting a short-term bounce.

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



Today's studies caused the green Aggregator Line to spike higher above zero. Positive readings mean net expectations from the Active List are for upside over the next few days. Meanwhile the black Differential Line is now way above 0. The positive Differential Line reading means the SPX is strongly oversold versus recent expectations. So expectations are strongly positive and the SPX is extremely oversold. This is considered a bullish configuration. Bullish configurations are visible on the chart whenever both lines close above 0. This caused the Aggregator system to remain long at the close.

Based on the current studies, expectations are slated to remain positive on Monday. Of course this could change if strong bearish evidence emerges. The Differential Pivot will be 1,659.87 on Monday. This is about 1.8% above Friday's close. That would be a big jump for just one day. More likely it will take a multi-day rally or consolidation to work off the strong oversold condition.

We are certainly seeing ample evidence that prices are likely to rise on Monday. On the Overnight Edges website we saw very strong evidence of a probable gap up. In the Trade Discussion Room on Friday I likened the overnight setup to pocket aces in Texas Hold'em. It is as good as it can get, but it does not mean you are going to win the hand. That is how I feel overall for Monday, and nearly so for the next few days. We are

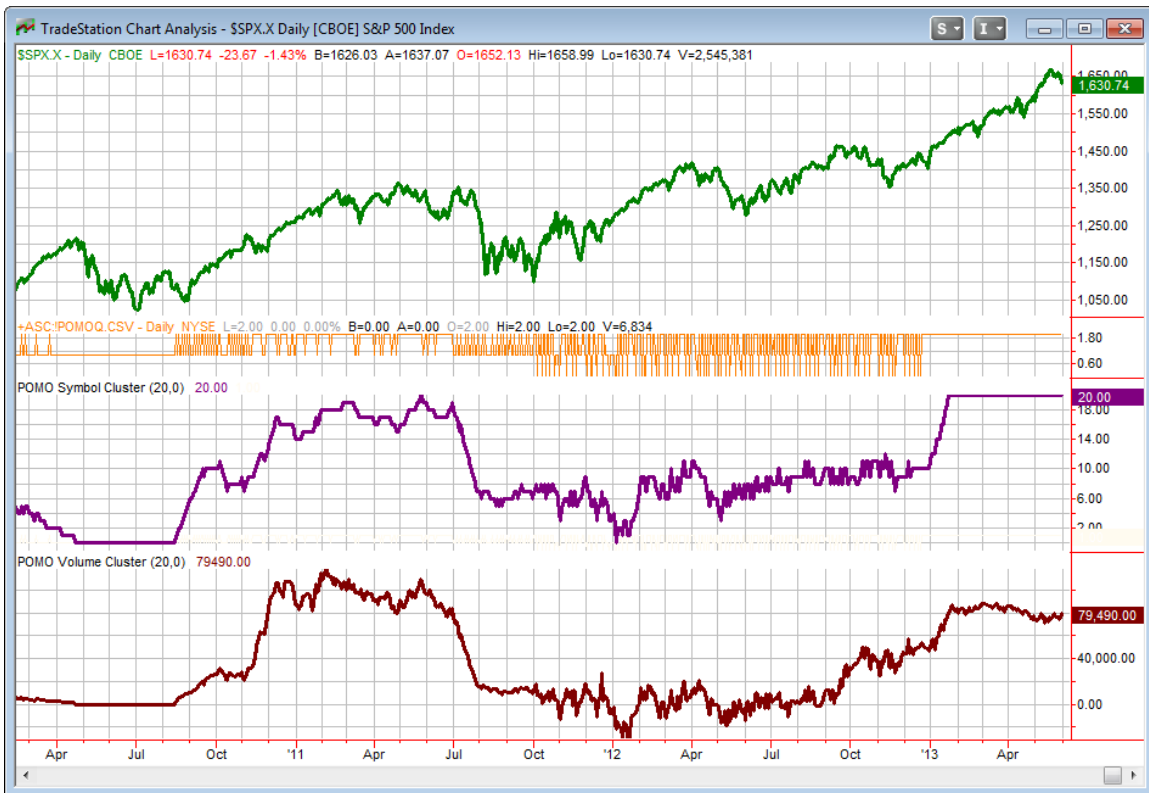
seeing strong evidence of bullish inclinations, but that does not mean they will necessarily play out that way. But like with pocket aces, the correct play is to bet strong early. I currently have some long exposure and with all the compelling short-term evidence pointing towards a bounce, I will look to get longer on Monday.

Intermediate-term Outlook (2 weeks – 2 months)– updated 6/3 –bullish

The market pulled back a bit and closed lower for the 2nd week in a row. But the weekly bar is a little deceiving, since the losses basically all occurred in the last 30 minutes of trading. Even with the pullback, we are still seeing bullish studies dominate the intermediate-term.

I update the intermediate-term POMO/QE chart each week. For those not familiar, below is a brief description.

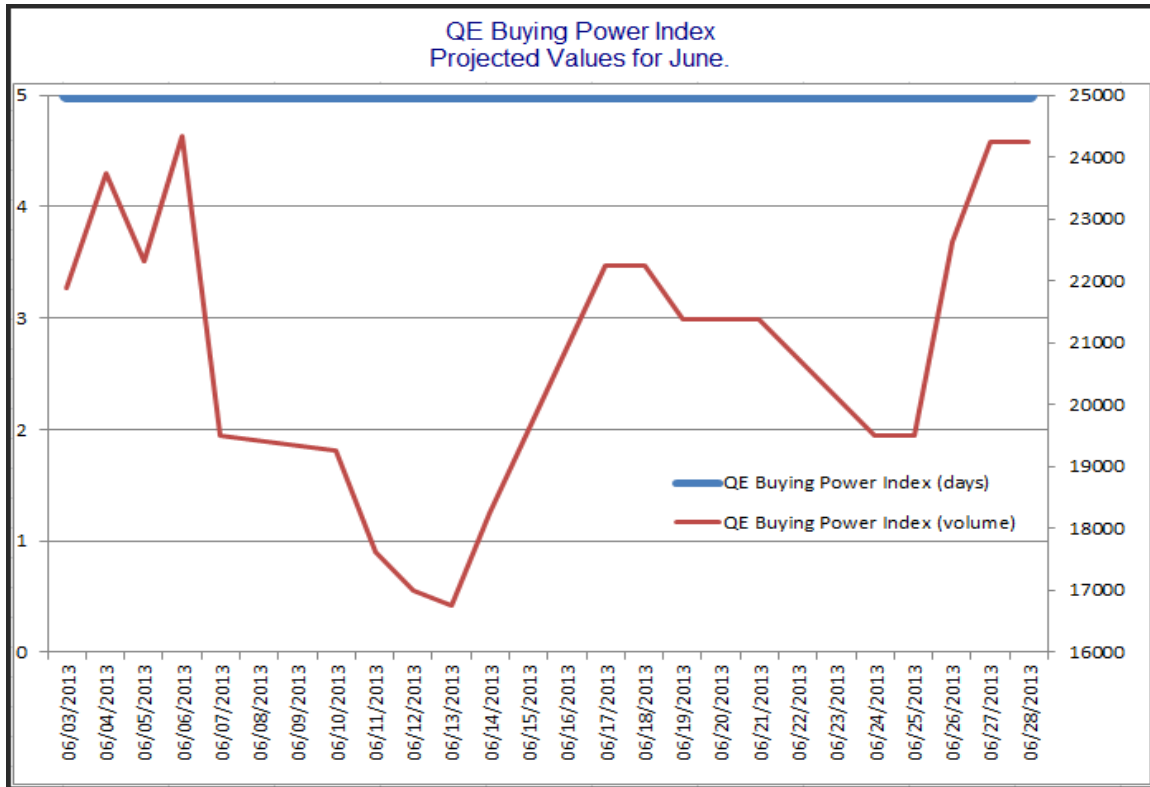
POMO stands for Permanent Open Market Operations and it is how the Fed has gone into the open market to buy securities over the last several years. The net effect of this buying is an influx of cash into the system. It appears a portion of that cash makes its way to the stock market and works as a bullish influence. A “POMO Day” is simply a day where these operations take place. The chart below shows a couple of indicators. The top pane is the S&P 500. The middle (purple) pane is the net rolling number of days in the last 20 that have been POMO days. In other words, a day the Fed buys on the market will add +1 while a day of selling will count as -1. The bottom pane is the total amount of money infused into (or taken out of) the system over the previous 20 days. Since the Sept 13, 2012 QE3 announcement the POMO numbers are also adjusted to reflected the Fed’s new approach of buying AMBS securities. Therefore, prior to that date the indicators just look at POMO, since that date it is a combination of POMO and AMBS flows.



The POMO/AMBS volume indicator remains in its 2013 range. The days indicator is *still* maxed out at 20, which was a rarity during past QE implementations, but has been the norm so far this year. We estimate net inflows this past week to have been about \$18.4 billion, which is a sizable amount considering it was only a 4-day week. In the past, inflows of this magnitude have typically been bullish looking out over the next several days.

This upcoming week we expect to see liquidity flows of about \$19.5 billion. That is lower than the expected average for June, but still should continue to keep the liquidity environment positive.

Of Friday's release of the June AMBS & POMO schedules provided us some insight into planned June flows. I have updated the QE Buying Power Index page with the new projected values. I have copied the chart below.



The strong flows this past week are helping values reach high levels this upcoming week. But then we will see buying taper off for a while until later in the month. The strongest flows appear towards the end of June.

From a liquidity standpoint this means that after a probable bounce sometime this week, the bears may have an opportunity to force a bit more selling. The opportunity for the bears should be the strongest during the 2nd week of the month.

One of the biggest questions surrounding Fed policy at this point is when they are going to ease up (or end) the quantitative easing. This is something I will continue to follow very closely. I expect rumors of the end to shake markets, and I expect at this point it will be very difficult for the Fed to lighten up or end the QE programs without at least a strong correction occurring. As I have shown in the past (and will again in coming weeks), the market has struggled any time the liquidity pump has been turned off for the last 10 years. So a change in policy may eventually kill the intermediate-term rally, but for now the continued pumping should continue to aid the market.

Bullish studies continue to dominate the intermediate-term. Momentum, breadth, and liquidity all favor more upside. So my intermediate-term outlook remains bullish again this week. From a trading standpoint that generally means I will be more aggressive from the long side, and very conservative about shorting.

Catapult and Capitulative Breadth Statistics

[Catapult & CBI Presentation Link](#)

Open Catapult Triggers

SO – buy 1/3 @ \$44.89 LIMIT (bought @ \$44.67)

SO – buy 1/3 @ \$44.26 LIMIT (bought @ \$44.26)

EXC – buy 1/3 @ \$31.65 LIMIT (bought @ \$31.65)

SO – buy 1/3 @ \$44.13 LIMIT (bought @ \$44.13)

EXC – buy 1/3 @ \$31.50 LIMIT (bought @ \$31.50)

New

EXC – buy 1/3 @ \$31.34 LIMIT (final lot)

Catapult for ETF's Trades

None

Broad Market Large Cap CBI – 6(SO-3, EXC-3)

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 – buy ¼ index position @ \$163.65 LIMIT.** This is a little above SPY's closing price, in case it gaps up and does not quite fill, I still want to add a little.*

***SPY – buy ¼ index position ON CLOSE at the LOWER of \$163.00 or \$0.50 below the open.** If SPY fails to bounce on Monday, I expect Turnaround Tuesday will do the trick and will add a 3rd lot at the close.*

***EXC – buy 1/3 Catapult position @ \$31.34 limit.** This is the 3rd and final lot for EXC.*

Catapults have been very volatile over the years. I would encourage anyone interested in trading them to first explore them further. Past performance is available on the Trade Idea Results sheet, which can be found on either the [downloads page](#) or the [systems page](#). More information can also be found using the [Catapult & CBI Presentation Link](#)

Current Open Trade Ideas

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Stop	Notes
SPY(1/4)	5/23/2013	\$165.45	\$165.83	0.23%		Aggregator
SO (1/3)	5/29/2013	\$44.67	\$43.90	-1.72%		Catapult
SO (1/3)	5/30/2013	\$44.26	\$43.90	-0.81%		Catapult
EXC(1/3)	5/30/2013	\$31.65	\$31.34	-0.98%		Catapult
SO (1/3)	5/31/2013	\$44.13	\$43.90	-0.52%		Catapult
EXC(1/3)	5/31/2013	\$31.50	\$31.34	-0.51%		Catapult

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