

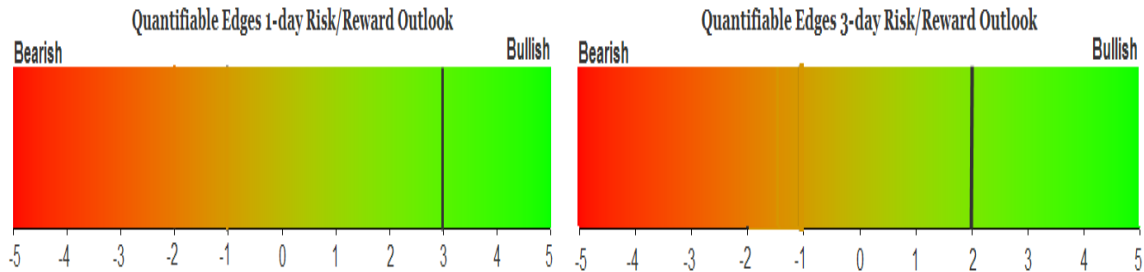
QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

August 12, 2013

Volume 6 Issue 154

Market Overview



Signals Overview

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

Tonight's Research Points

- A 4th Hindenburg Omen signal triggered on Friday – potentially an intermediate-term warning.
- Breadth indicators remain bearishly divergent from prices.
- POMO flows are still strong and providing a bullish liquidity environment.

Short-term Outlook

The Bottom Line

The Aggregator is still bullish, but evidence is a little weak. I am partially long and looking for more upside before exiting. I will not be adding more index exposure just yet.

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

Study Date	Description	Time span	Bias	Avg Max Move
Active				
August 8, 2013	3 dn from 50-high < 10ma, > 10-low	1-4 days	Bullish	1.90%
Active - Long Term				
August 12, 2013	Hindenburg Omen cluster	1-50 days	Bearish	-8.60%
July 22, 2013	New High Divergence (Study of Tops)	int term	Bearish	
June 28, 2013	70% Advancing Issues 3 Days In Row	1-85 days	Bullish	10.60%
May 6, 2013	Nasdaq leading SPX	int term	Bullish	
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	

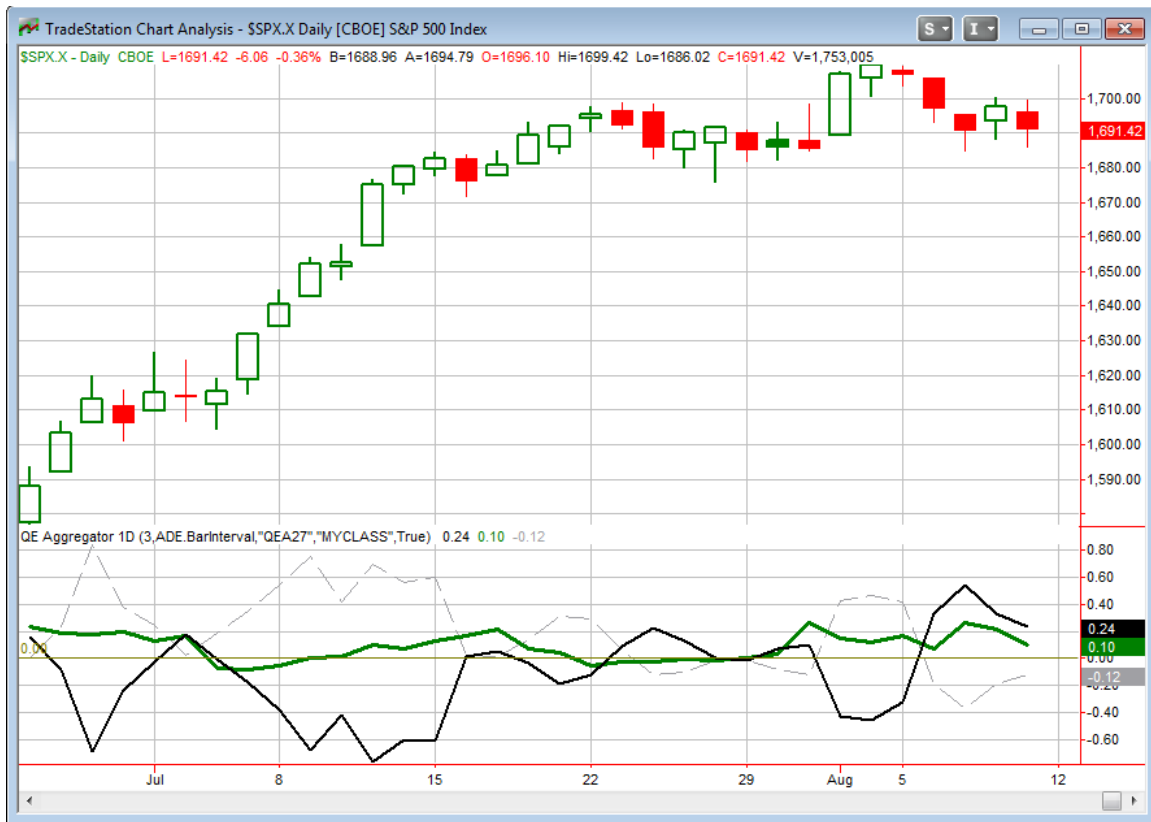
If the avg max move is achieved the study will appear in ***bold italic blue*** and no longer be active.

The Evidence

The market struggled some on Friday, but the selling was not too severe. The SPX declined 0.4%, the Nasdaq fell 0.3%, and the Russell 2000 dropped 0.1%. Breadth was mixed as the NYSE Up Issues % was 48% and the Up Volume % was 51%. Total NYSE declined and was again very light.

Short-term studies are lacking right now, and that is typical when you enter a choppy market. Wednesday down, Thursday up, and Friday down doesn't help. And neither does the fact that the market has basically traded sideways for the last 2-3 weeks and it now stands near the middle of that range. So nothing compelling triggered on Friday to provide further short-term evidence.

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



With there being just 1 short-term study left the green Aggregator Line remained in positive territory. Positive readings mean net expectations from the Active List are for upside over the next few days. Meanwhile the black Differential Line also held firmly above 0. The positive Differential Line reading means the SPX is oversold versus recent expectations. So expectations are positive and the SPX is oversold. This is considered a bullish configuration. Bullish configurations are visible on the chart whenever both lines close above 0. This caused the Aggregator signal to remain long at the close.

The last short-term study is set to expire on Monday. So expectations over the next few days will be largely dependent on what new studies emerge. If none emerge then expectations will remain positive thanks to the intermediate-term studies. The Differential Pivot will be 1,699.35 on Monday. That is 0.5% above Friday's close. So the SPX will need to close higher by at least this much in order to move from oversold to overbought.

I currently have a small amount of long exposure. With the Aggregator positive, but just mildly so, that seems an appropriate allocation. If we get a strong move on Monday that causes SPX to close above the Differential Pivot then I will take profits.

Intermediate-term Outlook (2 weeks – 2 months)– updated 8/12 – somewhat bullish

The market pulled back a little bit this week, but is only about 1% below a new all-time high, so trend watchers should not yet be alarmed. But one possible alarm did sound, and that was a cluster of 4 Hindenburg Omen signals. The last cluster we had was in June, and I wrote some detailed analysis at that time. I have updated that analysis below:

The Hindenburg Omen was created by Jim Miekka in 1995. It looks to identify times when there is a split market developing, which could signal trouble ahead. Mon, Tues, Thurs & Fri we saw Hindenburg Omen signals (under the less strict rules).

Below are the rules for a Hindenburg Omen signal.

1. The daily number of NYSE new 52 week highs and the daily number of new 52 week lows are both greater than or equal to 2.8 percent (typically about 84) of the sum of NYSE issues that advance or decline that day (typically, around 3000). The original version of the indicator used 2.2%. When I originally researched the Hindenburg Omens a few years ago, 2.2% was the number I used, and it is the number I again use in the studies below. (Two side notes: 1) If I use 2.8% rather than 2.2% there have only been 4 instances since 1980 where there has been a cluster of 3 or more triggers. They all saw lower prices ahead, but this does not give us a sample size that is even remotely workable. 2) Over time I have also seen published different places levels of 2.4% and 2.5%, so there is often some confusion over this requirement.)
2. The NYSE index is greater in value than it was 50 trading days ago. Originally, this was expressed as a rising 10 week moving average, but the new rule is more relevant to the daily data used to look at new highs and lows.
3. The McClellan Oscillator is negative on the same day.
4. New 52 week highs cannot be more than twice the new 52 week lows (though new 52 week lows may be more than double new highs).

It is generally viewed that a single Hindenburg Omen signal is not a reliable indication of a market top, but that numerous signals provide a more reliable indication of danger. This is something I explored in the past and updated today. So let's look at some numbers. This first table shows results of entering the market when the 1st signal triggers.

Buy SPX when the 1st Hindenburg Omen Signal triggers. Sell X days later. \$100k/trade. 1980 - 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
100	9,987.35	23	12	11	52.17	6,841.50	13,171.60	-6,555.51	-19,079.85	1.04	1.14	434.23
95	13,052.60	24	13	11	54.17	6,816.97	17,946.48	-6,869.81	-22,416.88	0.99	1.17	543.86
90	-3,650.88	24	12	12	50.00	6,758.52	15,961.92	-7,062.76	-20,572.65	0.96	0.96	-152.12
85	2,576.99	24	12	12	50.00	7,702.17	16,670.24	-7,487.42	-21,465.22	1.03	1.03	107.37
80	-5,248.66	25	12	13	48.00	7,357.25	16,583.84	-7,195.06	-21,552.30	1.02	0.94	-209.95
75	-4,444.04	25	13	12	52.00	6,629.89	14,501.70	-7,552.72	-22,917.59	0.88	0.95	-177.76
70	-8,647.97	25	11	14	44.00	8,339.67	17,714.32	-7,170.31	-20,289.64	1.16	0.91	-345.92
65	-18,946.07	25	11	14	44.00	7,696.01	16,609.84	-7,400.16	-21,508.76	1.04	0.82	-757.84
60	-34,813.86	25	11	14	44.00	6,535.21	17,197.44	-7,621.52	-24,323.31	0.86	0.67	-1,392.55
55	-58,479.40	25	10	15	40.00	6,260.50	14,306.24	-8,072.29	-27,246.71	0.78	0.52	-2,339.18
50	-35,205.40	25	10	15	40.00	6,738.56	14,509.04	-6,839.40	-29,846.67	0.99	0.66	-1,408.22
45	-23,795.76	26	12	14	46.15	5,732.13	13,151.98	-6,612.95	-23,971.88	0.87	0.74	-915.22
40	-21,837.92	26	11	15	42.31	6,466.27	12,520.58	-6,197.79	-23,520.93	1.04	0.77	-839.92
35	-18,765.16	28	13	15	46.43	5,817.65	12,021.20	-6,292.97	-24,659.19	0.92	0.80	-670.18
30	-11,505.81	28	15	13	53.57	4,624.67	9,855.58	-6,221.21	-22,460.42	0.74	0.86	-410.92
25	-4,604.51	29	14	15	48.28	5,152.84	9,781.64	-5,116.29	-27,340.01	1.01	0.94	-158.78
20	-7,021.56	30	16	14	53.33	3,949.12	9,257.67	-5,014.83	-19,533.91	0.79	0.90	-234.05
15	9,154.33	33	16	17	48.48	3,225.92	9,103.68	-2,497.67	-8,166.80	1.29	1.22	277.40
10	279.88	39	19	20	48.72	2,522.20	9,012.33	-2,382.10	-7,899.90	1.06	1.01	7.18
5	-14,998.73	47	17	30	36.17	1,849.17	4,926.56	-1,547.82	-5,775.12	1.19	0.68	-319.12

The numbers here certainly aren't encouraging for the bull case, but they don't appear to be terribly dire either.

Let's now look at results if instead of entering after the 1st trigger, you purchase only if the trigger is at least the 2nd one in a 30-day period, which is a common time-period that Hindenburg watchers look for.

Buy SPX when the 2nd Hindenburg Omen Signal triggers. Sell X days later. \$100k/trade. 1980 - 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
100	19,339.22	12	7	5	58.33	8,104.55	17,883.98	-7,478.53	-18,879.12	1.08	1.52	1,611.60
95	18,964.27	13	8	5	61.54	7,790.60	17,605.78	-8,672.11	-21,212.88	0.90	1.44	1,458.79
90	20,547.32	13	9	4	69.23	6,690.45	20,476.59	-9,916.68	-20,011.68	0.67	1.52	1,580.56
85	3,243.66	14	6	8	42.86	10,080.32	20,455.19	-7,154.78	-21,883.68	1.41	1.06	231.69
80	2,405.00	14	7	7	50.00	8,214.81	18,961.47	-7,871.24	-21,961.68	1.04	1.04	171.79
75	5,748.77	14	7	7	50.00	8,372.79	17,861.51	-7,551.54	-23,181.60	1.11	1.11	410.63
70	-6,904.36	14	8	6	57.14	6,688.00	21,700.67	-10,068.06	-19,060.08	0.66	0.89	-493.17
65	-25,530.96	14	6	8	42.86	7,818.50	20,504.41	-9,055.25	-23,131.68	0.86	0.65	-1,823.64
60	-16,264.54	14	7	7	50.00	6,160.29	19,457.95	-8,483.79	-22,011.60	0.73	0.73	-1,161.75
55	-33,157.03	14	6	8	42.86	6,624.41	18,625.49	-9,112.94	-26,329.68	0.73	0.55	-2,368.36
50	-32,247.86	14	5	9	35.71	7,722.44	17,961.02	-7,873.34	-29,889.60	0.98	0.54	-2,303.42
45	-23,859.69	16	7	9	43.75	5,587.25	16,345.32	-6,996.72	-24,766.56	0.80	0.62	-1,491.23
40	-21,773.59	16	7	9	43.75	5,898.03	14,615.13	-7,006.64	-24,853.92	0.84	0.65	-1,360.85
35	-16,207.05	16	8	8	50.00	5,331.43	13,303.31	-7,357.31	-22,211.28	0.72	0.72	-1,012.94
30	-22,294.29	16	8	8	50.00	4,668.84	11,007.09	-7,455.63	-20,354.88	0.63	0.63	-1,393.39
25	-21,995.24	17	9	8	52.94	4,262.08	10,173.56	-7,544.25	-23,381.28	0.56	0.64	-1,293.84
20	-27,457.07	18	7	11	38.89	3,944.37	8,886.35	-5,006.15	-22,295.52	0.79	0.50	-1,525.39
15	1,982.92	19	8	11	42.11	3,145.17	8,305.02	-2,107.13	-6,748.56	1.49	1.09	104.36
10	-4,103.47	25	8	17	32.00	2,981.07	9,247.23	-1,644.24	-5,748.21	1.81	0.85	-164.14
5	553.79	31	12	19	38.71	2,221.24	6,245.73	-1,373.74	-3,352.36	1.62	1.02	17.86

Some of these numbers look a little worse, but you'd probably need to squint to notice. I next checked instances that triggered a 3rd signal in a 30-day period.

Buy SPX when the 3rd Hindenburg Omen Signal triggers. Sell X days later. \$100k/trade. 1980 - 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
100	18,189.83	9	6	3	66.67	6,521.01	18,512.90	-6,978.75	-16,085.07	0.93	1.87	2,021.09
95	9,304.48	9	5	4	55.56	6,711.67	16,070.66	-6,063.47	-16,770.54	1.11	1.38	1,033.83
90	101.55	9	4	5	44.44	9,036.94	18,595.58	-7,209.24	-19,277.67	1.25	1.00	11.28
85	6,033.07	9	5	4	55.56	7,852.24	18,884.96	-8,307.03	-21,362.25	0.95	1.18	670.34
80	-10,368.80	10	4	6	40.00	8,639.87	16,528.58	-7,488.05	-19,449.82	1.15	0.77	-1,036.88
75	-4,108.84	10	4	6	40.00	10,775.33	18,289.24	-7,868.36	-22,758.23	1.37	0.91	-410.88
70	-12,895.27	10	4	6	40.00	8,797.08	19,119.22	-8,013.93	-21,021.08	1.10	0.73	-1,289.53
65	-25,072.11	10	3	7	30.00	8,434.30	17,909.76	-7,196.43	-23,731.66	1.17	0.50	-2,507.21
60	-23,437.47	10	4	6	40.00	5,846.03	17,209.10	-9,364.32	-22,576.69	0.62	0.50	-2,343.75
55	-29,818.46	10	2	8	20.00	10,436.18	17,905.52	-6,336.35	-20,673.65	1.65	0.41	-2,981.85
50	-25,203.09	10	2	8	20.00	11,705.01	17,255.74	-6,076.64	-22,263.69	1.93	0.48	-2,520.31
45	-28,813.99	11	4	7	36.36	6,295.67	15,507.80	-7,713.81	-25,143.29	0.82	0.47	-2,619.45
40	-37,752.79	11	4	7	36.36	5,582.58	13,700.50	-8,583.30	-26,846.01	0.65	0.37	-3,432.07
35	-29,023.30	11	3	8	27.27	6,823.64	11,461.78	-6,186.78	-22,795.79	1.10	0.41	-2,638.48
30	-29,935.52	12	5	7	41.67	5,561.69	10,991.14	-8,249.14	-23,844.34	0.67	0.48	-2,494.63
25	-35,627.93	12	5	7	41.67	4,444.14	9,841.04	-8,264.09	-25,105.73	0.54	0.38	-2,968.99
20	-38,607.46	12	4	8	33.33	4,136.00	8,458.80	-6,893.93	-21,406.07	0.60	0.30	-3,217.29
15	-31,025.25	14	6	8	42.86	3,205.22	7,078.68	-6,282.07	-26,924.26	0.51	0.38	-2,216.09
10	-39,945.87	16	5	11	31.25	1,892.94	3,159.86	-4,491.87	-25,784.94	0.42	0.19	-2,496.62
5	-11,622.09	21	6	15	28.57	1,564.02	4,174.28	-1,400.41	-3,509.22	1.12	0.45	-553.43

Between 35 and 55 days out there appears to be some pretty poor returns on a very small sample size.

With the 4th trigger occurring on Friday I also updated the stats when 4 signals occur.

Buy SPX when the 4th Hindenburg Omen Signal triggers. Sell X days later. \$100k/trade. 1980 - present.												
QE Hindenburg2 daysin	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
100	3,391.84	6	4	2	66.67	2,253.68	4,313.40	-2,811.44	-3,671.20	0.80	1.60	565.31
95	2,251.47	6	2	4	33.33	5,391.13	5,552.40	-2,132.70	-4,635.15	2.53	1.26	375.24
90	-6,768.51	6	1	5	16.67	4,666.20	4,666.20	-2,286.94	-6,882.20	2.04	0.41	-1,128.08
85	-1,785.13	6	2	4	33.33	5,233.79	7,141.18	-3,063.18	-6,553.95	1.71	0.85	-297.52
80	-2,948.55	6	2	4	33.33	5,001.79	7,248.39	-3,238.04	-6,169.80	1.54	0.77	-491.43
75	-12,287.99	7	2	5	28.57	5,901.81	8,515.03	-4,818.32	-9,034.35	1.22	0.49	-1,755.43
70	-14,583.82	7	3	4	42.86	2,242.89	3,749.51	-5,328.12	-9,322.50	0.42	0.32	-2,083.40
65	-26,186.07	7	1	6	14.29	130.20	130.20	-4,386.04	-10,467.60	0.03	0.00	-3,740.87
60	-26,858.71	7	2	5	28.57	661.72	949.65	-5,636.43	-11,602.80	0.12	0.05	-3,836.96
55	-26,693.29	7	1	6	14.29	1,201.20	1,201.20	-4,649.08	-8,851.04	0.26	0.04	-3,813.33
50	-27,686.75	7	1	6	14.29	841.10	841.10	-4,754.64	-9,493.04	0.18	0.03	-3,955.25
45	-26,041.78	8	1	7	12.50	3,631.33	3,631.33	-4,239.02	-14,483.52	0.86	0.12	-3,255.22
40	-25,378.17	8	2	6	25.00	2,385.07	3,315.35	-5,024.72	-11,889.84	0.47	0.16	-3,172.27
35	-35,165.02	8	1	7	12.50	3,328.16	3,328.16	-5,499.03	-14,149.68	0.61	0.09	-4,395.63
30	-17,826.87	9	3	6	33.33	3,648.34	5,262.60	-4,795.31	-13,738.80	0.76	0.38	-1,980.76
25	-18,842.94	9	3	6	33.33	3,600.41	6,253.80	-4,940.70	-12,343.52	0.73	0.36	-2,093.66
20	-28,027.25	9	1	8	11.11	4,796.40	4,796.40	-4,102.96	-9,672.80	1.17	0.15	-3,114.14
15	-18,611.49	9	2	7	22.22	3,896.04	4,301.89	-3,771.94	-8,414.48	1.03	0.30	-2,067.94
10	-16,875.31	13	4	9	30.77	1,570.31	2,279.81	-2,572.95	-6,566.95	0.61	0.27	-1,298.10
5	-13,462.20	14	3	11	21.43	1,274.64	2,769.90	-1,571.46	-4,884.75	0.81	0.22	-961.59

There are only 8 instances when looking out 35-45 days, but with 7 of them being down 35 days later these results warrant closer investigation. Below are the individual instances.

Buy SPX when the 4th Hindenburg Omen Signal triggers. Sell 35 days later. \$100k/trade. 1980 - present.				
Date/Time	Signal	Price	% Profit	Run-up Drawdown
02/14/80	Buy	\$116.72	(14.16%)	\$1,001.52
04/07/80	Sell	\$100.19		(\$16,264.00)
07/24/86	Buy	\$237.94	(3.06%)	\$6,846.00
09/12/86	Sell	\$230.66		(\$3,864.00)
03/15/94	Buy	\$467.01	(3.35%)	\$873.12
05/05/94	Sell	\$451.38		(\$6,666.10)
12/08/99	Buy	\$1,403.88	(3.11%)	\$5,262.52
01/28/00	Sell	\$1,360.16		(\$3,385.28)
04/24/06	Buy	\$1,308.11	(6.45%)	\$1,412.84
06/13/06	Sell	\$1,223.69		(\$6,504.84)
07/20/07	Buy	\$1,534.10	(5.37%)	\$853.45
09/10/07	Sell	\$1,451.70		(\$10,627.50)
10/25/07	Buy	\$1,514.39	(3.07%)	\$2,532.42
12/14/07	Sell	\$1,467.95		(\$7,147.14)
06/04/13	Buy	\$1,631.38	3.34%	\$4,111.40
07/24/13	Sell	\$1,685.94		(\$4,334.05)

The last instance did not conform, and saw a 3.3% gain 35 days later. But it DID post a drop of 4.3% during this period before staging that rebound. So the numbers still appear to favor the bears. And it is impressive that all 8 instances dipped at least 3% below the close of the 4th Hindenburg day at some point in the next 35 days. The numbers here are certainly impressive, with every instance being down 3%-plus 35 days later. And the avg drawdown is over 2.5x the avg run-up.

In all, there just is not enough data for me to make a strong statement about the Hindenburg Omen. But when there have been 3-4 signals in the past, market difficulty has commonly occurred. My take is that the 4-cluster Hindenburg Omen this past week is a possible warning sign. I think results are strong enough to give it some consideration and I have again included it on the intermediate-term active list.

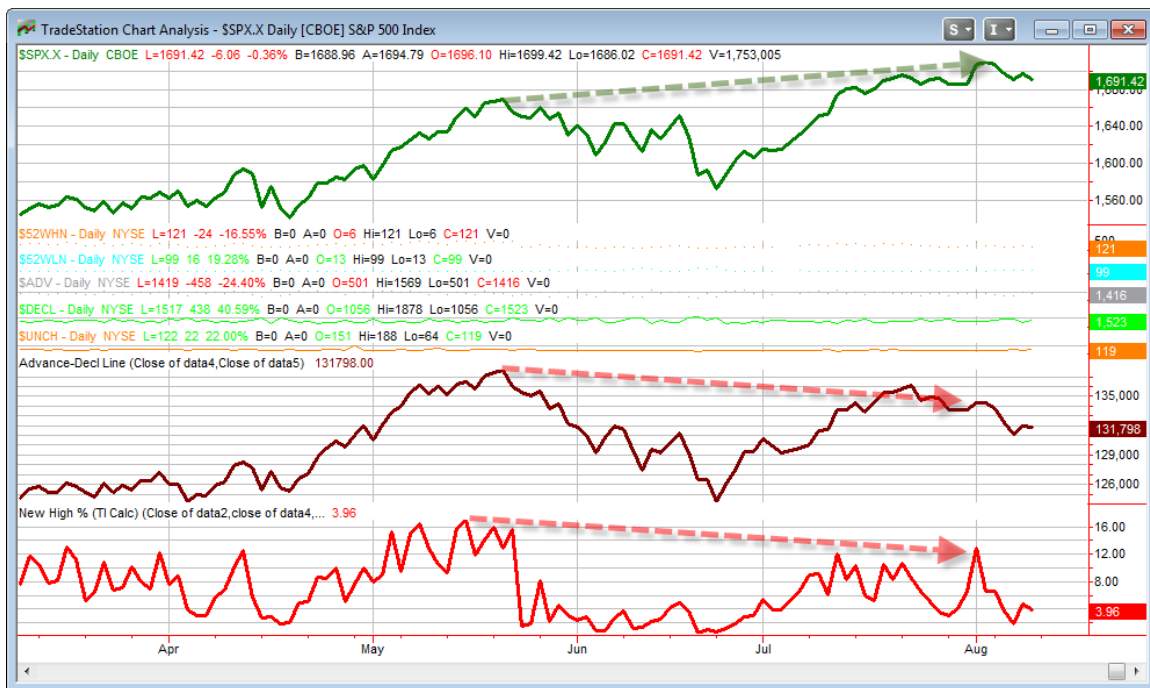
Subscribers that wish to study Hindenburgs more on their own may download the Tradestation strategy code from the member downloads page.

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

I would also note that Tom McClellan wrote an interesting piece on the history of the indicator a while back. You may find a link to that write-up below.

http://www.mcoscillator.com/learning_center/kb/special_market_reports/hindenburg_om_en_signaled_but_also_not/

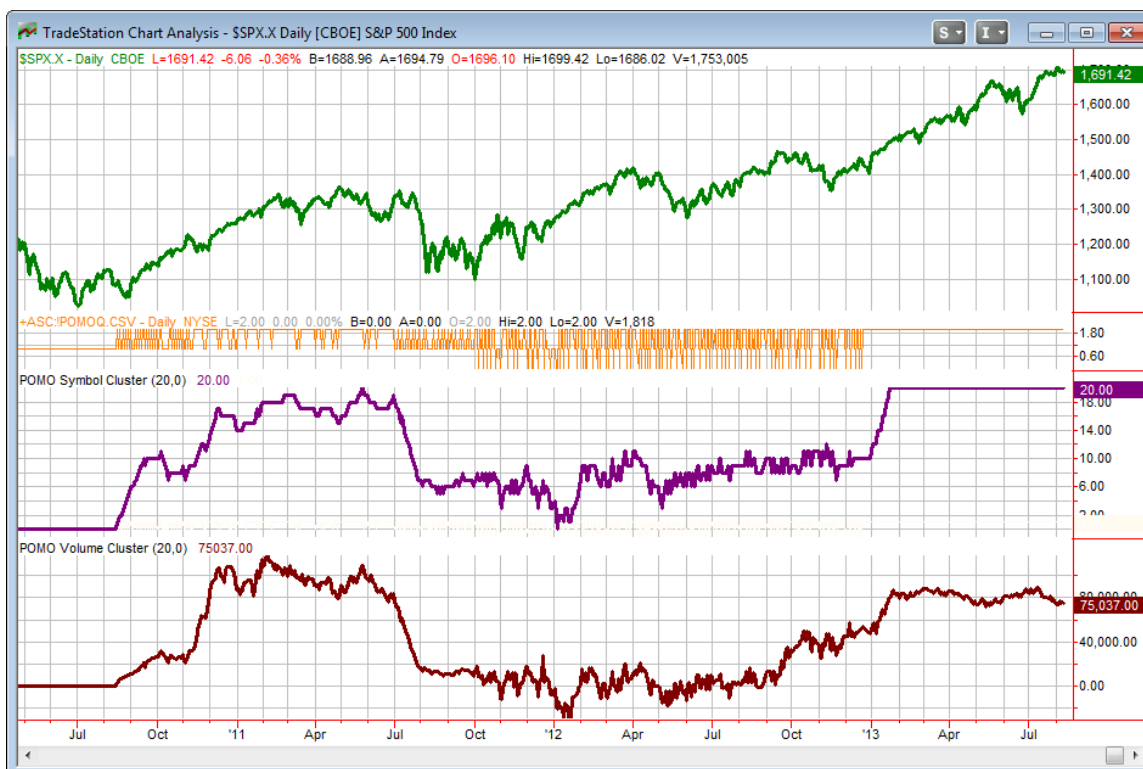
The past few weeks I have discussed the bearish divergence we are seeing in two breadth indicators – the Advance/Decline Line and the % of NYSE stocks hitting new highs. In the Quantifiable Edges Study of Tops (always available on the Downloads page for subscribers) I went through every major top since 1970. For purposes of that study I defined a “major top” as any top that was followed by a decline of at least 20%. I found that in every case, there was a divergence in the % of NYSE issues hitting new 52 week highs, and that the divergence was in effect for at least 2 months before any market top. The % of NYSE stocks making new highs peaked on May 15 at a level of 16.96%. August 1st it reached its highest level since May, but it was just 12.82%. So the divergence is here more than 2 months after the New High % reading of 16.96% in May. This can be seen in the chart below, which is similar to those shown in the Study of Tops.



The indicator on the bottom is the NYSE % of stocks making new 52-week highs. The divergence there is clear. The maroon indicator above that, which is also in a divergence, is the Advance/Decline Line. It is important to keep in mind that these divergences can persist for months, and even years, before the market eventually begins its major decline. They are not a good timing device. But they are something to be aware of, and they provide a condition from which the market is capable of beginning a major decline. Without a divergence in place, we could feel comfortable (as we did in May) that the next major decline was highly unlikely to begin for at least a couple of months. I'll continue to watch this indicator closely going forward.

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, though now near the lower end of that 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 \$21 billion, which is just a little above average for 2013.

This upcoming week is expected to see similar flows, in the neighborhood of \$20 billion. That is a solid amount and has been a number that has provided a nice wind at the market's back all year.

The overall intermediate-term outlook is still leaning bullish. But between the Hindenburgs and the New Highs & the Advance/Decline Line divergences there is definitely some warning signs of increased risk. Still, other studies, including those related to trend, momentum, and liquidity, all point higher. Liquidity still appears to be the big one to watch here. I believe it has had the most significant impact over the last several years, and I believe that will likely continue to be the case going forward. Indications of Fed tapering of their QE program could throw the markets for a loop. *Actual* tapering (or ending) of QE almost certainly WILL lead to a correction. QE has been the market's drug for a long time. And like an addict, it will be a shock to the system when the drug is no longer available (or is only available in a greatly reduced amount). For now I am still leaning bullish, and I will continue to strongly favor long-side trades over short trades.

Catapult and Capitulative Breadth Statistics

[*Catapult & CBI Presentation Link*](#)

Open Catapult Triggers

none

Catapult for ETF's Trades

None

Broad Market Large Cap CBI – 0

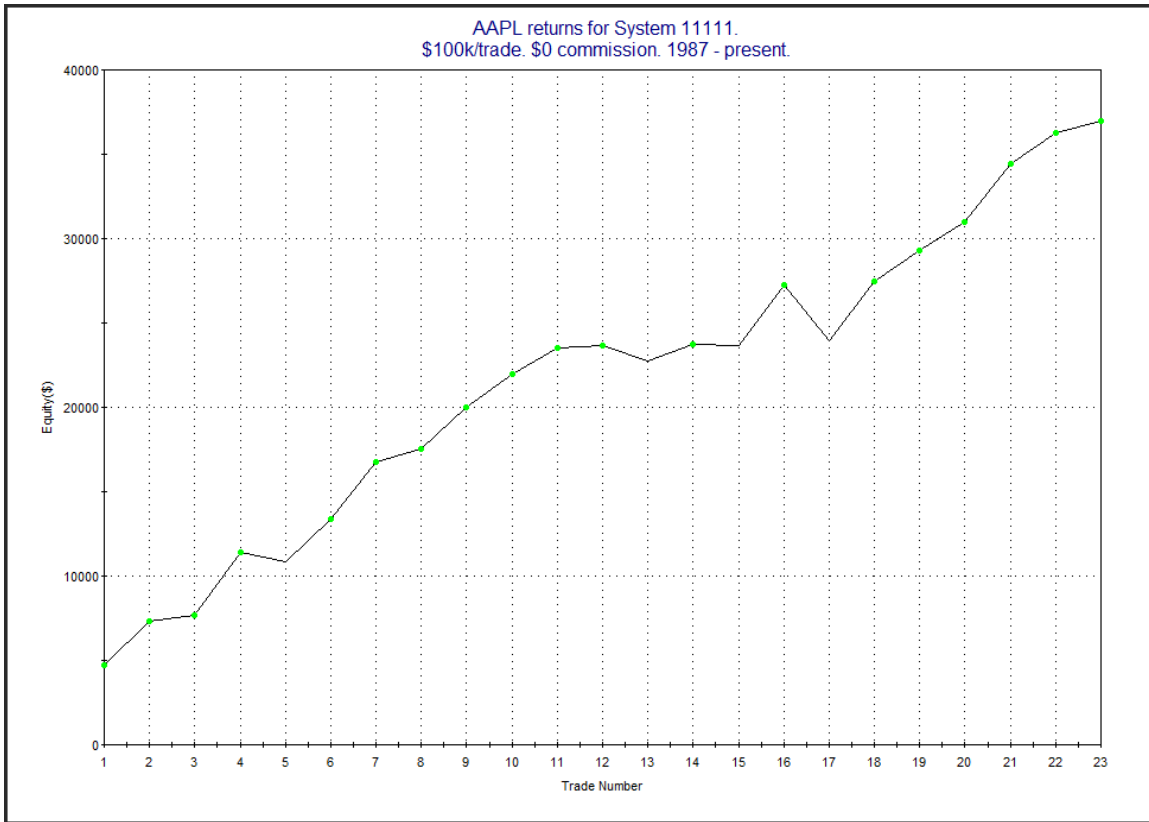
Additional New Trade Ideas

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.

AAPL – buy @ \$454.45 LIMIT. This is based on System 11111. Rules, past results, and Tradestation code for System 11111 can be found on [the 11111 System page](#). AAPL has performed particularly well with this system over the years. Below are some performance stats for AAPL and System 11111.

AAPL returns for System 11111. \$100k/trade. \$0 commission. 1987 - present.			
TradeStation Performance Summary			Collapse
All Trades			
Total Net Profit	\$36,988.11	Profit Factor	8.63
Gross Profit	\$41,835.24	Gross Loss	(\$4,847.13)
Total Number of Trades	23	Percent Profitable	82.61%
Winning Trades	19	Losing Trades	4
Even Trades	0		
Avg. Trade Net Profit	\$1,608.18	Ratio Avg. Win:Avg. Loss	1.82
Avg. Winning Trade	\$2,201.85	Avg. Losing Trade	(\$1,211.78)
Largest Winning Trade	\$4,747.52	Largest Losing Trade	(\$3,319.36)

The stats here are all strongly bullish. Below I have also produced a profit curve.



The strong, steady upslope is encouraging. So with the Aggregator positive and AAPL signaling 11111, I'll look to get into AAPL at a limit equal to Friday's closing price.

Current Open Trade Ideas

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Stop	Notes
SPY(1/4)	8/7/2013	\$169.19	\$169.31	0.07%		sell SPX close > 1,699.34

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