

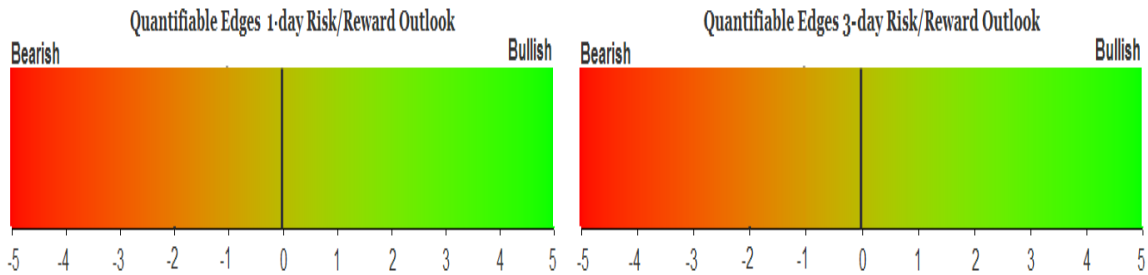
QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

February 12, 2015

Volume 8 Issue 29

Market Overview



Signals Overview

Aggregator	Aggressive VIX	QE Buy Pwr Swing
Flat	50% Long XIV	Short

Tonight's Research Points

- No compelling studies emerged again tonight.

Short-term Outlook

The Bottom Line

Expectations remain very slightly bullish. SPX is just a little overbought. The Aggregator is dead neutral. I am too.

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

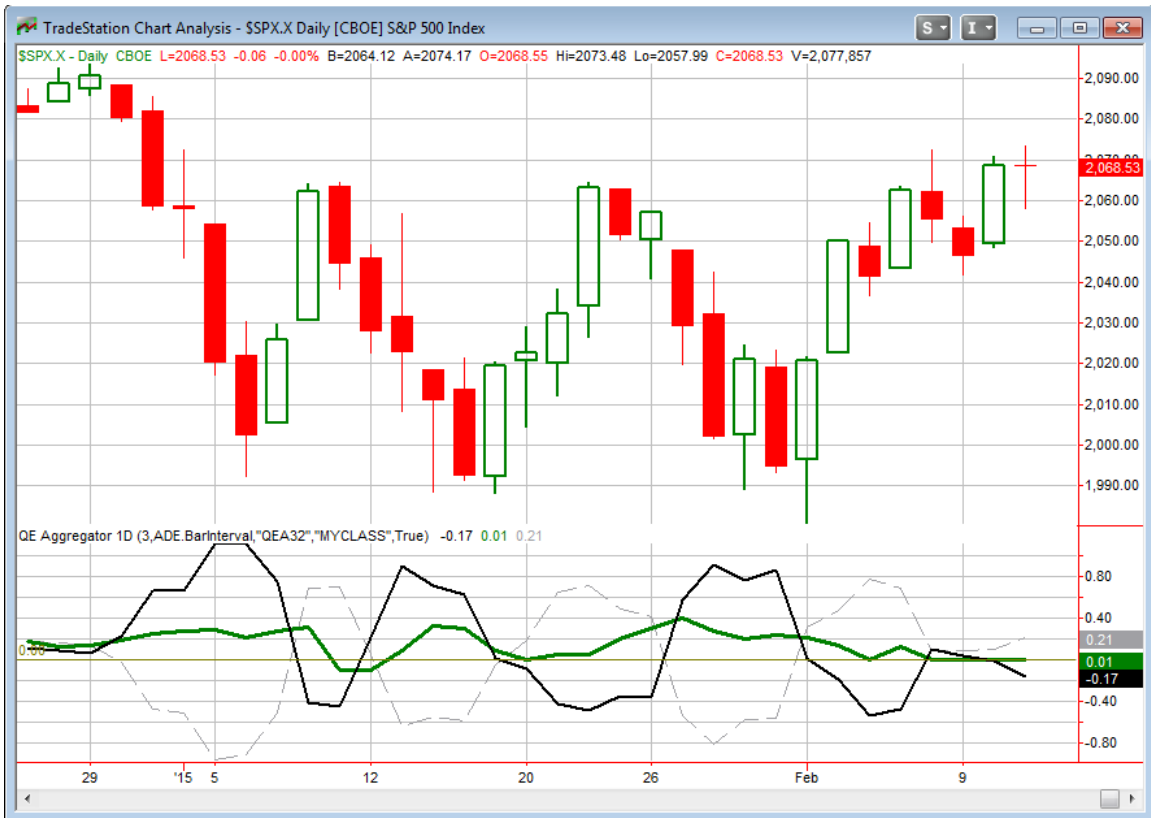
Study Date	Description	Time span	Bias	Avg Run-up	Avg DrawDn	Avg DrawDn - 1 Std Dev
Active - Short Term						
None						
Active - Long Term						
January 26, 2015	NASDAQ leading SPX	int term	Bullish			
November 3, 2014	Best 6 Months	6 months	Bullish			
November 3, 2014	Quantitative Easing Ends	int term	Bearish			
July 22, 2013	New High Divergence (Study of Tops)	int term	Bearish			
February 1, 2012	Golden Cross	int term	Bullish			

The Evidence

Wednesday was a very quiet day for the market. The SPX finished about breakeven with a 0.06 point decline. The NASDAQ closed up 0.3% but the Russell 2000 declined 0.1%. Breadth was weak as the NYSE Up Issues % came in at 43% and the Up Volume % was 42%. Total NYSE volume came in very light.

This week has been incredibly quiet from a research standpoint. I can't recall a period where edges failed to emerge on such a persistent basis, but the chop we have seen has certainly helped that. I looked at a number of things tonight, including the light volume along with the short and long-term market position and nothing I examined suggested a substantial edge. So I will keep it brief.

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



With the Short-Term Active List still blank the green Aggregator Line is again slightly above 0. This is thanks to the intermediate-term studies. Positive readings mean net expectations from the Active List are for upside over the next few days. Meanwhile, the black Differential Line closed a little below 0. The negative Differential Line reading means the SPX is overbought versus recent expectations. So expectations are positive but the SPX is overbought. And both readings remain mild. This is considered a neutral configuration. Neutral configurations are visible on the chart whenever both lines close on opposite sides of 0. Therefore the Aggregator signal stayed flat at the close.

Expectations will again be largely dependent on new studies that emerge, but they would remain positive if nothing new emerges on Thursday. The Differential Pivot will be 2049.38 on Thursday. That is 0.9% below Wednesday's close. This means that for SPX to move from overbought to oversold on Thursday it is going to need to close down at least 0.9%.

The Aggregator remains about as neutral as can be. And my stance has not changed. I am just not seeing anything suggesting a compelling short-term directional edge for the broad market. So I will not be looking to take any index exposure here, and will remain patiently awaiting the next favorable trading opportunity to present itself.

Intermediate-term Outlook (2 weeks – 2 months) – updated 2/9 – somewhat bullish

The intermediate-term outlook was last updated in the 2/9 Letter. It can be found in the most recent weekly letter on the website.

<http://quantifiableedges.com/current-weekly-letter/>

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 [numbered systems 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.

None tonight.

Current Open Trade Ideas

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Stop	Notes
XIV(1/2)	12/11/2014	\$34.03	\$27.37	-19.57%		Aggressive VIX

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