

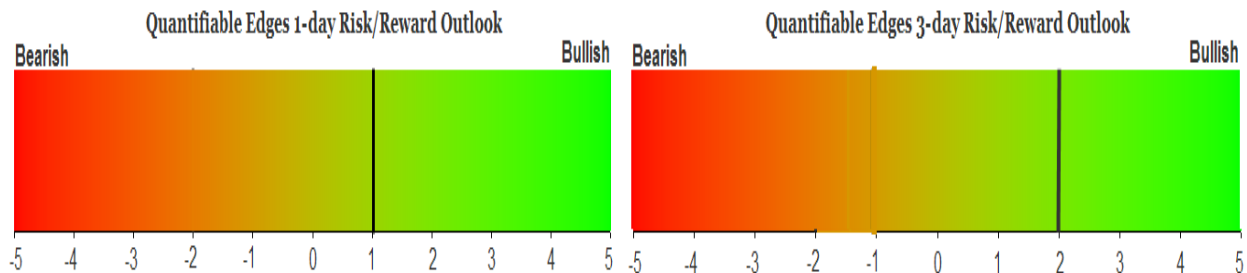
QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

April 11, 2019

Volume 12 Issue 70

Market Overview



Signals Overview

Aggregator	CBI Reading
Long	0

Tonight's Research Points

- No new compelling evidence emerged tonight.

Short-term Outlook

The Bottom Line

The Aggregator is bullish, but with SPX being high in the range, I would prefer a bit of a pullback before getting excited about new long index positions.

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						
April 10, 2019	5 up to 50-high, then down 1	1-4 days	Bullish	1.10%	0.75%	1.50%
April 9, 2019	8th higher close & 50-day high	1-4 days	Bullish			
Active - Long Term						
April 10, 2019	5 up to 50-high, then down 1	1-10 days	Bullish	1.90%	-1.00%	-2.10%
April 8, 2019	SPX > 200ma. RSI(2) > 99	1-15 days	Bullish	2.25%	-1.40%	-2.70%
April 2, 2019	Golden Cross	int term	Bullish			
March 4, 2019	NASDAQ up 10 weeks in a row	13 weeks	Bullish	11.70%	-2.10%	-4.40%
January 9, 2019	Up Issues > 70% for 3 days	1-85 days	Bullish			
January 2, 2019	NASDAQ leading	int term	Bullish			
November 1, 2018	Best 6 Month During Pres Yr 3	1-6 months	Bullish	17.70%	-3.10%	-7.20%
October 1, 2018	Quantitative Tightening \$50billion/mo	int term	Bearish			
Dropped Tonight						
April 4, 2019	Gap up close high < open 2x	1-5 days	Bullish			
April 9, 2019	SPX 50-day high. VIX up Monday	1-2 days	Bearish			
April 10, 2019	SPY unfilled gap down from 50-high	1 day	Bearish			

The Evidence

Wednesday the market put in some solid gains. The SPX rose 0.35%, the NASDAQ climbed 0.7%, and the Russell 2000 rallied 1.4%. Breadth was positive as the NYSE Up Issues % was 73% and the Up Volume % came in at 58%. NYSE volume rose some from Tuesday's level.

The back and forth the last few days without much net progress has left the Quantifinder blank tonight, and me without much to discuss. The recent rally was so strong and so persistent that several bullish studies emerged in the last several days, which prevented the small amount of bearish evidence from swaying expectations. And while several of the short-term studies are starting to expire, the rally has generated ample intermediate-term studies suggesting the momentum is likely to continue. So nothing new tonight from an evidence standpoint, but the bulls still appear to be in control.

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



Without any new evidence to consider tonight, the green Aggregator Line remained above zero. Positive readings mean net expectations are for upside over the next few days. Meanwhile, the black Differential Line also held above 0. The positive Differential Line reading means SPX is oversold versus recent expectations. So expectations are positive and SPX is oversold. This is considered a bullish configuration. Bullish configurations are visible on the chart whenever both lines close above zero. Therefore, the Aggregator signal stayed long at the close.

Based on the current active studies, expectations are set to remain bullish on Thursday. Of course, this could change if new bearish evidence emerges. The Differential Pivot will be 2906.70 on Thursday. That is 0.6% above Wednesday's close. Therefore, SPX will need to close up at least 0.6% in order to flip from oversold to overbought vs recent expectations.

Not much has changed for me from last night. The Aggregator is again bullish, and there is still some room to the upside before SPX would turn overbought. But it is in the upper portion of its recent range. And I would prefer a deeper pullback before considering new index positions. I just don't love reward/risk potential this high in the recent range. I'll wait another day to see if perhaps a better entry point becomes available on Friday or early next week.

Intermediate-term Outlook (2 weeks – 2 months) – updated 4/8 – bullish

The intermediate-term outlook was last updated in the 4/8/19 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](#)

OpenCatapult Triggers

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

None

A complete list of Quantifiable Edges trade idea results since the inception of the letter in 2008 [can be found here.](#)

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