

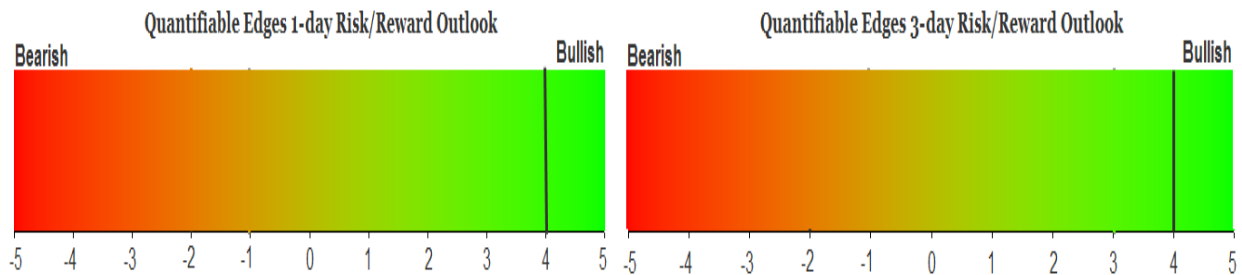
QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

June 4, 2019

Volume 12 Issue 106

Market Overview



Signals Overview

Aggregator	CBI Reading
Long	19

Tonight's Research Points

- A possible “Turnaround Tuesday” edge is upon us.

Short-term Outlook

The Bottom Line

The Aggregator is bullish and so am I.

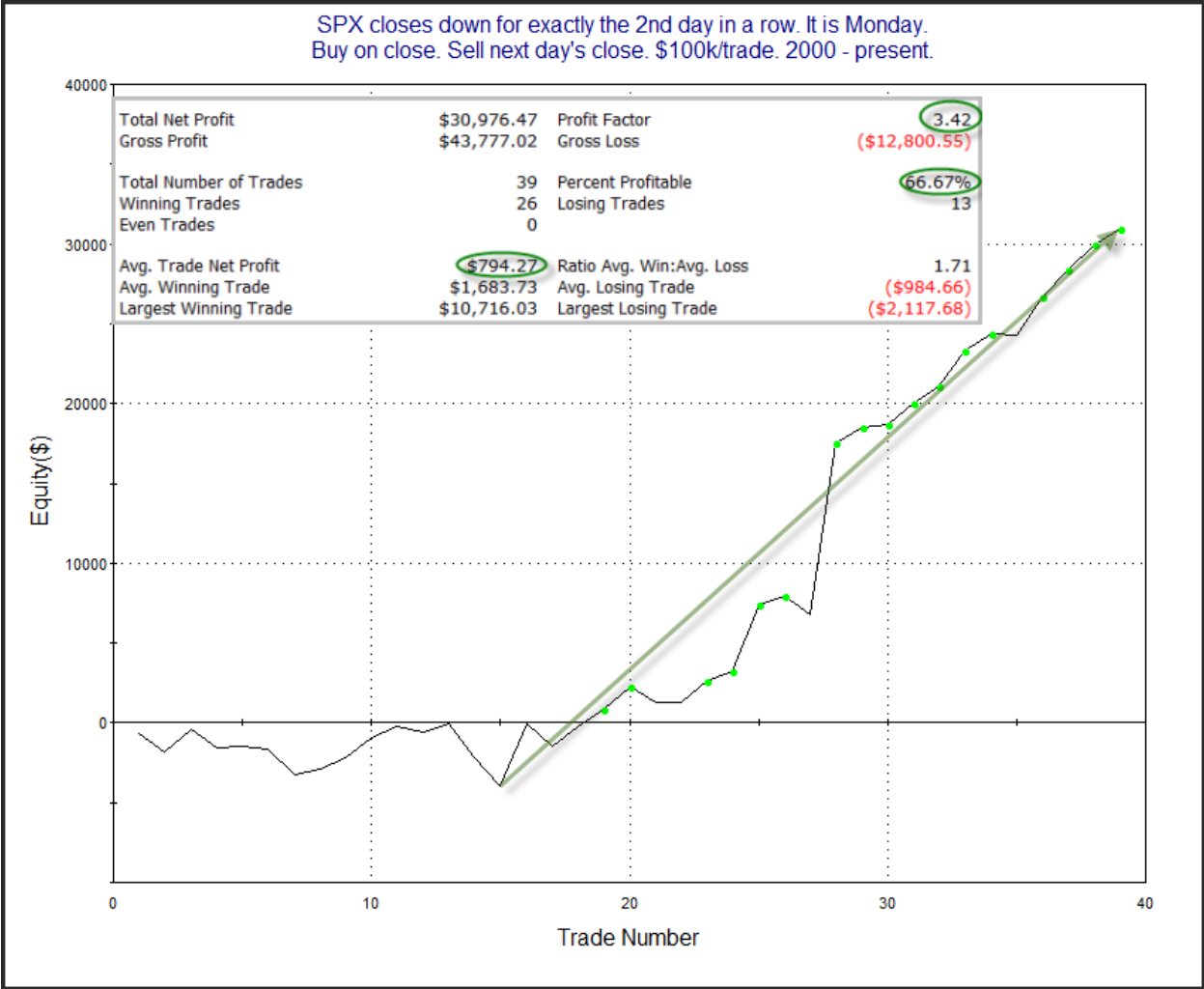
Summary of Recent Active Studies (see Letters from listed dates for details)

Study Date	Description	Time span	Bias	Avg Run-up	Avg DrawDn	Avg DrawDn - 1 Std Dev
Active - Short Term						
June 4, 2019	Turnaround Tuesday < 200ma	1 day	Bullish			
June 3, 2019	CBI >= 10 and SPX 50-day low	1-5 days	Bullish	4.20%	-3.60%	-7.65%
May 30, 2019	20 low. Then gap dn & close<open>200	1-5 days	Bullish	2.70%	-1.00%	-2.05%
Active - Long Term						
June 3, 2019	CBI >= 10 and SPX 50-day low	1-18 days	Bullish	7.10%	-4.30%	-8.20%
May 17, 2019	3 up > 2%. HV 3/10 offset < 0.25	1-19 days	Bullish			
May 14, 2019	CBI 11+	1-17 days	Bullish			
April 24, 2019	SPX closes above 50-day Bollinger Bnd	1-50 days	Bullish	5.00%	-4.30%	-8.10%
April 2, 2019	Golden Cross	int term	Bullish			
October 1, 2018	Quantitative Tightening	int term	Bearish			

The Evidence

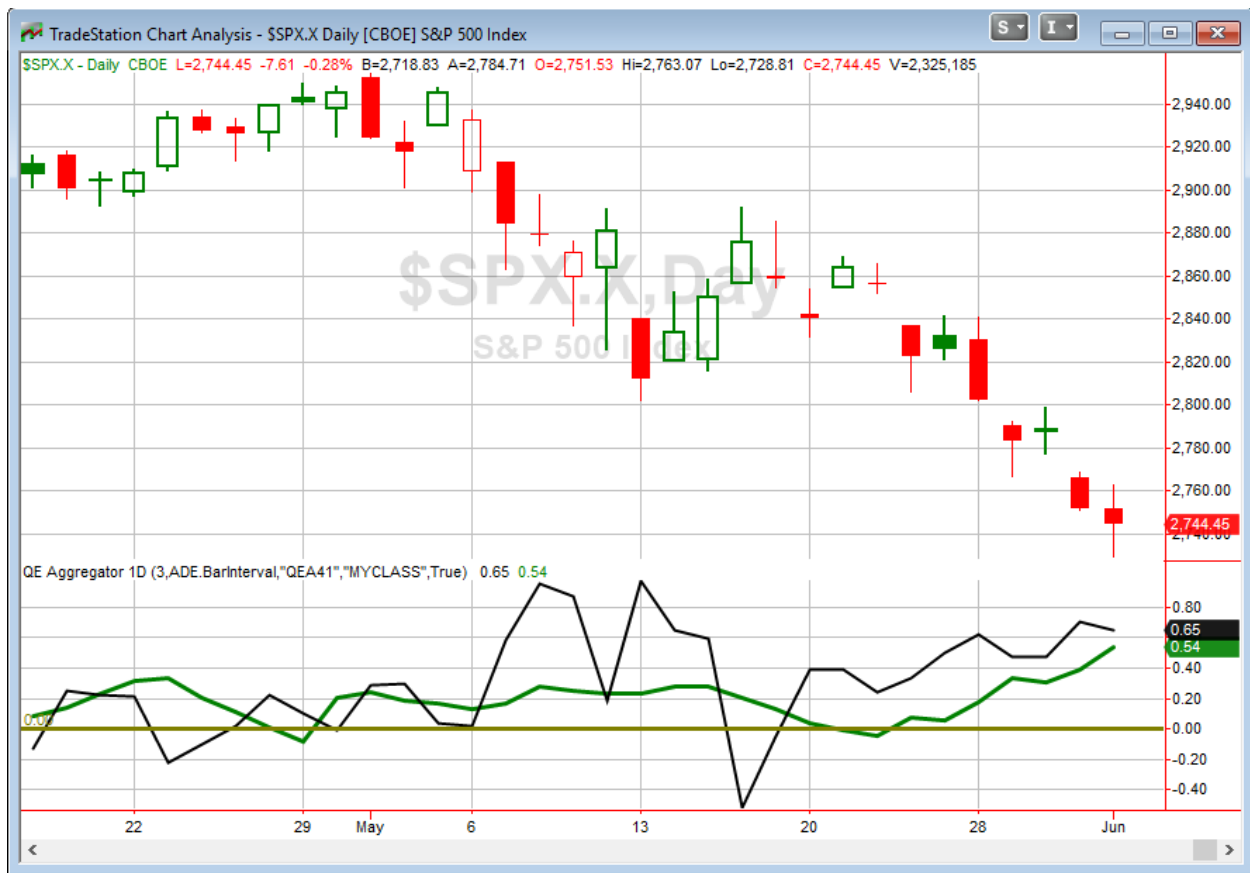
Google came under fire from the FBI and big tech took a tumble, taking other parts of the market down with it. The SPX fell 0.3%, the NASDAQ dropped 1.6%, but the Russell 2000 gained 0.3%. Breadth was actually positive as the NYSE Up Issues % was 65% and the Up Volume % came in at 74%. NYSE volume rose some from Friday's level.

Many times in the past I have discussed how "Turnaround" Tuesday has generally been the best day of the week to begin a bounce. The simple example below is from the 11/15/16 letter. It represents current market action, with SPX having closed down the last 2 days.



The numbers here are very positive. And the curve has done exceptionally well over the last 25 instances (since 2002).

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



With tonight's study under consideration, the green Aggregator Line moved further above zero. Positive readings mean net expectations are for upside over the next few days. Meanwhile, the black Differential Line is also far 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 list of active studies, expectations are set to remain bullish on Tuesday. It would take some very compelling bearish evidence in order to change this. The Differential Pivot will be 2810.61 on Tuesday. That is 2.4% above Monday's close. SPX is unlikely to jump the full 2.4% on Tuesday. A more likely scenario for working off the oversold condition would be a multi-day rally or consolidation.

The very high Aggregator reading means evidence is not just suggesting a bounce, but a very large bounce to occur in the coming days. I added a 3rd lot of SPY at the close on Monday. I like reward/risk for the bulls, and feel a short-covering rally is likely to arrive soon. The CBI climbed from 16 to 19, so I will be looking to add a few more Catapult trades. (I was made aware that the intraday CBI reading shown on the site has glitched and I will look to fix that on Tuesday.) I won't be adding a final 4th lot to my index position on Tuesday, but I may in the days following.

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

Catapult and Capitulative Breadth Statistics

[Catapult & CBI Presentation Link](#)

OpenCatapult Triggers

MMM – 1/3 @ \$184.75 (bought @ limit)

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BLK – 1/3 @ \$442.78 (bought @ limit)

NVDA – 1/3 @ \$139.11 (bought @ limit)

BK – 1/3 @ \$43.25 (bought @ limit)

NVDA – 1/3 @ \$135.46 (bought @ limit)

BK – 1/3 @ \$42.69 (bought @ limit)

HAL – 1/3 @ \$21.29 (bought @ limit)

IBM – 1/3 @ \$126.99 (buy @ limit) – *Not filled. Cancel for now.*

MS – 1/3 @ \$42.69 (bought @ limit)

OXY – 1/3 @ \$49.77 (bought @ limit)

SLB – 1/3 @ \$34.69 (buy @ limit) – *Not filled. Cancel for now.*

SPG – 1/3 @ \$162.09 (bought @ limit)

WBA – 1/3 @ \$49.34 (buy @ limit) – *Not filled. Cancel for now.*

XOM – 1/3 @ \$70.77 (buy @ limit) – *Not filled. Cancel for now.*

New

NVDA – 1/3 @ \$133.78 (buy @ limit)

OXY – 1/3 @ \$49.32 (buy @ limit)

SPG – 1/3 @ \$161.67 (buy @ limit)

Broad Market Large Cap CBI – 19(MMM-3, BLK, NVDA-3, BK-2, HAL, IBM, MS, OXY-2, SLB, SPG-2, WBA, XOM)

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.

I will be looking to enter the following Catapults:

NVDA – 1/3 @ \$133.78 (buy @ limit)

OXY – 1/3 @ \$49.32 (buy @ limit)

SPG – 1/3 @ \$161.67 (buy @ limit)

Current Open Trade Ideas

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Stop	Notes
MMM(1/3)	5/3/2019	\$184.75	\$160.04	-13.37%		Catapult
SPY(1/4)	5/8/2019	\$287.53	\$274.57	-4.51%		Aggregator
MMM(1/3)	5/9/2019	\$177.30	\$160.04	-9.73%		Catapult
MMM(1/3)	5/10/2019	\$175.02	\$160.04	-8.56%		Catapult
BLK(1/3)	5/29/2019	\$426.39	\$419.90	-1.52%		Catapult
SPY(1/4)	5/29/2019	\$278.27	\$274.57	-1.33%		Aggregator
NVDA(1/3)	5/31/2019	\$137.14	\$133.78	-2.45%		Catapult
BK(1/3)	5/31/2019	\$42.58	\$43.05	1.10%		Catapult
NVDA(1/3)	6/3/2019	\$135.46	\$133.78	-1.24%		Catapult
BK(1/3)	6/3/2019	\$42.69	\$43.05	0.84%		Catapult
HAL(1/3)	6/3/2019	\$21.29	\$21.60	1.46%		Catapult
MS(1/3)	6/3/2019	\$40.69	\$40.73	0.10%		Catapult
OXY(1/3)	6/3/2019	\$49.77	\$49.32	-0.90%		Catapult
SPG(1/3)	6/3/2019	\$162.09	\$161.67	-0.26%		Catapult
SPY(1/4)	6/3/2019	\$274.57	\$274.57	0.00%		Aggregator

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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