

# QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

March 31, 2023

Volume 16 Issue 62

## Market Overview



## Signals Overview

Aggregator	CBI Reading
Flat	0

## Tonight's Research Points

- Volume is not the tell is used to be, and no compelling new evidence emerged on Thursday.

### *Short-term Outlook*

#### *The Bottom Line*

The Aggregator is neutral. That is where I am as well.

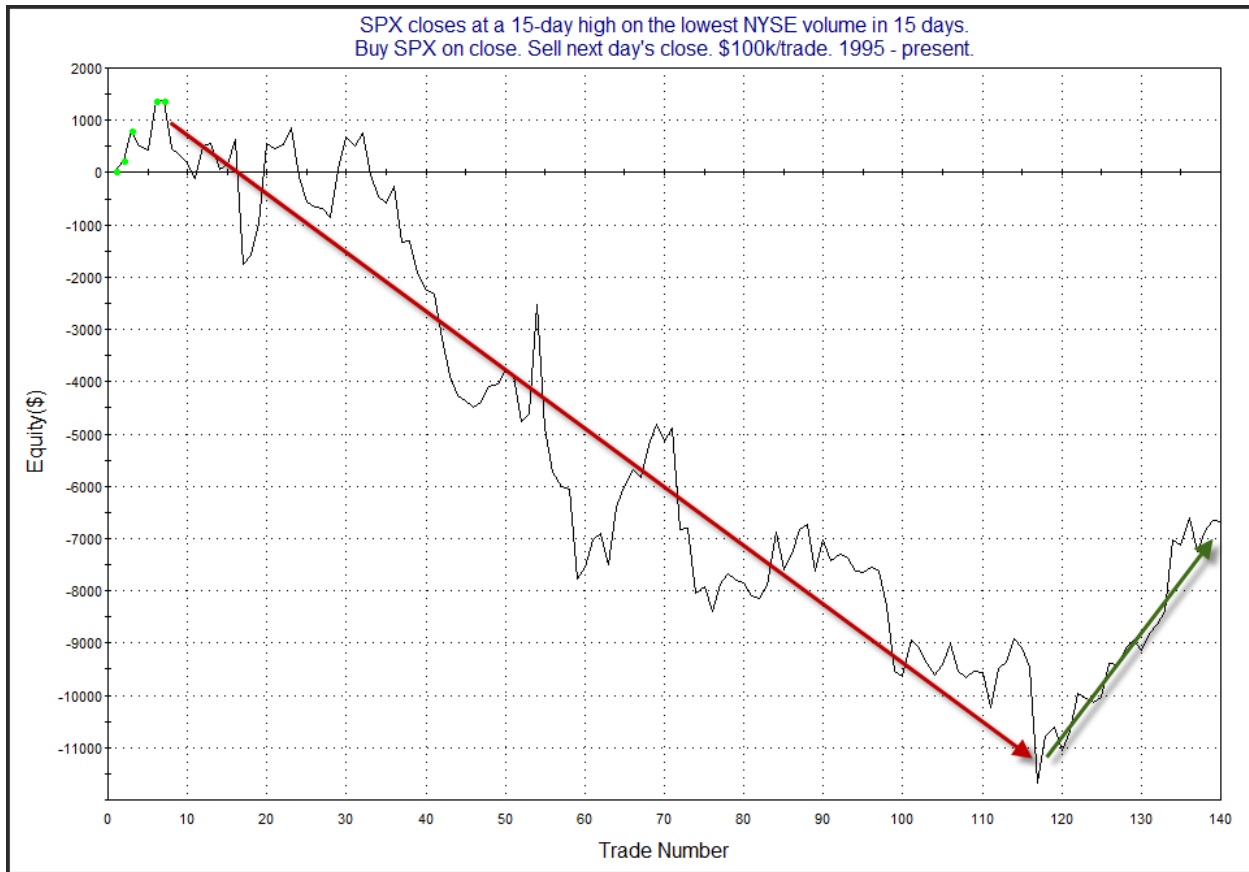
*Summary of Recent Active Studies (see Letters from listed dates for details)*

Study Date	Description	Time span	Bias	Avg Run-up	Avg DrawDn	Avg DrawDn - 1 Std Dev
<b>Active - Short Term</b>						
March 29, 2023	Dn big then sideways	1-3 days	Bullish	1.20%	-0.90%	-1.90%
March 27, 2023	Week after 4th Fri in March bullish	1-5 days	Bullish	2.10%	-1.10%	-2.30%
<b>Active - Long Term</b>						
February 2, 2023	SPX Golden Cross	int term	Bullish			
January 23, 2023	NASDAQ Leading	int term	Bullish			
January 13, 2023	QE Triple 70 Thrust	1-80 days	Bullish			
January 13, 2023	Deemer Breakaway Momentum	1-6 months	Bullish			
January 13, 2023	Whaley ADI <sub>5</sub> > 73.66	1-12 months	Bullish			
December 1, 2022	SPX goes from < 15% above 50 to > 90%	1-6 months	Bullish			
October 31, 2022	Best 6 Months 3rd Yr. Pres Cycle	1-6 months	Bullish			
March 14, 2022	Fed Hawkish / QE done	int term	Bearish			

***The Evidence***

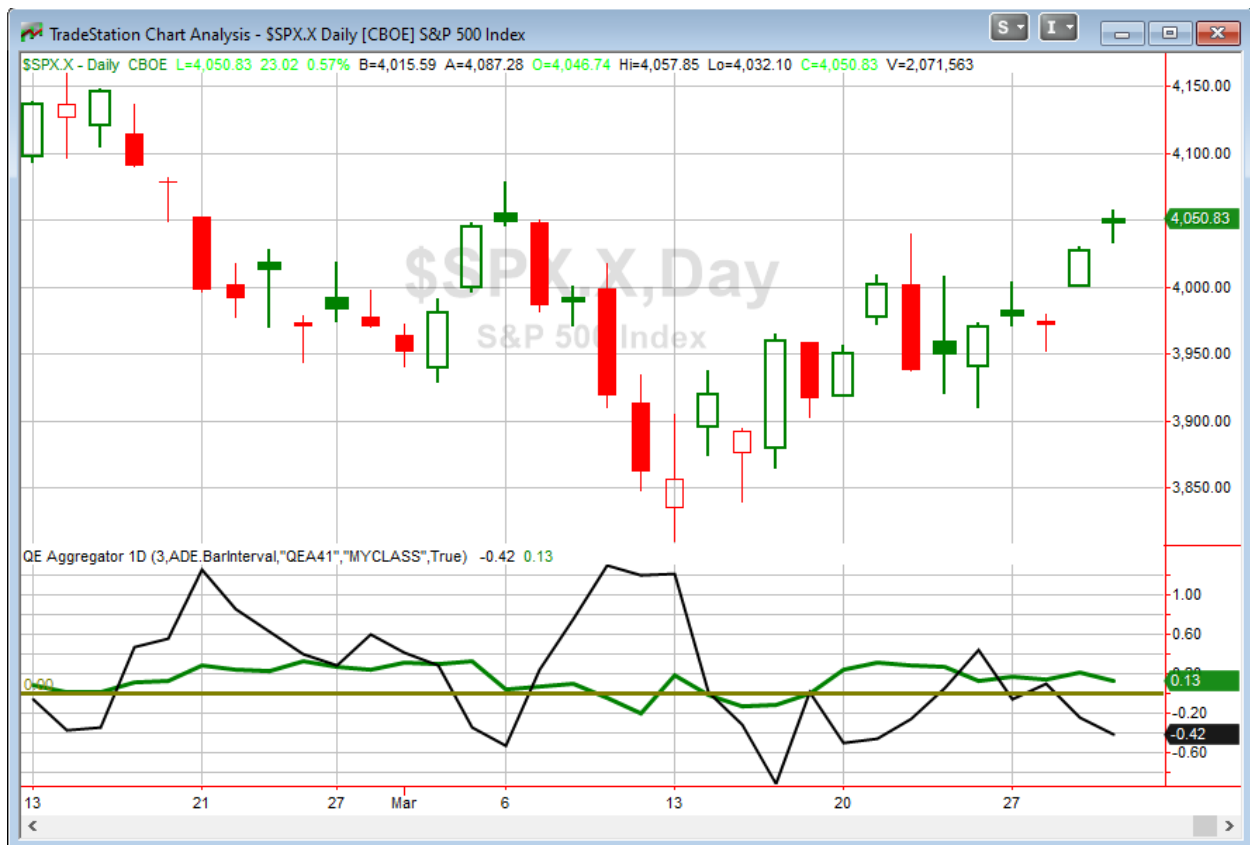
Thursday was mostly higher for the indices. The SPX closed up 0.6%, the NASDAQ gained 0.7%, and the Russell 2000 fell 0.2%. Breadth was positive with the NYSE Up Issues % coming in at 66% and the Up Volume % at 65%. NYSE total volume came in at the lightest level in a while.

The moderate action did not do much to trigger anything compelling. There was one study that noted the fact that SPX is making a new short-term high while volume was coming in at a short-term low. But like many volume studies that used to look compelling, this one has faltered in recent years.



The low point in this curve came in April 2020. The recent reversal of fortune has taken the curve back to levels it was at in 2009. This no longer appears compelling and I have taken it out of the Quantifinder.

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



Without any new studies making the cut tonight, the green Aggregator Line remained above zero. Positive readings mean expectations are for upside over the next few days. Meanwhile the black Differential Line held below zero. The negative Differential Line reading means that SPX is overbought versus recent expectations. So expectations are positive but SPX is overbought. This is considered a neutral configuration. Neutral configurations are visible on the chart whenever both lines close on opposite sides of zero. Therefore, the Aggregator formation stayed flat at the close.

Based on the current list of active studies, expectations are set to remain positive on Friday. This could change if compelling new bearish evidence emerges. Meanwhile, the Differential Pivot will be 3987.44. That is 1.6% below Thursday's close. Therefore, SPX will need to close down at least 1.6% on Friday in order to flip from overbought to oversold versus recent expectations.

So the Aggregator is again neutral. Nothing really changed from last night. Evidence is pointing higher but SPX is already short-term overbought. Thus reward/risk is not great. I'll continue to wait for a more compelling setup to emerge before taking on a new index trade.

***Intermediate-term Outlook (2 weeks – 2 months) – updated 3/27 – slightly bullish***

The intermediate-term outlook was last updated in the 3/27/23 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

***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.

**Current Open Trade Ideas**

None

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