

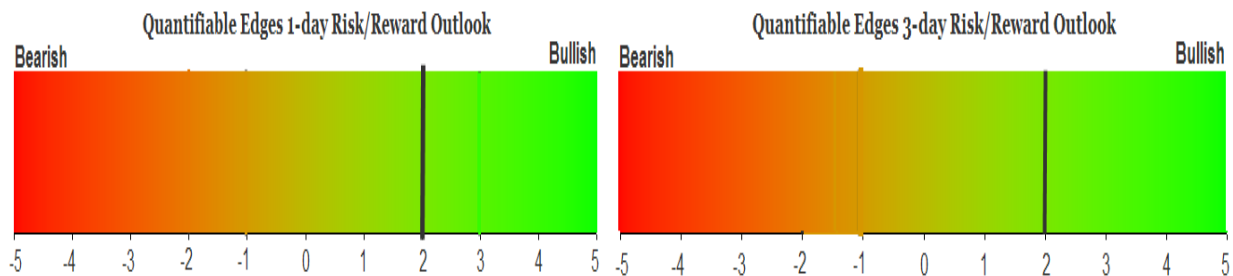
# QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

April 25, 2023

Volume 16 Issue 78

## Market Overview



## Signals Overview

Aggregator	CBI Reading
Long	0

## Tonight's Research Points

- The bounce appears that it has further to go, based on action over the last 3 days.

## *Short-term Outlook*

### *The Bottom Line*

The Aggregator is bullish. I like the long side but will be ready to take profits if SPX closes up strongly on Tuesday.

**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>						
April 25, 2023	SPY up 2 < 3 ago and > 200ma	1-2 days	Bullish			
April 24, 2023	Bullish opex week fails to materialize	1-5 days	Bullish			
April 21, 2023	SPY 1st 5-low in 10. Close > 10ma.	1-5 days	Bullish	1.40%	-1.15%	-2.30%
<b>Active - Long Term</b>						
February 2, 2023	SPX Golden Cross	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 ADT5 > 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			

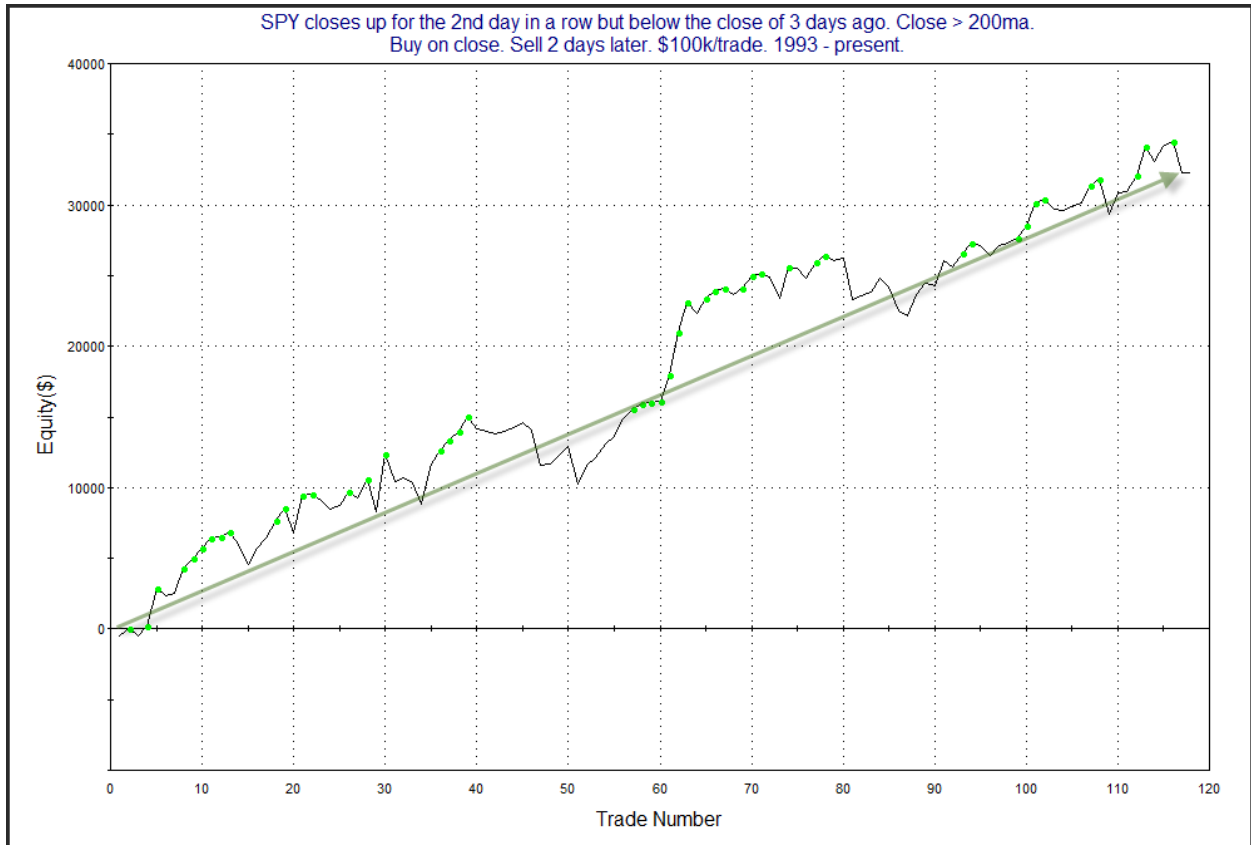
**The Evidence**

Monday was another day of mixed and mild results. The SPX gained 0.1%, the NASDAQ lost 0.3%, and the Russell 2000 fell 0.15%. Breadth was positive with the NYSE Up Issues % coming in at 54.8% and the Up Volume % at 55.1%. NYSE total volume declined from its high opex Friday level.

The bounce over the last couple of days has been pretty meager. One study from the Quantifinder noted the last 2 days have failed to make up for the losses of the 1-day drop on Thursday. The study was last seen in the 4/5/22 letter and has been updated below.

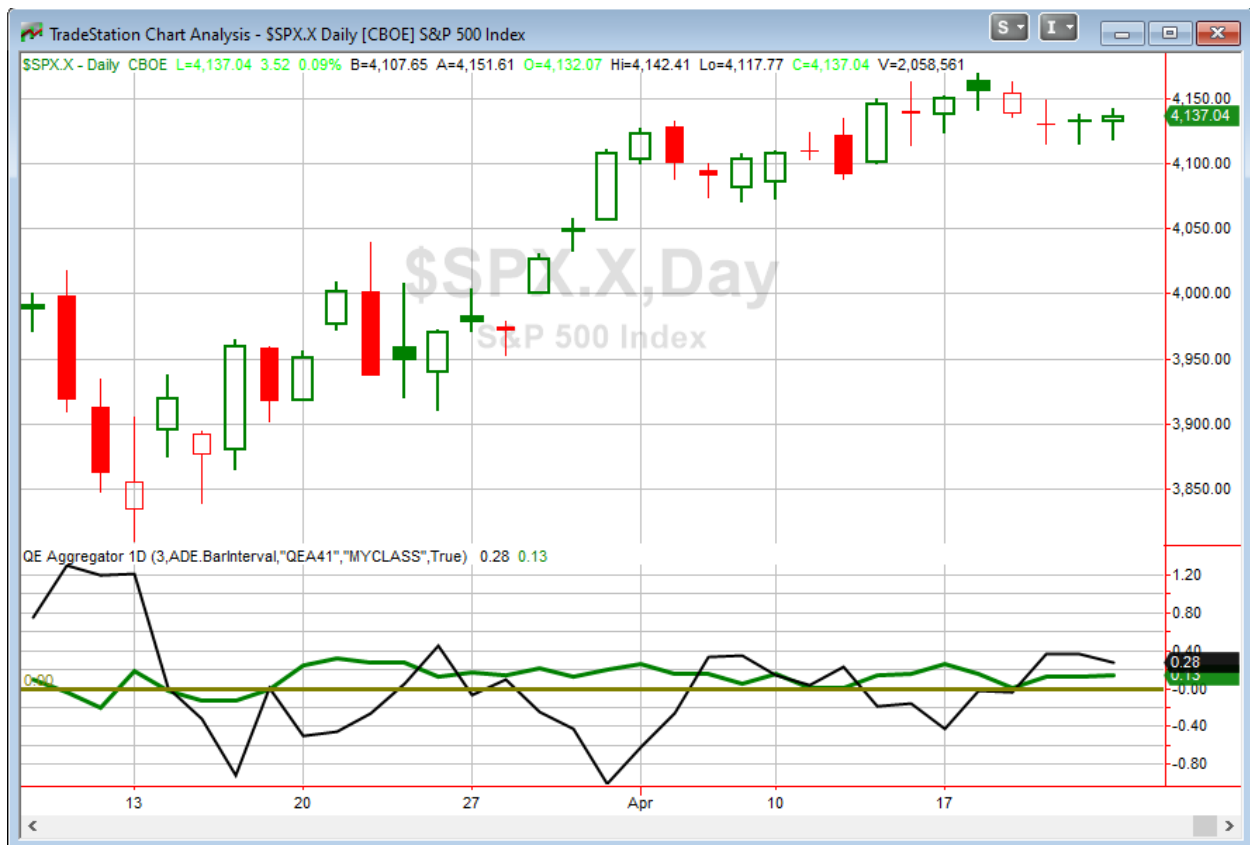
SPY closes up for the 2nd day in a row but below the close of 3 days ago. Close > 200ma. Buy on close. Sell X days later. \$100k/trade. 1993 - present.												
X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Max Winning Trade	All: Max Losing Trade	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
5	23,309.03	115	67	47	58.26	4,717.70	-6,549.84	1,487.34	-1,624.31	0.92	1.31	202.69
4	34,466.84	117	77	40	65.81	4,698.60	-4,384.89	1,275.55	-1,593.77	0.80	1.54	294.59
3	29,132.21	118	75	43	63.56	3,000.00	-4,092.24	1,125.30	-1,285.23	0.88	1.53	246.88
2	32,245.98	118	78	40	66.10	4,088.25	-2,932.22	898.95	-946.81	0.95	1.85	273.27
1	19,178.66	118	70	46	59.32	3,732.75	-1,777.90	673.58	-608.09	1.11	1.69	162.53

This suggests a 2-day upside edge. Let's check the curve for confirmation.



This is an appealing curve. So it appears this bounce has a pretty good chance of continuing higher over the next day or two.

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



With tonight's evidence considered, the green Aggregator Line remained above zero. Positive readings mean expectations are for upside over the next few days. Meanwhile the black Differential Line also held above zero. The positive Differential Line reading means that 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 formation stayed long at the close.

Based on the current active list, expectations are set to remain positive on Tuesday. Of course this could change if compelling new bearish evidence emerges. Meanwhile, the Differential Pivot will be 4141.72 on Tuesday. That is just 0.1% above Monday's close. Therefore, SPX will only need to close up around 0.1% on Tuesday in order to flip from oversold to overbought vs recent expectations.

So the Aggregator is bullish. Evidence is fairly solid, but there is not much room to the upside before SPX would turn overbought and the Aggregator will flip to neutral. I like the long side. But I don't love it. I have a small amount of long exposure already. I will not look to buy more on Tuesday. But I will look to exit the position at the close if SPX closes up strongly.

**Intermediate-term Outlook (2 weeks – 2 months) – *updated 4/24 – slightly bullish***

The intermediate-term outlook was last updated in the 4/24/23 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 tonight.**

**Current Open Trade Ideas**

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Notes
SPY(1/4)	4/24/2023	\$411.99	\$412.63	0.16%	sell @ \$414.00 LIMIT ON CLOSE

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