

QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

March 28, 2024

Volume 17 Issue 61

Market Overview



Signals Overview

Aggregator	CBI Reading
Long	0

Tonight's Research Points

- Holy Thursday has historically been a good day for the market.
- Moves from a 5-day low to a 50-day high in 1 day are often followed by a dip in the next few days.

Short-term Outlook

The Bottom Line

The Aggregator is bullish. I like the long side, but we are getting near profit-taking time.

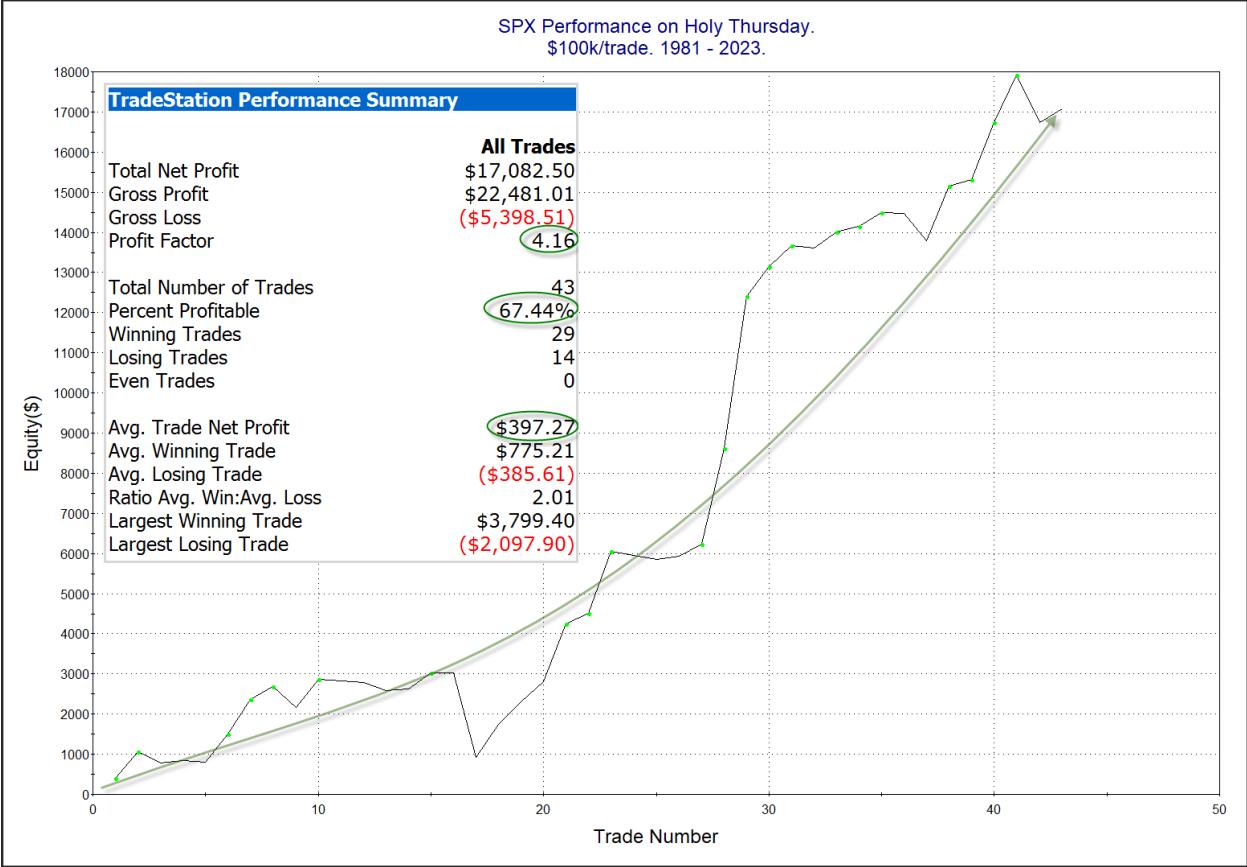
Summary of Current Active Studies (see Letters from listed dates for details)

Study Date	Description	Time span	Bias	Avg Run-up	Avg DrawDn	Avg DrawDn - 1 Std Dev
Active - Short Term						
March 28, 2024	5-low to 50-high in 1 day	1-5 days	Bearish			
March 28, 2024	Holy Thursday bullish	1 day	Bullish			
March 27, 2024	SPY btm 1/4 of intraday range 4th day row	1-5 days	Bullish	3.40%	-1.70%	-3.40%
March 27, 2024	SPX 5-low, btm 10% intraday. Not Mon	1-5 days	Bullish	1.60%	-1.30%	-2.80%
March 25, 2024	Week After 4th Friday in March Bullish	1-5 days	Bullish	2.20%	-1.05%	-2.20%
March 21, 2024	SPX 100-day high on a Fed Day	1-8 days	Bullish	1.70%	-1.00%	-1.70%
Active - Long Term						
March 22, 2024	SPX 20-day intraday high and btm 10% cls	1-10 days	Bullish	2.00%	-1.50%	-2.80%
March 13, 2024	Russell 2000 down 3 days. SPX 3-day high	1-10 days	Bullish	3.30%	-1.20%	-2.60%
March 4, 2024	Jan & Feb both close positive	1-10 months	Bullish			
February 12, 2024	SPX 50-day %b > 100	1-50 days	Bullish	4.90%	-4.40%	-9.00%
February 2, 2024	SPX up > 15% last 3 months	1-6 months	Bullish			
December 27, 2023	%SPX > 50 moves frm 15% > 90% in 50 dys	1-6 months	Bullish			
November 7, 2023	Whaley ADT ₅ > 73.66	1-12 months	Bullish	25.20%	-8.10%	
November 6, 2023	Zweig Thrust	1-12 months	Bullish	29.00%	-3.20%	-7.00%
November 6, 2023	Best 6 Months	6 months	Bullish			
May 22, 2023	SPX 50-day high < 1/2 SPX stocks > 50ma	1-12 months	Neutral			
February 2, 2023	SPX Golden Cross	int term	Bullish			
March 14, 2022	Fed Hawkish / QE done	int term	Bearish			
Dropped Tonight (expired, target hit, or avg drawdown + 1 std dev exceeded)						

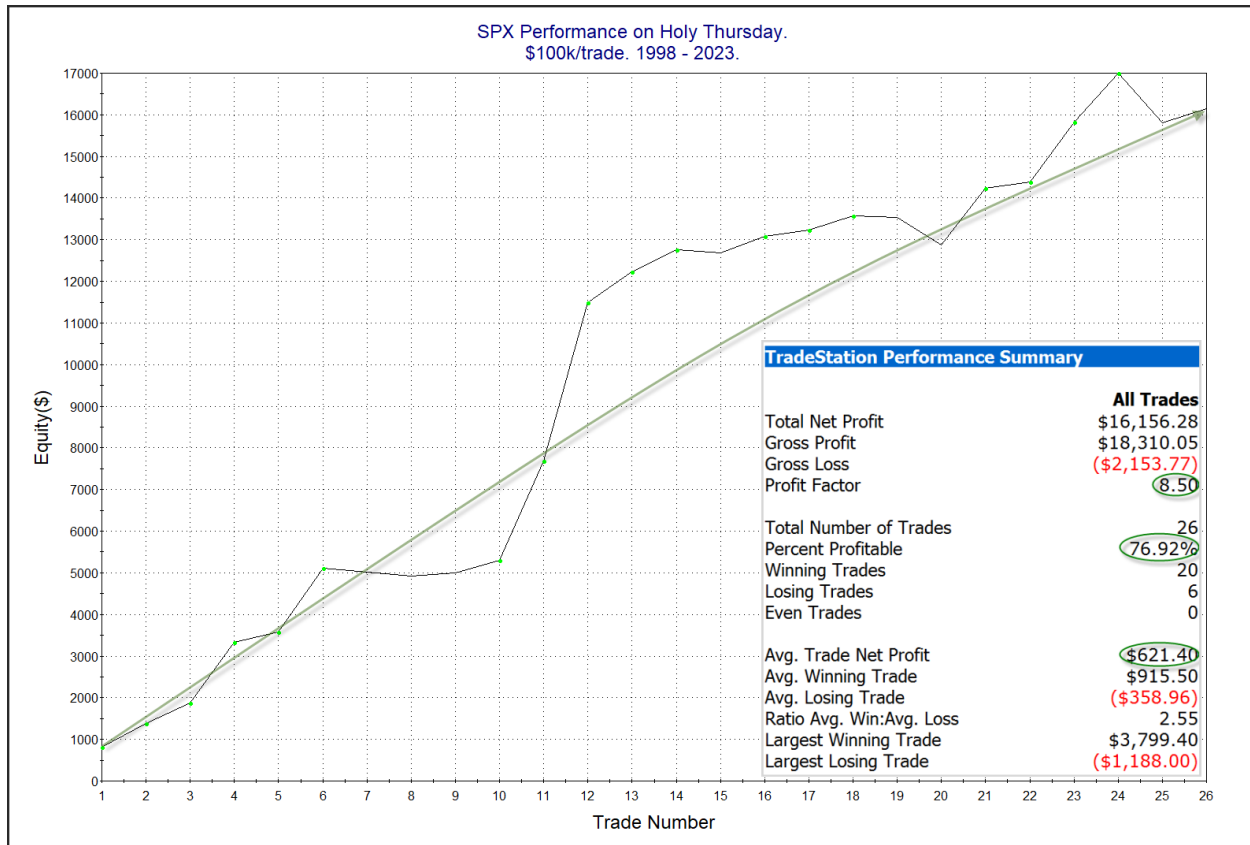
The Evidence

Wednesday was a rally day. SPX closed up 0.9%, the NASDAQ rose 0.5%, and the Russell 2000 jumped 2.1%. Breadth was strongly positive with the NYSE Up Issues % coming in at 80% and the Up Volume % at 87%. NYSE total volume rose some from Tuesday's level.

Stock market performance leading up to and around many holidays has often been bullish. This is something I have written about several times over the years. Holy Thursday is one such day that has done very well. I have shown Holy Thursday stats several times in the past. The chart and statistics below are all updated through last year.



This curve really started to steepen in 1998. Below I zoomed in on the 1998 – 2023 time period.



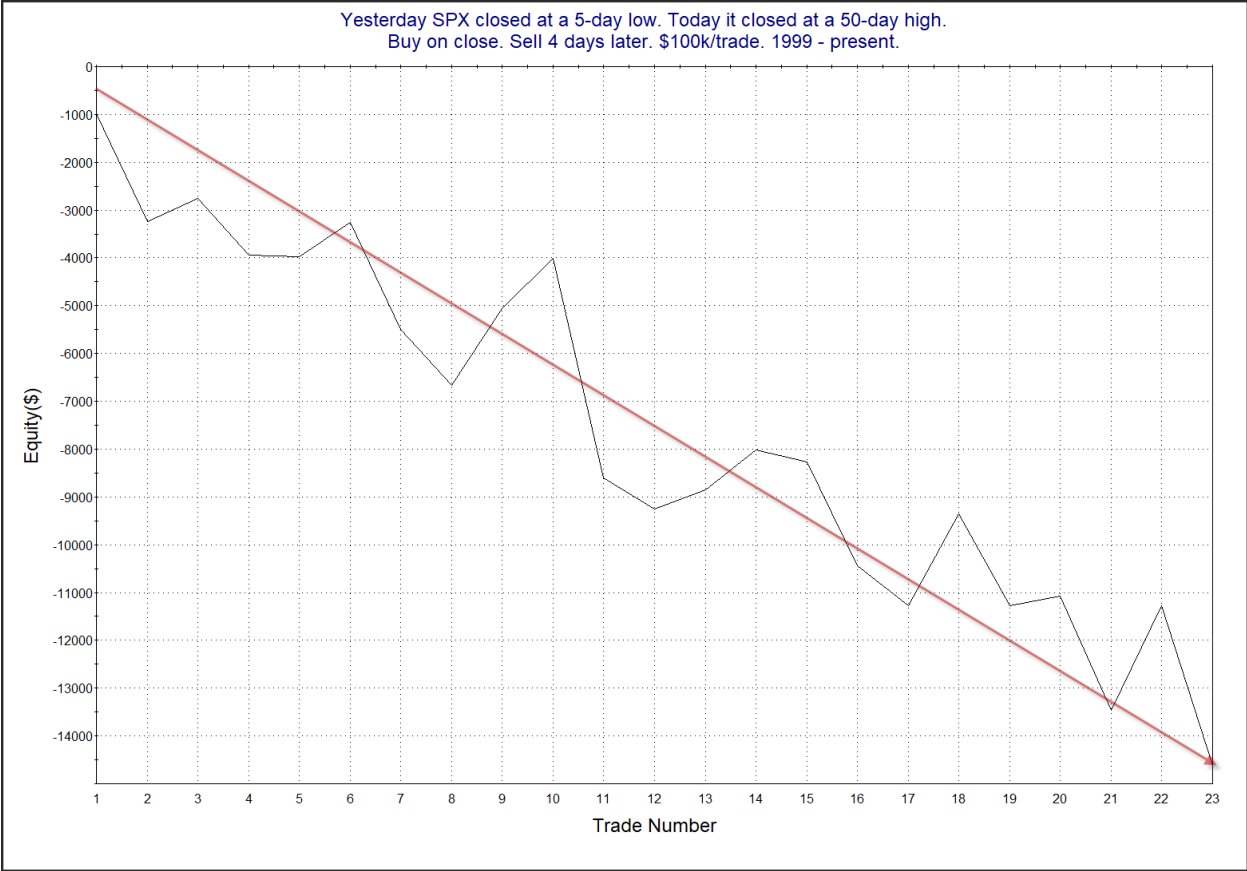
No matter how you look at it. Holy Thursday has had some impressive historical performance. I'm adding this to the Active List tonight.

The strong move up caused SPX to move from a 5-day low close to a 50-day high close. That is fairly unusual. In the 3/4/19 Letter I looked at moves from 5-day lows to 50-day highs. Tonight I have updated those results below.

Yesterday SPX closed at a 5-day low. Today it closed at a 50-day high.
Buy on close. Sell X days later. \$100k/trade. 1999 - present.

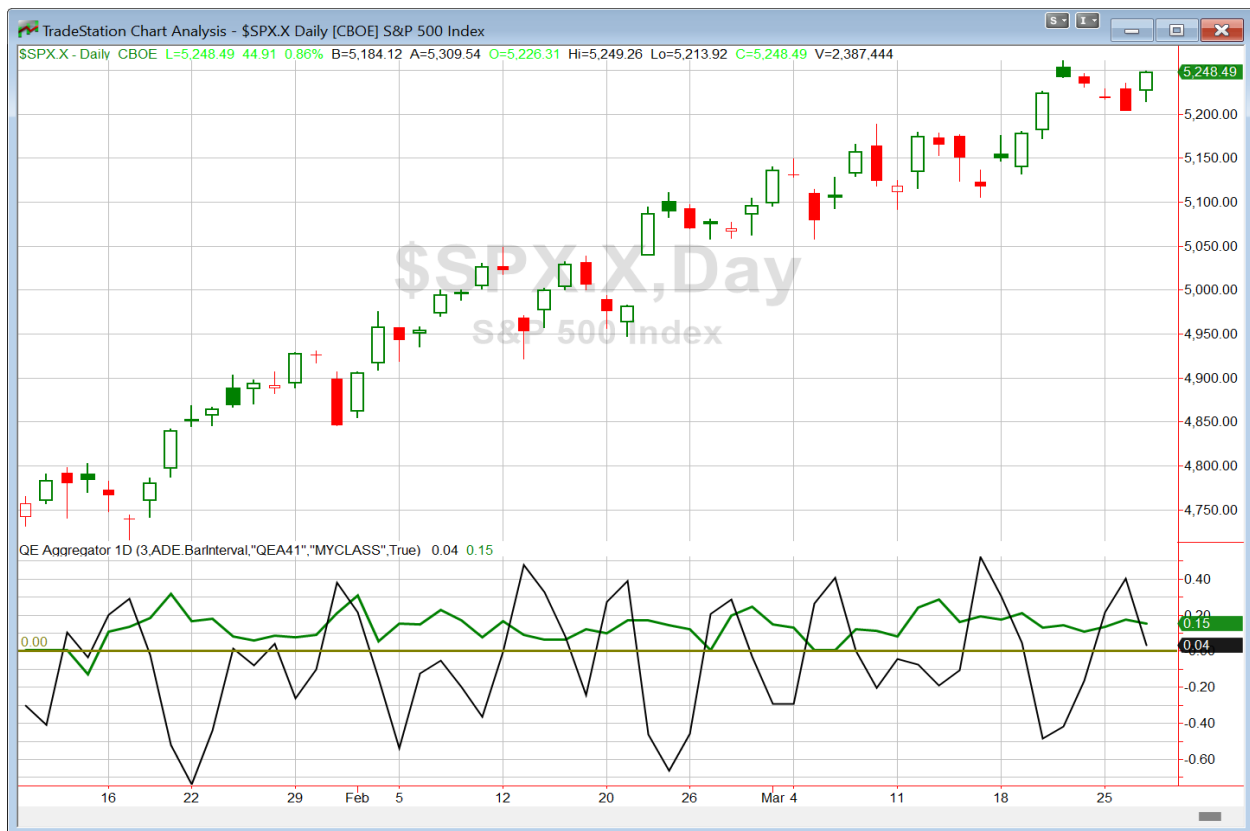
X Days	All: Net Profit	All: Total Trades	All: Winning Trades	All: Losing Trades	All: % Profitable	All: Max Winning Trade	All: Max Losing Trade	All: Avg Winning Trade	All: Avg Losing Trade	All: Win/Loss Ratio	All: ProfitFactor	All: Avg Trade
5	-16,005.90	23	11	12	47.83	2,053.50	-4,993.16	948.18	-2,202.99	0.43	0.39	-695.91
4	-14,611.16	23	9	14	39.13	2,184.08	-4,596.70	1,045.27	-1,715.61	0.61	0.39	-635.27
3	-8,955.74	23	11	12	47.83	1,998.70	-5,028.42	926.69	-1,595.78	0.58	0.53	-389.38
2	-4,953.64	23	7	16	30.43	1,607.93	-2,902.50	893.34	-700.44	1.28	0.56	-215.38
1	-2,698.43	23	9	14	39.13	747.75	-1,214.72	363.63	-426.51	0.85	0.55	-117.32

The numbers are not overwhelming but they do suggest a possible downside edge. Below is a look at the 4-day profit curve.



The curve has managed to head from upper left to lower right in a fairly consistent manner. This study appears to be worth some consideration.

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



With tonight's evidence considered, the green Aggregator Line held above zero. Positive readings mean net expectations are for upside over the next few days. Meanwhile the black Differential Line remained 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 list of active studies, expectations are set to remain positive on Thursday. This is unlikely to change. Meanwhile, the Differential Pivot will be *inverted* at 5238.34 on Thursday. That is 0.2% *below* Wednesday's close. An inverted pivot means that the Differential Line will cross through zero if SPX closes flat. In this case, SPX will need to close down over 0.2% on Thursday in order to remain oversold versus recent expectations. Anything other than that and it will be considered overbought as of Thursday's close.

So the Aggregator is bullish. I still like the long side. But we are reaching a point here where I would normally be looking to take profits, thanks to the inverted pivot. But tomorrow's seasonality is quite strong. So I won't look to exit until the end of the day. Additionally, new months often start with a gap up. So I will only sell on Thursday if there is a move higher and a close in the upper part of the intraday range. Otherwise, I will hold over the weekend and sell at the open if the Aggregator turns flat on Thursday afternoon.

*Intermediate-term Outlook (2 weeks – 2 months) – updated 3/25 – **bullish***

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)	3/26/2024	\$519.77	\$523.17	0.65%	see note below

I will look to sell SPY @ \$523.50 LIMIT ON CLOSE IF IT ALSO CLOSSES IN THE TOP HALF OF ITS INTRADAY RANGE.

The author of Quantifiable Edges (QE), Mr. Robert Hanna, is separately affiliated with a registered investment adviser in the States of Washington, California, Colorado, Texas, Massachusetts, and Louisiana, Eastsound Capital Advisors, LLC (ECA) d.b.a. Capital Advisors 360. ECA may not transact business in states where it is not appropriately registered, excluded or exempted from registration. Individualized responses to persons that involve either the effecting of transaction in securities, or the rendering of personalized investment advice for compensation, will not be made without registration or exemption. Advisory clients of ECA utilizing the approaches developed by Mr. Hanna will receive the QE newsletter from QE at no charge. ECA is not otherwise affiliated with QE, and neither endorses nor warrants the content of this site, the QE newsletter(s), any embedded advertisement, nor any linked resource herein.

This report has been prepared by Quantifiable Edges, LLC and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell, or a solicitation of any offer to buy securities. While information contained herein is believed to be accurate at the time of publication, we make no representation as to the accuracy or completeness of any data, studies, or opinions expressed and it should not be relied upon as such. Robert Hanna, Quantifiable Edges, LLC or clients of Quantifiable Edges, LLC may have positions or other interests in securities (including derivatives) directly or indirectly which are the subject of this report. This report is provided solely for the information of Quantifiable Edges, LLC clients and prospects who are expected to make their own investment decisions without reliance upon this report. Neither Quantifiable Edges, LLC nor any officer or employee of Quantifiable Edges, LLC accepts any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report may not be reproduced, distributed or published by any recipient for any purpose without the prior express consent of Quantifiable Edges, LLC.

Copyright © 2024 Quantifiable Edges, LLC.