

# QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

February 11, 2026

Volume 19 Issue 28

## Market Overview



## Signals Overview

Aggregator	CBI Reading
Flat	5

## Tonight's Research Points

- SPX reversed lower on strong breadth, which has typically been followed by gains over the net few days.

## *Short-term Outlook*

### *The Bottom Line*

The Aggregator is neutral. I am as well.

**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
<b>Active - Short Term</b>						
February 11, 2026	5-high thwn down today on strong breadth	1-3 days	Bullish	1.50%	-0.90%	-2.00%
February 6, 2026	Down 3. Big drop today to 10-low > 200	1-5 days	Bullish	2.10%	-1.30%	-2.80%
<b>Active - Long Term</b>						
December 15, 2025	QE active. Rates dropping. Fed dovish	int term	Bullish			
December 15, 2025	NASDAQ lagging	int term	Neutral			
November 3, 2025	Best 6 Months	1-6 months	Bullish			
June 30, 2025	SPX Golden Cross (7/1/25)	int term	Bullish			
May 19, 2025	DeGraaf Thrust (55% SPX 20-day high)	1-12 months	Bullish			
April 25, 2025	Zweig Breadth Thrust	1-12 months	Bullish	29.50%	-2.90%	-6.55%
April 23, 2025	Up Issue % & Up Vol % > 86% 2x in 9 days	1-12 months	Bullish			

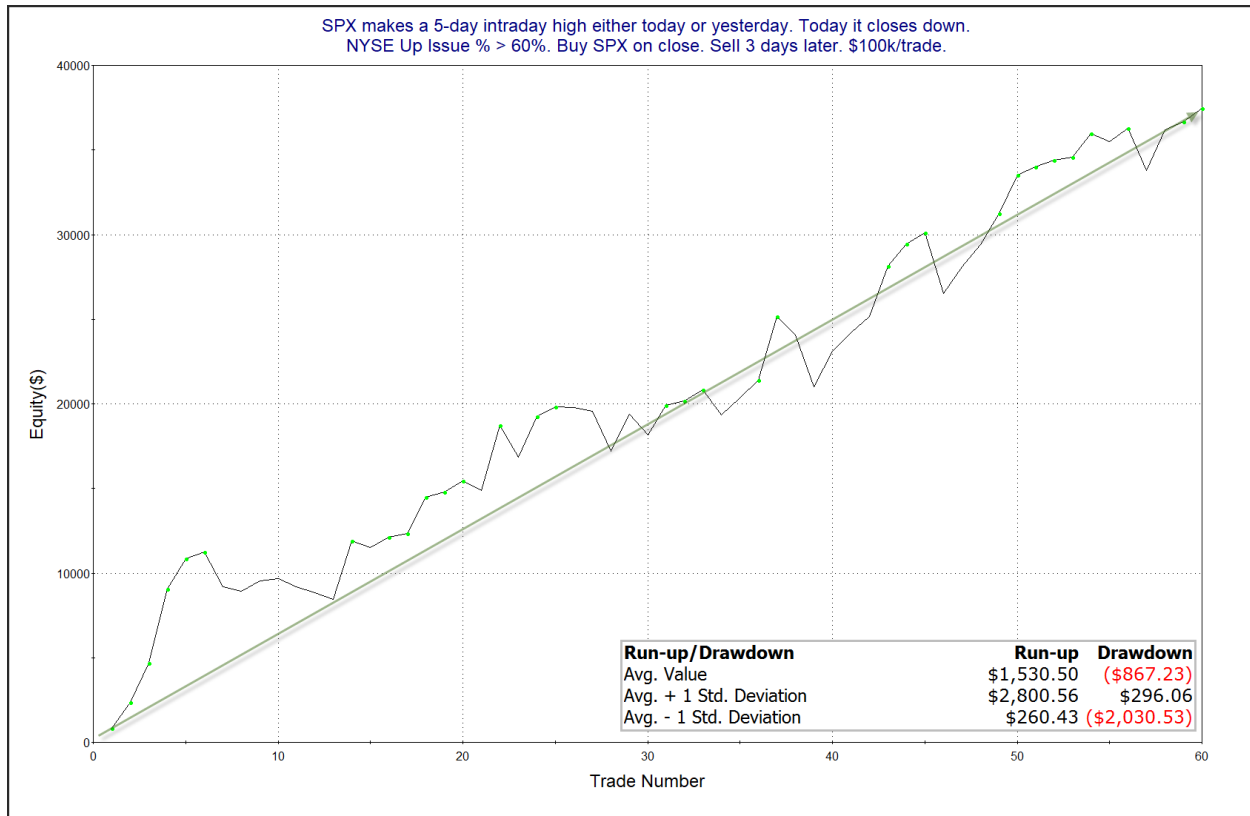
**The Evidence**

Tuesday was back and forth but finished poorly. SPX closed down 0.3%, the NASDAQ fell 0.6%, and the Russell 2000 lost 0.3%. Interestingly, breadth was strong as the NYSE Up Issues % closed at 62% and the NYSE Up Volume % posted a 58% reading. NYSE total volume declined some from Monday's level.

One study I found interesting was last seen in the 9/8/25 letter. It examined other times the market made a recent short-term high, then pulled back but the breadth remained squarely positive. Results are updated below.

SPX makes a 5-day intraday high either today or yesterday. Today it closes down. NYSE Up Issue % > 60%. Buy SPX on close. Sell X days later. \$100k/trade.												
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	20,571.29	57	36	21	63.16	4,586.15	-6,119.33	1,642.38	-1,835.92	0.89	1.53	360.90
4	42,283.43	60	39	21	65.00	8,095.62	-6,253.50	1,879.20	-1,476.44	1.27	2.36	704.72
3	37,447.43	60	42	18	70.00	4,370.82	-3,593.26	1,428.02	-1,251.63	1.14	2.66	624.12
2	26,630.69	60	40	20	66.67	4,825.17	-4,128.74	1,224.80	-1,118.06	1.10	2.19	443.84
1	20,862.39	60	37	23	61.67	3,351.09	-1,606.00	909.40	-555.88	1.64	2.63	347.71

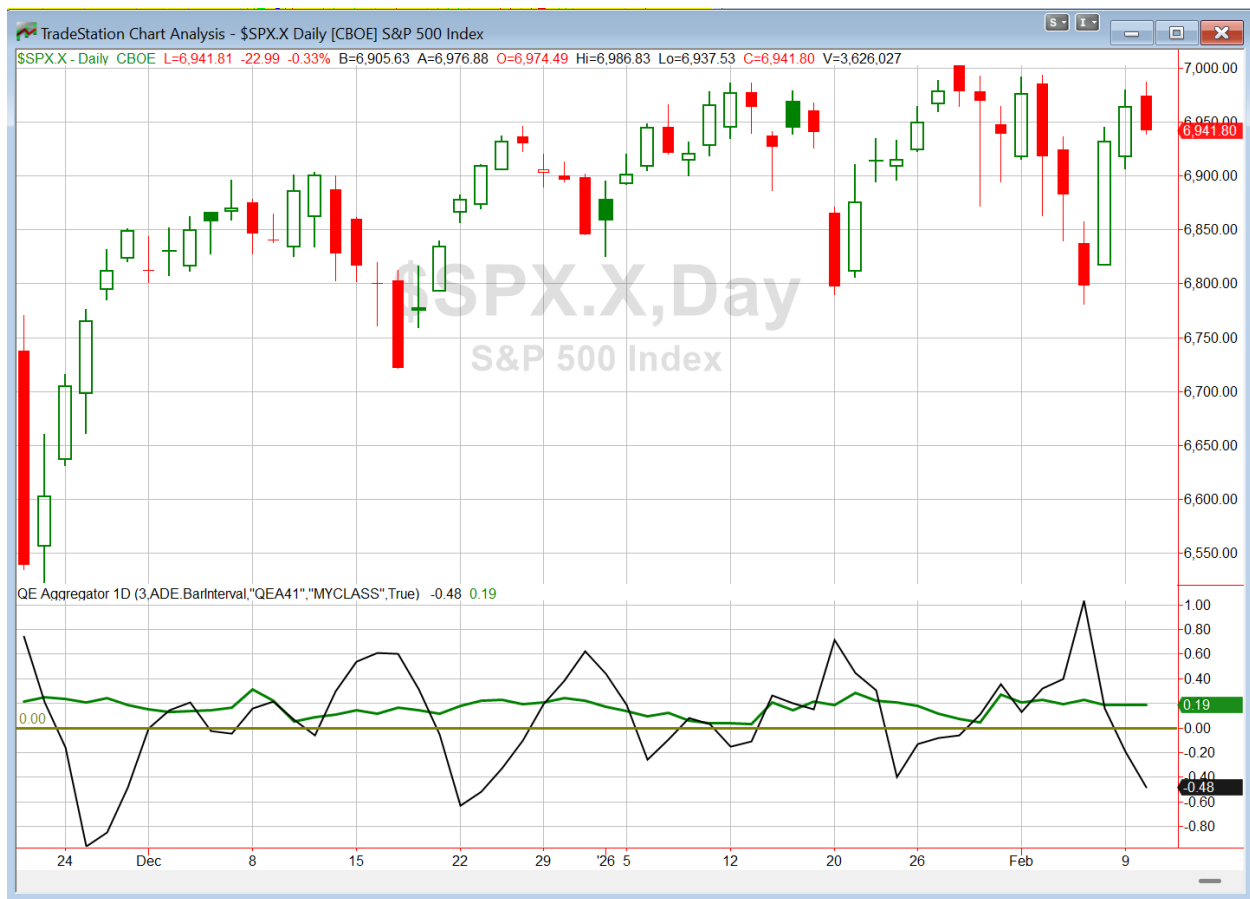
This suggests a possible upside edge over the next few days. Below is a look at the 3-day profit curve.



The curve has sloped upwards for a long time. This seems to offer some confirmation of the upside edge suggested by the stats table. I have added this study to the Active List.

It is also notable that Wednesday we will see the jobs report release before the open. This is delayed. It was originally supposed to be released last Friday. Some government officials today hinted that it might be weak, so it will be interesting to see just how weak. More interesting will be the market reaction. If jobs are weak, that could give the Fed a good reason to cut rates sooner than currently anticipated. So depending how bad, there is a chance the market could rally on bad news. In any case, the jobs report could trigger some volatility on Wednesday in either (or both) directions.

I have updated the Aggregator chart below.



With tonight's evidence considered, 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 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 Wednesday. This could change if compelling new bearish evidence emerges. Meanwhile, the Differential Pivot will be *inverted* at 6974.78. That is 0.5% *above* Tuesday'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 up at least 0.5% in order to remain overbought. Anything less than that and it will flip to oversold versus recent expectations as of Wednesday's close.

So the Aggregator is neutral. Wednesday could be volatile with the employment report, and it seems as though the Aggregator could finish Wednesday bullish, bearish, or neutral. So I will wait to see what plays out and what new evidence emerges before considering my next move.

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

**Catapult and Capitulative Breadth Statistics**

[Catapult & CBI Presentation Link](#)

***Open Catapult Triggers***

INTU @ \$487.12 (bought @ limit)

PYPL @ \$52.33 (bought @ limit)

INTU @ \$434.09 (bought @ limit)

PYPL @ \$41.70 (bought @ limit)

PYPL @ \$41.03 (bought @ limit)

***Broad Market Large Cap CBI – 5 (INTU-2, PYPL-3)***

**Additional New Trade Ideas**

None tonight.

**Current Open Trade Ideas**

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Notes
PYPL(1/3)	2/3/2026	\$42.88	\$41.49	-3.24%	Catapult
INTU(1/3)	2/3/2026	\$468.50	\$421.39	-10.06%	Catapult
INTU(1/3)	2/4/2026	\$427.94	\$421.39	-1.53%	Catapult
PYPL(1/3)	2/4/2026	\$41.60	\$41.49	-0.26%	Catapult
PYPL(1/3)	2/5/2026	\$40.60	\$41.49	2.19%	Catapult

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