

# QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

February 26, 2026

Volume 19 Issue 38

## Market Overview



## Signals Overview

Aggregator	CBI Reading
Long	1

## Tonight's Research Points

- No compelling new evidence emerged on Wednesday.

## *Short-term Outlook*

### *The Bottom Line*

The Aggregator is bullish. But the inverted pivot suggests reward is limited and it might be a good time to take profits if they are available.

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

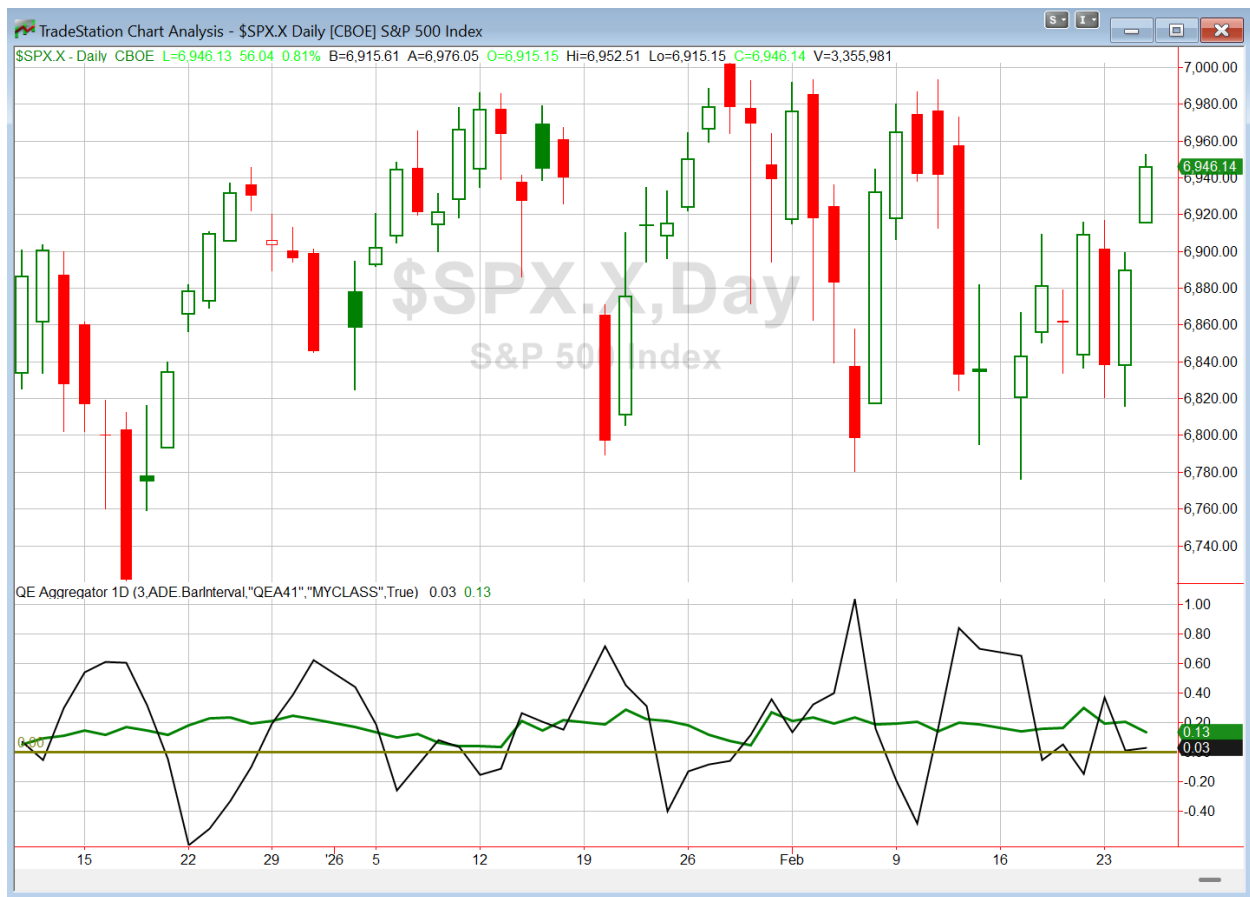
Study Date	Description	Time span	Bias	Avg Run-up	Avg DrawDn	Avg DrawDn - 1 Std Dev
<b>Active - Short Term</b>						
February 24, 2026	Up yest. Outside day down 1% today	1-5 days	Bullish	2.00%	-1.20%	-2.60%
February 18, 2026	4 lower lows, 20-day low > 200	1-8 days	Bullish	2.40%	-1.70%	-3.30%
February 13, 2026	Btm 10% rng 2 of 3 days. Cls < 10ma > 200	1-9 days	Bullish	3.05%	-1.30%	-2.70%
<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 saw the market rally. SPX closed up 0.8%, the NASDAQ rose 1.3%, and the Russell 2000 gained 0.4%. Breadth was positive as the NYSE Up Issues % closed at 58% and the NYSE Up Volume % posted a 53% reading. NYSE total volume declined some from Tuesday's level.

While Wednesday was a good day for the market, it remains near the upper end of the range it has been in all of 2026. Rangebound markets often struggle to generate strong edges. And so for the 2<sup>nd</sup> night in a row I am not seeing anything compelling. While I prefer to make the letter more interesting, if there is not a short-term edge, then data manipulation will not help. There is still some upside left in the studies on the Active List, but nothing new is being added to that list tonight.

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 above zero. The positive Differential Line reading means that SPX is oversold versus recent expectations. So expectations are positive and SPX is (slightly) 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 could change if compelling new bearish evidence emerges. Meanwhile, the Differential Pivot will be *inverted* at 6881.95. That is 0.9% *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 0.9% in order to remain oversold. Anything other than that and it will flip to "overbought" versus recent expectations as of Thursday's close.

So the Aggregator is bullish. But reward/risk is not ideal since we now have an inverted Differential Pivot. This kind of setup is one where I will often look to take profits on existing index trade ideas. That is my intention for Thursday if a decent fill is available.

*Intermediate-term Outlook (2 weeks – 2 months) – updated 2/23 – neutral*

## **Catapult and Capitulative Breadth Statistics**

[Catapult & CBI Presentation Link](#)

### ***Open Catapult Triggers***

*New*

ACN @ \$191.50 (buy @ limit)

### ***Broad Market Large Cap CBI – 1 (ACN)***

## **Additional New Trade Ideas**

**ACN – Buy 1/3 Catapult position @ \$191.50 LIMIT.** From the Catapult section above, this is the 1<sup>st</sup> of up to 3 possible lots of ACN.

## **Current Open Trade Ideas**

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Notes
INTU(1/3)	2/3/2026	\$468.50	\$381.23	-18.63%	<i>sell on open</i>
INTU(1/3)	2/4/2026	\$427.94	\$381.23	-10.92%	<i>sell on open</i>
<b>TMO(1/3)</b>	<b>2/13/2026</b>	<b>\$509.82</b>	<b>\$519.00</b>	<b>1.80%</b>	<b><i>sold on open</i></b>
<b>TMO(1/3)</b>	<b>2/17/2026</b>	<b>\$502.58</b>	<b>\$519.00</b>	<b>3.27%</b>	<b><i>sold on open</i></b>
<b>TMO(1/3)</b>	<b>2/18/2026</b>	<b>\$500.52</b>	<b>\$519.00</b>	<b>3.69%</b>	<b><i>sold on open</i></b>
SPY(1/4)	2/24/2026	\$682.00	\$693.15	1.63%	<i>sell @ \$693.15 LIMIT</i>

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