

# QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

April 8, 2026

Volume 20 Issue 65

## Market Overview



## Signals Overview

Aggregator	CBI Reading
Flat	0

## Tonight's Research Points

- Mixed evidence tonight.

## *Short-term Outlook*

### *The Bottom Line*

The Aggregator is neutral. 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>						
April 7, 2026	SPY up 3+ with vol lower 3. Close < 200ma	1-3 days	Bearish	-2.70%	1.50%	3.00%
April 7, 2026	SPX up VIX up on Monday. SPX < 200ma	1-5 days	Bearish	-3.60%	2.00%	3.70%
April 7, 2026	QQQ 10-hi on 10-low vol. C < 200	1 day	Bearish			
April 7, 2026	Up 3+ from 50-low. NR7.	1-3 days	Bullish	1.70%	-1.20%	-2.90%
April 1, 2026	20-Lo Up 2% top of range high volume	1-5 days	Bullish			
March 31, 2026	3-days down. 20-low. Small drop today.	1-7 days	Bullish	3.80%	-2.00%	-3.90%
<b>Active - Long Term</b>						
April 7, 2026	SPY up 3+ with vol lower 3. Close < 200ma	1-20 days	Bearish	-7.20%	2.70%	4.60%
April 6, 2026	NASDAQ leading	int term	Bullish			
March 30, 2026	SPX down 5 straight weeks	1-6 months	Bearish	-13.10%	8.60%	16.80%
March 9, 2026	Hindenburg Omen cluster	1-35 days	Bearish			
December 15, 2025	QE active. Rates dropping. Fed dovish	int term	Bullish			
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			

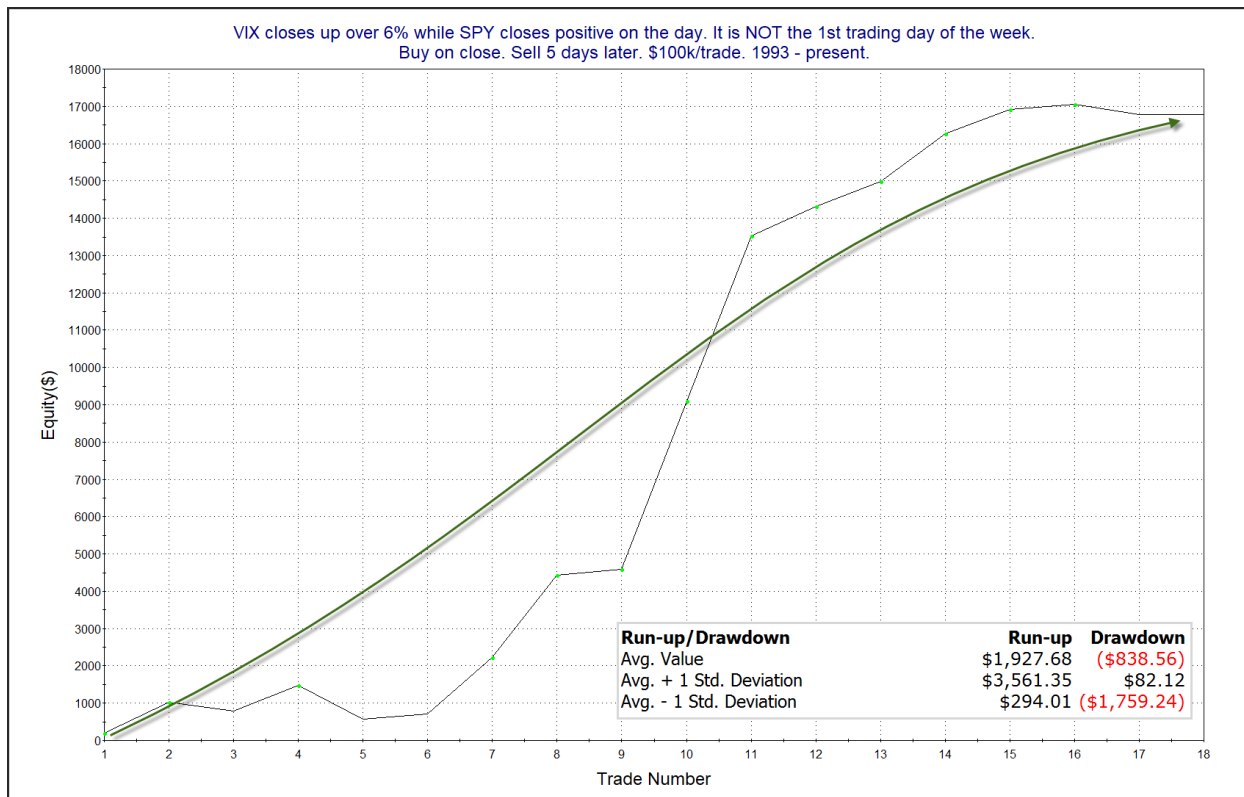
**The Evidence**

Tuesday started poorly but most indices made it back to positive by the close. SPX finished up 0.1%, the NASDAQ gained 0.1%, and the Russell 2000 climbed 0.2%. Breadth was weak as the NYSE Up Issues % closed at 47% and the NYSE Up Volume % posted a 41.5% reading. NYSE total volume rose a little from Monday’s level.

While SPY closed near flat (up slightly) on the day, the VIX saw a sizable rise of 6.7%. This triggered the study below, which looks at times SPY closes positive while VIX rises at least 6%. Below are updated results.

VIX closes up over 6% while SPY closes positive on the day. It is NOT the 1st trading day of the week. 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	16,779.29	18	14	4	77.78	4,501.60	-914.83	1,299.34	-352.87	3.68	12.89	932.18
4	14,845.19	18	14	4	77.78	4,225.18	-1,173.60	1,261.19	-702.87	1.79	6.28	824.73
3	10,966.82	18	13	5	72.22	4,576.06	-3,070.92	1,182.30	-880.61	1.34	3.49	609.27
2	8,531.92	18	13	5	72.22	2,807.04	-2,288.52	935.22	-725.20	1.29	3.35	474.00
1	855.81	19	10	9	52.63	1,893.29	-1,613.70	560.14	-527.28	1.06	1.18	45.04
<b>All 19 instances closed above the entry price at some point in the next week.</b>												

Instances are a little rare, but there does appear to be a tendency for the market to rise in the following days. Below is a look at the profit curve assuming a 5-day holding period.



I find this study compelling and have added it to the Active List.

But we also had another VIX-based study that suggested a bearish edge. It noted that this was the 2<sup>nd</sup> day in a row that VIX and SPX both closed higher. Results below are updated from the 3/26/20 letter.

SPX and VIX both close higher 2 days in a row. SPX < 200ma.  
Buy SPX on close. Sell X days later. \$100k/trade. 1990 - 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	-18,745.47	10	3	7	30.00	2,590.50	-6,118.00	1,670.75	-3,393.96	0.49	0.21	-1,874.55
4	-17,471.71	10	4	6	40.00	4,361.20	-5,742.75	1,991.96	-4,239.93	0.47	0.31	-1,747.17
3	-12,738.80	10	3	7	30.00	6,043.60	-8,395.18	2,737.56	-2,993.07	0.91	0.39	-1,273.88
2	-17,727.06	10	2	8	20.00	2,636.40	-5,947.00	1,422.84	-2,571.59	0.55	0.14	-1,772.71
1	-3,483.78	11	4	7	36.36	6,180.40	-3,035.25	1,953.06	-1,613.72	1.21	0.69	-316.71

Looking out 2 days, there have only been 10 instances, but the numbers all lean bearish. Below is the full list of instances along with their 2-day returns.

SPX and VIX both close higher 2 days in a row. SPX < 200ma.  
Buy SPX on close. Sell 2 days later. \$100k/trade. 1990 - present.

11/27/1990	Buy	\$318.10	-0.53%	\$580.90
11/29/1990	Sell	\$316.41		(\$963.98)
12/31/1990	Buy	\$330.21	-2.52%	\$163.08
1/3/1991	Sell	\$321.90		(\$2,512.64)
8/9/1994	Buy	\$457.92	0.21%	\$760.82
8/11/1994	Sell	\$458.88		(\$226.72)
9/29/1998	Buy	\$1,049.00	-5.97%	\$0.00
10/1/1998	Sell	\$986.40		(\$6,431.50)
7/31/2002	Buy	\$911.62	-5.20%	\$0.00
8/2/2002	Sell	\$864.24		(\$6,286.03)
11/5/2002	Buy	\$915.39	-1.39%	\$1,120.52
11/7/2002	Sell	\$902.65		(\$1,817.03)
5/19/2008	Buy	\$1,426.63	-2.52%	\$0.00
5/21/2008	Sell	\$1,390.71		(\$2,647.40)
12/6/2011	Buy	\$1,258.47	-1.92%	\$678.61
12/8/2011	Sell	\$1,234.35		(\$2,133.00)
3/7/2016	Buy	\$2,001.76	-0.62%	\$0.00
3/9/2016	Sell	\$1,989.26		(\$1,192.17)
3/25/2020	Buy	\$2,475.56	2.66%	\$6,458.00
3/27/2020	Sell	\$2,541.47		\$0.00

The last instance did not play out, but this still appears worthy of consideration.

Tuesday marked the 5th higher close in a row for SPX. In the 7/13/10 Subscriber Letter I showed that this kind of persistence coming off a low has almost always led to further upside over the intermediate-term. I've updated that study below.

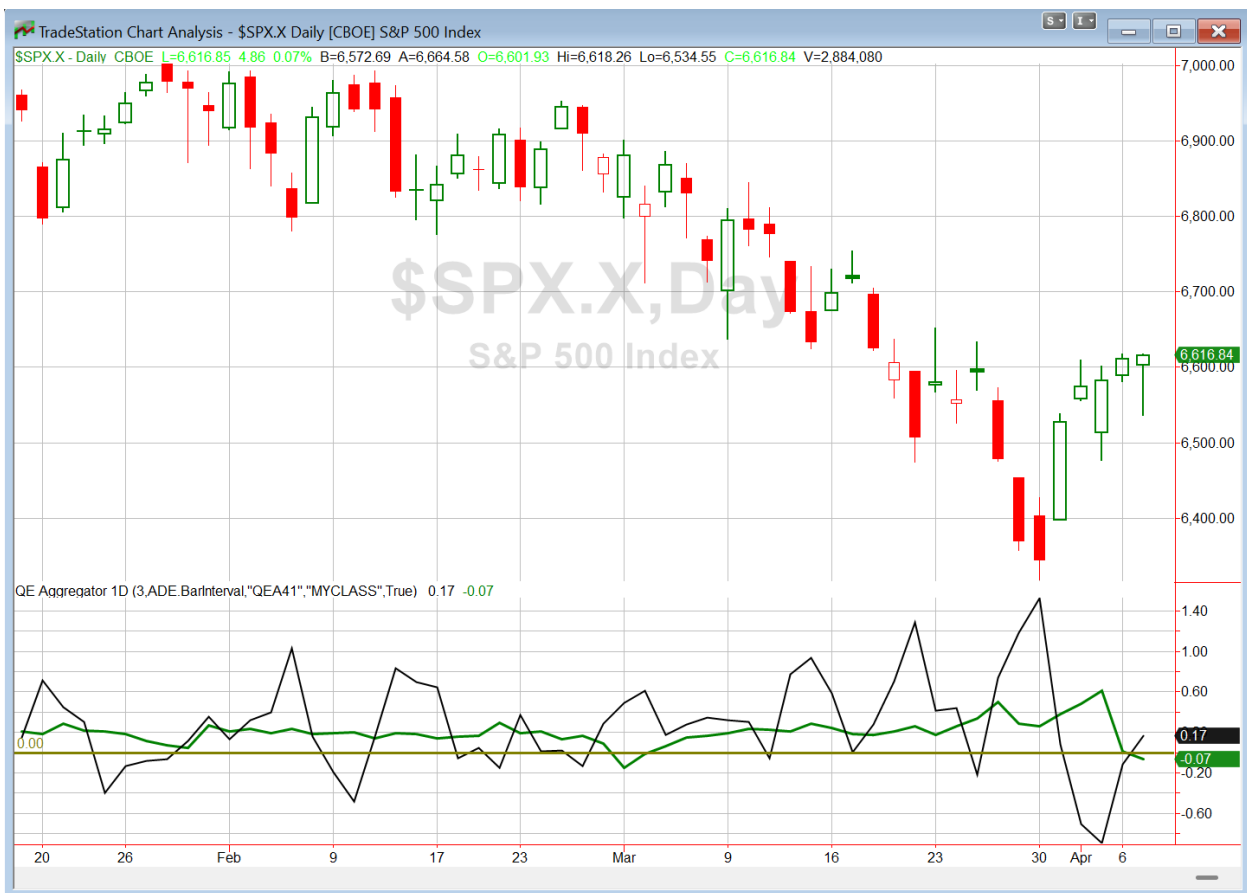
After closing at 50-day low, SPX then makes 5 consecutive higher closes. Close < 200ma.  
(No repeat instances in last 20 days.) Forward SPX results shown. 1957 - present.

Ticker	Date/Time	Next Day %Chg	2-Day %Chg	3-Day %Chg	4-Day %Chg	5-Day %Chg	10-Day %Chg	15-Day %Chg	20-Day %Chg	23-Day %Chg	24-Day %Chg	25-Day %Chg
\$SPX	7/3/1962	0.57	-0.57	0.11	1.26	2.2	-0.51	-0.05	2.23	2.23	1.54	1.81
\$SPX	3/22/1966	-0.37	-0.19	0.09	0.18	-0.21	2.07	2.33	2.93	2.93	2.83	2.57
\$SPX	12/1/1971	0.42	1.7	1.12	1.5	1.55	3.25	6.01	6.64	6.97	7.98	8.46
\$SPX	9/20/1974	-1.03	-3.02	-3.66	-5.25	-7.41	-11.12	1.43	3.05	1.27	0.11	-0.03
\$SPX	4/14/1977	0.04	-0.46	-0.92	-0.59	-1.24	-2.77	-0.88	-2.25	-1.22	-0.69	-1.11
\$SPX	11/9/1977	1.86	3.23	2.52	3.17	2.66	3.77	1.84	-0.02	0.62	1.13	0.61
\$SPX	3/13/1978	0.45	0.19	0.63	1.41	2.1	0.62	-0.1	1.46	4.46	6.18	5.04
\$SPX	7/13/1981	0.01	0.46	0.54	0.86	-0.71	0.2	0.65	2.24	2.99	2.2	1.22
\$SPX	10/2/1981	0.13	0.03	1.63	2.47	1.75	-0.14	-0.64	2.12	4.51	3.5	2.77
\$SPX	10/16/1992	0.79	0.91	0.96	0.77	0.58	1.69	1.42	2.6	2.7	2.89	3.62
\$SPX	12/15/1994	0.76	0.56	0.39	0.94	0.95	0.86	1.21	3.08	2.55	2.07	2.3
\$SPX	12/28/2000	-1.04	-3.82	1	-0.07	-2.69	-1.17	0.65	2.24	2.94	1.14	1.51
\$SPX	3/18/2003	0.87	1.08	3.39	-0.26	0.96	-0.92	1.37	2.81	2.95	5.18	6.07
\$SPX	8/2/2004	-0.63	-0.72	-2.34	-3.85	-3.74	-2.47	-0.99	-0.68	1.06	0.63	1.33
\$SPX	11/28/2008	-8.93	-5.29	-2.85	-5.69	-2.25	-1.84	-0.93	-2.99	3.97	3.48	4.29
\$SPX	7/12/2010	1.54	1.52	1.64	-1.29	-0.7	3.36	4.37	4.55	0.45	0.05	0.06
	Win %	68.75%	56.25%	75.00%	56.25%	50.00%	50.00%	62.50%	75.00%	93.75%	93.75%	87.50%
	Avg Trade	-0.29	-0.27	0.27	-0.28	-0.39	-0.32	1.11	1.88	2.59	2.51	2.53

Short-term results were very choppy. But you can see that once you get out a month or so the results strongly favor the bulls. I've added this to the intermediate-term list.

Now, we have a good amount of evidence to consider tonight. But as I have discussed lately, we are in a volatile, news-driven environment. And with a ceasefire being announced after-hours, SPX futures are up about 2.5%. Sometimes VIX action and SPX price patterns have nothing on world events.

I have updated the Aggregator chart below.



With tonight's evidence considered, the green Aggregator Line dipped below zero. Negative readings mean net expectations are for downside over the next few days. Meanwhile the black Differential Line moved above zero. The positive Differential Line reading means that SPX is oversold versus recent expectations. So expectations are negative but SPX is oversold. 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 negative on Wednesday. This could change if strong bullish evidence emerges. Meanwhile, the Differential Pivot will be inverted at 6679.93. That is 0.95% above Tuesday's close. Therefore, SPX will need to close up about 1% on Wednesday in order to flip from oversold to overbought versus recent expectations. It is already there in the overnight session. We will see if it can hang on until the close on Wednesday.

So the Aggregator is again neutral. I still do not see a compelling reward/risk setup. I will continue to wait more a more desirable opportunity to emerge before looking for my next index trade idea.

***Intermediate-term Outlook (2 weeks – 2 months) – updated 4/6 – neutral***

### **Catapult and Capitulative Breadth Statistics**

[Catapult & CBI Presentation Link](#)

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

**None**

#### ***Broad Market Large Cap CBI – 0***

### **Additional New Trade Ideas**

**None tonight.**

### **Current Open Trade Ideas**

**None**

**DISCLAIMER: PAST PERFORMANCE, WHETHER ACTUAL OR TESTED, DOES NOT GUARANTEE FUTURE RESULTS, PROFITABILITY, OR CORRELATION TO ANY LISTED SECURITY OR TRADE IDEA.**

This publication is produced by Quantifiable Edges, LLC (QE), and is intended solely for informational and educational purposes. It is a regularly issued impersonal financial research commentary, and should not be construed as personalized investment advice, a solicitation to buy or sell securities, or a recommendation tailored to any individual's financial circumstances. Data provided by Tradestation and Norgate Data. The information presented herein is believed to be accurate at the time of publication, but QE makes no representation or warranty as to its completeness or reliability. Opinions, data and analyses are subject to change without notice. Readers are encouraged to conduct their own due diligence and consult with a qualified financial professional before making investment decisions. There is a high degree of risk in trading and simulated performance results have certain inherent limitations. Unlike an actual performance record, simulated results do not represent actual trading or the results of a specific account or group of accounts. Because these trades may not have been executed, results could misrepresent the effects of market factors like liquidity. Simulated trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve results like those shown. QE, its officers and employees do not accept responsibility for any direct or consequential loss resulting from the use of this information.

Mr. Robert Hanna, author of the publication, is separately affiliated with Eastsound Capital Advisors, LLC (ECA), doing business as Capital Advisors 360. ECA is registered as an investment adviser with the Securities and Exchange Commission (SEC). ECA provides individual client services only in states in which it is filed, or which an exemption or exclusion from such filing exists. Registration with the SEC does not imply a certain level of skill or training. Although ECA clients utilizing the approaches developed by Mr. Hanna incidentally receive the QE Gold Subscription at no charge, ECA does not sponsor, endorse or validate its content. Mr. Hanna and/or his clients may hold positions in securities (including derivatives) mentioned herein; however, such holdings are not intended as endorsements and may change without notice and/or differ from published study indications at the sole discretion of Mr. Hanna. No part of this publication may be reproduced, redistributed, or republished without prior written consent from QE.

Copyright © 2026 Quantifiable Edges, LLC.