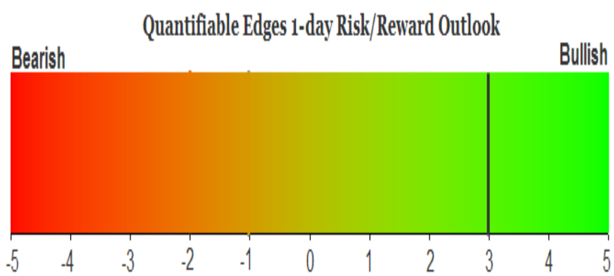
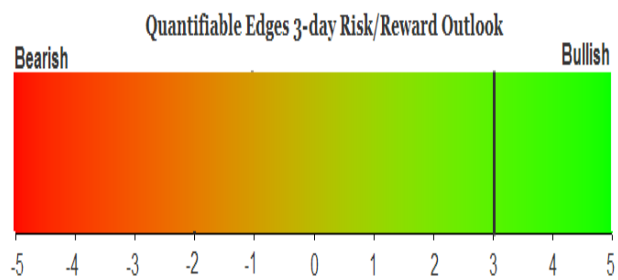
QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

June 25, 2026 Volume 20 Issue 119

Market Overview





Signals Overview

Aggregator	CBI Reading
Long	0

Tonight's Research Points

- SPX making three lower closes on declining NYSE volume is a combination that has frequently been followed by a move up in the next couple of days.

Short-term Outlook

The Bottom Line
The Aggregator is bullish. I again like the long side.

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
Active - Short Term						
June 25, 2026	SPX down 3rd day, NYSE volume down all 3	1-2 days	Bullish	2.00%	-0.51%	-1.14%
June 24, 2026	SPY gaps below 5-day low, close < open	1-5 days	Bullish	1.92%	-1.40%	-3.04%
June 18, 2026	SPX -1% while SOX finishes positive	1-5 days	Bullish	2.92%	-1.96%	-3.86%
June 18, 2026	SPX -1% & decliners 2x advancers at a 4-day	1-5 days	Bullish	2.27%	-2.11%	-4.55%
June 18, 2026	Fed Day closes lower 2nd day in a row	1-6 days	Bullish	2.20%	-1.52%	-3.11%
Active - Long Term						
June 18, 2026	SPX -1% while SOX finishes positive	1-17 days	Bullish	5.37%	-2.79%	-5.71%
June 15, 2026	NASDAQ lagging	int term	weak			
May 27, 2026	NDX > 18% above 200ma	1-90 days	Bullish	13.80%	-9.37%	-18.64%
May 13, 2026	SPX historically strong 6-week rally	1-12 months	Bullish	18.96%	-8.29%	-10.88%
April 27, 2026	Sell in May 2nd yr Pres Cycle & 5% pullback	1-6 months	Bearish			
December 15, 2025	QE active. Rates dropping. Fed dovish	int term	Bullish			
June 30, 2025	SPX Golden Cross (7/1/25)	int term	Bullish			

The Evidence

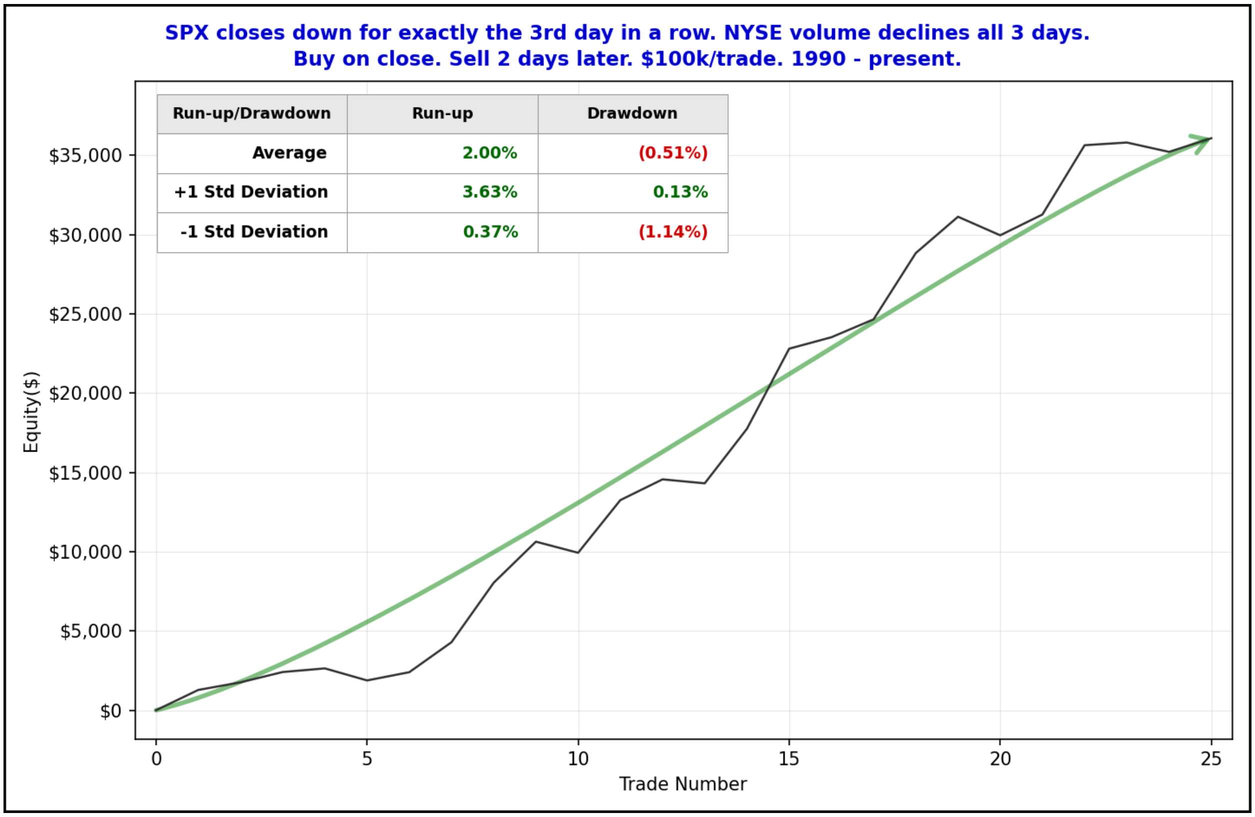
The market was mixed on Wednesday. SPX finished down 0.10%, the NASDAQ lost 0.4%, and the Russell 2000 climbed 0.4%. Breadth was mildly positive as the NYSE Up Issues % closed at 54% and the NYSE Up Volume % posted a 51% reading. NYSE total volume declined for the third day in a row.

Pullbacks of 3 days will typically trigger some studies. And several of them appeared in the Quantifinder this evening. The study below, from the 11/21/13 subscriber letter, was the most compelling. It looked at other times that three-day pullbacks also occurred on declining volume each day. All stats are updated.

SPX closes down for exactly the 3rd day in a row. NYSE volume declines all 3 days.
Buy on close. Sell X days later. 1990 - present.

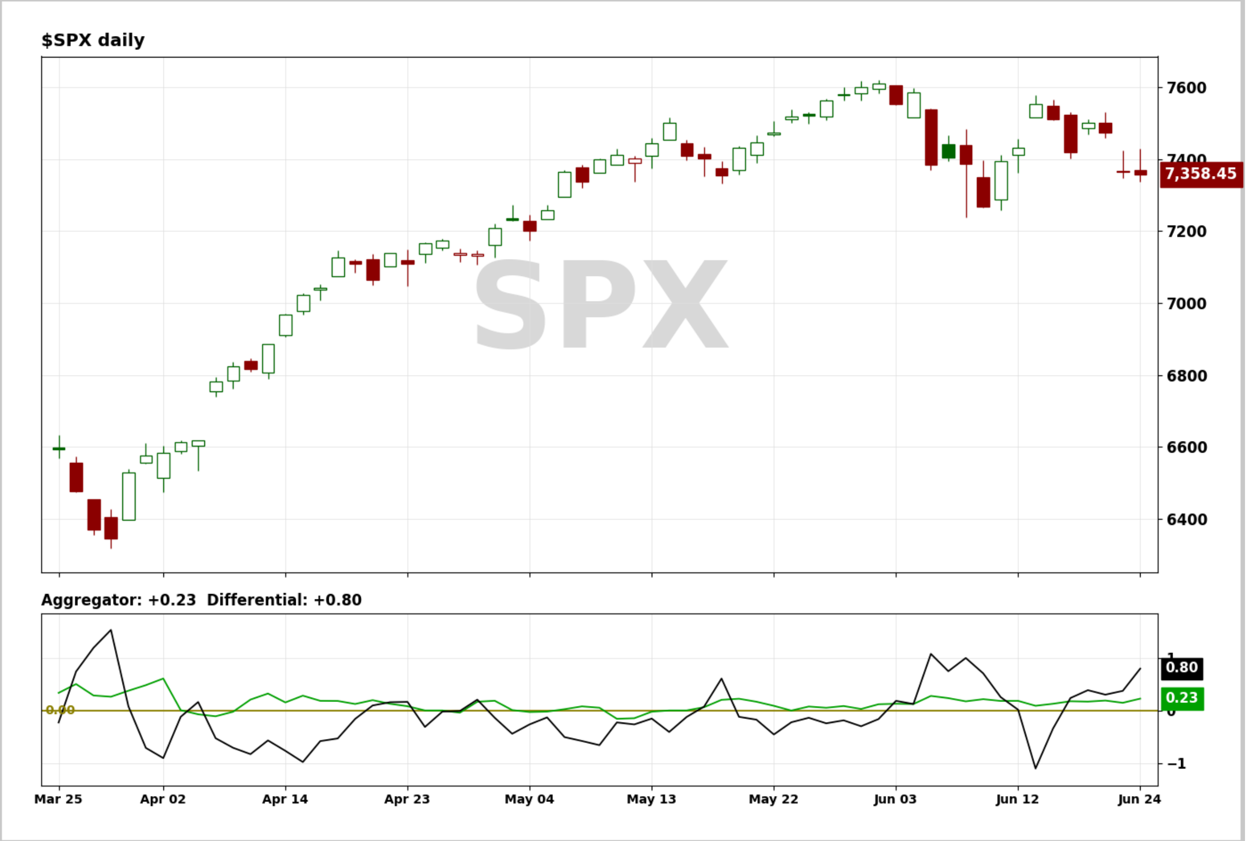
X Days	Total Trades	Winning Trades	Losing Trades	Win %	Max Winning Trade	Max Losing Trade	Avg Winning Trade	Avg Losing Trade	Win/Loss Ratio	Profit Factor	Avg Trade
5	25	16	9	64.00%	8.29%	-2.70%	2.98%	1.58%	1.88	3.35	1.339%
4	25	16	9	64.00%	8.87%	-2.56%	2.69%	1.44%	1.87	3.33	1.203%
3	25	16	9	64.00%	8.49%	-6.70%	2.37%	1.62%	1.47	2.61	0.936%
2	25	20	5	80.00%	5.05%	-1.17%	1.98%	0.69%	2.85	11.40	1.442%
1	25	19	6	76.00%	5.09%	-1.73%	1.32%	0.84%	1.57	4.98	0.802%

These stats appear to suggest a sizable upside edge. Not only is the consistency strong, but the strength of the move is also impressive. To see how the edge has played out over time I have included the equity curve below assuming a 2-day hold period.



That is a strong, steady curve from lower left to upper right. This study appears to have merit. I have added it to the active 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 moved further 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 7511.62. That is 2.1% above Wednesday's close. Therefore, SPX will need to close up a sizable 2.1% on Thursday in order to flip from oversold to overbought versus recent expectations.

So the Aggregator is bullish. I took some long exposure on Wednesday. We are still in a situation where evidence is pointing higher and there is a good amount of room to the upside before SPX would turn overbought. I believe a decent bounce is likely in the coming days. It may have already started, since Micron reported strong earnings after the bell and the S&P and NQ futures both jumped higher. I won't look to buy into a gap up, but I may look to increase the long SPY position if Thursday closes much lower.

Intermediate-term Outlook (2 weeks – 2 months) – updated 6/22 – bullish

Catapult and Capitulative Breadth Statistics

Catapult & CBI Presentation Link

Open Catapult Triggers

None

***Broad Market Large Cap CBI* – 0**

Additional New Trade Ideas

SPY – Buy ¼ index position @ $730.00 LIMIT ON CLOSE. Based on the Short-Term outlook above, I will look add to my position if SPY closes down a bit more on Thursday.

Current Open Trade Ideas

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Notes
SPY(1/4)	6/24/2026	$733.58	$733.58	0.00%	Aggregator