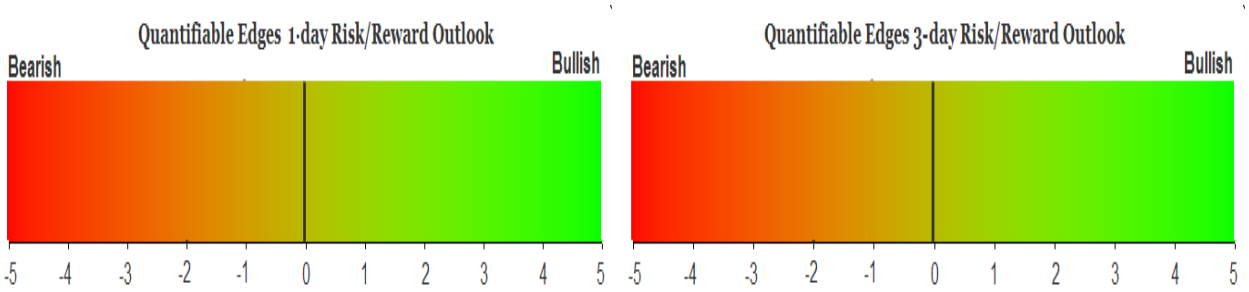
QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

October 30, 2026 Volume 20 Issue 209

Market Overview



Signals Overview

Aggregator	CBI Reading
Flat	0

Tonight's Research Points

- The NYSE Up Issue % closed > 65% while SPX closed down. Since 1999, that has always been followed by a bounce in the coming days.

Short-term Outlook

The Bottom Line

The Aggregator is neutral. But I expect to lean bullish if we see more selling on Friday.

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						
October 30, 2026	Up Issues > 65% but SPX down > 200ma	1-3 days	Bullish	1.28%	-0.72%	-1.54%
October 27, 2026	Day after the 4th Friday in October	1-5 days	Bullish	2.60%	-1.19%	-2.46%
Active - Long Term						
October 23, 2026	SPX down 1%+ 3rd time in 10 days, > 200ma	1-20 days	Bullish	4.02%	-3.60%	-8.30%
October 19, 2026	NASDAQ lagging	int term	neutral			
October 19, 2026	QQQ 5+ lower lows, worst day of the decline	1-20 days	Bullish	9.15%	-4.70%	-9.55%
September 22, 2026	RUT low in 20-day range, SPX high in range	1-40 days	Bullish	5.17%	-3.67%	-6.92%
July 6, 2026	No QE. Rate rise probable. Fed hawkish	int term	Bearish			
May 13, 2026	SPX historically strong 6-week rally	1-12 months	Bullish	18.96%	-8.29%	-10.88%
June 30, 2025	SPX Golden Cross (7/1/25)	int term	Bullish			

The Evidence

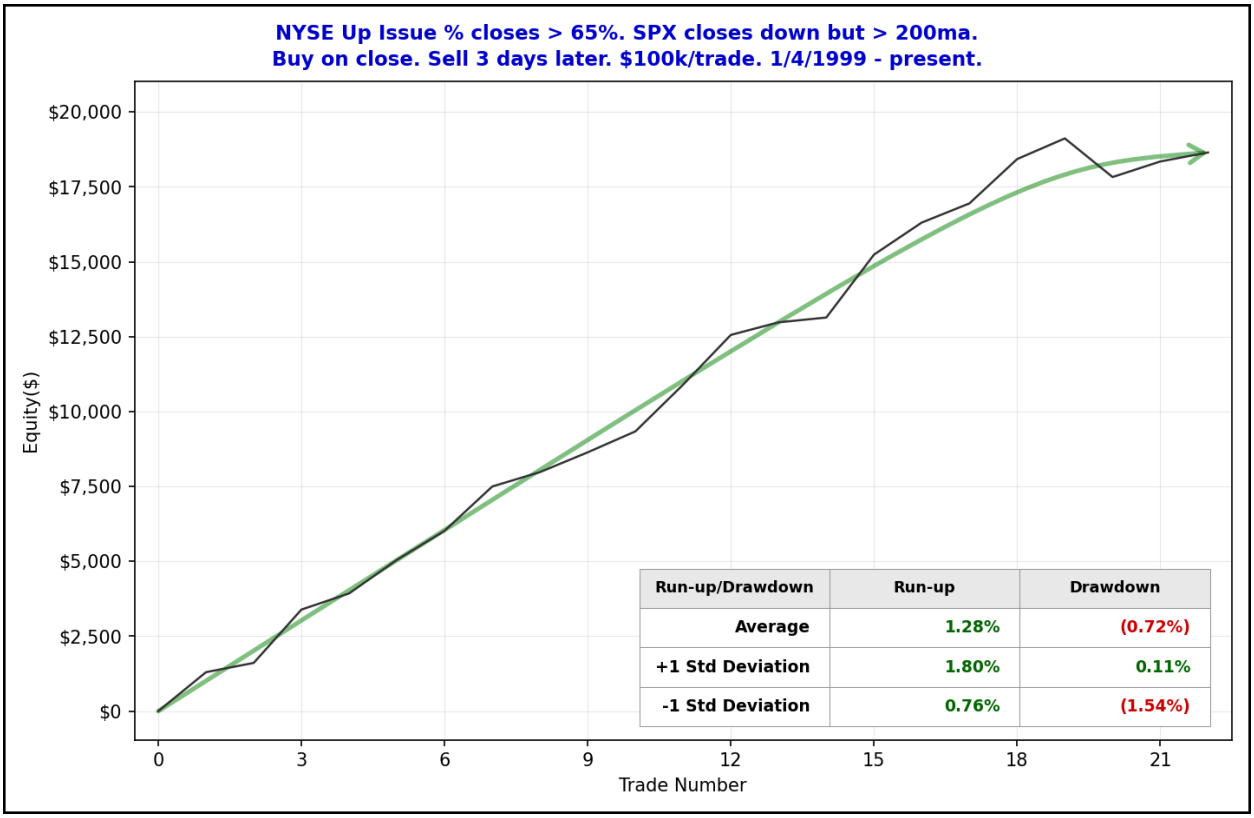
The market was mixed on Thursday. SPX finished down 0.3%, the NASDAQ lost 1.4%, and the Russell 2000 rallied 1.0%. Breadth was solid as the NYSE Up Issues % closed at 71% and the NYSE Up Volume % posted a 72% reading. NYSE total volume rose some from Wednesday's level.

The NYSE Up Issues % closed at 71% on Thursday. Breadth this strong on a day the SPX closes down is quite unusual. The study below looks at other times since 1999 that SPX closed lower (and above the 200ma) while the NYSE Up Issue % finished > 65%. The study is updated from the 10/15/25 letter.

NYSE Up Issue % closes > 65%. SPX closes down but > 200ma.
Buy on close. Sell X days later. 1/4/1999 - present.

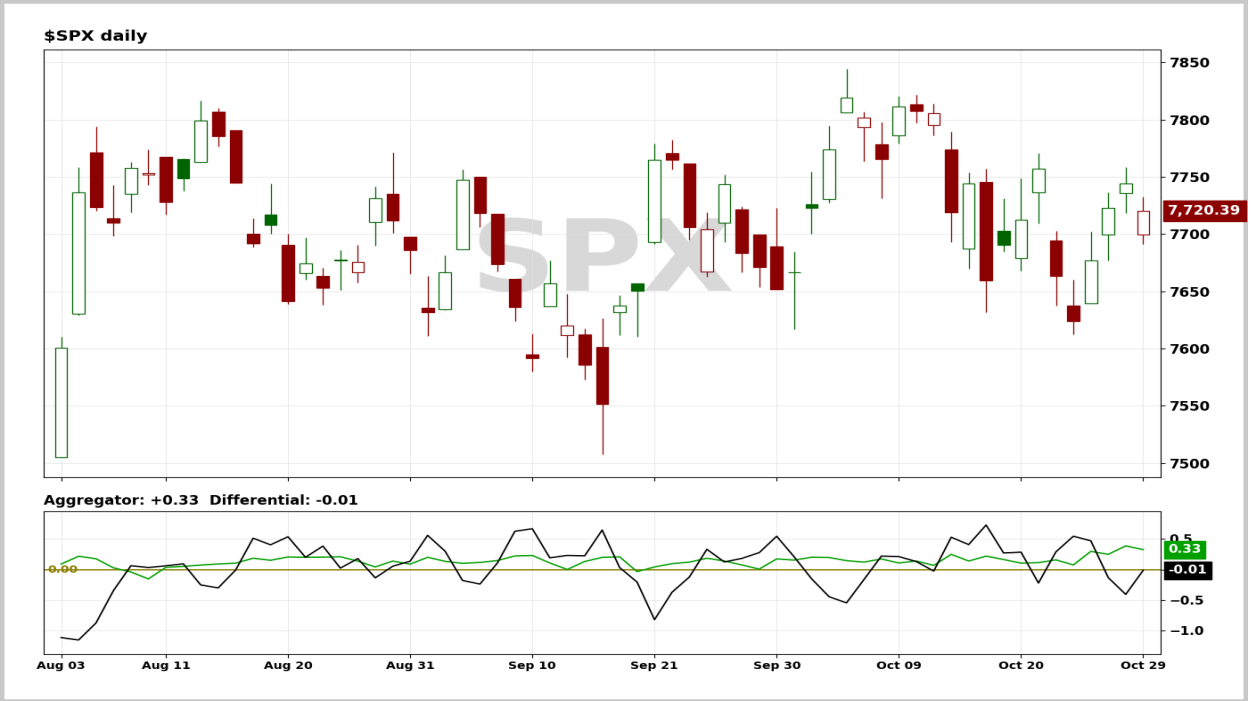
X Days	Total Trades	Winning Trades	Losing Trades	Win %	Max Winning Trade	Max Losing Trade	Avg Winning Trade	Avg Losing Trade	Win/Loss Ratio	Profit Factor	Avg Trade
5	22	16	6	72.73%	2.93%	-3.28%	1.44%	1.27%	1.13	3.02	0.698%
4	22	18	4	81.82%	3.02%	-1.98%	1.36%	1.06%	1.27	5.74	0.917%
3	22	21	1	95.45%	2.10%	-1.29%	0.95%	1.29%	0.74	15.50	0.847%
2	22	14	8	63.64%	2.08%	-1.13%	0.91%	0.51%	1.80	3.15	0.395%
1	22	16	6	72.73%	1.15%	-2.24%	0.62%	0.93%	0.67	1.79	0.200%

21-1 three days out is quite impressive. Below is a look at the 3-day profit curve.



That is an incredibly steady rise. Three instances ago was the lone loser, but even that closed up 1% on Day 1, before experiencing selling over the next couple of days. These are impressive results, and I have added this study to the short-term active list.

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 slightly 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 Friday. This is unlikely to change. Meanwhile, the Differential Pivot will be *inverted at* 7770.31. That is 0.6% *above* Thursday'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 0.6% on Friday in order to remain overbought. Anything other than that and it will flip to oversold versus recent expectations as of Friday's close.

So the Aggregator is neutral. Evidence is pointing higher. And while the market is currently overbought, that won't remain the case without a substantial rally on Friday. Based on the overnight futures, a substantial rally Friday appears unlikely. SPX is down nearly 1% and NDX nearly 2% as I type this. Friday is also the last day of the month. So Monday could have a turn-of-month edge. As I have shown many times before, weak closes on the last day of the month often lead to gains on the 1st day of the new month. With this in mind, I am putting a trade idea in the Trade Ideas section that would look to enter at the close on Friday if SPY closed down a good bit and in the lower end of its intraday range.

Intermediate-term Outlook (2 weeks – 2 months) – updated 10/26 – neutral

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 @ $768.00 LIMIT ON CLOSE IF SPY ALSO CLOSES BELOW ITS OPEN AND IN THE LOWER HALF OF ITS INTRADAY RANGE. Based on the short-term outlook above, this will look to take on some long exposure if Friday has a tough day heading into the new month.

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.