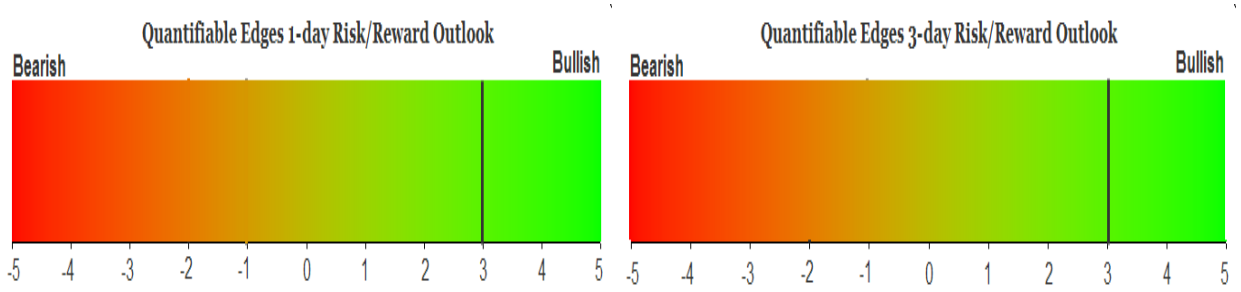
QUANTIFIABLE EDGES SUBSCRIBER LETTER

ASSESSING MARKET ACTION WITH INDICATORS AND HISTORY

November 20, 2026 Volume 20 Issue 224

Market Overview



Signals Overview

Aggregator	CBI Reading
Long	3

Tonight's Research Points

- Strong selling from levels that are already oversold suggest a short-term bounce.
- SPY posting at least its 5th straight lower low along with the worst drop of the selloff has typically been followed by an upside edge over the next few days.
- The VIX spike at an SPX 50-day low is suggestive of a short-term bounce.
- A 2-day RSI reading of 2 or lower with SPX at a 50-day low has typically been followed by an upside edge over the next few days.
- Oversold NASDAQ breadth and a long-term low close appear to suggest an intermediate-term upside edge.

Short-term Outlook

The Bottom Line

The Aggregator is bullish. 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
Active - Short Term						
November 20, 2026	SPX 2-day RSI <= 2 at 50-day low	1-2 days	Bullish	2.46%	-1.92%	-4.23%
November 20, 2026	SPY 50-day low, VIX up 15%-20%	1-2 days	Bullish	2.39%	-1.77%	-3.49%
November 20, 2026	SPY 5+ lower lows, biggest drop of selloff	1-3 days	Bullish	3.08%	-1.76%	-3.90%
November 20, 2026	SPX down 2%+ from 20-day low, < 200ma	1-3 days	Bullish	4.89%	-3.03%	-6.08%
November 19, 2026	SPX down 5 days in a row, < 200ma	1-8 days	Bullish	4.24%	-2.09%	-4.86%
November 19, 2026	SPX down 3+ to 20-day low < 200ma, milde	1-7 days	Bullish	4.00%	-1.92%	-3.85%
November 18, 2026	SPX down 1%+ below 200ma while SOX up	1-4 days	Bullish	4.27%	-1.94%	-4.27%
Active - Long Term						
November 20, 2026	NASDAQ 10-day breadth EMA < 37.5% at 10	1-19 days	Bullish	9.45%	-6.72%	-12.48%
November 19, 2026	SPX 5 lower lows to a 100-day low	1-19 days	Bullish	7.18%	-4.55%	-9.55%
November 9, 2026	SPX down 4 weeks in a row, > 40-week ma	1-50 days	Bullish	8.92%	-3.24%	-8.04%
November 9, 2026	SPX Friday up close after 21-day low	1-15 days	Bullish	3.96%	-2.93%	-6.41%
November 2, 2026	Best 6 months 3rd year of Presidential Cycle	1-6 months	Bullish			
October 19, 2026	NASDAQ lagging	int term	neutral			
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			
Dropped Tonight (target hit, or avg drawdown + 1 std dev exceeded)						
November 17, 2026	***SPY gap below 5-day low, close < oper***	***1-5 days***	***Bullish***	***1.90%***	***-1.39%***	***-3.02%***
November 17, 2026	***SPX down 3 days into Turnaround Tu***	***1-7 days***	***Bullish***	***2.01%***	***-1.47%***	***-3.22%***

The Evidence

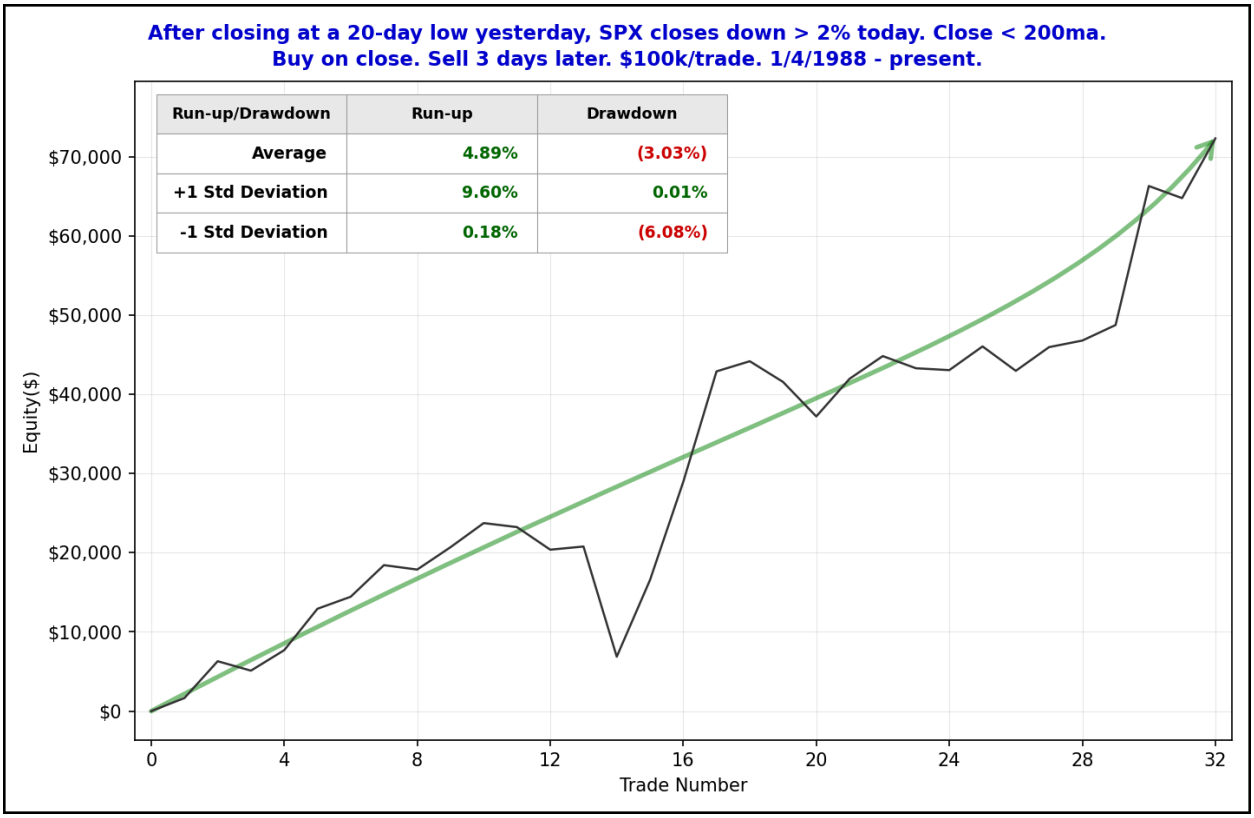
Stocks sold off sharply on Thursday. SPX finished down 2.0%, the NASDAQ lost 2.3%, and the Russell 2000 tumbled 2.2%. Breadth was very weak as the NYSE Up Issues % closed at 18% and the NYSE Up Volume % posted a 12% reading. NYSE total volume rose some from Wednesday's level.

Strong moves down when the market is already oversold are often an indication of short-term capitulation. The study below was last seen in the 5/10/22 subscriber letter. It looks for 2% drops after the SPX is already at a 20-day low. Results are updated.

After closing at a 20-day low yesterday, SPX closes down > 2% today. Close < 200ma.
Buy on close. Sell X days later. 1/4/1988 - 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	30	20	10	66.67%	19.11%	-7.65%	5.52%	3.63%	1.52	3.04	2.472%
4	31	21	10	67.74%	17.97%	-14.92%	4.70%	4.44%	1.06	2.22	1.754%
3	32	21	11	65.62%	17.55%	-13.91%	4.98%	2.94%	1.69	3.23	2.259%
2	33	21	12	63.64%	13.21%	-6.81%	4.36%	2.98%	1.46	2.56	1.687%
1	37	22	15	59.46%	10.79%	-5.74%	3.36%	1.84%	1.82	2.67	1.249%

Here we see good consistency and sizable average bounces. Below is the equity curve for a 3-day hold.



The strong move higher from lower left to upper right serves as some confirmation of the upside edge. I have included this study on the Active List tonight.

SPY made its 6th consecutive lower low on Thursday. It also suffered the worst decline of the short-term down move. This triggered the study below, which also looked at accelerations downward when then market is already oversold. Last discussed in the 1/24/22 letter, the stats table below is updated.

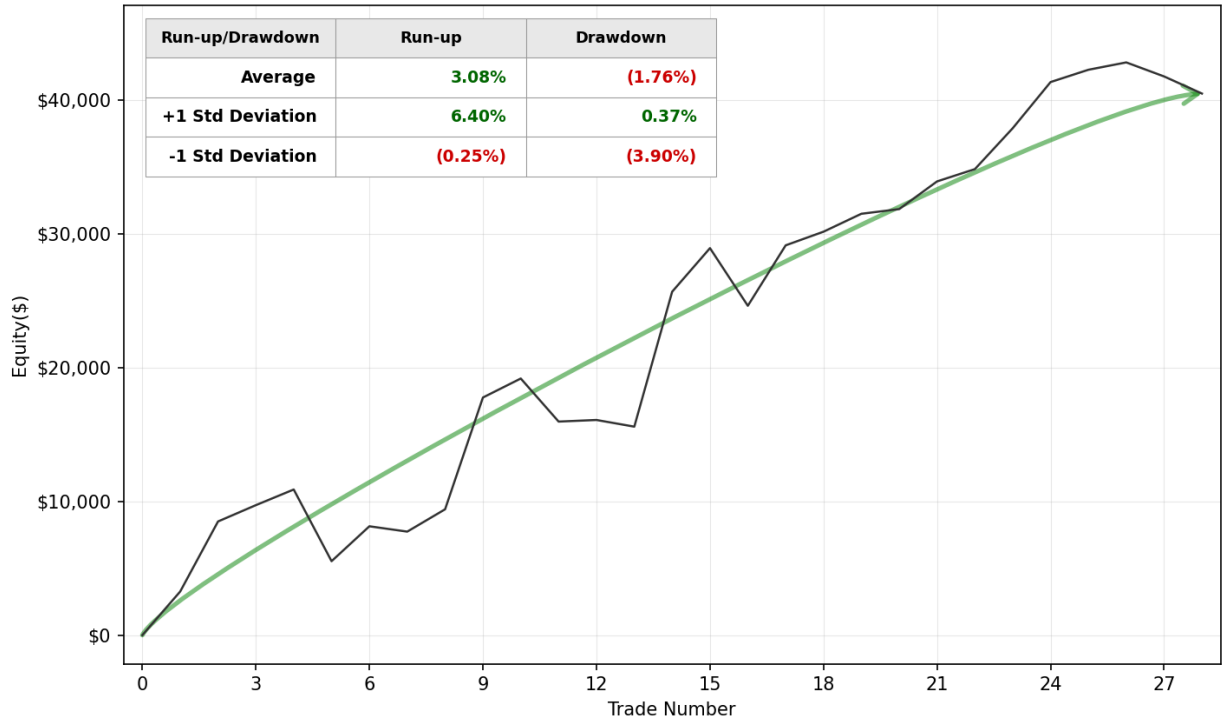
SPY posts a lower low for at least the 5th day in a row. It also suffers the worst 1-day drop of the selloff.
Buy on close. Sell X days later. 1/4/1993 - present.

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	26	19	7	73.08%	10.82%	-6.38%	2.52%	2.28%	1.10	2.99	1.225%
4	27	18	9	66.67%	13.57%	-10.54%	2.89%	2.95%	0.98	1.96	0.940%
3	28	21	7	75.00%	10.09%	-5.36%	2.70%	2.30%	1.17	3.51	1.446%
2	29	21	8	72.41%	11.74%	-6.65%	2.54%	2.00%	1.27	3.34	1.287%
1	31	18	13	58.06%	5.05%	-2.64%	1.76%	0.94%	1.88	2.60	0.631%

The numbers here look very strong. I also produced the profit curve for the 3-day holding period.

SPY posts a lower low for at least the 5th day in a row. It also suffers the worst 1-day drop of the selloff.
Buy on close. Sell 3 days later. $100k/trade. 1/4/1993 - present.

Run-up/Drawdown	Run-up	Drawdown
Average	3.08%	(1.76%)
+1 Std Deviation	6.40%	0.37%
-1 Std Deviation	(0.25%)	(3.90%)



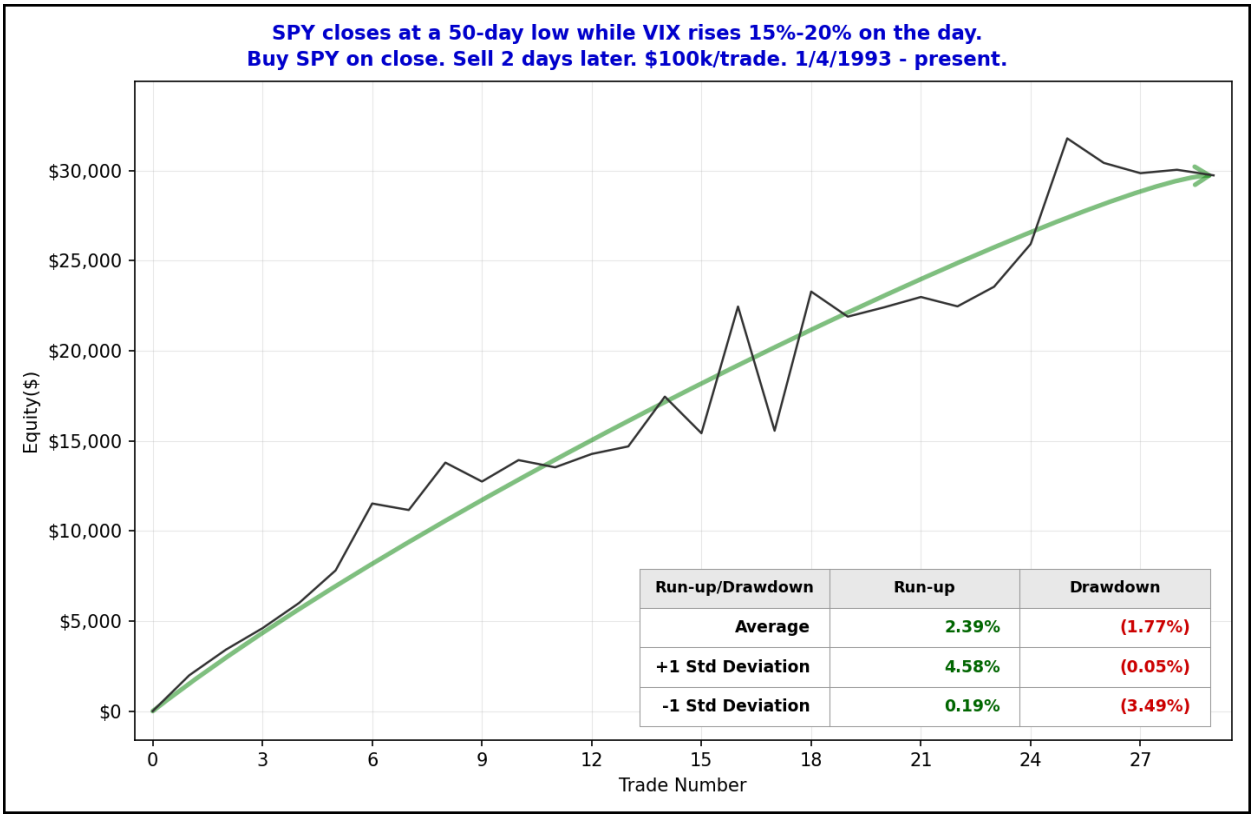
I like this curve. Between the stats and the curve, I think this study is also worth consideration.

Thursday's decline was also accompanied by a VIX spike. It rose 15.8%, which triggered this old study from the 6/16/11 letter. Results are all updated.

SPY closes at a 50-day low while VIX rises 15%-20% on the day.
Buy SPY on close. Sell X days later. 1/4/1993 - 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	27	19	8	70.37%	11.25%	-3.22%	2.56%	0.89%	2.86	6.79	1.535%
4	28	22	6	78.57%	10.64%	-15.49%	2.26%	3.62%	0.62	2.29	1.001%
3	28	19	9	67.86%	6.94%	-13.39%	2.67%	2.58%	1.04	2.19	0.982%
2	29	19	10	65.52%	7.72%	-6.89%	2.35%	1.49%	1.58	3.00	1.026%
1	29	17	12	58.62%	5.05%	-4.48%	1.38%	1.22%	1.13	1.60	0.302%

As you can see, panic entering when the market is hitting new lows has commonly led to a short-term bounce. Below is an equity curve using a 2-day exit strategy.



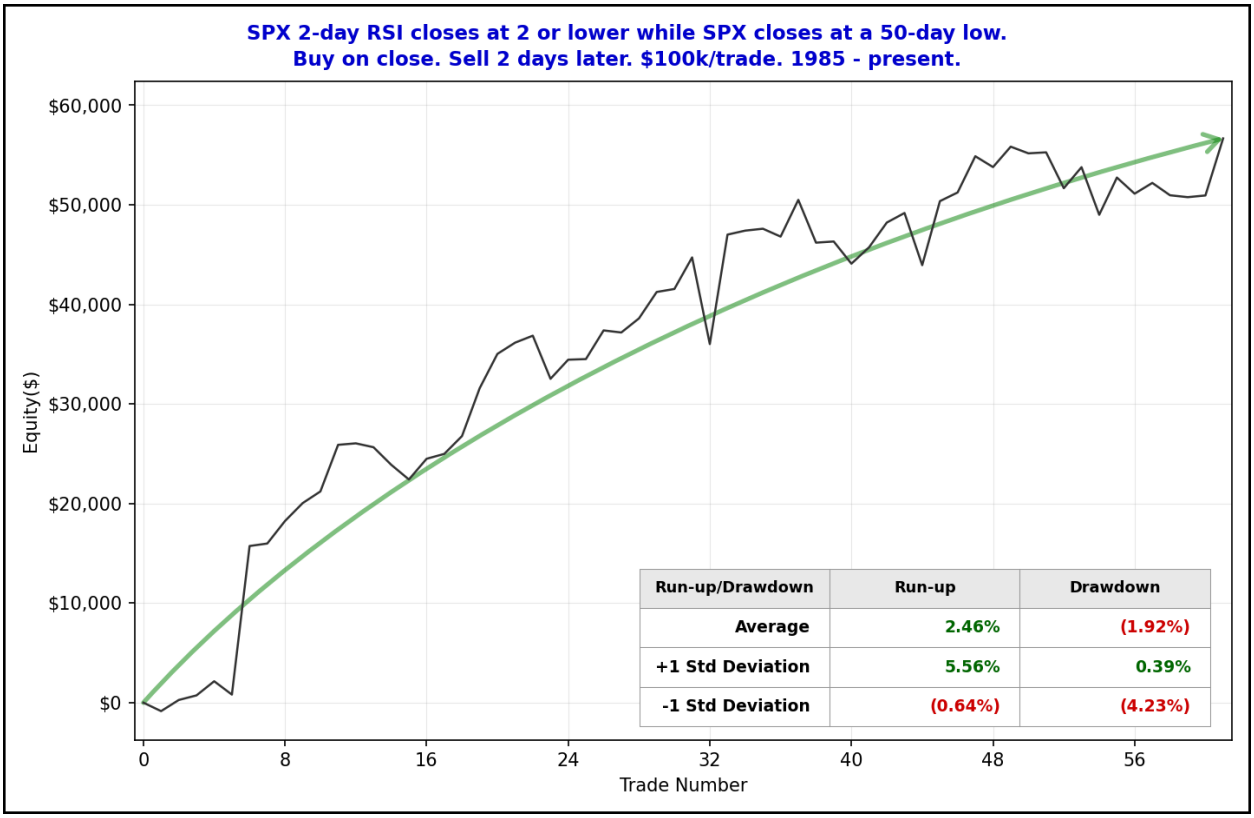
While the edge may be cooling off a bit, the study certainly appears to favor a quick bounce.

I like using short-term RSI as one way to measure overbought and oversold. I have found the 2-period and 3-period RSI to be especially useful. The 2-period RSI for the SPX closed at 1.17 on Thursday. Combined with the 50-day low, this triggered the below study, which I last discussed in the 1/21/22 subscriber letter. All stats are updated.

SPX 2-day RSI closes at 2 or lower while SPX closes at a 50-day low.
Buy on close. Sell X days later. 1985 - 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	50	32	18	64.00%	9.65%	-27.33%	3.02%	4.32%	0.70	1.24	0.377%
4	51	33	18	64.71%	10.40%	-10.73%	2.61%	2.56%	1.02	1.87	0.787%
3	54	33	21	61.11%	10.41%	-6.22%	2.76%	2.19%	1.26	1.98	0.832%
2	61	42	19	68.85%	14.92%	-8.70%	2.42%	2.36%	1.02	2.26	0.928%
1	85	51	34	60.00%	11.58%	-7.62%	2.14%	1.53%	1.40	2.10	0.674%

The positive implications are primarily seen in the first 2 days. Below is a profit curve using a 2-day holding strategy.



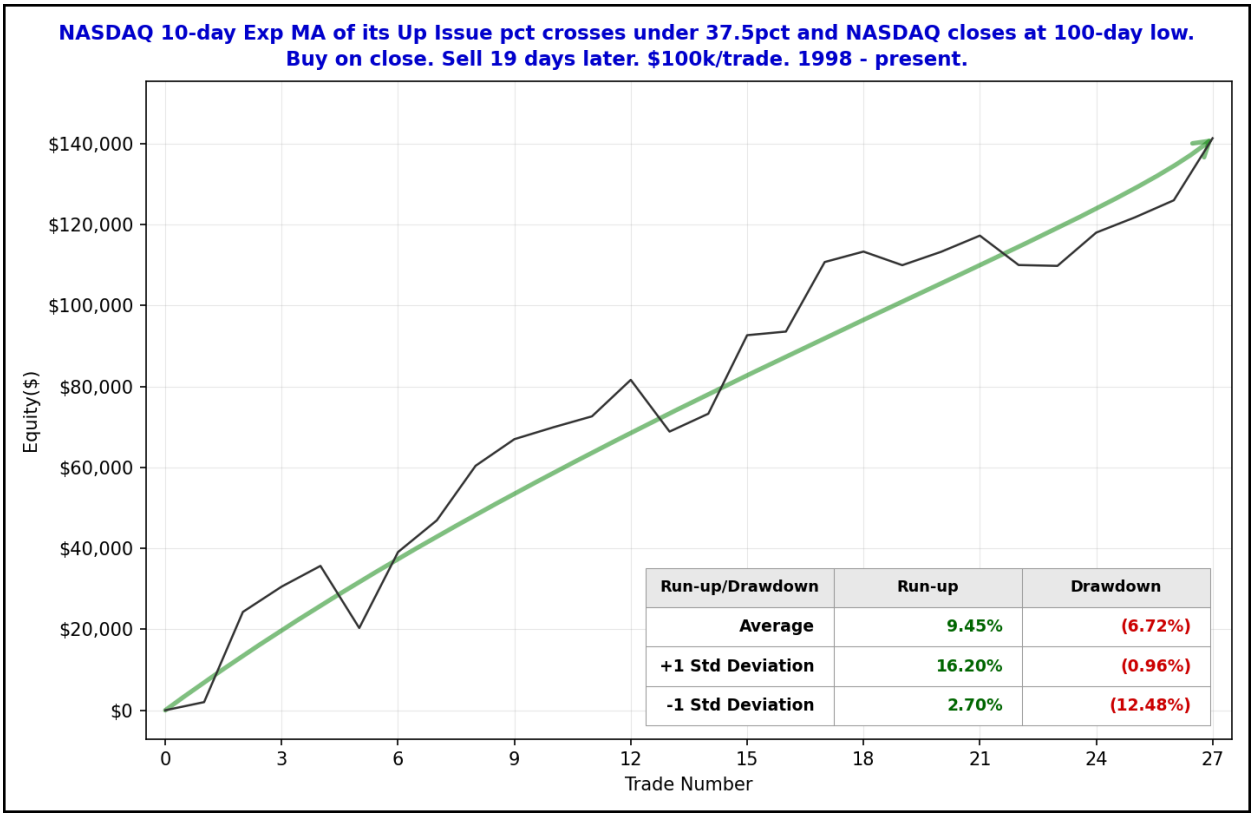
Some recent instances have struggled, but the curve still seems to be trending higher.

Breadth has deteriorated so much recently that it is now suggesting a bounce is likely. Wednesday's strong selloff saw an old study trigger that examined the recent strongly negative NASDAQ breadth. It uses a 10-period exponential moving average of the NASDAQ Up Issues %. It found that when this number gets oversold at the same time the NASDAQ is hitting long-term lows, that has typically been followed by a move up. Last seen in the 5/12/22 letter I have updated the research below.

NASDAQ 10-day Exp MA of its Up Issue pct crosses under 37.5pct and NASDAQ closes at 100-day low.
Buy on close. Sell X days later. 1998 - present.

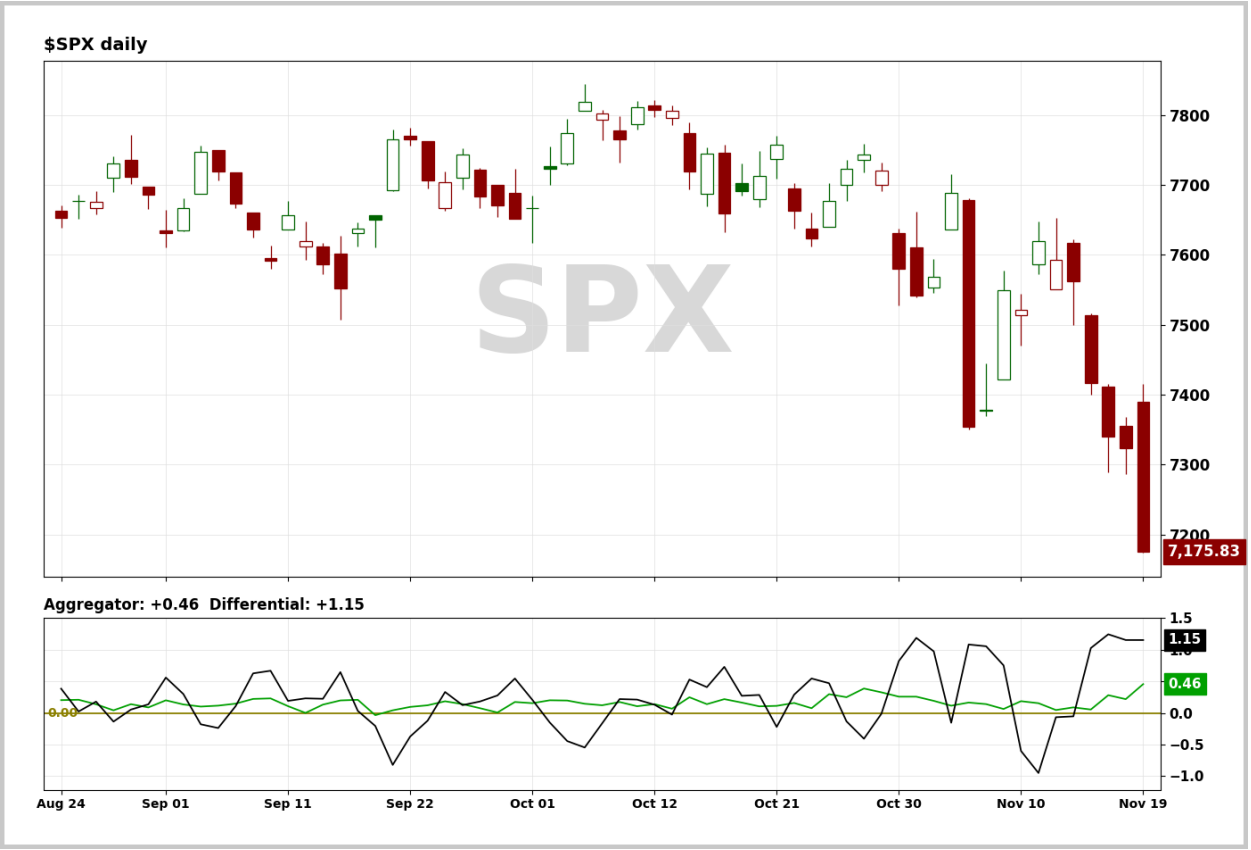
X Days	Total Trades	Winning Trades	Losing Trades	Win %	Max Winning Trade	Max Losing Trade	Avg Winning Trade	Avg Losing Trade	Win/Loss Ratio	Profit Factor	Avg Trade
20	26	20	6	76.92%	24.68%	-15.07%	7.90%	5.31%	1.49	4.96	4.854%
19	27	22	5	81.48%	22.28%	-15.34%	8.19%	7.79%	1.05	4.63	5.233%
18	27	22	5	81.48%	23.13%	-14.90%	7.92%	6.92%	1.14	5.04	5.173%
17	27	21	6	77.78%	21.11%	-15.30%	7.31%	5.77%	1.27	4.44	4.403%
16	28	19	9	67.86%	20.14%	-22.67%	8.42%	4.71%	1.79	3.77	4.195%
15	28	21	7	75.00%	22.12%	-20.30%	7.43%	5.29%	1.40	4.21	4.249%
14	28	19	9	67.86%	17.65%	-17.64%	7.41%	4.43%	1.67	3.53	3.606%
13	28	21	7	75.00%	17.94%	-17.03%	5.91%	4.83%	1.22	3.67	3.223%
12	28	18	10	64.29%	19.71%	-12.87%	6.15%	4.36%	1.41	2.54	2.398%
11	28	19	9	67.86%	16.41%	-9.11%	5.59%	4.55%	1.23	2.59	2.330%
10	28	17	11	60.71%	19.17%	-13.71%	5.63%	4.21%	1.33	2.06	1.760%
9	29	17	12	58.62%	16.24%	-13.47%	6.46%	4.29%	1.51	2.14	2.014%
8	30	20	10	66.67%	13.63%	-16.38%	5.73%	5.44%	1.05	2.11	2.008%
7	30	17	13	56.67%	14.70%	-12.09%	5.69%	4.24%	1.34	1.76	1.389%
6	31	21	10	67.74%	13.28%	-12.21%	5.73%	5.03%	1.14	2.39	2.256%
5	34	22	12	64.71%	11.19%	-15.30%	5.23%	6.04%	0.87	1.59	1.251%
4	36	24	12	66.67%	9.71%	-15.52%	4.17%	4.47%	0.93	1.87	1.293%
3	36	22	14	61.11%	11.60%	-10.63%	4.62%	3.64%	1.27	1.99	1.406%
2	48	30	18	62.50%	14.22%	-11.10%	4.68%	4.26%	1.10	1.83	1.327%
1	62	37	25	59.68%	12.16%	-8.56%	3.96%	2.99%	1.33	1.96	1.160%

Nineteen days later we see 22 of 27 instances higher, and the average of those 22 winners saw the market up 8.2%. The 5 instances that did not close higher were down 7.8% on average. Here is a look at the 19-day profit curve.



For the 19-day timeframe, we see here some massive rallies and some epic fails. Volatility is high and we could see a strong move occur in either direction. The more likely direction is up, but we could see continued ugliness if it goes the other way.

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 strongly 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 Friday. This is unlikely to change. Meanwhile, the Differential Pivot will be 7367.40. That is 2.7% above Thursday's close. Therefore, SPX will need to close up a sizable 2.7% on Friday in order to flip from oversold to overbought versus recent expectations.

So the Aggregator is bullish. There's plenty of evidence pointing higher. Over the last few days that evidence has been ignored. The market is acting quite extreme in this sell-off, but I still believe we are getting to get a strong rebound here at some point soon. I will also note that the Quantifiable Edges CBI has now reached 6. Readings of 10 or higher are typically considered quite bullish. That's not far off and is certainly possible as soon as Friday. If the anticipated rebound is not initiated on Friday, then I will look to add a 3rd lot to the current index trade idea.

Intermediate-term Outlook (2 weeks – 2 months) – updated 11/16 – somewhat bullish

Catapult and Capitulative Breadth Statistics

Catapult & CBI Presentation Link

Open Catapult Triggers

NOW – 1/3 @ $105.12 (bought @ limit)
AMGN – 1/3 @ $443.89 (bought @ limit)
ACN – 1/3 @ $227.49 (bought @ limit)
New
CAT – 1/3 @ $537.37 (buy @ limit)
AMGN – 1/3 @ $438.82 (buy @ limit)
NVDA – 1/3 @ $145.98 (buy @ limit)

***Broad Market Large Cap CBI* – 6(NOW, AMGN-2, ACN, CAT, NVDA)**

Additional New Trade Ideas

AMGN – Buy 1/3 Catapult position @ $438.82 LIMIT. From the Catapult section above, this is the 2nd of up to 3 possible lots of AMGN.

CAT – Buy 1/3 Catapult position @ $537.37 LIMIT. From the Catapult section above, this is the 1st of up to 3 possible lots of CAT.

NVDA – Buy 1/3 Catapult position @ $145.98 LIMIT. From the Catapult section above, this is the 1st of up to 3 possible lots of NVDA.

SPY – Buy ¼ index position @ $715.86 LIMIT ON CLOSE. Based on the short-term outlook above I will look to add to my SPY position if it closes down yet again on Friday.

Current Open Trade Ideas

Symbol	Entry Date	Entry Price	Current Price	% Gain/Loss	Notes
NOW(1/3)	11/2/2026	$104.85	$88.87	-15.24%	Catapult
SPY(1/4)	11/17/2026	$738.39	$715.87	-3.05%	Aggregator
SPY(1/4)	11/18/2026	$730.20	$715.87	-1.96%	Aggregator
AMGN(1/3)	11/19/2026	$443.50	$438.82	-1.06%	Catapult
ACN(1/3)	11/19/2026	$227.49	$218.58	-3.92%	Catapult

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.