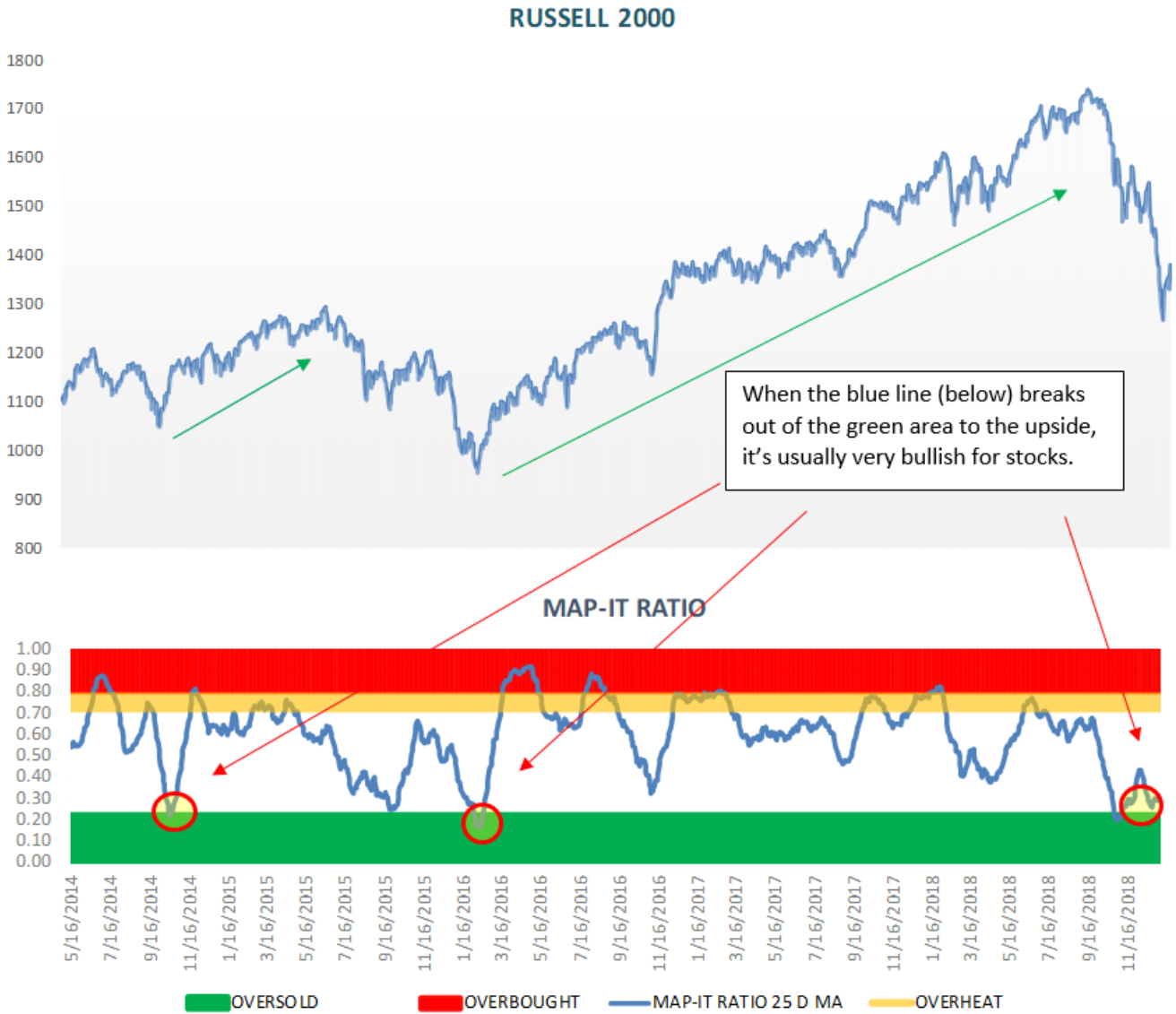


EXTENDED PERIODS OF SELLING, WAITING FOR THE BUY SIGNAL

It is no secret that selling in stocks has been extreme lately. In fact, our ratio which measures unusual buying and selling in stocks has indicated that sellers have been in control of this market since 10/5/2018 (more selling in stocks than buying). We define this by a reading of below 50% in our ratio. Since Oct. 5th, 62 trading days have passed. On page 2, we took a dive into our data to see prior periods of prolonged selling (like now) and how the market performed once buyers took control. As a refresher, below is our buying/selling ratio for the market.

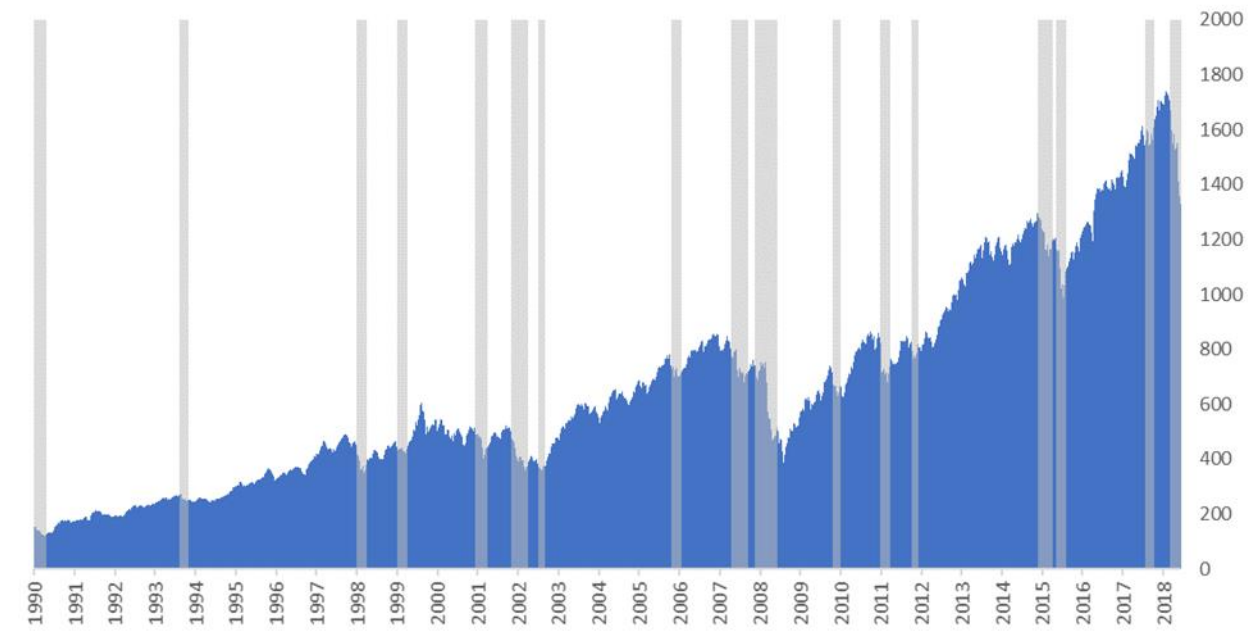


Below is a table of the 16 periods, including now, when the MAP-IT ratio stayed below 50% for 40 or more trading days going back to 1990. The performance table below calculates the forward returns of the Russell 2000 once our ratio breaks above 50% after a prolonged period of selling (the point when buying > selling).

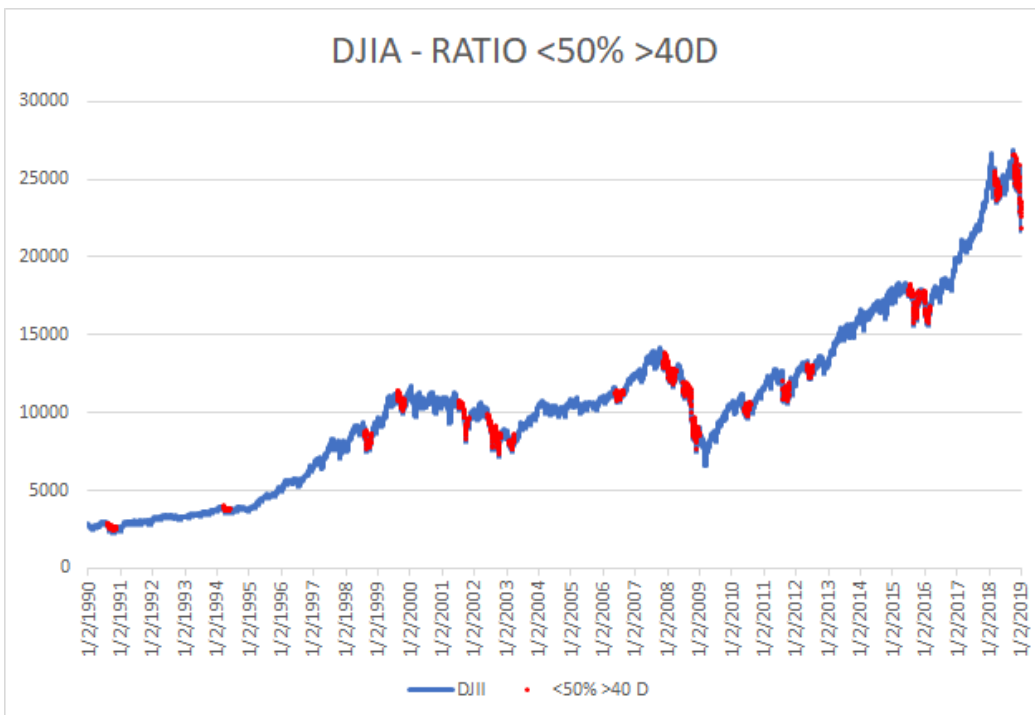
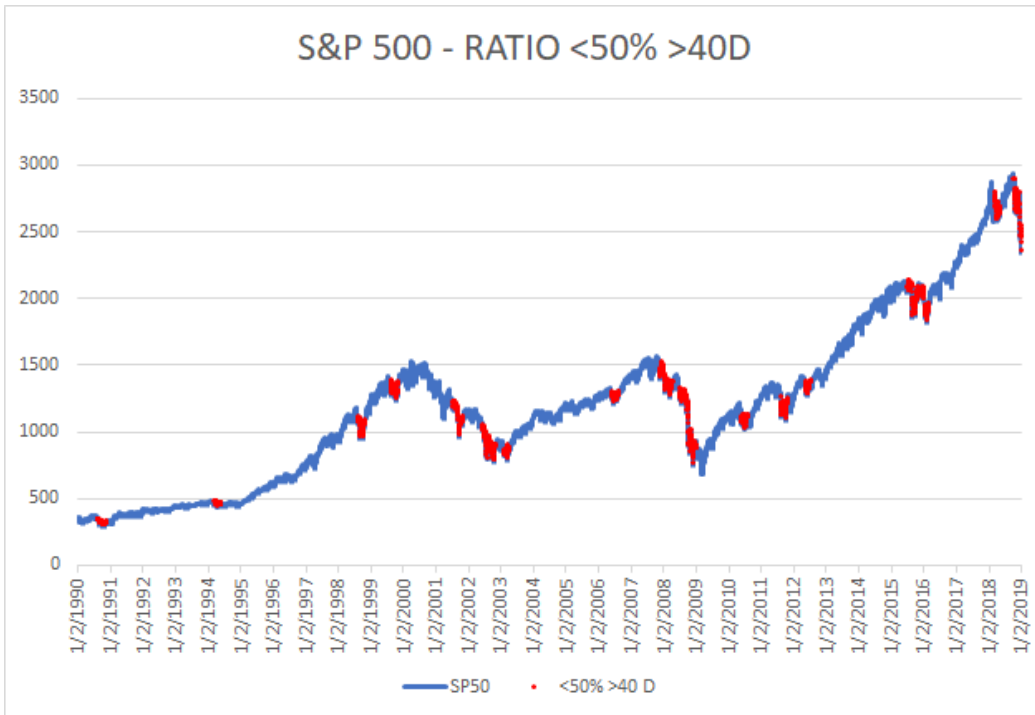
START DATE	END DATE	TRADING DAYS < 50%	1 MO	2 MO	3 MO	4 MO	5 MO	6 MO	7 MO	8 MO	9 MO	10 MO	11 MO	12 MO
8/7/1990	11/13/1990	70	5.9%	3.2%	26.1%	34.3%	42.2%	41.0%	41.3%	37.5%	41.1%	42.9%	43.1%	52.1%
3/11/1994	5/25/1994	44	-3.6%	-2.0%	2.0%	2.2%	0.9%	-2.5%	-1.4%	0.2%	2.9%	4.3%	6.3%	9.6%
8/4/1998	10/22/1998	57	7.6%	9.2%	15.3%	8.6%	7.3%	17.0%	22.6%	22.1%	23.2%	18.6%	16.7%	14.3%
8/10/1999	11/1/1999	55	5.1%	16.9%	16.7%	36.2%	24.8%	20.2%	14.0%	19.8%	15.3%	25.5%	20.7%	14.7%
7/10/2001	10/26/2001	74	5.1%	11.7%	9.3%	7.4%	14.4%	14.3%	12.5%	3.3%	-12.9%	-7.0%	-15.5%	-15.0%
6/5/2002	10/29/2002	103	10.2%	4.2%	1.7%	-2.2%	0.0%	7.4%	17.4%	21.7%	28.5%	34.9%	33.7%	44.3%
2/3/2003	4/1/2003	41	8.2%	19.6%	21.8%	27.0%	34.9%	35.7%	43.3%	50.4%	51.1%	57.5%	61.3%	61.5%
5/24/2006	8/17/2006	60	2.6%	7.6%	10.9%	11.5%	11.0%	15.1%	9.6%	16.6%	14.8%	19.3%	19.6%	10.6%
11/15/2007	4/8/2008	98	1.1%	4.0%	-4.1%	3.1%	2.9%	-23.2%	-29.0%	-32.4%	-29.5%	-33.9%	-50.7%	-37.9%
6/24/2008	12/30/2008	128	-8.1%	-19.4%	-13.8%	1.0%	3.9%	5.3%	15.5%	20.1%	25.2%	16.6%	20.1%	31.2%
5/24/2010	7/30/2010	48	-7.6%	3.9%	8.1%	11.7%	21.3%	19.1%	26.5%	29.1%	32.9%	28.5%	27.1%	22.5%
8/3/2011	10/21/2011	54	-1.5%	3.9%	10.1%	15.6%	16.5%	12.9%	7.3%	7.4%	11.1%	14.4%	20.1%	15.2%
5/7/2012	7/5/2012	42	-3.5%	0.5%	3.1%	0.3%	0.4%	7.6%	11.1%	13.5%	12.9%	16.8%	18.4%	23.0%
7/1/2015	10/27/2015	83	5.0%	0.8%	-12.4%	-9.4%	-5.7%	0.8%	0.5%	-4.9%	6.4%	8.1%	8.8%	3.9%
12/10/2015	2/29/2016	53	7.3%	9.4%	11.3%	9.5%	18.0%	20.4%	19.7%	14.9%	28.5%	31.8%	32.6%	34.1%
2/27/2018	5/8/2018	45	5.4%	6.8%	6.3%	8.0%	2.7%	-0.5%	-8.7%	-13.0%	?	?	?	?
10/5/2018	1/3/2019	61	?	?	?	?	?	?	?	?	?	?	?	?
AVERAGE		66	2.5%	5.0%	7.0%	10.3%	12.2%	11.9%	12.6%	12.9%	16.8%	18.6%	17.5%	18.9%
% OF TIMES POSITIVE			68.8%	87.5%	81.3%	87.5%	93.8%	81.3%	81.3%	81.3%	81.3%	81.3%	81.3%	81.3%

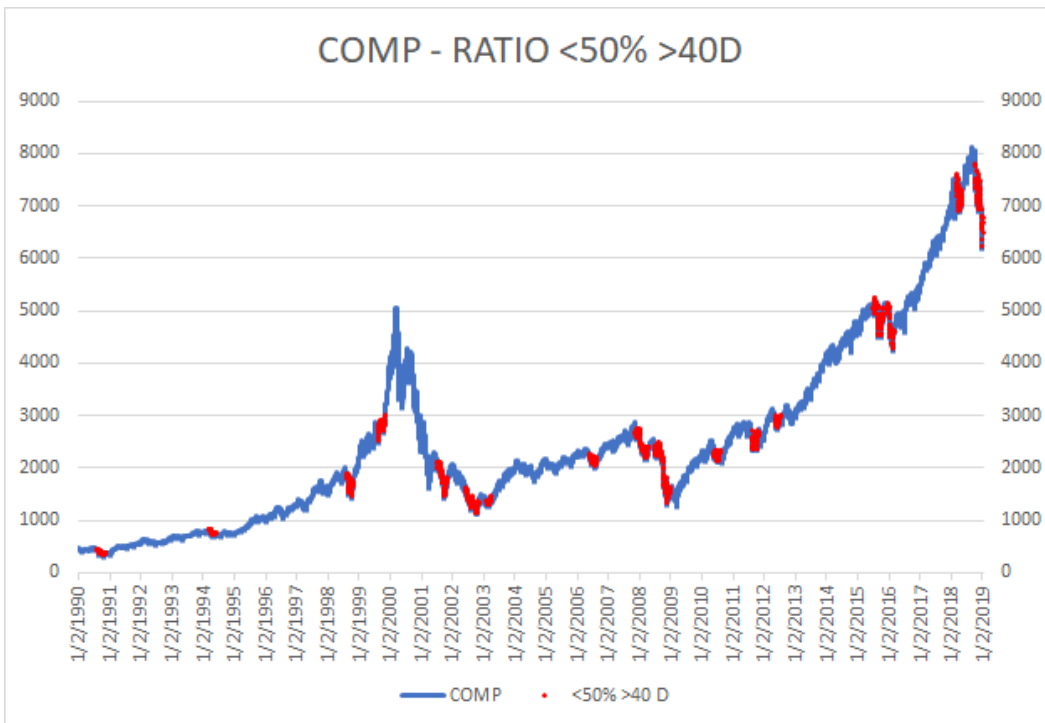
BOTTOM LINE: No matter which way you look at the data, it bodes well for forward returns once our ratio crosses back above 50% after a sustained depressed stretch. All periods from 1-12 months out have a very high likelihood of positive return for the Russell 2000. Significant double-digit returns kick-in from 4 months onward.

RUSSELL 2000 - MAP-IT RATIO PERIODS OF 40+ DAYS BELOW 50%



Below shows the same 16 periods overlaid via the S&P 500, DJIA, & COMP. The red area denotes prolonged times the ratio is below 50%.





Investment Research Disclaimer

This research is for our clients and readers only, based on current public information that we consider reliable. However, we do not represent that such information is accurate or complete, nor should it be relied on as such. Mapsignals.com and its principals (collectively, "MAP") may provide oral or written market commentary or trading strategies to our clients and readers that reflect opinions that are contrary to the opinions expressed in this research. We and our affiliates, officers, directors, and employees, may from time to time have long or short positions in the investments, if any, referred to in this research. This research is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of investments referred to in this research and the income from them may fluctuate. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur.