The RVX Duration Edge

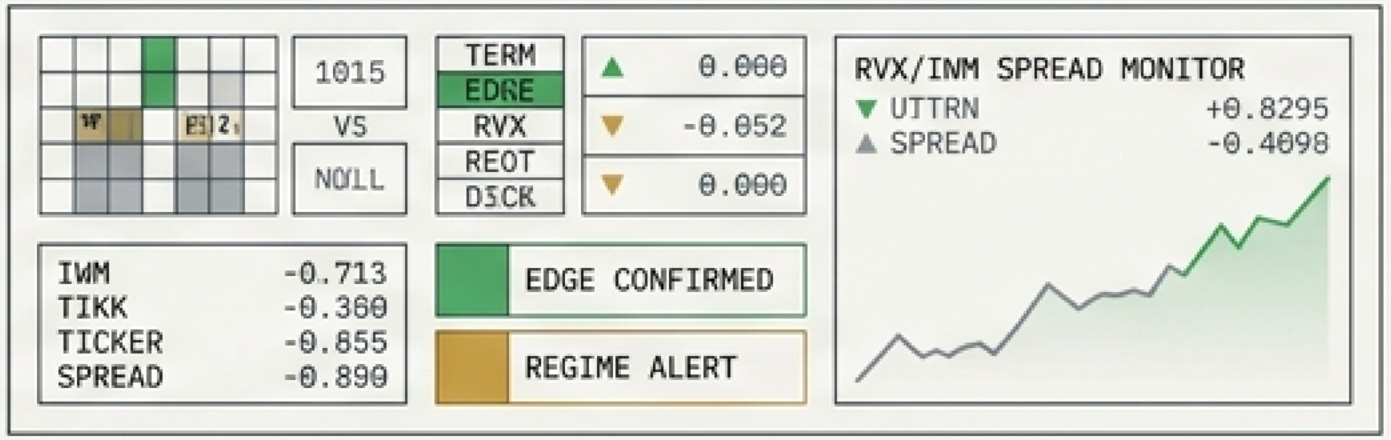
Isolating high-probability IWM triggers in low-volatility regimes.

AQI-QNT RVX-Duration

July 10, 2026

CBOE RVX (daily close) + IWM

Entity: Alpha Query Intelligence (AQI)



AQI

Duration creates the edge in small-cap volatility regimes

THE THESIS

Merely crossing below the RVX 20 threshold is a **statistical coin flip**. The true edge lies in duration. A streak that survives to **Day 11** marks a **durable, self-sustaining low-volatility regime** where small caps historically grind higher. ↗

KEY METRICS

AVERAGE STREAK DURATION:
~19 DAYS ↗

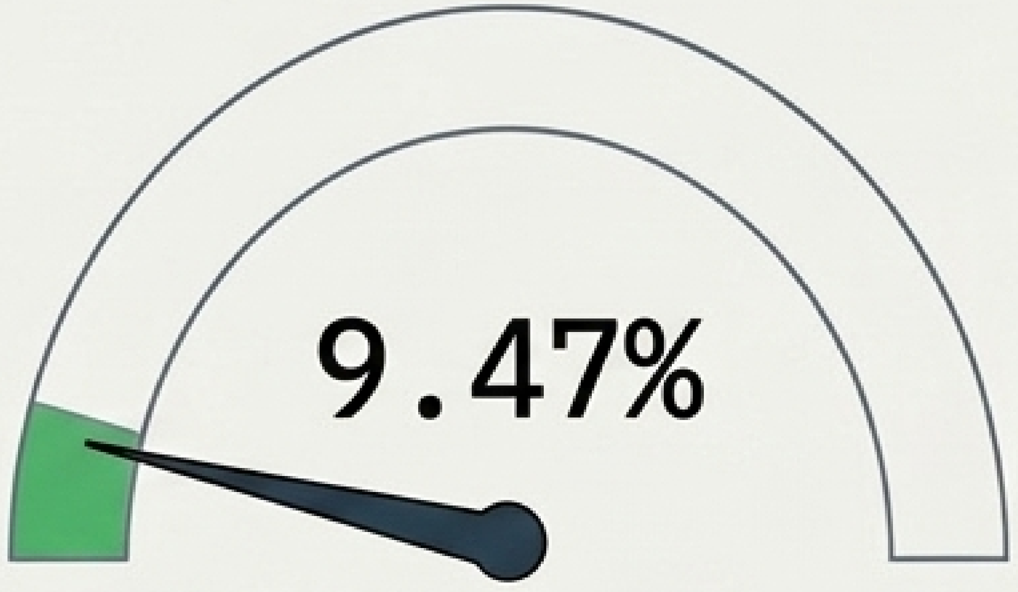
AVERAGE IWM RETURN CAPTURE:
+2.00% TO +2.95% ↗

IWM = iShares Russell 2000 ETF; Data based on proprietary quantitative analysis.

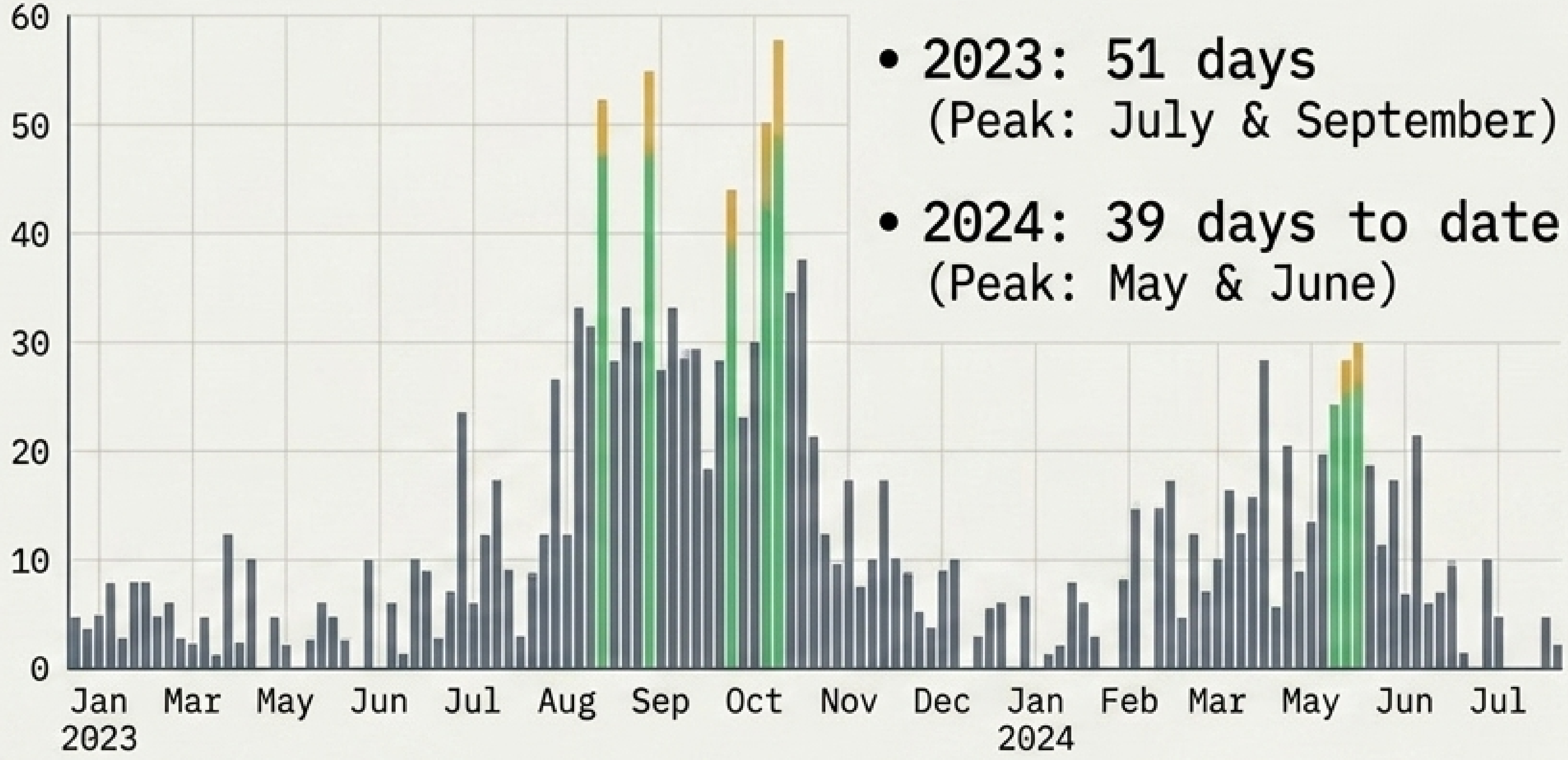
THE CONCLUSION

Treat **Day 11** not as a timing entry, but as **regime confirmation** ✓ signaling a **durable backdrop** for **multi-week holds.** ↗

Sub-20 RVX regimes are rare but exhibit intense temporal clustering

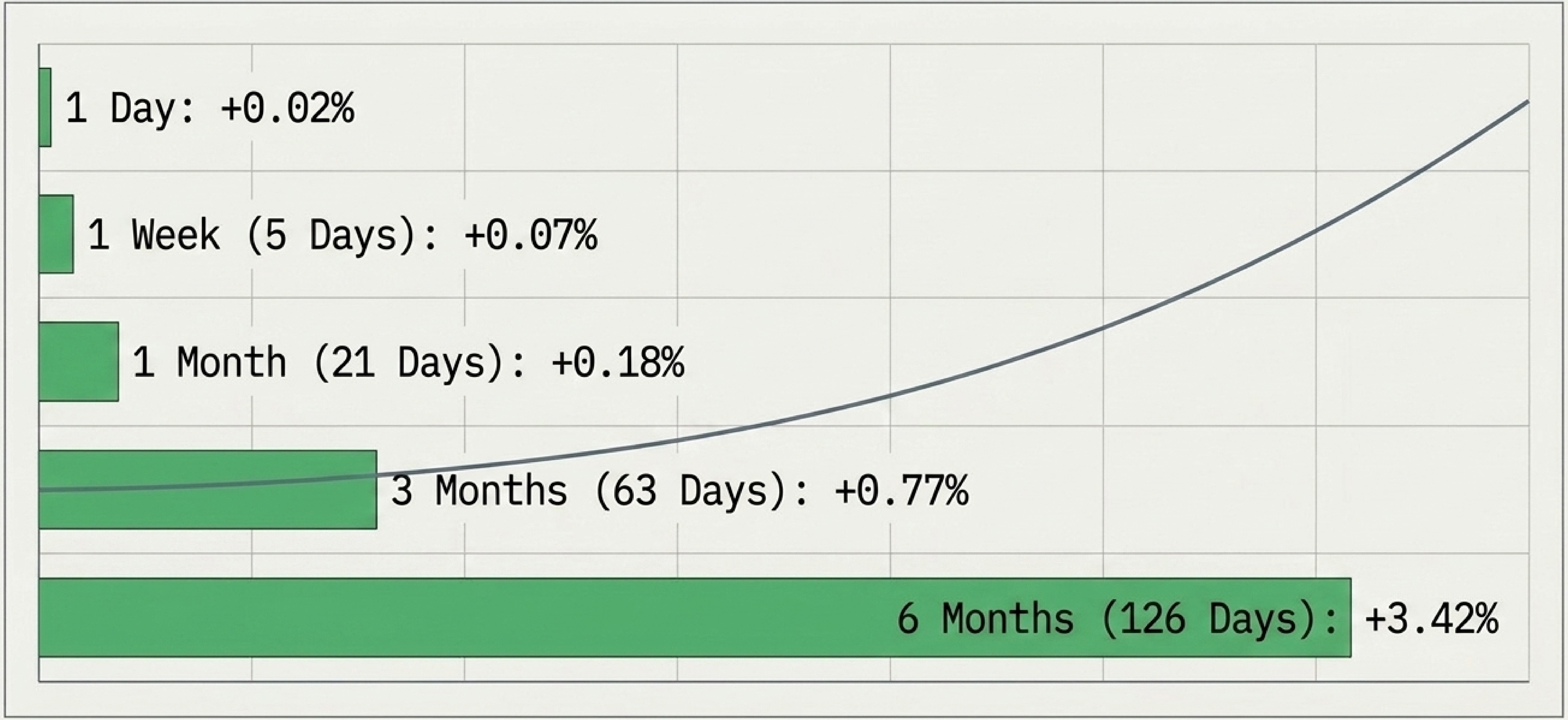


Out of 1,647 trading days analyzed, the RVX closed below 20 on only 156 separate days.



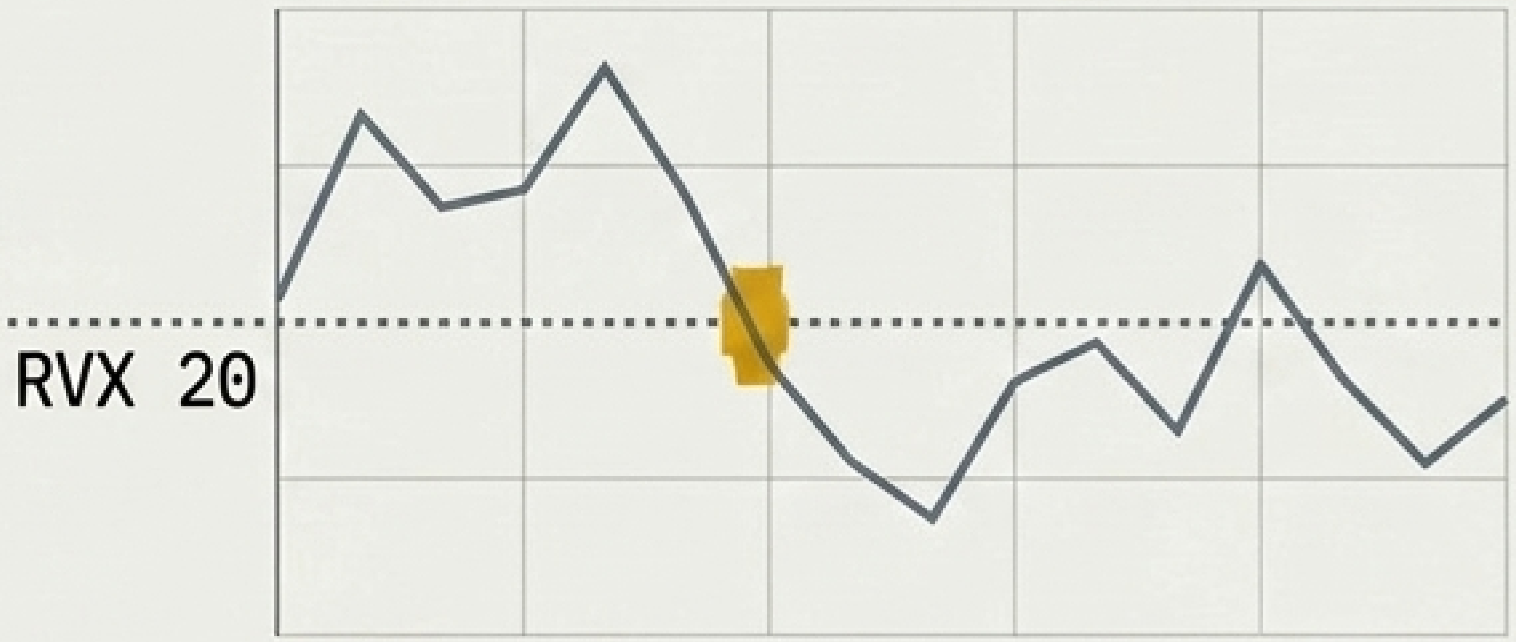
Takeaway: Low-volatility regimes are historically scarce but have densely clustered in the 2023-2024 macro environment.

IWM forward returns scale with the expansion of the low-volatility horizon



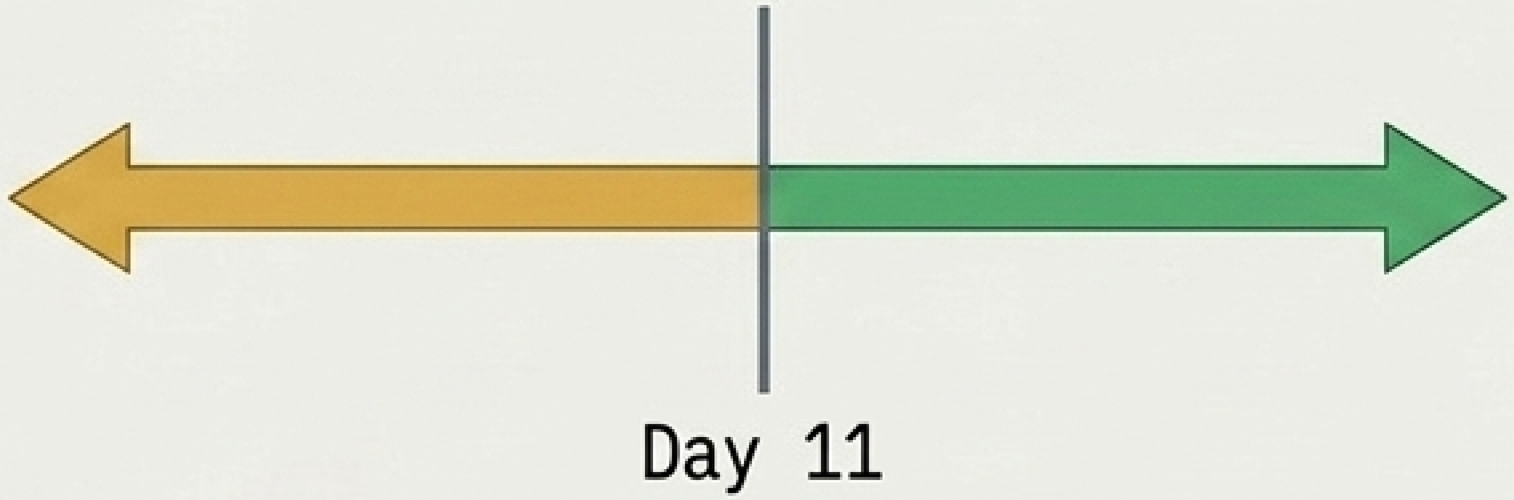
Survival time overpowers the initial threshold cross

Threshold Cross



Entering simply because RVX drops below 20 is a 52.5% coin-flip. High risk of mean-reversion.

Regime Survival



Alpha is generated by allowing the filter of time to shake out false signals. Surviving the fragile initial window confirms institutional entrenchment.

A predictable lifecycle governs low-volatility regimes

Regime Classification Matrix			
Streak Duration	Win Probability	Market State	Strategic Action
2-5 days	~52.5% / ~53%	Fragile / mean-reverting	Wait & observe
6-10 days	Building	Filter forming	Hold fire
11-15 days	>92% (Survivorship Conditioned)*	Crystallized signal	Deploy long IWM delta
16+ days	High continuation	Self-sustaining trend	Ride & trail stops

*See next panel for the crucial statistical caveat regarding survivorship conditionality.

Isolating tradeable reality from statistical survivorship bias

The Illusion

The headline ">92% win rate" looks backward over streaks that already successfully lasted 11-15 days.

By definition, small caps rise during durable low-vol regimes.

The Reality

You cannot know at Day 11 that the streak won't break on Day 12.

The forward 10-day expectancy from the trigger day is closer to ~50%.

Day 11 provides regime confirmation rather than precise entry timing

The Timing Fallacy

Day 11 is not a magic 92%-win precision entry point for short-term directional trades.

The Structural Reality

- Day 11 confirms a durable low-volatility, bullish-small-cap backdrop.
- It authorizes a multi-week IWM hold based on systemic macro calm rather than a short-term price anomaly.

The quantitative profile of a validated low-volatility streak

Historical Baseline

97

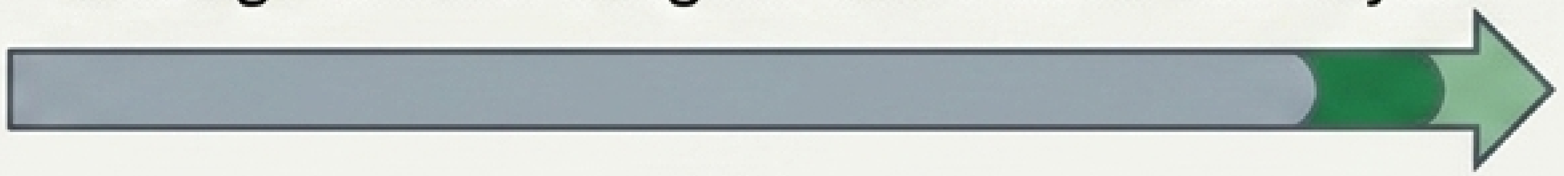
distinct streaks (broader set)

77

streaks since 2009.

Duration Expectancy

Average Streak Length: 19.1 to 19.86 days.



Return Capture

+2.00% to +2.95%

Average IWM Return during streak

Volatility / Variance

Return Variance: 11.73
Standard Deviation: 3.42%

Firm-wide deployment protocols at the Day 11 trigger

Equity Portfolio Managers	- **Action:** Rotate into small-cap (IWM) long delta. - **Rationale:** The regime favors a multi-week hold targeting the ~19-day average duration.
Options / Volatility Desk	- **Action:** Sell IWM puts or put spreads. - **Rationale:** The established low-vol regime supports premium collection with highly limited downside-expansion risk.
Risk Management	- **Action:** Expand limits on existing longs. - **Rationale:** Authorize the pivot from initial entry to trend-riding past day 16.

Hard risk invalidation triggers immediately upon an RVX close above 20

Trigger Node

`Daily RVX Close > 20`

Thesis Reset

The streak is officially broken.

The structural regime advantage ends immediately.

Position Management

Liquidate or aggressively hedge **IWM** long delta deployed specifically for this thesis.

Stop Protocol

Prior to a break, trail stops upward toward the **19.1-day** historical average.

Past **Day 16**, pivot from "riding" to "defending".

Current market regime tracking and immediate action protocol

LIVE: COIN-FLIP (Days 1-5) | RVX 19.98 · Day 1 of 11 — 10 session(s) to the trigger · Wait & observe — fragile, mean-reverting

System Status	Next Action Window
Monitoring.	Prepare options desk for potential put-spread deployment if RVX maintains < 20 through the upcoming 10 sessions. Do not pre-empt the Day 11 trigger.