

Cancelled Contracts as a Stock Market Signal: Explore TenderAlpha's Latest Dataset

At TenderAlpha, we constantly search for new insights and market opportunities by analyzing unique and underutilized data signals. With the inauguration of President Trump on January 20, 2025, and subsequent emergence of the Department of Government Efficiency (DOGE), government contract cancellations have surged significantly, creating a unique environment for market analysis. We're thrilled to announce the launch of our latest resource: the Terminated Federal US Contracts dataset. This dataset shines a light on government contracts that were initially awarded but ultimately cancelled before completion.

Covering more than 54,000 terminated contracts involving publicly listed companies, our dataset highlights billions in potential revenues that never materialized, uncovering significant missed opportunities in federal spending. With historical data available from 2010 onward, analysts can easily perform robust financial analyses and backtesting.



What's Included in the Dataset:

- Recent Highlights (2025): 1,689 contract terminations affecting listed companies, totaling \$1.3 billion in unrealized revenue.
- Extensive Coverage: Over 54,500 terminated contracts with a cumulative \$9.8 billion in unrealized revenue among publicly listed companies, plus 296,000+ terminations valued at \$25.7 billion for private entities.
- Timely and Robust Data: 1-day lag in reporting, ensuring up-to-date insights and complete historical coverage since 2010.

Top Listed Firms by Unrealized Revenue for Q1 2025

- Ameresco: \$139M
- IBM: \$130M
- Accenture: \$86M

Top 10 Companies by Historical Unrealized Revenue

Company	# of Contracts	Unrealized Revenue
Science Applications International Corporation	1,401	\$1.73B
GENERAL DYNAMICS CORP	271	\$1.19B
BOOZ ALLEN HAMILTON HOLDING CORPORATION	54	\$1.09B
NORTHROP GRUMMAN CORPORATION	521	\$1.08B
BOEING COMPANY (THE)	852	\$747M
CACI INTERNATIONAL INC	19	\$505M
AT&T INC.	696	\$356M
HMS HOLDINGS CORP.	1	\$283M
INTERNATIONAL BUSINESS MACHINES CORP	41	\$220M
ESTERLINE TECHNOLOGIES CORP	58	\$202M

Terminated Contracts by Year

Year	Number of Terminated Contracts	Estimated Leftover Value of Terminated Contracts
2010	7064	\$148,685,575
2011	10096	\$1,218,936,895
2012	11827	\$2,479,184,144
2013	6834	\$930,423,681
2014	6165	\$896,902,242
2015	7267	\$1,274,778,870
2016	8731	\$2,117,165,650
2017	10246	\$1,871,798,128
2018	10597	\$3,028,517,833
2019	19024	\$1,605,285,819
2020	45881	\$1,875,792,243
2021	44394	\$3,286,085,881
2022	59360	\$2,671,947,752
2023	51958	\$2,737,432,231
2024	36618	\$4,116,588,298
2025	11028	\$5,283,952,570

Evaluating Profit Potential: Do Cancelled Contracts Signal Stock Declines?

We conducted a straightforward analysis using this dataset to evaluate the potential profitability of short-selling stocks immediately following government contract cancellations. The rationale is simple: contract terminations often signal negative market sentiment, providing potential opportunities for traders.

Our Strategy:

- Short stocks directly following the announcement of a cancelled contract.
- Maintain the short position for exactly 5 trading days.
- Close and evaluate the position's performance.

Backtest Results:

- Winning Trades: 789 (74%)
- Losing Trades: 281 (26%)
- Average Return per Trade: 1.80%
- Median Return per Trade: 1.82%
- Best Trade Return: 47.10%
- Worst Trade Return: -32.12%

These findings strongly suggest that cancelled government contracts can serve as viable short-term bearish indicators, delivering positive returns with limited holding durations.

Final Thoughts

While our strategy has showcased promising initial results, we recommend combining these signals with comprehensive risk management practices and

further in-depth analysis for live trading. TenderAlpha's extensive datasets provide analysts and investors with actionable insights such as:

- Early downside risk identification from lost contracts at critical suppliers.
- Trading strategies using termination velocity and unrealized value as negative momentum indicators.
- Insights into revenue fragility within government-dependent sectors.

Leveraging our detailed datasets empowers investors to confidently identify and seize market opportunities, optimizing performance and managing risks effectively.

Explore the Terminated Federal Contracts dataset to spot missed revenues and short-side opportunities more easily. [Reach out](#) to receive a free sample.