



TFR

Trading Floor Research

Welcome to the
— Trading Floor —

09/10/23



This Trading Floor Research report contains:

S&P 500 Update

NASDAQ 100 (QQQ) Update

Tesla Inc. (TSLA) and (TSLS) Update

SPDR S&P Regional Banking ETF (KRE)

Direxion Small Cap Bear 3x (TZA)

Direxion Daily GOOGL 1.5X (GGLL)

Soho House (SHCO)

Market Comments

S&P 500 Update

Wednesday, the **S&P 500** gapped below its bear market 3/4 number at 4486.86.

Closing below the 3/4 number is significant. Gapping below the number is the market's way of saying, pay attention. Many market tops and reversals will occur around the 3/4 number. Any rally back to 4486.86 will be met with considerable resistance.

After the significant break of the bear market 3/4 number, the index continued lower for the next two days. It tested Fibonacci support at 4434.33 and its descending trendline from the July high.

Returning to the trendline at Fibonacci support set up a bounce into Thursday's close.

The bounce continued Friday but stopped after the first hour of trading at the 1/2 number from the July high to the August low at 4471.19.

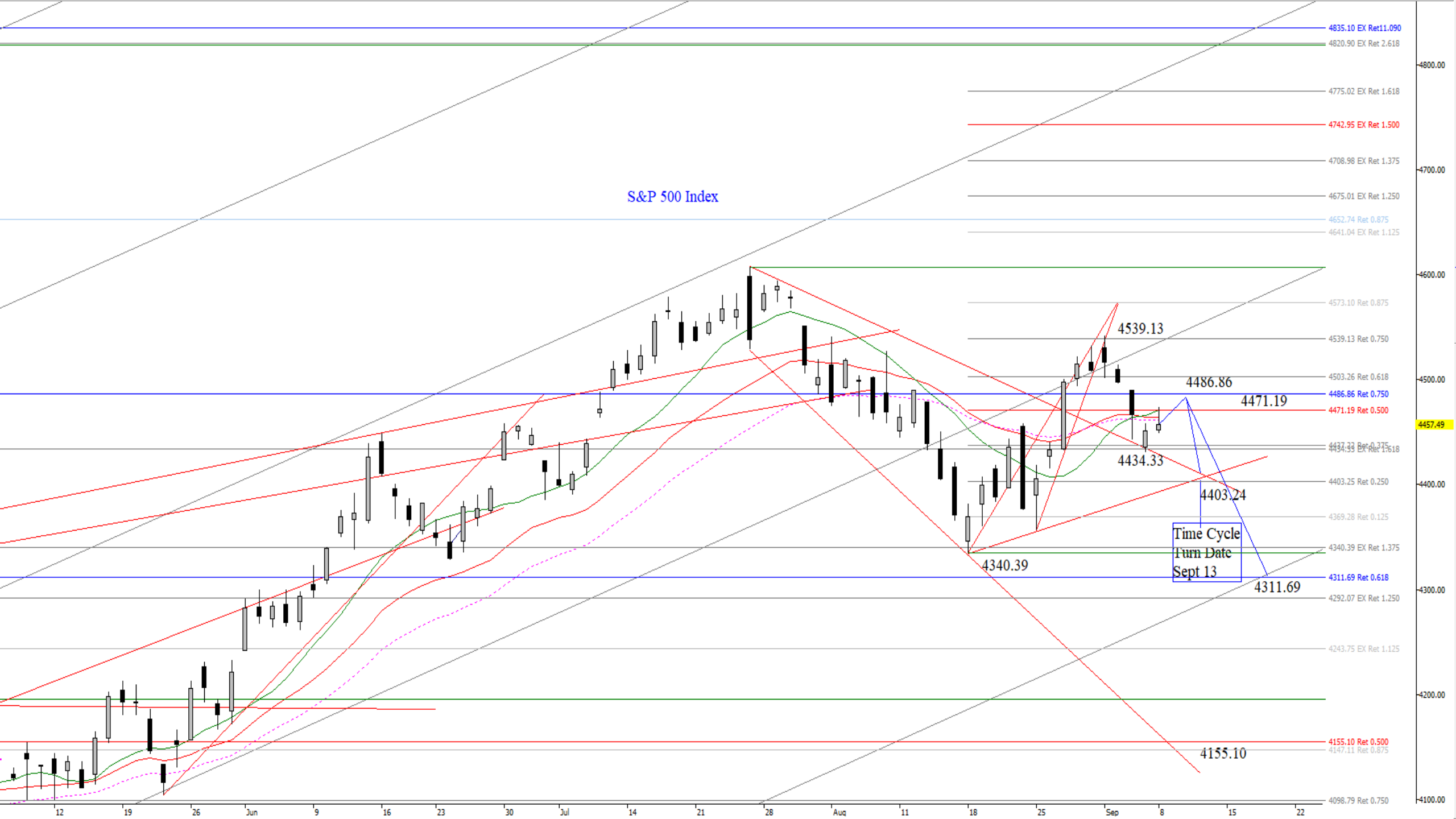
Buying early in the day and selling is typical bear market behavior. The last attempted rally, ending on September 1, demonstrated three days of buying early and selling for the day. That distribution pattern occurred on August 30, 31, and September 1. It led to this past week's decline.

The pattern also highlights the orderliness of the recent drop. We might see a couple more days like this as the market alleviates short-term oversold conditions. Orderly declines indicate that we have not seen the bottom.

Bottoms happen when panic sets in.

A time cycle turn date on Wednesday, September 13, could retest Fibonacci resistance at 4471.19 or 4486.86, where any rally attempts should see more sellers.

With a probable market selloff later in the week, I will focus on Fibonacci support between 4434.33 and 4403.24. Closing below this level will send the index to the following Fibonacci targets at 4311.69 and 4155.10.



S&P 500 Index

Time Cycle
Turn Date
Sept 13

NASDAQ 100 (QQQ)

Thursday, the **NASDAQ 100 (QQQ)** started the day by gapping down to the strong bear market 3/4 number at 370.14 and holding.

The back-and-forth action around the number lasted for the first half hour, and the index started to bounce. A few hours later, the bulls took back control, and the QQQs maintained a hold above the July high to August low 1/2 number at 371.35.

Friday, the QQQs again challenged the critical bear market 3/4 number in pre-market trading.

Tech stocks rallied early to take the NASDAQ higher. But a tech stock selloff left the **Technology** sector with a slight loss, dragging the NASDAQ lower and a retest of the critical 1/2 number at 371.35.

If the NASDAQ closes below the bear market 3/4 number at 370.14 next week, the probability of a considerable selloff is likely. The selloff **Fibonacci targets** are **350.55-349.78** and **334.15-331.58**.

Holding above 370.14 last week could lead to a slight bounce early this week.

I purchased **Direxion Daily GOOGL 1.5X (GGLL)** on Friday to take advantage of a bounce. Alphabet Inc. (GOOGL) is the only Magnificent 7 stock still in a buy signal.

This TFR report includes a write-up on the **Direxion Daily GOOGL 1.5X (GGLL)** purchase.

NASDAQ 100 (QQQ)



SPDR S&P Regional Banking ETF (KRE)/ Direxion Small Cap Bear 3X (TZA)

The **Regional banks** led the market lower last week and reversed higher on Friday, preparing for a potential retracement rally.

If the **SPDR S&P Regional Banking ETF (KRE)** can return to Fibonacci resistance at the 43.92-44.32 range, I will buy back the **KRE October 20, 43 Puts** for the next push lower.

The ascending trendline from the August 23 low crosses at this level creates an excellent entry for another shorting opportunity.

The next time cycle turn date is on September 13. A rally into this date would indicate a time cycle high.

The following downside Fibonacci targets are 42.04, 39.02, 36.46, and 29.57.

Direxion Small Cap Bear 3X (TZA).

Once the **SPDR S&P Regional Banking ETF (KRE)** completes its retracement, I will also repurchase the **Direxion Small Cap Bear 3X (TZA)**.

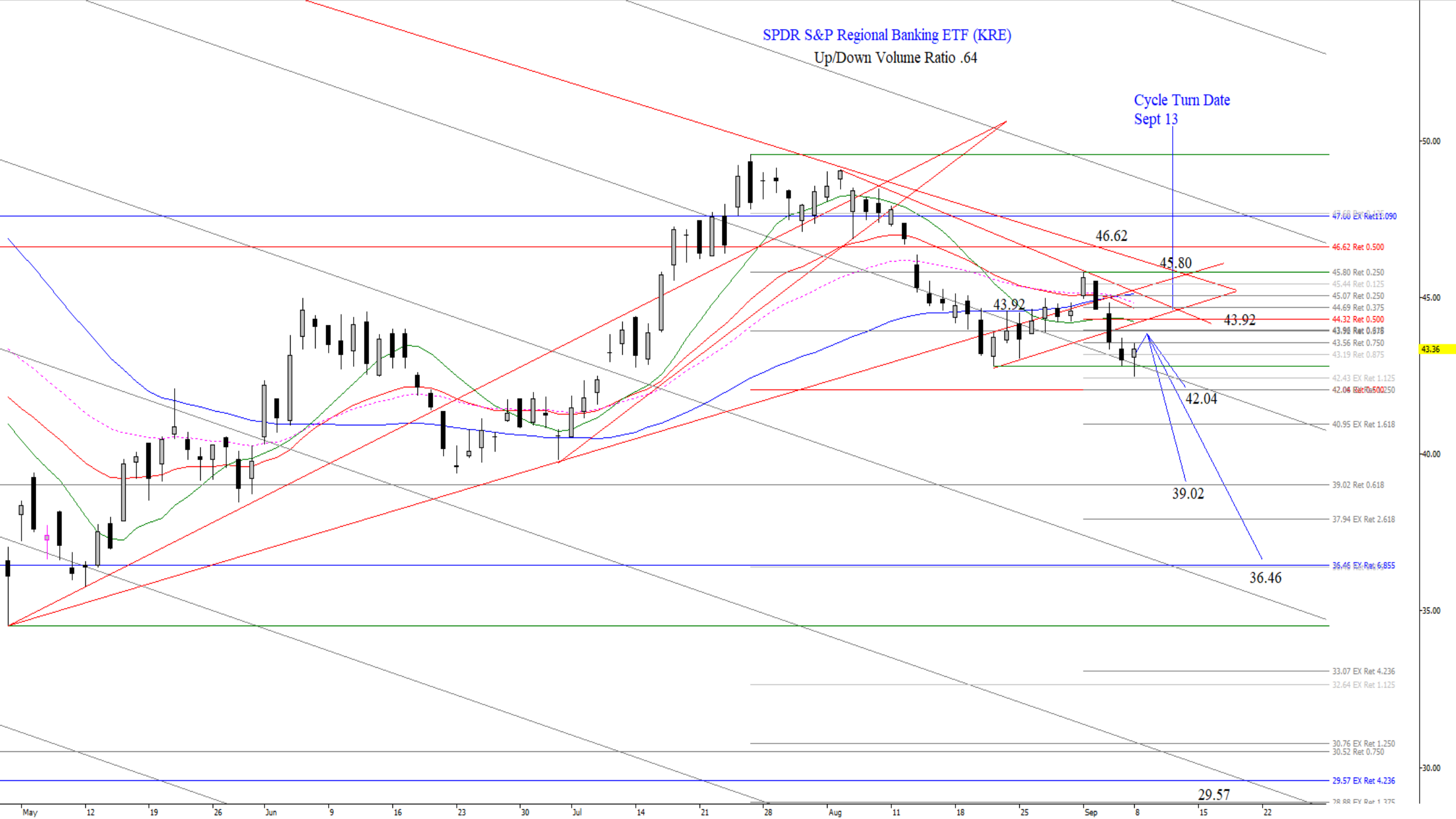
Small caps are highly correlated to the moves in the Regional Banks. Buying the **Direxion Small Cap Bear 3X (TZA)** is another way to take advantage of the move lower.

The Fibonacci targets are 30.52 and 35.26.

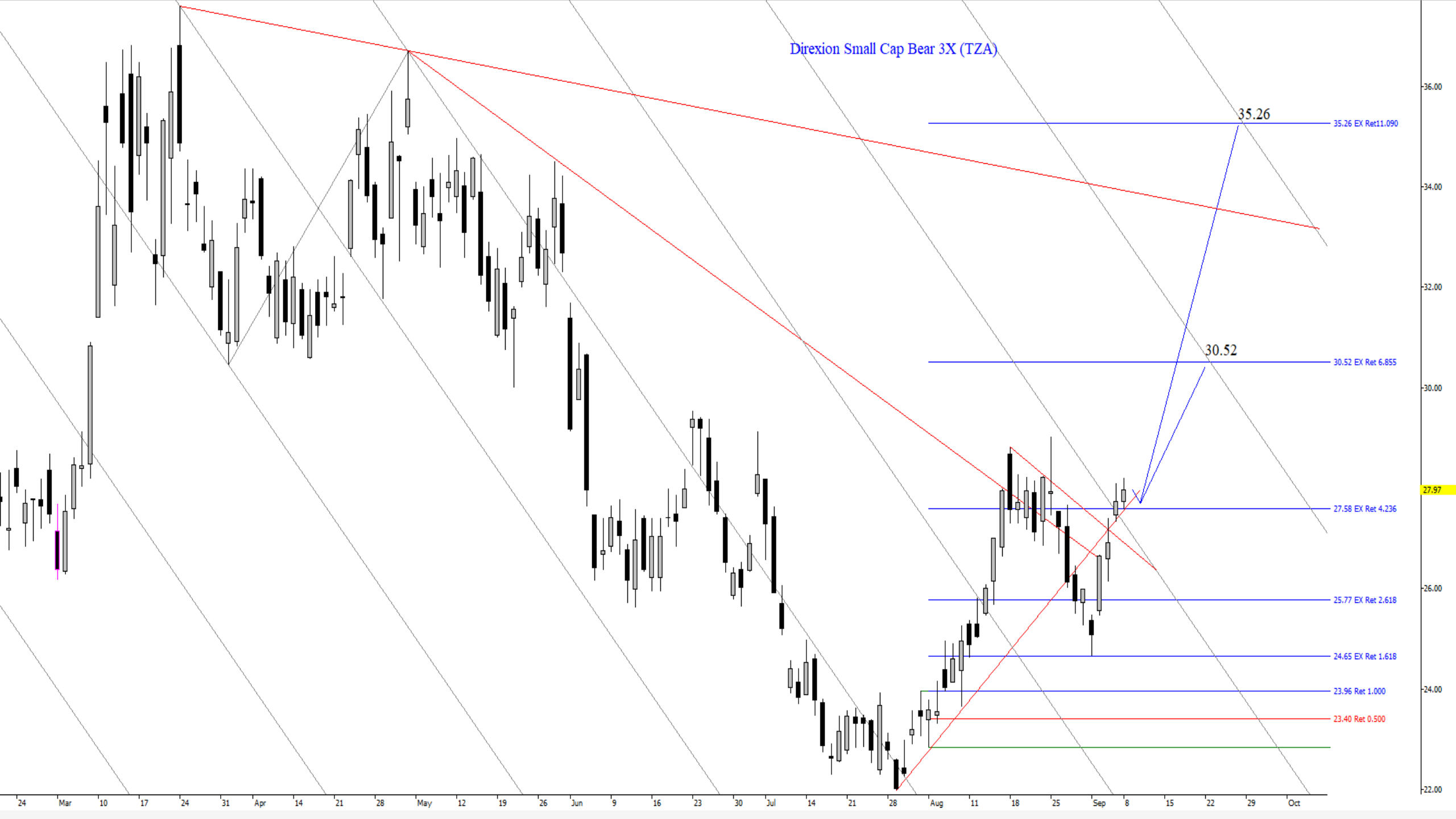
SPDR S&P Regional Banking ETF (KRE)

Up/Down Volume Ratio .64

Cycle Turn Date
Sept 13



Direxion Small Cap Bear 3X (TZA)

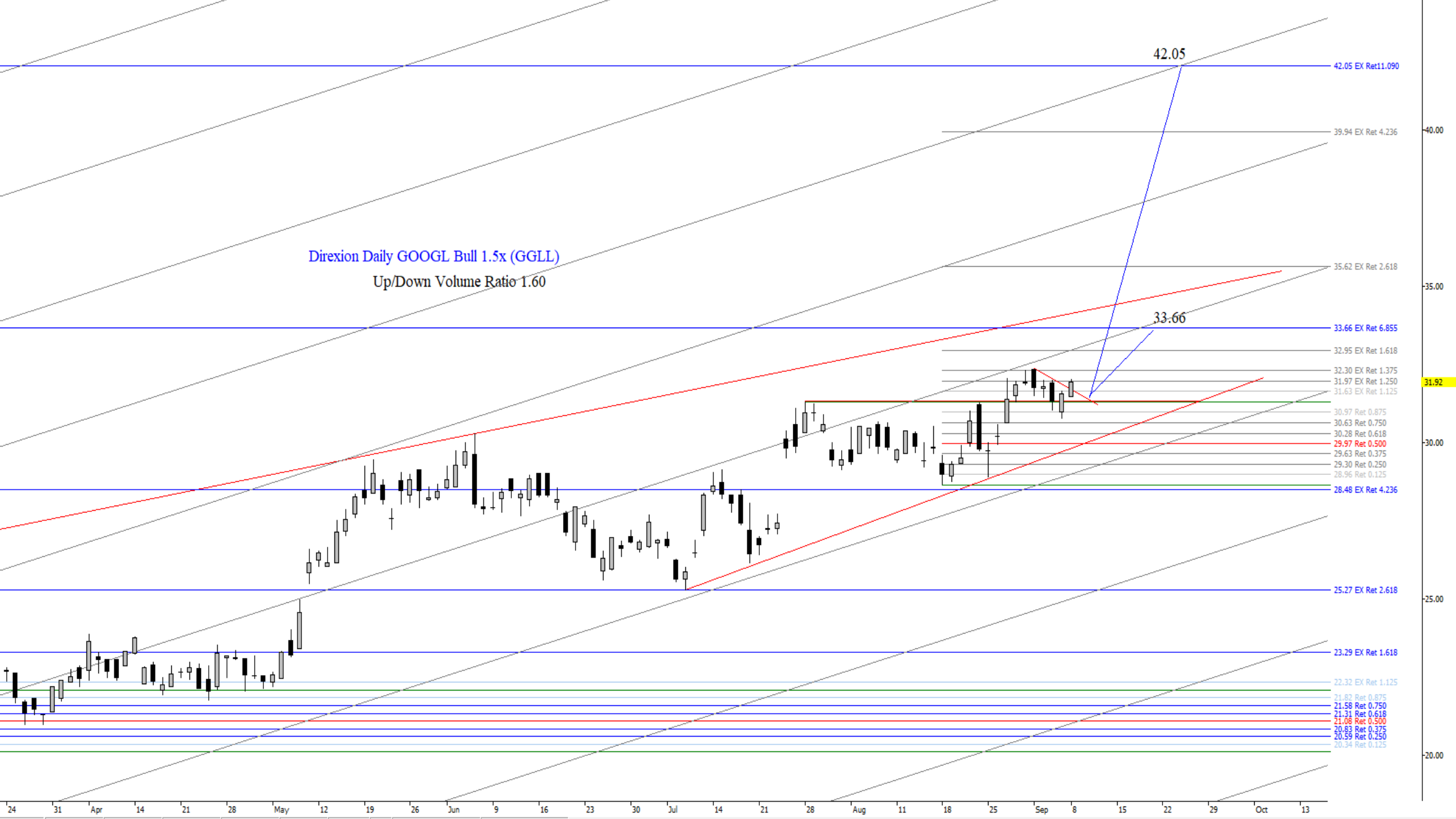


36.00
34.00
32.00
30.00
27.97
26.00
24.00
22.00

Bought on Friday @ 31.64: Direxion Daily GOOGL 1.5X (GGLL)

- *Portfolio: Long Alphabet Inc. Class A Inc. (GOOGL). This trade is designed to move 1.5X the daily performance of Alphabet Inc. Class A (GOOGL).*
- *Direxion Daily GOOGL 1.5X (GGLL) trade is designed to take advantage of the next potential move higher in Alphabet Inc. (GOOGL)*
- *I purchased Direxion Daily GOOGL 1.5X (GGLL) on Friday to take advantage of a bounce in the market. Alphabet Inc. (GOOGL) is the only Magnificent 7 stock still in a buy signal. It represents relative strength in the market as the Point & Figure chart completed a Double Top Breakout.*
- *The position at 1-star(*).*
- *The Up/Down Volume Ratio on Alphabet Inc. (GOOGL) of 1.79 indicates institutional accumulation. The Up/Down Volume ratio has made new 100-day highs the entire week.*
- *Direxion Daily GOOGL 1.5X (GGLL) closed at 31.92.*
- *Direxion Daily GOOGL 1.5X (GGLL) VWAP is at 24.61.*
- *Sell target price: 1st target is 33.66; 2nd target is 42.05*

Stop sell price: Close below 31.30.



Direxion Daily GOOGL Bull 1.5x (GGL)
Up/Down Volume Ratio 1.60

42.05

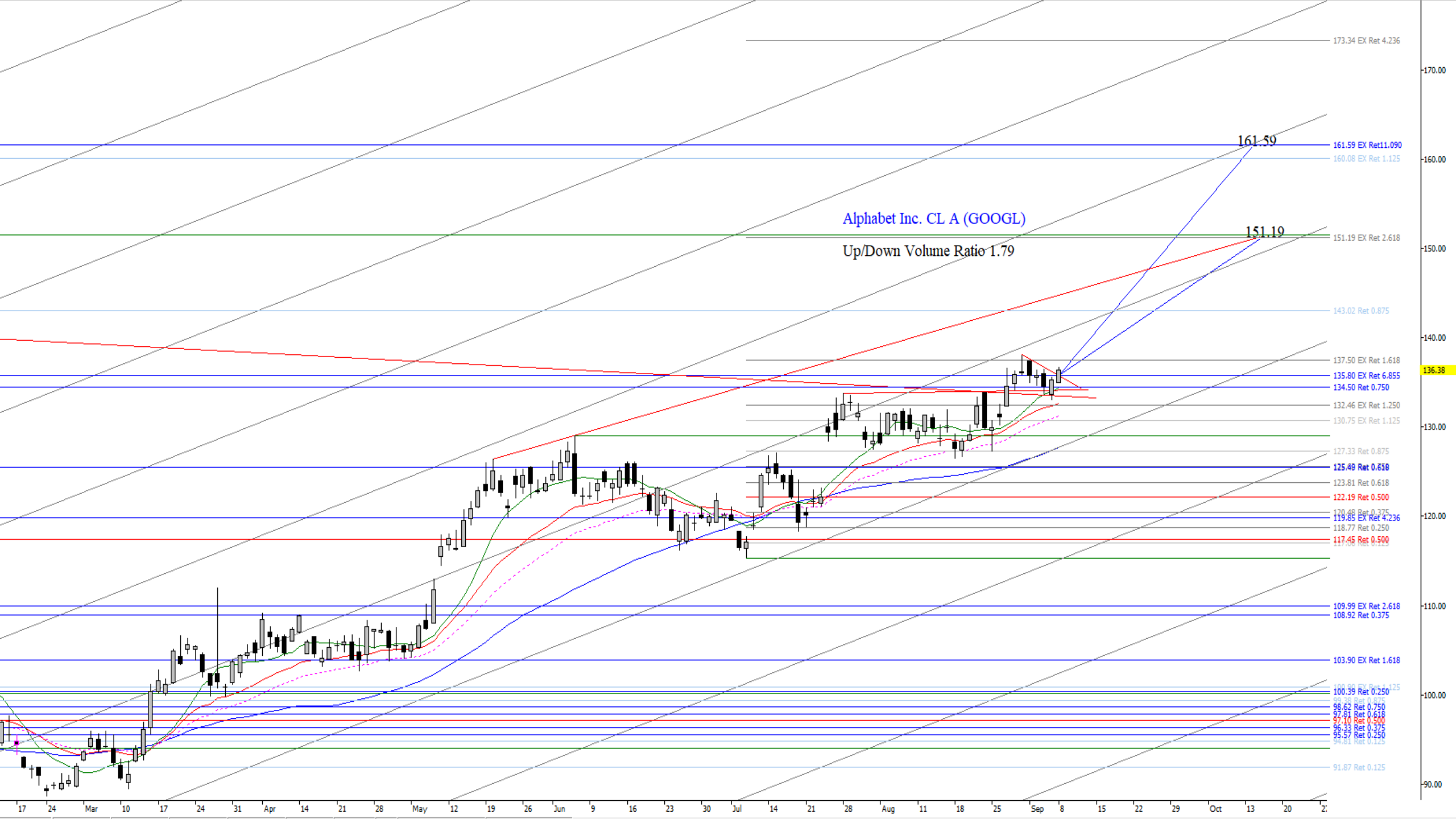
33.66

31.92

30.00

25.00

20.00



Alphabet Inc. CL A (GOOGL)

Up/Down Volume Ratio 1.79

Direxion Daily TSLA Bear (TSLS)

Once Tesla Inc. (TSLA) confirmed a sell signal last week, I purchased the Direxion Daily TSLA Bear (TSLS) to take advantage of the next potential move lower.

After purchasing the Direxion Daily TSLA Bear (TSLS) at 19.89, it rallied to a high of 20.44. Still, it continued to churn around as the price and volume of Tesla Inc. (TSLA) demonstrated institutional distribution.

Tesla Inc. (TSLA) rallied to retest its 50-day moving average, where institutions sold more shares. The selling pressure at the 50-day moving average held shares from reclaiming their bear market 1/2 number at 258.16.

By Friday's close, Tesla Inc. (TSLA) finished the week with its second weekly tail against the bear market 1/2 number. The Direxion Daily TSLA Bear (TSLS) Point & Figure chart indicates that TSLS completed a pullback from a double top breakout and will hit a minimum target of 26.00. That is over a 30% move from my purchase price of 19.89.

The Up/Down Volume Ratio on TSLA points to institutional distribution and fished the week at 100-day lows of .86.

The Fibonacci downside target numbers on TSLA are 219.07, 179.99, and 140.90.

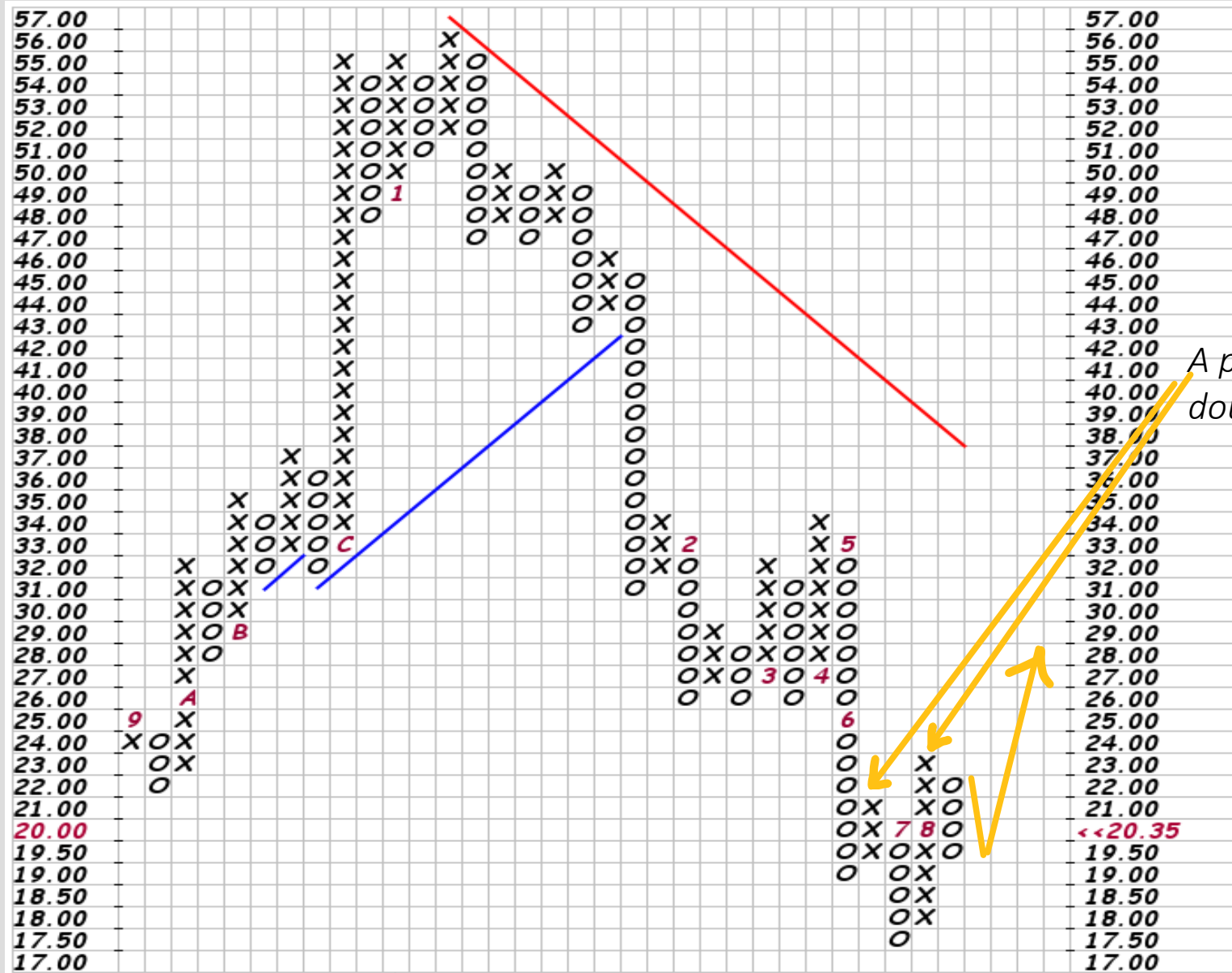
The stop is a close above 258.16

Tesla Inc. (TSLA)

Up/Down Volume Ratio .95



Direxion Daily TSLA Bear (TSLS)



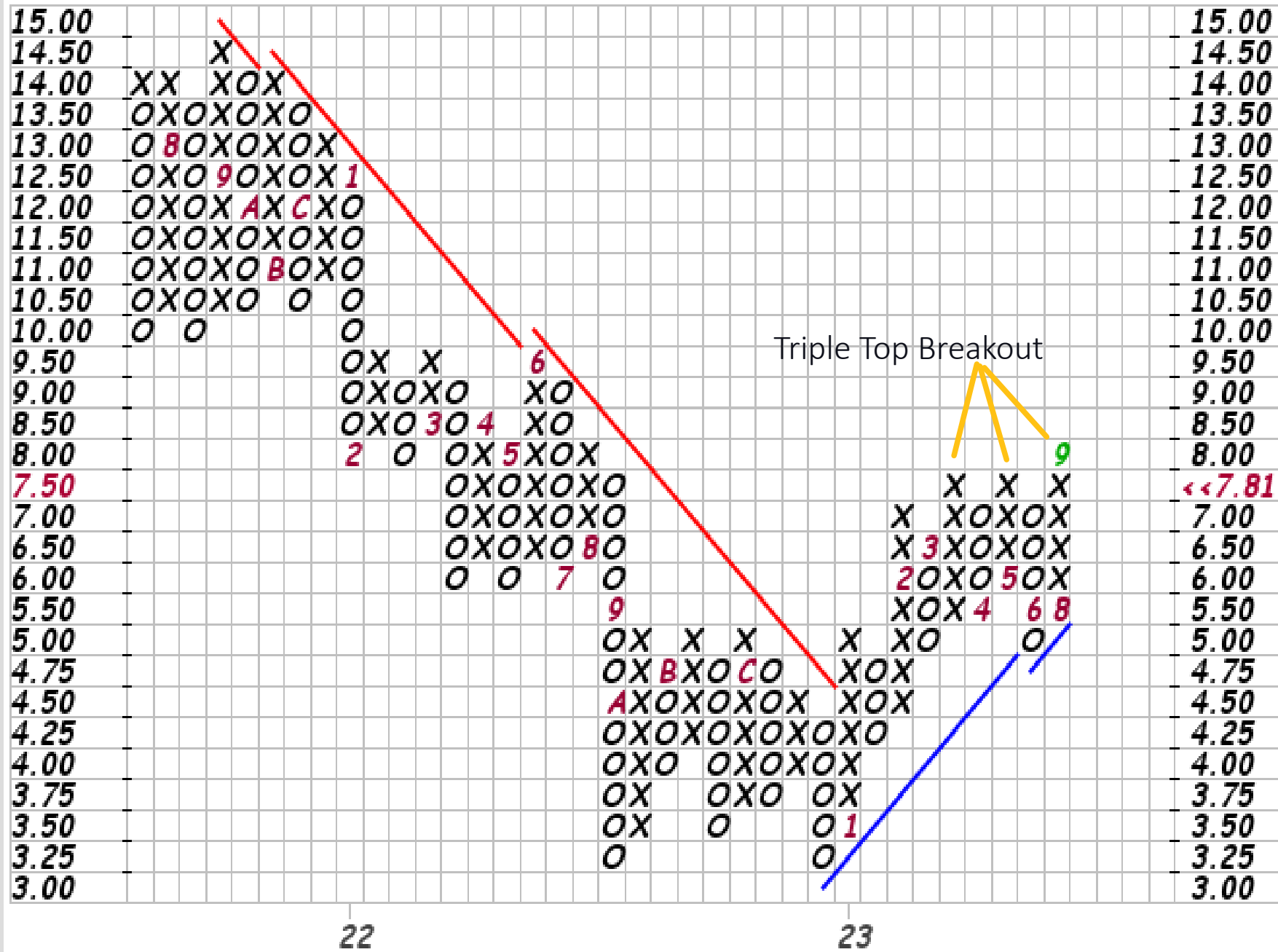
A pullback from a double-top breakout

Buy Candidate: Soho House (SHCO)

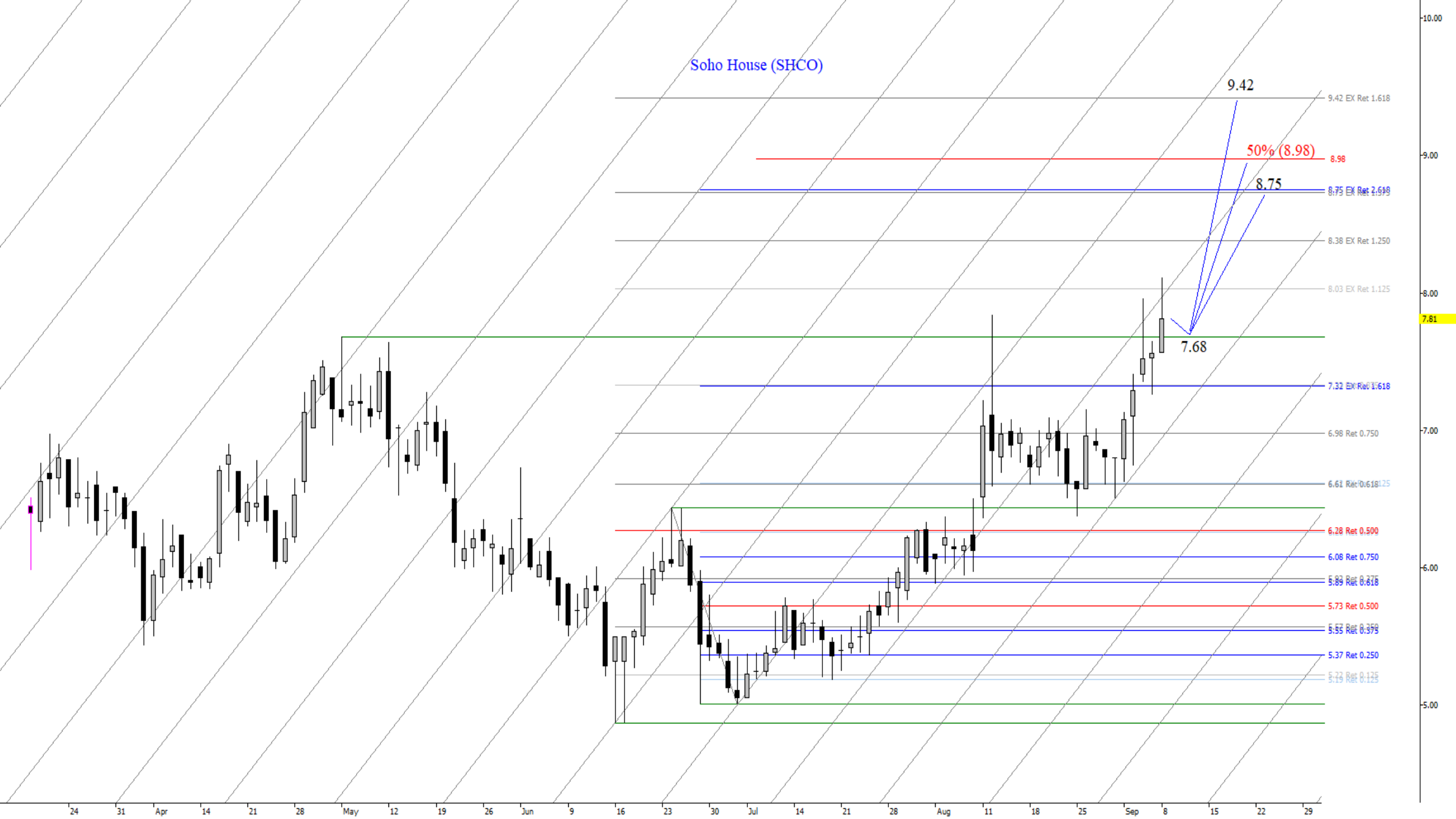
- **Industry Group: Leisure Services/Lodging.** The **Leisure Services** industry group ranks as the 106th strongest industry group out of 197 and is up +1.35% YTD. Lodging was the strongest Consumer Cyclical industry group, up +2.29% on Friday.
- *Soho House (SHCO) offers space and connects group members to lodging homes worldwide.*
- **Soho House (SHCO)** was an IPO on July 15, 2021. After going public, it is breaking out of its first base since its downtrend. On Friday, the stock broke out of its cup-with-handle base that started in May.
- **Soho House (SHCO)** completed a Triple Top breakout at 8.00 above its bearish resistance line. The bullish Point and figure pattern could send shares higher next week.
- *Soho House (SHCO) will give confirmation above 8.01.*
- *Wait for text confirmation!*
- *Start Position at 1-star(*)*
- *Soho House (SHCO) is under accumulation with an Up/Down Volume ratio of 1.51, breaking 100-day highs.*
- *Soho House (SHCO) closed at 7.81.*

- *Soho House (SHCO) VWAP is at 7.60.*
- *Sell Fibonacci target prices: 1st target is 8.75; 2nd target is 8.98; 3rd target is 9.42*
- *Stop sell price: Close below 7.60.*

Soho House (SHCO)



Soho House (SHCO)





Trading Floor Research

Welcome to the
Trading Floor

¹The results are not (or may not be) representative of the performance of all selections made by Trading Floor Research (TFR) newsletter. We look for investment resources and inform you of these resources, which you may choose to use in making your own investment decisions. **Past performance is no guarantee of future results. Inherent in any investment is the potential for loss.** This material is being provided for informational purposes only and nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security. No recommendation or advice is being given as to whether any investment is suitable for a particular investor. It should not be assumed that any investments in securities, companies, sectors or markets identified and described were or will be profitable. All information is current as of the date of herein and is subject to change without notice.



Trading Floor Research

Welcome to the
Trading Floor

Disclaimer

Before using this site, please make sure that you note the following important information:

Do your Own Research

Our content is intended to be used and must be used for informational purposes only. It is very important to do your own analysis before making any investment based on your own personal circumstances. You should take independent financial advice from a professional in connection with, or independently research and verify, any information that you find on our Website and wish to rely upon, whether for the purpose of making an investment decision or otherwise.

The content of this email is confidential and intended for the recipient specified in message only. It is strictly forbidden to share any part of this message with any third party, without a written consent of the sender. If you received this message by mistake, please reply to this message and follow with its deletion, so that we can ensure such a mistake does not occur in the future.

