



TFR

# Trading Floor Research

Welcome to the  
— Trading Floor —



This Trading Floor Research report contains:

- S&P 500 (SPX). Update
- Squarespace Inc. (SQSP)
- Upland Software Inc. (UPLD)
- Engine Gaming and Media (GAME)

## S&P 500

### The Biggest Obstacle for the S&P 500 is at 4155.10

*Breaking the year-long trendline on January 26 and closing above 4016.84 gave the bulls a firm enough hold to push the S&P 500 higher with a 180-point advance in six trading sessions. The pullback that started on Friday due to overbought conditions found Fibonacci resistance at 4199.63. (refer to S&P 500 chart)*

*The pullback should take the S&P 500 down to Fibonacci support at 4064.44 with a completion at the next time cycle turn date this Wednesday, February 8. Closing below 4064.44 will send the market back to the next Fibonacci support at 4016.84. A round trip to the start of the six-day rally will indicate a breakdown in momentum and a possible turning point. (refer to S&P 500 chart)*

*The biggest obstacle for the S&P 500 is the strong 50% Fibonacci number from January 2022 high to October 2022 low at **4155.10**. The bulls took control with a close above 4155.10 on Thursday, but the bears immediately reclaimed control by Friday's close at 4136.52.*

*I can't emphasize the importance of continuing the rally for the S&P 500 to close back above 4155.10. This is the most decisive number in the entire price range the index has traveled through the bear market of 2022.*

*Once the S&P 500 has completed its pullback, a rally attempt to close above 4155.10 will be challenging. If the price can establish a foothold above 4155.10, the next leg higher should hit the Fibonacci target at 4308.90.*

*If the S&P 500 can't close back above 4155.10 and starts adding distribution days, it would signal the end of the rally and a resumption of the downtrend.*



S&P 500 Index

A battle between Bulls & Bears

Strong 50% Number 4155.10

4645.37 EX Ret 2.618

4486.86 Ret 0.750

4308.90 EX Ret 1.618

4155.10 Ret 0.500

4143.02 EX Ret 1.125

4058.90 Ret 0.875

4016.84 Ret 0.750

3989.22 Ret 0.375

3972.43 Ret 0.618

3932.73 Ret 0.500

3890.67 Ret 0.375

3848.61 Ret 0.250

3823.34 Ret 0.250

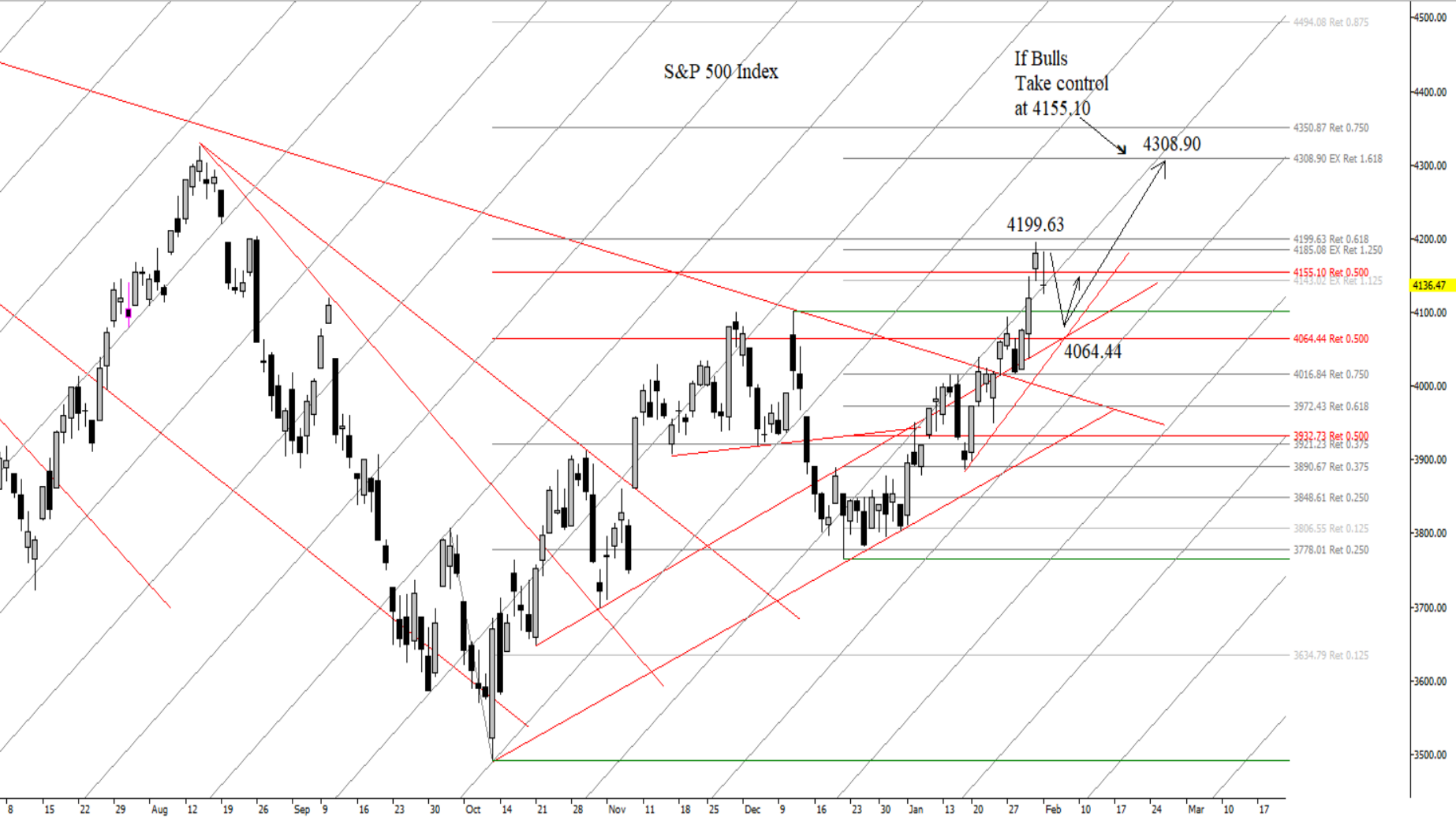
3806.55 Ret 0.125

3657.46 Ret 0.125

Nov Dec 22 Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec 23 Feb Mar

4800.00  
4700.00  
4600.00  
4500.00  
4400.00  
4300.00  
4200.00  
4100.00  
4000.00  
3900.00  
3800.00  
3700.00  
3600.00  
3500.00





## Industry Group & Sector Analysis

Traders continue to add risk to their portfolios, and the **Risk-On trade** spreads through the markets. With the market indicating it is time to add risk to the portfolio, Two technology industry groups gave recent buy signals emphasizing the Risk-On trade.

Stocks in the **Internet Content** and **Computer Software Enterprise** industry groups are being accumulated. The long-term charts of technology stocks are broken and will take years to repair, but tech stocks indicate a short-term opportunity.

To take advantage of the potential move in Internet Content and Computer Software Enterprise industry groups, I am recommending the purchase of **Squarespace Inc. (SQSP)** and **Upland Software Inc. (UPLD)** in this week's report. They are both part of the Computer Software Enterprise industry group and are featured in this report.

I am also buying **Engine Gaming and Media (GAME)** in the Internet Content industry group. It is highlighted in this report.

The **Energy** Sector ran into a brick wall at the June and November 2022 highs.

Repelling against last year's highs indicates significant resistance. Last week's selloff has turned many energy stocks into sell signals.

The Energy sector's bullish percentage is 39%, meaning that more than 60% of the industry has negative charts. The Bullish Percent Indicator is offering an early warning. The sector has not given a sell signal when most of the charts in the group point lower. It is time to monitor existing positions closely, as profits could disappear quickly.

The **Oil & Gas Drilling industry group** continues to show tremendous strength, and I am maintaining my position in **Borr Drilling Ltd. (BORR)**. However, I did trim my Energy sector exposure back last week as I sold and took profits on my position in **Seadrill Ltd. (SDRL)**.

## New buy candidate: Engine Gaming and Media (GAME)

- Industry Group: **Internet Content**. The **Internet Content** industry group is ranked 89<sup>th</sup> out of 197 and is up 28.43% YTD. The Internet Content industry group gave a buy signal on February 2, 2023.
- **Engine Gaming and Media (GAME)** is a Canadian company that provides live streaming data and social analytics, influencer relationship management, and advertising to support gaming companies, brand marketers, e-commerce companies, and media publishers.
- **Engine Gaming and Media (GAME)** started trading on the NASDAQ market in June 2021. The Stock has tumbled lower since it debuted as a US stock from the Canadian market. In mid-December, shares started accumulating and are now ready to break out of a two-month base.
- **Engine Gaming and Media (GAME) will be confirmed with a pullback to Fibonacci support at 1.53 or a 30-minut buy signal.**
- Wait for confirmation!
- Initiate position with at 1-star(\*)
- Under massive accumulation with an Up/Down Volume ratio of 3.63.
- Engine Gaming and Media (GAME) closed at **1.69**.
- Engine Gaming and Media (GAME) VWAP is at 4.91
- Sell target prices: **1<sup>st</sup> target is 2.16; 2<sup>nd</sup> target is 3.18; 3<sup>rd</sup> target is 4.84.**
- Stop sell price: **Close** below **1.53**.



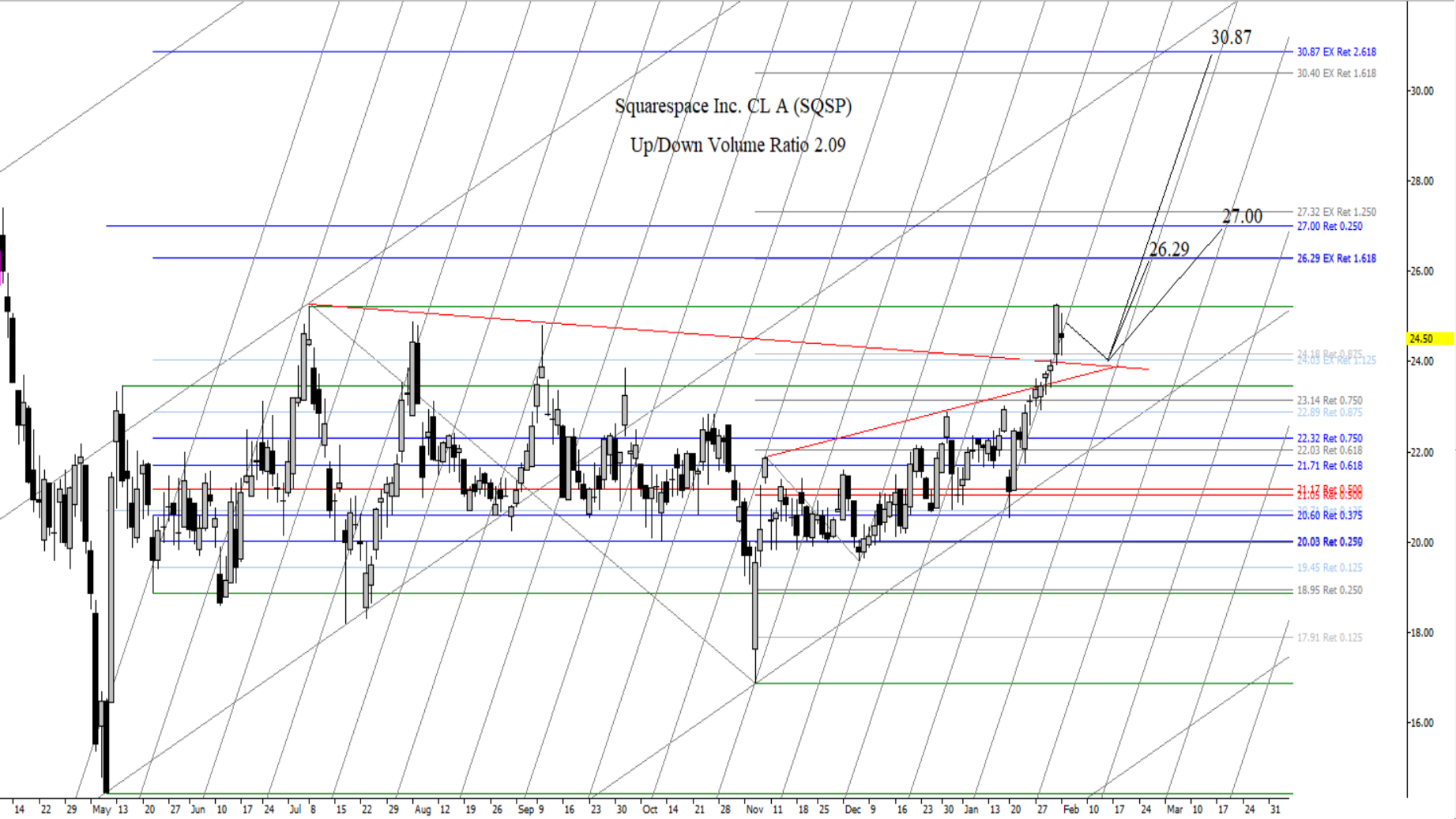


## New buy candidate: Squarespace Inc. (SQSP)

- Industry Group: **Computer Software Enterprise**. The **Computer Software Enterprise** industry group is ranked 88<sup>th</sup> out of 197 and is up 15.44% YTD. The Computer Software Enterprise industry group gave a buy signal on January 26, 2023.
- **Squarespace Inc. (SQSP)** provides a web development platform that enables users to create and manage their digital presence.
- **Squarespace Inc. (SQSP)** is a recent IPO that went public in May of 2021 and has trended lower since its IPO date. The stock bottomed in May of 2022 and has been going sideways and building a base for the past eight months. It broke out last week and went to the top of its eight-month trading range under heavy accumulation. I am looking to purchase shares on a pullback and throwback into its downward-sloping trendline from the July highs.
- **Squarespace Inc. (SQSP) will be confirmed with a pullback to Fibonacci support at 23.46.**
- Wait for confirmation!
- Initiate position with at 2-star(\*\*).
- Under massive accumulation with an Up/Down Volume ratio of 2.09.
- Squarespace Inc. (SQSP) closed at **24.50**.
- Squarespace Inc. (SQSP) VWAP is at 29.12
- Sell target prices: **1<sup>st</sup> target is 26.29; 2<sup>nd</sup> target is 27.00; 3<sup>rd</sup> target is 30.87.**
- Stop sell price: **Close** below **22.32**.

# Squarespace Inc. CL A (SQSP)

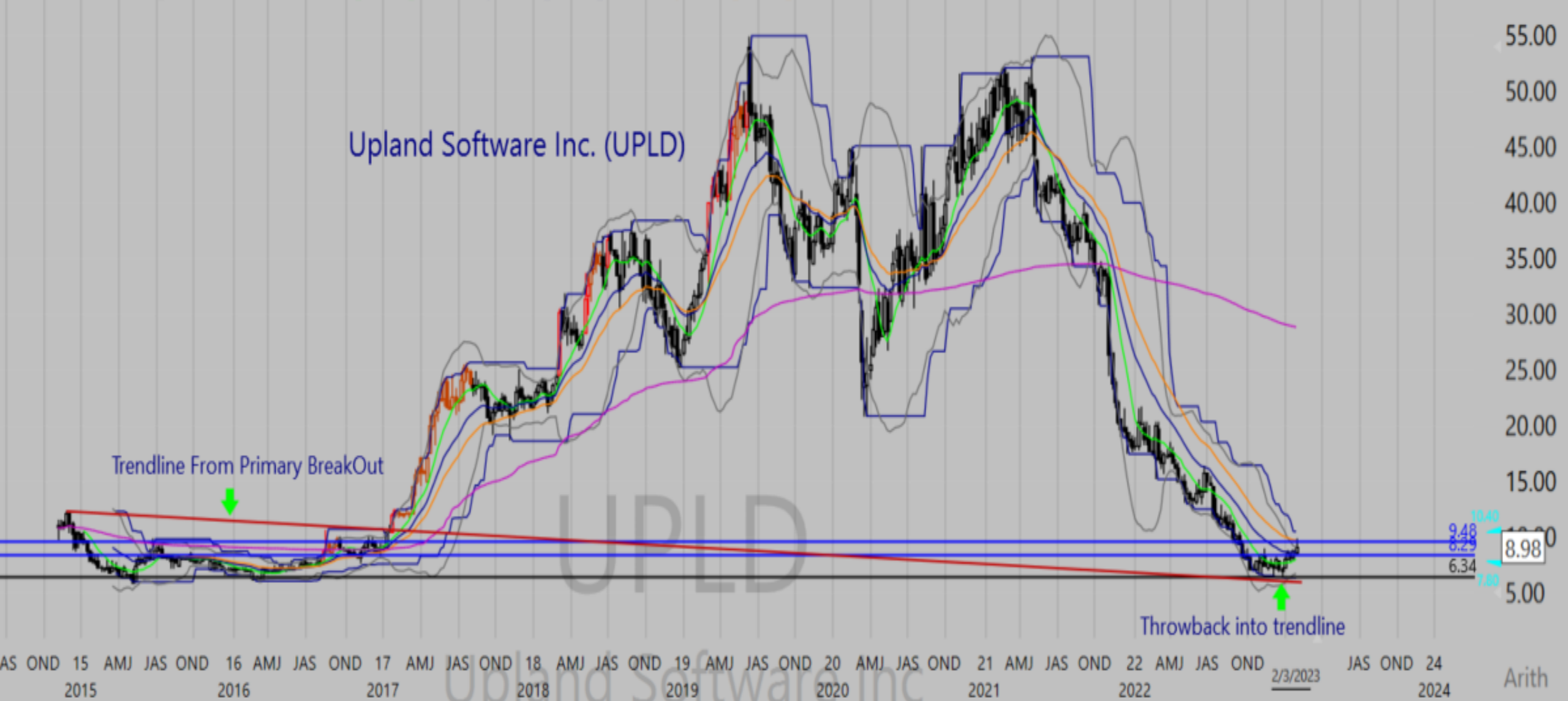
Up/Down Volume Ratio 2.09



## New buy candidate: Upland Software Inc. (UPLD)

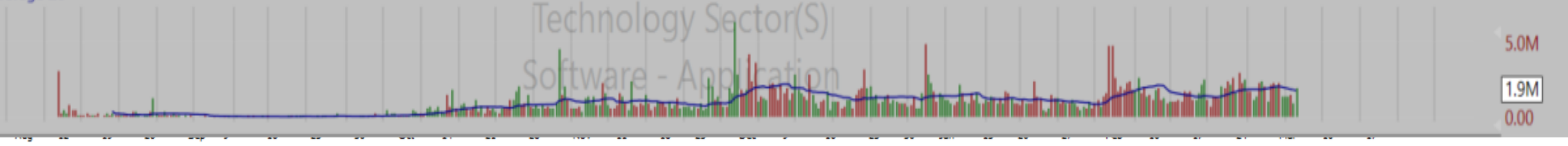
- Industry Group: **Computer Software Enterprise**. The **Computer Software Enterprise** industry group is ranked 88th out of 197 and is up 15.44% YTD. The Computer Software Enterprise industry group gave a buy signal on January 26, 2023.
- **Upland Software Inc. (UPLD)** is an Austin Texas based software company that develops cloud-based enterprise work management software.
- **Upland Software Inc. (UPLD)** threw back into the same trendline that the stock broke in its Primary BreakOut in 2017 at its December 2022 lows. (refer to long-term UPLD chart). Since that significant low, UPLD has completed a cup-with-handle pattern. Buying on a retracement from last week's breakout should offer low-risk entry.
- **Upland Software Inc. (UPLD) will be confirmed with a pullback to Fibonacci support between 8.52 and 8.29.**
- Wait for confirmation!
- Initiate position with at 2-star(\*\*).
- Under accumulation with an Up/Down Volume ratio of 1.79.
- Upland Software Inc. (UPLD) closed at **8.98**.
- Upland Software Inc. (UPLD) VWAP is at 29.70
- Sell target prices: **1<sup>st</sup> target is 10.44; 2<sup>nd</sup> target is 11.42; 3<sup>rd</sup> target is 13.03.**
- Stop sell price: **Close** below **8.29**.

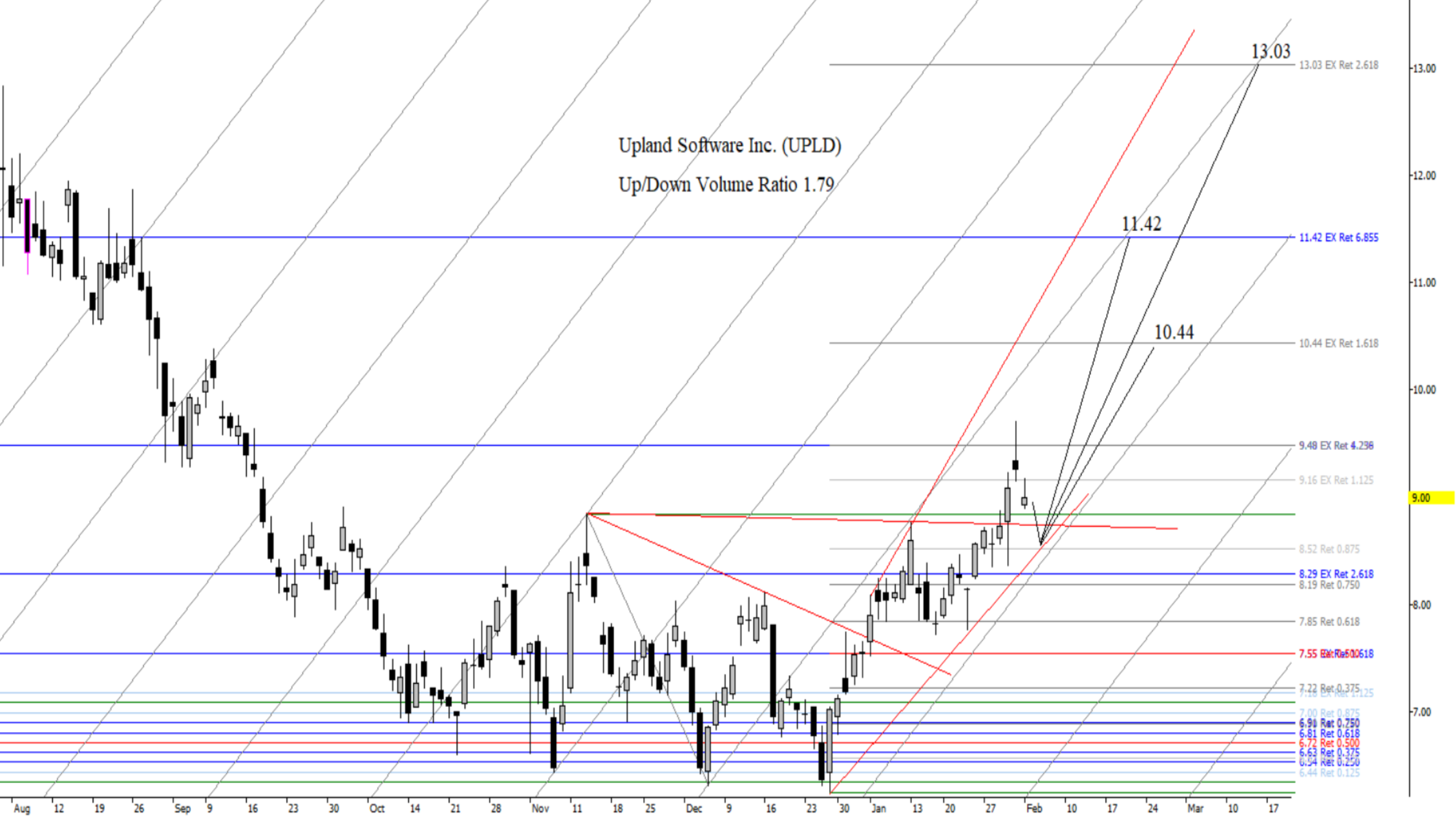
# Upland Software Inc. (UPLD)



Average 20 ▾

Technology Sector(S)  
Software - Application









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