



TFR

# Trading Floor Research

Welcome to the  
— Trading Floor —



*This Trading Floor Research report is the weekly follow-up:*

*(Please, watch this list closely. If a TFR recommended stock does not appear in this list, it has been sold or was never bought)*

- *Suncoke Energy Inc. (SXC) A new Buy candidate in the Energy Coal industry group.*
- *Warrior Metallurgical Coal Inc. (HCC). Highest closing price since May 2019.*
- *United States Oil Fund (USO) and what it is telling me about oils next move.*
- *Petroleo Bras Partners ADR Preferred A (PRB.A)*
- *Chevron Corp. (CVX)*
- *Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) Moving higher as yields continue to rise.*
- *Digital World Acquisition Corp. (DWAC) A confirmed buy today*





## Essential Lessons for Stock Market Success.

Class 2 of the 5-week series is Thursday February 10, 2022, at the USW Burns Harbor Career Development Center.

A morning and afternoon class will be given:

- 8:30 am-10:30 am
- 4:00 pm-6:00 pm

Learn how to identify winning stocks before they move higher and short stocks before they move lower.

Invite a family member or friend

Call Sarah to reserve a seat at 219-787-3101

## Sectors, Industry Groups & Leadership Stocks

**9 of the 11** market sectors are in sell signals. The **Energy** and **Financial Services** sectors are in a buy signal.

The **Energy Sector** entered the week short term overbought and sold off today, closing 1.79% lower. It is following the lead of oil prices which started a pullback yesterday. I provided a chart of the **United States Oil Fund (USO)** in this report. USO closely tracks the oil price, and the chart indicates we might have seen a top in oil prices for the next couple of weeks. On Friday, we hit a critical trendline that has marked short-term tops in oil since March of last year. Today USO closed below important Fibonacci support at 64.31. I will be closely monitoring our oil positions during this pullback. If I see distribution, I will let you know.

The **NASDAQ market** gave a follow-through day last week, but the NASDAQ is still under distribution. Today's 1.21% price increase did not generate a 30-minute buy signal, and the index finished the day with below-average volume. Until technology stocks and the NASDAQ market provide buy signals and institutional accumulation, I am holding back on purchasing tech stocks.

*The bears are firmly in control of the Russell 2000 and strongly indicate "Risk-Off" in the markets.*

**I continue to recommend caution and high cash levels** until the market gives more sector and industry group buy signals.

**Wait for "Risk On" to get aggressive!**



# United States Oil Fund (USO)

64.31

56.33

77.22 EX Ret 4.236

64.31 EX Ret 2.618

51.40 Ret 1.000

47.41 Ret 0.500

80.00  
75.00  
70.00  
65.00  
60.00  
55.00  
50.00  
45.00  
40.00

5 Mar 12 19 26 Apr 9 16 23 30 May 14 21 28 Jun 11 18 25 Jul 9 16 23 30 Aug 13 20 27 Sep 10 17 24 Oct 8 15 22 29 Nov 12 19 26 Dec 10 17 23 31 Jan 14 21 28 Feb 11 18 25 Mar 11 18 25

## *Buy candidate: Suncoke Energy Inc. (SXC)*

- Industry Group: **Energy Coal**. The group currently ranks as the 3<sup>rd</sup> strongest industry group out of 197 and is up 15.74% YTD. The group gave a 20-day closing high on 01/12/2022 with above-average volume.
- **Suncoke Energy Inc. (SXC)** is a metallurgical coal producer in Virginia and West Virginia. Metallurgical coal is used in the production of steel. Metallurgical coal producers are gaining momentum, and I am expanding my portfolio with another stock in the group.
- Suncoke Energy Inc. (SXC) broke out of its base that started in May 2021.
- Suncoke Energy Inc. (SXC) will confirm a buy signal with a throwback into its trendline or 30-minute and daily close above 7.83.
- Wait for a text confirmation!
- Initiate position at 2-star(\*\*)
- Under massive institutional accumulation with an Up/Down Volume ratio of 1.70.
- *Suncoke Energy Inc. (SXC)* closed at 7.82.
- *Suncoke Energy Inc. (SXC)* VWAP is at 7.42.
- Sell target prices: 1st target is **8.65**; 2nd target is **9.96**
- Stop sell price: Close below **7.42**.

# Suncoke Energy Inc. (SXC)

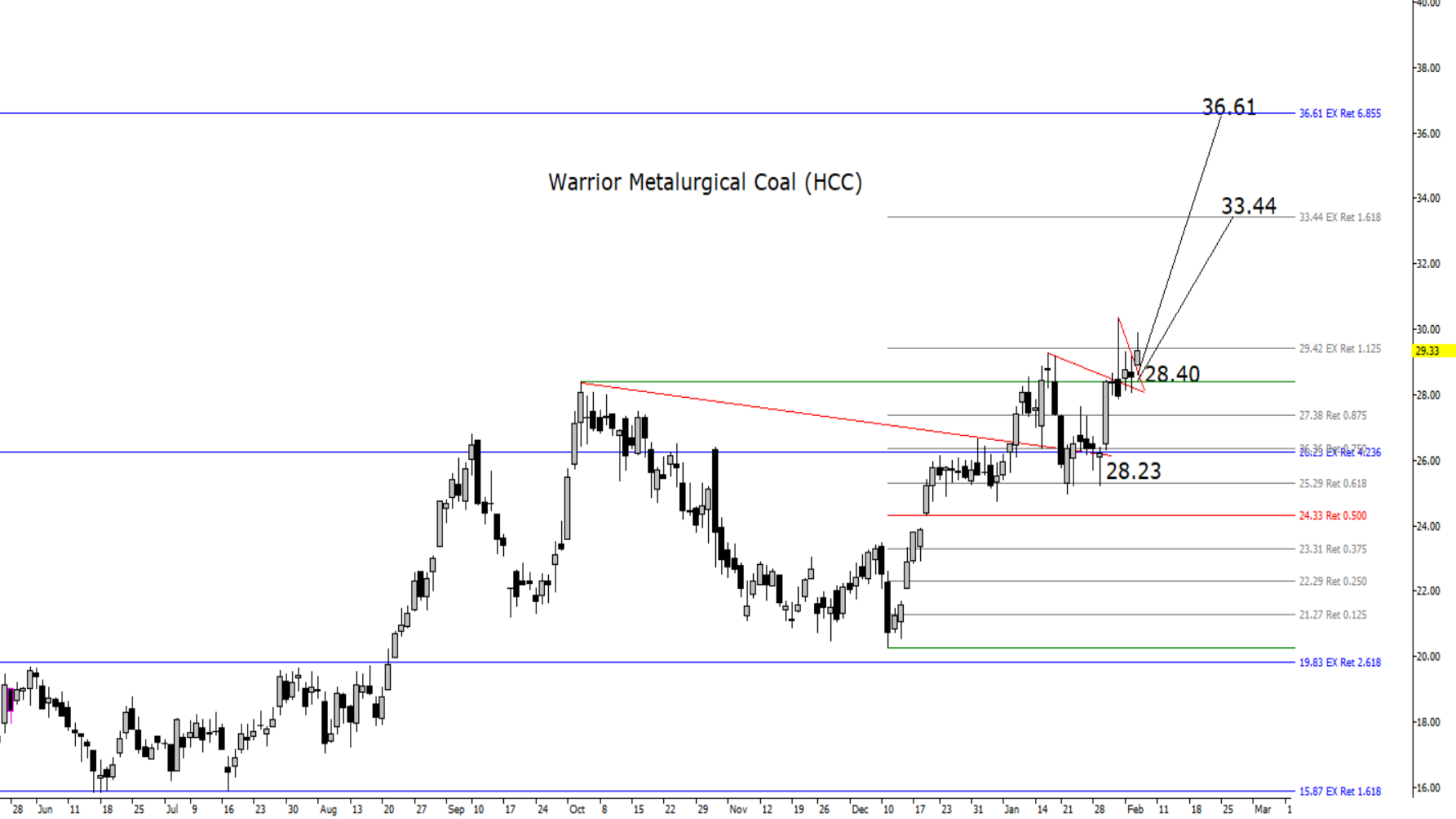


## Warrior Metallurgical Coal Inc. (HCC)

- Industry Group: **Energy Coal**. The group currently ranks as the 3<sup>rd</sup> strongest industry group out of 197 and is up 15.74% YTD. The group gave a 20-day closing high on 01/12/2022 with above-average volume.
- *Warrior Metallurgical Coal Inc. (HCC)* is a producer and exporter of metallurgical coal in Alabama. Metallurgical coal is used in the production of steel.
- *Warrior Metallurgical Coal Inc. (HCC)* broke out of its IPO base and closed at the highest closing price since May 2019.
- Position is at 2-star(\*\*)
- Under massive institutional accumulation with an Up/Down Volume ratio of 1.93.
- *Warrior Metallurgical Coal Inc. (HCC)* closed at 29.33.
- *Warrior Metallurgical Coal Inc. (HCC)* VWAP is at 21.46.
- Sell target prices: 1st target is **33.44**; 2nd target is **36.61**
- Stop sell price: Close below **28.23**.



# Warrior Metallurgical Coal (HCC)

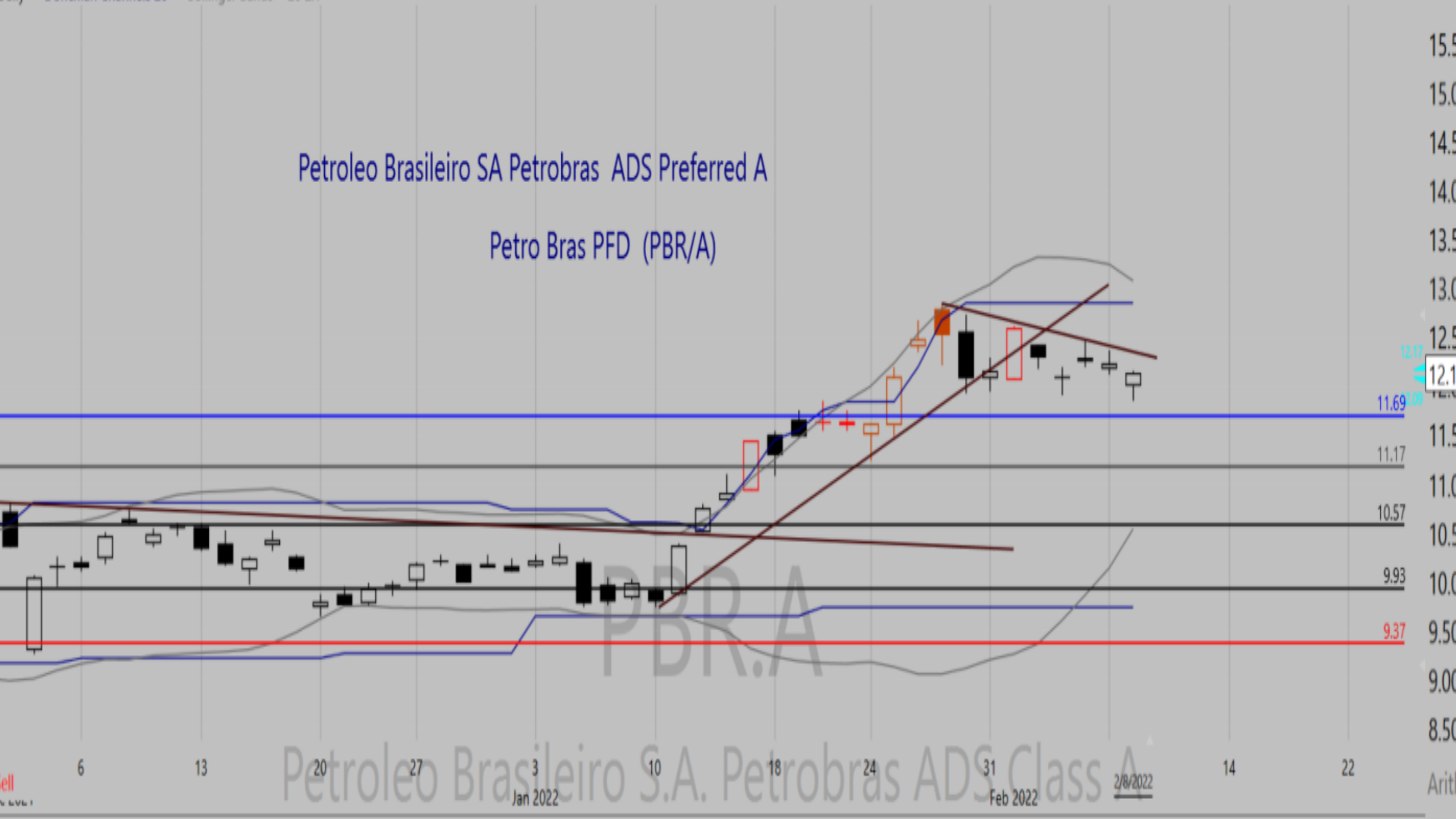


## Petroleo Bras Partners ADR Preferred A(PBR.A)

- **Industry Group: Oil & Gas Integrated.** The group currently ranks as the 16th strongest industry group out of 197 and is up 11.75% YTD. The group gave a 20-day closing high on 01/11/2022 with above-average volume.
- **Petroleo Bras Partners ADR Preferred A (PRB.A)** is a preferred stock with an 18% dividend of a Brazil-based company engaged in the exploration, refining, production, and distribution of oil and gas. The preferred has more institutional accumulation than the common share PBR and pays a higher dividend. The more significant total return potential is why I chose the preferred stock.
- Petroleo Bras Partners ADR Preferred A(PRB.A) has consolidated above Fibonacci support at 11.69. It might base a few more days before resuming the uptrend with oil prices moving lower. I will cover my position with a close below 11.69.
- Position is at 1-star(\*)
- **Under institutional accumulation** with an Up/Down Volume ratio of 1.3.
- Petroleo Bras Partners ADR Preferred A(PRB.A) closed at 12.12.
- Petroleo Bras Partners ADR Preferred A(PRB.A) VWAP is at 9.76.
- Sell target prices: 1st target is **17.68**
- Stop sell price: Close below **11.69**.

Petroleo Brasileiro SA Petrobras ADS Preferred A

Petro Bras PFD (PBR/A)



Petroleo Brasileiro S.A. Petrobras ADS Preferred A Class A

## *Chevron Corp. (CVX)*

- **Industry Group: Oil & Gas Integrated.** The group currently ranks as the 6<sup>th</sup> strongest industry group out of 197 and is up 16.14% YTD. The group gave a 20-day closing high buy signal with above-average volume on January 4, 2022.

- At its current price, Chevron offers a 4.3% dividend that goes ex-dividend on February 15. That means we will pick up a quick dividend next week, increasing our overall “total return” potential for the year. We get paid to wait while the stock moves to our “capital appreciation” Fibonacci target number.

- **Chevron (CVX) closed above 137.00 on Monday on above-average volume, and relative strength confirmed the move. Today's pullback was on below-average volume. This is the price action I was looking for last week to ensure the strength of the stock. With oil prices pulling back, we may see further consolidation in the price. I will keep you posted if I see anything that causes concern.**

- Position is at 2-star(\*\*)

- **Under institutional accumulation** with an Up/Down Volume ratio of 1.81.

- **Chevron Corp. (CVX)** closed at 136.44.

- **Chevron Corp. (CVX)** VWAP is at 104.99.

- Target prices: 1st target is **144.80**; 2<sup>nd</sup> target is **176.90**; 3<sup>rd</sup> target is **197.69**

- Stop sell price: Close below **125.14**.

# Chevron Corp. (CVX)





## Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO)

- Market: 10-year US Treasury Bond. This trade is designed to move 3x the inverse move of the iShares Barclays 7–10-year US treasury Bond ETF (IEF).
- Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) is seeking the performance corresponding to three times the inverse of the 7–10-year US Treasury Bond Exchange Traded Fund (IEF).
- 7–10-year US Treasury Bond Exchange Traded Fund (IEF) closed below the handle of the inverse cup-with-handle base that started April 1, 2021. The top of the base is Fibonacci 50% resistance at 118.10, and the handle of the more extensive cup-with-handle base began March 13, 2020. (Refer to Chart)
- **The Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) closed higher today as yields on the 10-year treasury continue to climb.**
- The 7–10-year US Treasury Bond Exchange Traded Fund (IEF) is **under institutional distribution** with an Up/Down Volume ratio of 0.7.
- Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) closed at 9.29.
- Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) VWAP is at 10.37.
- Sell target price: 1st target is **10.66**
- Stop sell price: Close below **8.78**.

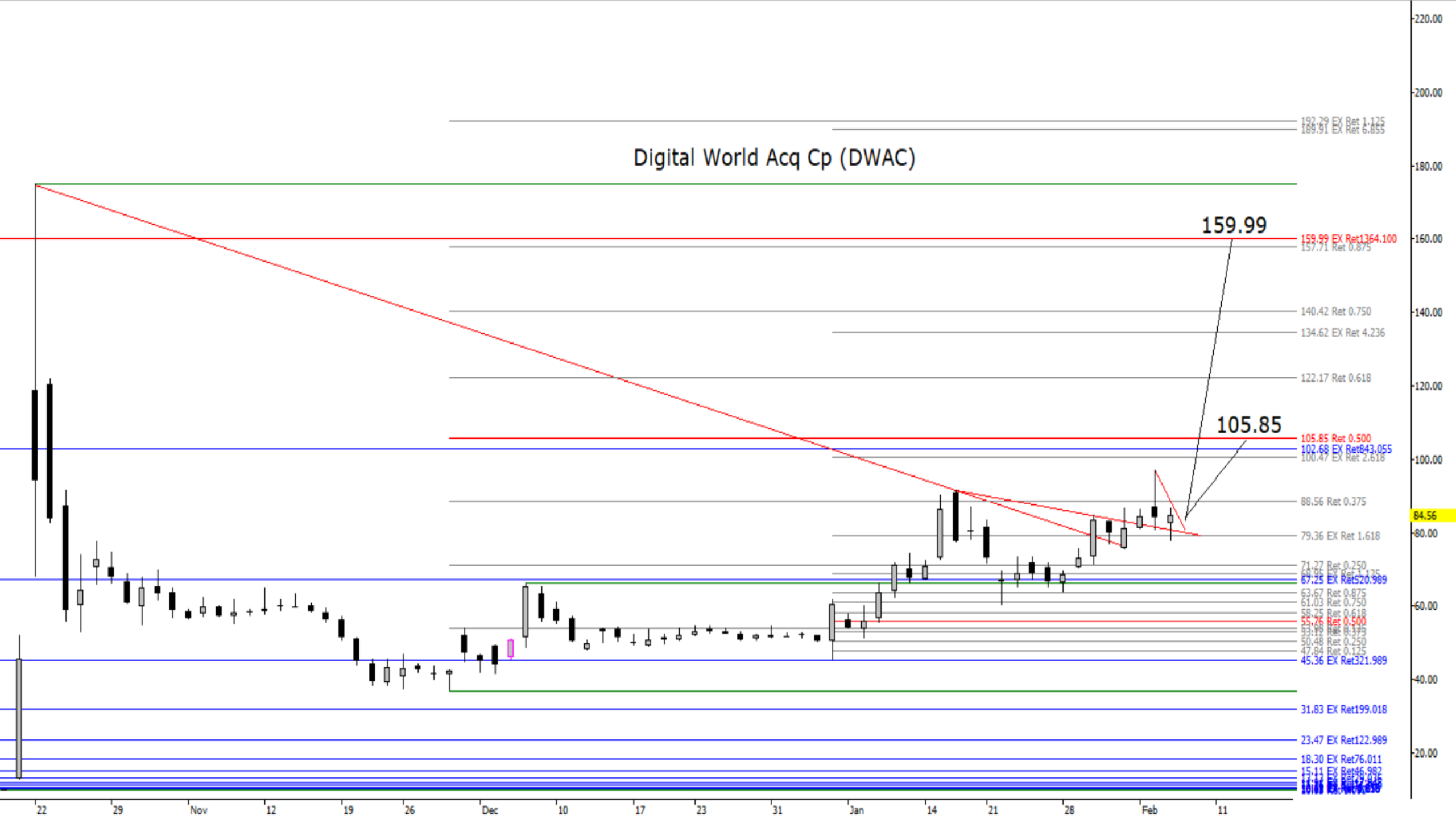
# Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO)



## *Digital World Acquisition Corp. (DWAC)*

- Industry Group: **Internet Content**. Once Digital World Acquisition Corp. (DWAC) merges with Trump Media and Technology Group (TMTG), it will join the Internet Content group. The group currently ranks as the 108th strongest industry group out of 197 and is down -4.02% YTD. The group came close to a 20-day closing high buy signal with above-average volume this past week on Alphabet Inc. (GOOG) earnings news.
- Digital World Acquisition Corp. (DWAC) announced the merger with Trump Media and Technology Group (TMTG) on October 20, 2021. Two days after the announcement, the stock was up a staggering 1643%. A good indication of SPAC's future performance is how they come out of the gate. No other SPAC has ever rewarded investors like this.
- Digital World Acquisition Corp. (DWAC) is completing the handle of a four-month inverted head and shoulders pattern. It is under massive accumulation.
- Trump had 150 million followers across various social media platforms. Many of these followers are likely to sign up for Truth Social. As an internet content provider, it is about eyeballs and advertising. The numbers could add up to a successful launch.
- *Digital World Acquisition Corp. (DWAC) confirmed a buy today as the stock pulled back to Fibonacci support at 79.36.*
- Position at 2-star(\*\*)
- **Under massive accumulation** with an Up/Down Volume ratio of 2.0.
- *Digital World Acquisition Corp. (DWAC)* closed at 84.45.
- *Digital World Acquisition Corp. (DWAC)* VWAP is at 59.14.
- Target prices: 1st target is **92.47**; 2<sup>nd</sup> target is **102.68-105.85**; 3<sup>rd</sup> target is **159.99**
- Stop sell price: Close below **77.37**.

# Digital World Acq Cp (DWAC)





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<sup>1</sup>The 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. TFR is providing information on this resource to you subject to the TFR "Terms and Conditions of Service" disclaimer.

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