



TFR

Trading Floor Research

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09/05/22

This Trading Floor Research report contains:

- **Direxion Daily S&P 500 Bear 3X (SPXS)**. An ETF BUY Candidate corresponding to 3X the inverse daily performance of the S&P 500.
- **ProShares UltraShort Technology (REW)**. An ETF BUY Candidate corresponding to 2X the inverse daily performance of the Dow Jones U.S. Technology Index.
- **Direxion Daily Tesla TSLA Bear 1X ETF (TSLS)**. An ETF BUY candidate corresponding to 1X the inverse daily performance of Tesla.
- **Indonesia Energy Corp Ltd (INDO)**. A new BUY candidate in the Oil & Gas International Exploration & Production industry group.

Sectors, Industry Groups & Leadership Stocks

S&P 500

On Friday, we saw the bears challenge the bull's last stand for the second day in a row. The S&P 500 put Friday's low only one point below the 50% range of the May high to June low of 3907.19. In the June and July newsletters, I wrote about the bull and bear struggle at 3907.19 that we are continuing to see now. One hour before closing, the index bounced off this number, and simultaneously we observed the most significant volume occurring. Since the bulls defended the number again, the possibility for another bounce attempt is open for next week.

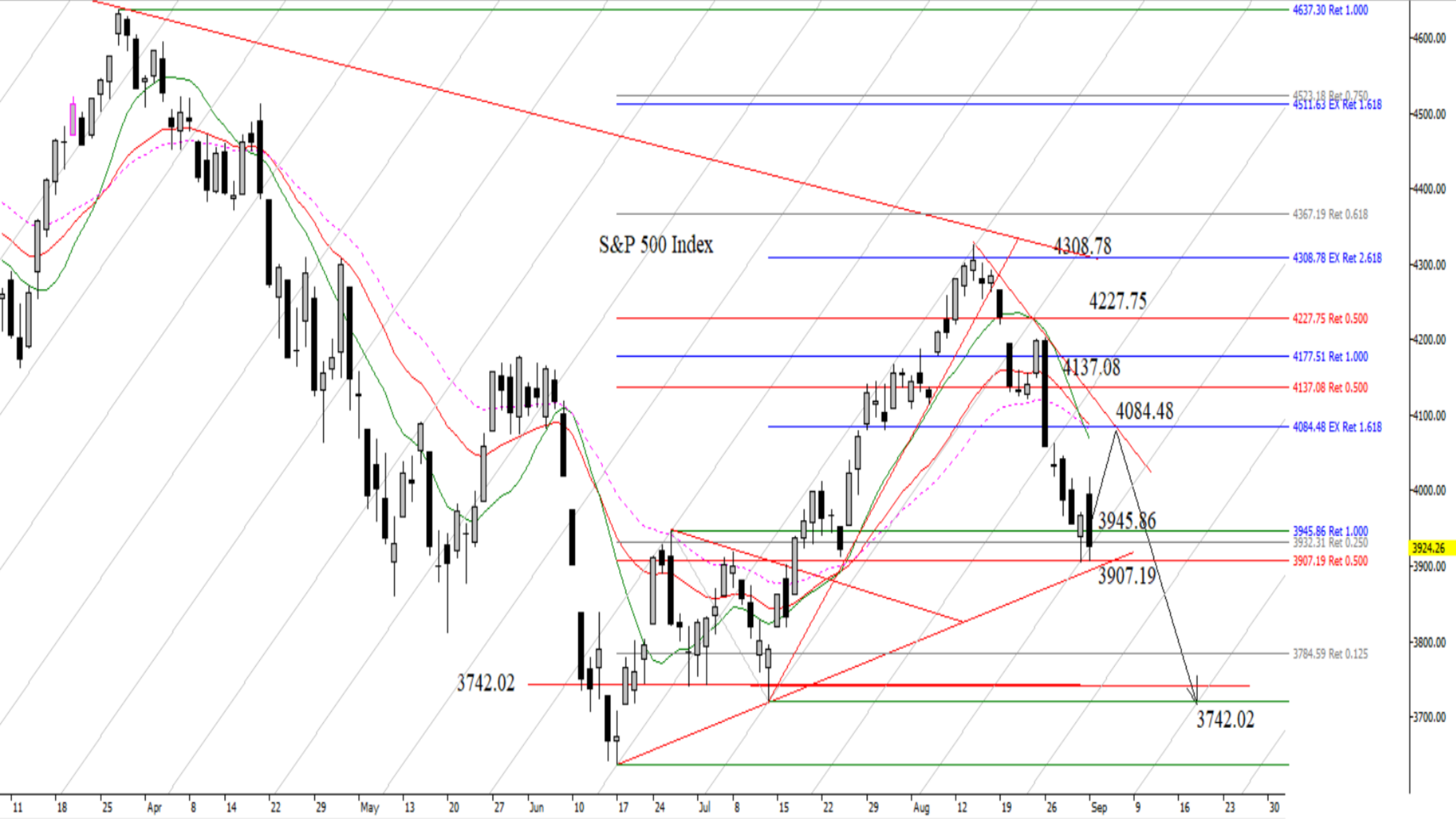
Now, the Fibonacci resistance the S&P 500 must overcome is 3945.86. A close above that number could mean it has a chance at a more considerable Fibonacci resistance of 4084.48.

There was an attempted bounce to Fibonacci resistance at 4084.48 on Friday, but that was cut short at 4018.13. Since the bear market rally peaked at 4300, every attempt at a bounce to logical Fibonacci resistance has been stopped short of the target. Last week in the newsletter, I warned, "Hitting the weakest number in the eighth series at 4300 can lead to swift moves in the opposite direction." The downward momentum provided by bouncing off 4300 like a brick wall leaves little room for retracement and provides just a glimpse of what this powerful signal could yield. Taking another look at my Technical Analysis Roadmap for the S&P 500 using the time cycle analysis and Fibonacci retracements model I created, we can see that this action is typically not resolved until the significant 50% number of the entire move has been achieved. In this case, the number is 2742.27. (For more information, refer to my S&P 500 long-term chart).

If over the next week, the S&P 500 can rally back to Fibonacci resistance at 3945.86 or 4084.48, it will provide another opportunity to add to the Direxion Daily S&P 500 Bear 3X (SPXS) position and take advantage of the move. (Refer to S&P 500 long-term chart).

If, however, the S&P 500 closes below the significant bull and bear struggle at 3907.19, the next target is the major 3742.02 Fibonacci number from my long-term chart. Closing below 3742.02 will only increase the probability of achieving the 2742.27 S&P 500 target number.

I recommend caution and cash
the bears are in control Of the Russell 2000 and indicate "Risk-Off" in the markets.



Long-Term Chart of S&P 500 (Starting in 1987)

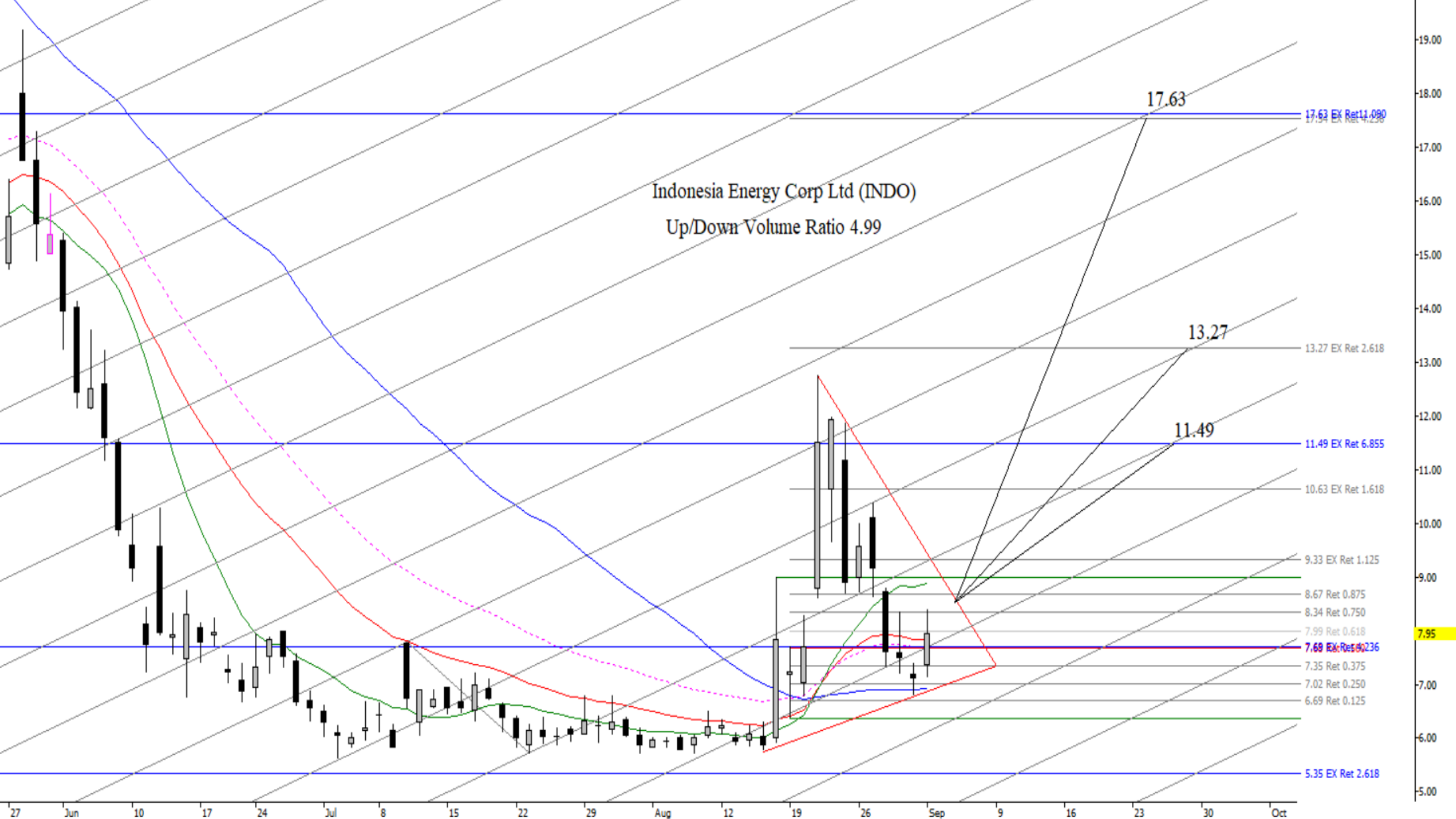


Sectors, Industry Groups & Leadership Stocks

Energy Sector may provide buying opportunities

Just two of the eleven market sectors, Utilities and Energy, held strong last week despite the crippling blow the market took. Nine of eleven sectors may have confirmed a sell, but the Energy sector showed institutional accumulation throughout the previous week as the Up/Down Volume Ratio made a 50-day high. As the market continues to move lower, this sector may provide buying opportunities.

***Indonesia Energy Corp Ltd (INDO)** is a stock catching my attention and showing a lot of promise. It held very well at Fibonacci support 7.69 under intense accumulation with an Up/Down Volume Ratio of 4.99. Proceeding Indonesia Energy's initial buy signal on August 18, it rallied to Fibonacci resistance at 11.49 and pulled back on light volume. Breaking the descending trendline and 30-minute signal at 8.40 will provide a new buy signal confirmation. When this occurs, I will send a text with confirmation. (Refer to chart with Fibonacci target numbers)*



Buy candidate: Direxion Daily S&P 500 Bear 3X (SPXS)

- *Portfolio: Short the S&P 500. This trade is designed to move 3x the inverse daily performance of the S&P 500 (SPX).*

- *The Direxion Daily S&P 500 Bear 3X (SPXS) trade is designed to take advantage of the next potential move lower in the S&P 500 (SPX). If the S&P 500 has a retracement rally, I will watch for SPXS to pull back to Fibonacci support between 20.01-19.74. After the retracement, I will watch for confirmation with a 30-minute buy signal.*

- *The Direxion Daily S&P 500 Bear 3X (SPXS) will offer an opportunity to purchase more shares if the S&P 500 rallies to retest 4084.4-4137.08 and SPXS retraces to the 20.01-19.74 range.*

Wait for text confirmation!

- *Increase position to a 3-star(***)*.

- *Direxion Daily S&P 500 Bear3X (SPXS) closed at 20.91.*

- *Direxion Daily S&P 500 Bear 3X (SPXS) VWAP is at 48.28*

- *Sell target price: 1st target is 21.33; 2nd target is 24.30; 3rd target is 29.12.*

Stop sell price: Close below 17.43.



Buy candidate: ProShares UltraShort Technology ETF (REW)

• *Portfolio: Short the Technology Sector. This trade is designed to move 2x the inverse daily performance of the Dow Jones U.S. Technology Index.*

• *The ProShares UltraShort Technology ETF (REW) trade is designed to take advantage of the next potential move lower in the Technology Sector. As technology has a retracement rally, I will watch for a throwback into the trendline and a pullback to Fibonacci support at 18.57. After the retracement, I will watch for confirmation with a 30-minute buy signal.*

• *The ProShares UltraShort Technology ETF (REW) will Confirm a Buy with a pullback to 18.57 and 30-minute buy signal.*

Wait for text confirmation!

• *Start position at 3-star(***)*.

• *ProShares UltraShort Technology ETF (REW) closed at 19.91.*

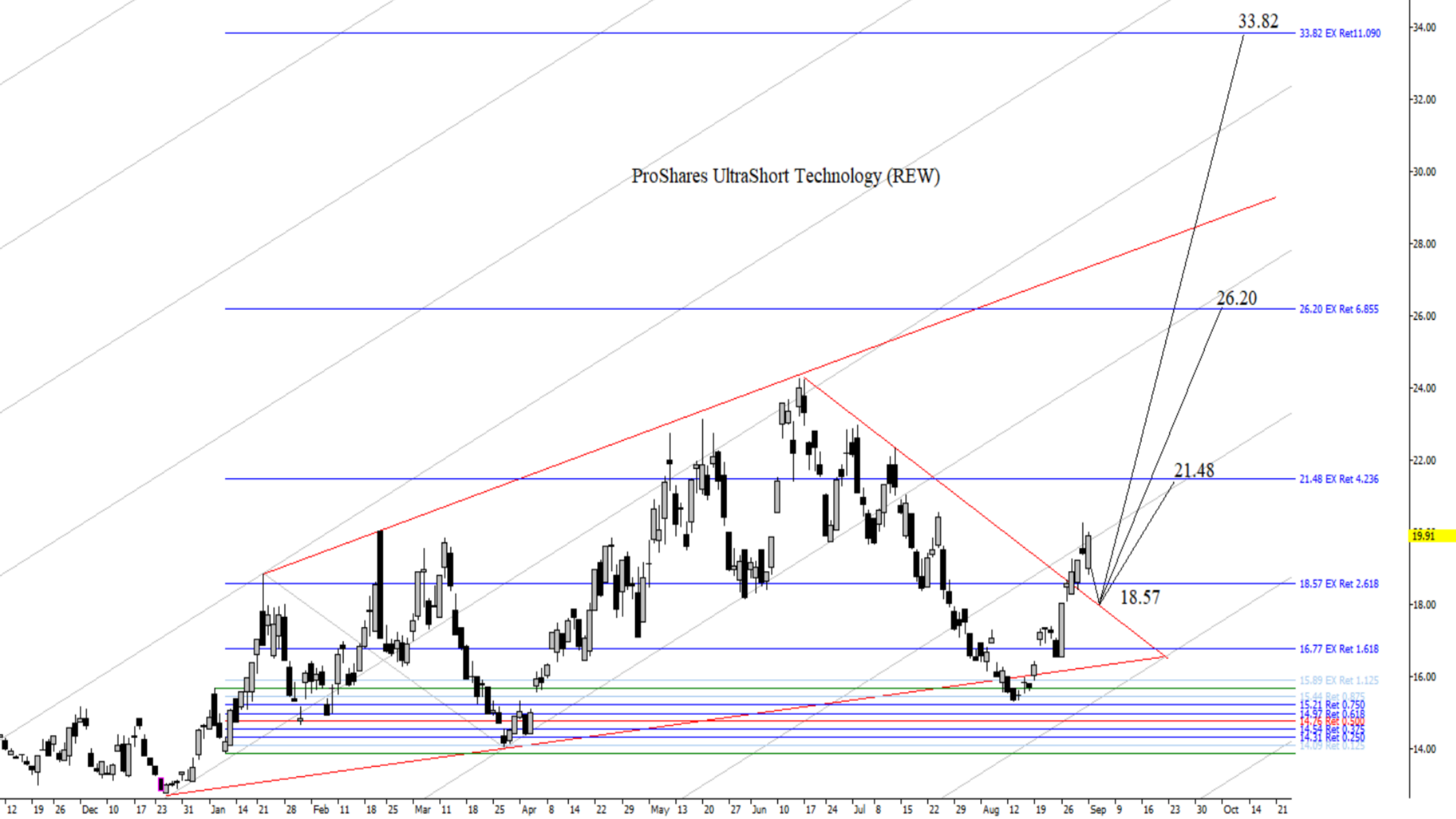
• *Under massive institutional accumulation with an Up/Down volume ratio of 3.12*

• *Direxion Daily S&P 500 Bear 3X (SPXS) VWAP is at 32.18.*

• *Sell target price: 1st target is 21.48; 2nd target is 26.20; 3rd target is 33.82.*

Stop sell price: Close below 16.77.

ProShares UltraShort Technology (REW)



Buy candidate: Direxion Daily Tesla TSLA Bear 1X ETF (TSLS)

*Portfolio: **Short Tesla Inc. (TSLA)**. This trade is designed to move inverse to the daily performance of Tesla Inc. (TSLA).*

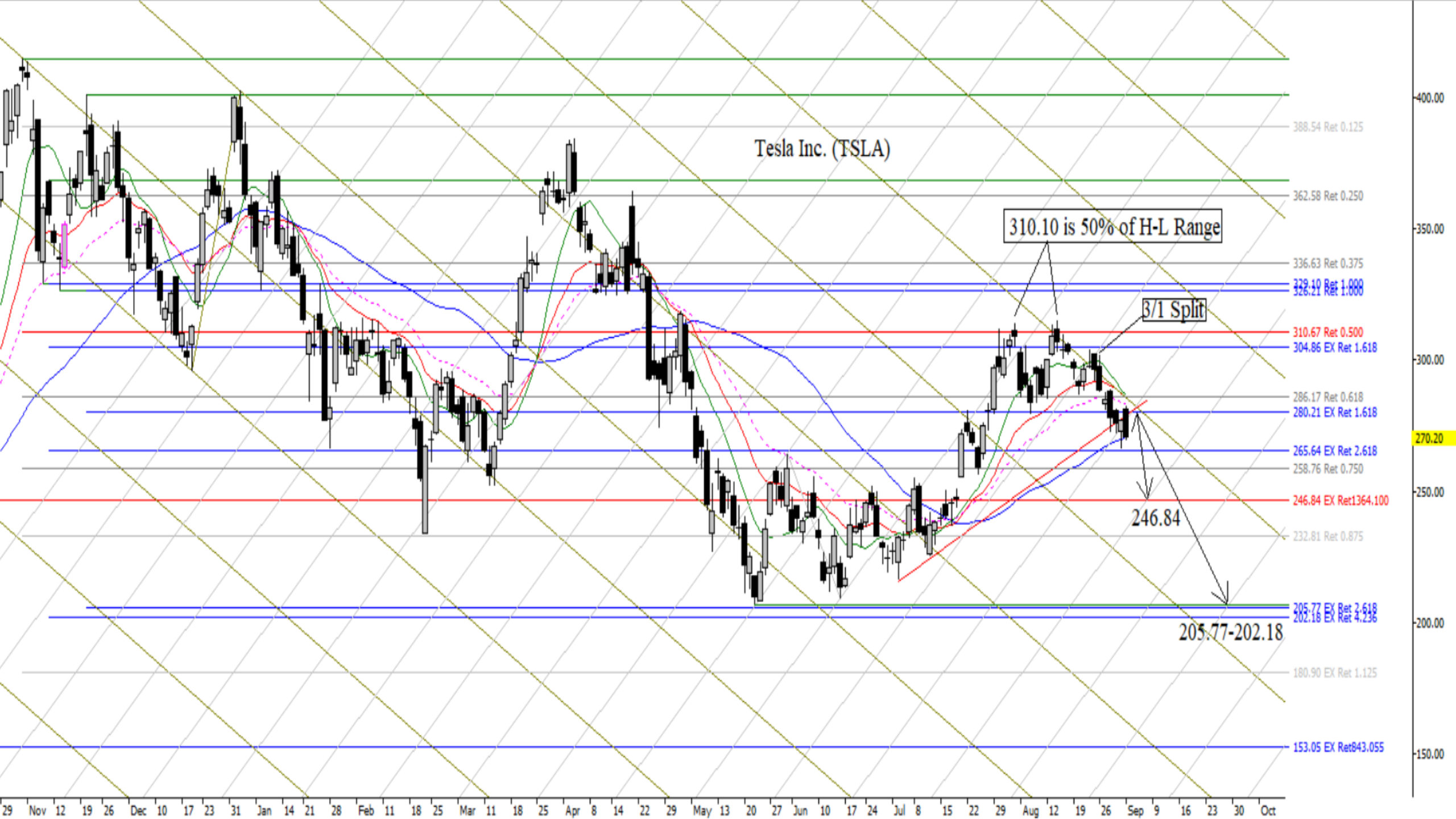
August saw Tesla Inc. (TSLA) top out at 50% of the range from its all-time high in November 2021 to the low in June 2022. This shows that the bears retained stock control during June and July's bear market rally.

Tesla continued moving lower and closed out last week below significant Fibonacci support at 280.21, even after reporting a 3-for-1 stock split. The 3-for-1 stock split puts more of a supply of stock shares on the market, meaning an institution who wants to sell 500,000 shares to reduce their position size must sell 1.5 million shares representing the same percentage of portfolio allocation. As demand evaporates, increasing stock share supply is not suitable for higher prices in Tesla.

A look back on Friday showed the stock closing below its rising trendline from both the July low and the 50-day moving average.

In addition, the Up/Down Volume Ratio hit a 20-day low which indicates institutions are distributing shares. This distribution confirms the 20-day closing low sell signal given on August 30.

*I will be taking advantage of any bounce in Tesla Inc. (TSLA) between 280.21 and 286.17 Fibonacci resistance to short the stock by using the new **Direxion Daily Tesla TSLA Bear 1X ETF (TSLS)**. This ETF is designed to take advantage of a lower move in Tesla Inc. by corresponding to 100% of the inverse daily performance of the stock.*

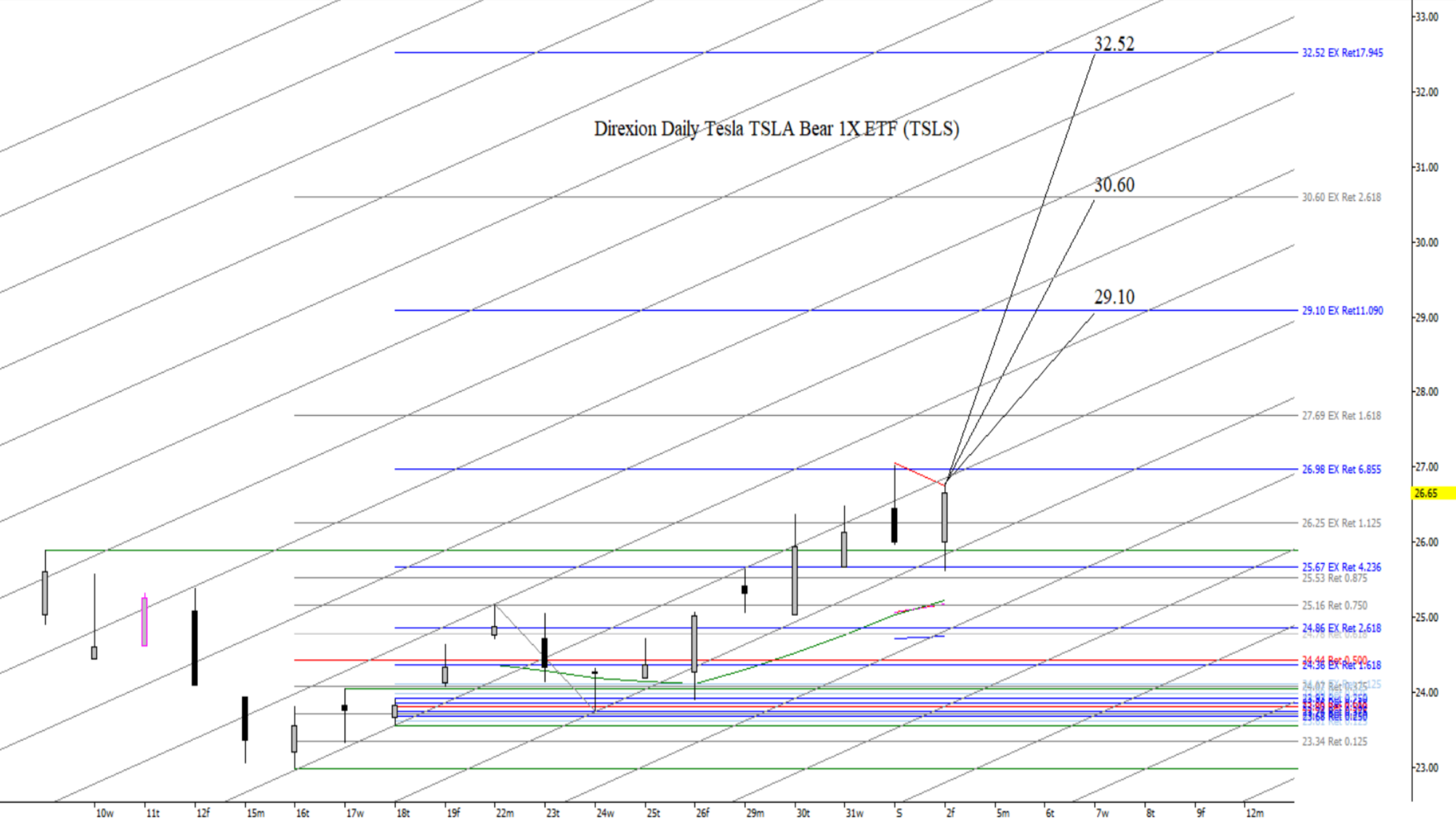


Buy candidate: Direxion Daily Tesla TSLA Bear 1X ETF (TSLS)

- *Portfolio: Short Tesla Inc. (TSLA). This trade is designed to move inverse the daily performance of Tesla Inc. (TSLA).*
- *Direxion Daily Tesla TSLA Bear 1X ETF (TSLS) trade is designed to take advantage of the next potential move lower in Tesla Inc.. The TSLS ETF came to the market as an IPO on August 9, 2022. I will take advantage of any bounce in Tesla Inc. (TSLA) between 280.21 and 286.17 Fibonacci resistance to short the stock using the new Direxion Daily Tesla TSLA Bear 1X ETF (TSLS).*
- *The Direxion Daily Tesla TSLA Bear 1X ETF (TSLS) will Confirm a Buy with a pullback to 25.67 or a confirmation signal with a 30-minute close above 26.98.*
- *Wait for text confirmation!*
- *Start position at 2-star(**).*
- *Direxion Daily Tesla TSLA Bear 1X ETF (TSLS) closed at 26.72.*
- *Direxion Daily Tesla TSLA Bear 1X ETF (TSLS) VWAP is at 24.78.*
- *Sell target price: 1st target is 29.10; 2nd target is 30.60; 3rd target is 32.52.*

Stop sell price: Close below 24.78.

Direxion Daily Tesla TSLA Bear 1X ETF (TSLS)





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