



TFR

# Trading Floor Research

Welcome to the  
— Trading Floor —

09/04/24



*This Trading Floor Research report contains:*

*S&P 500 (SPX) (Update)*

*Japanese Yen (Update)*

*Gold Miners (Update)*

*Semiconductors and Technology Sector (Update)*

*A Weekly Follow-up of current stock positions*

## S&P 500 (SPX) Update

*Yesterday's **S&P 500** opening gap below critical Fibonacci resistance at 5638.73 set the stage for a day of persistent selling and ended the possibility of higher prices anytime soon. A close below the first Fibonacci downside target at 5532.07 indicates a further price drop.*

*The past two days of heavy distribution pushed the market lower with very little bounce. This week's volume is the largest since the August selloff, leaving the S&P 500 with five distribution days in the past eleven trading sessions. Five distribution days in twenty trading days is often a signal of a market top.*

*The recent intensity of distribution days under critical Fibonacci resistance at 5638.73 should not go unnoticed. The S&P 500 may attempt a bounce off the Ichimoku cloud at 5518.51. Otherwise, the next substantial Fibonacci downside target is at 5394.47, with minor Fibonacci support at 5459.41.*

## Japanese Yen Update

Following my Fibonacci target rules, I sold 1/3 of my **Invesco Currency Shares Japanese Yen (FXV)** position, approaching the First Fibonacci target of 64.48.

However, FXV reconfirmed a buy signal today on significantly above-average volume, pointing to higher prices. Substantial accumulation is also highlighted by the up/down volume ratio at 1.81, approaching 52-week highs.

FXV has been coiling up for the past 3 ½ weeks and completed a 21-day cup-with-handle formation. The pattern is the handle of a much larger cup-with-handle that started in December 2023. Today's buy signal will likely begin the next leg higher for the Japanese Yen.

## Gold Miners (Update)

*In the August 18 newsletter, I pointed out that **gold miners** gave a buy signal that lifted the **basic materials sector** higher without providing a buy signal for the sector or any other industry group in the sector.*

*For the past two weeks, gold stocks have been the only source of strength in basic materials. I pointed out several times how unusual it was that no other industry group in the sector gave a buy signal and stressed that I was staying clear of **silver, aluminum, copper, coal, industrial metals, steel, building materials, and agricultural input stocks**.*

*Yesterday's crushing of basic materials industry groups was avoidable. It resulted from the inability to confirm a buy signal off the August lows. Basic materials are in a bear trend and should continue to step lower.*

*However, yesterday's pullback in the gold miner's industry group was orderly and should provide a buying opportunity soon. The group threw back into the descending trendline from its recent base and strong Fibonacci support.*

*Once I get confirmation, I will still focus on gold miners like **Seabridge Gold Inc. (SA), AngloGold Ashanti Ltd. (AU), and Newmont Corp. (NEM)**.*

## Semiconductors and Technology Sector (Update)

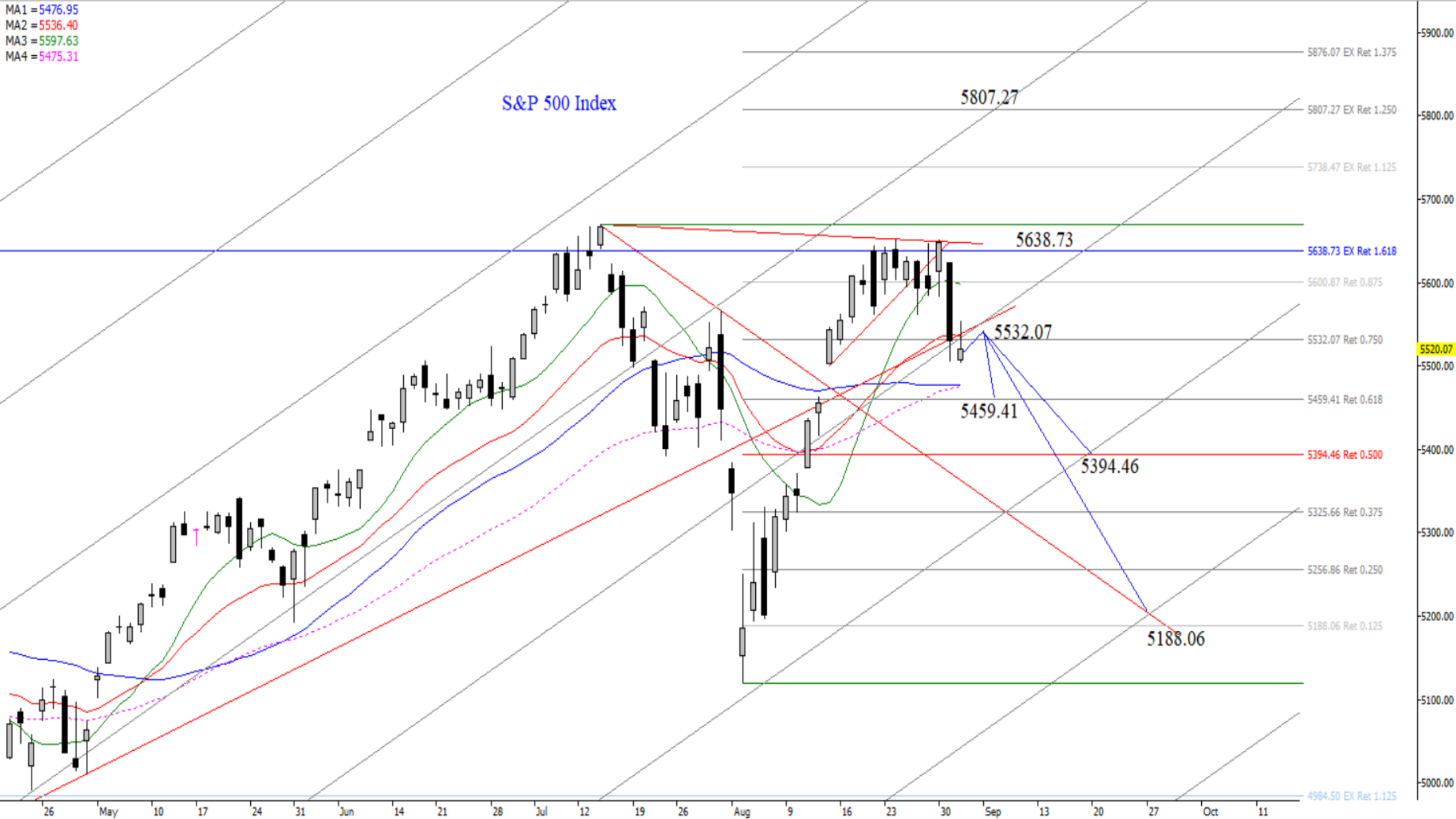
*This week's most devastating market blow came from **semiconductors and the technology sector**. The selloffs should not come as a surprise. Semiconductors and 12 of the 15 industry groups within the technology sector could not confirm new buys off the August lows.*

*The risk is high in the technology sector but should offer shorting opportunities on retracements. I am focused on ETFs like the **Direxion Daily AI and Big Data Bear 2x Shares (AIBD)** for capitalizing on the tech selloff.*



MA1 = 5476.95  
MA2 = 5536.40  
MA3 = 5597.63  
MA4 = 5475.31

### S&P 500 Index



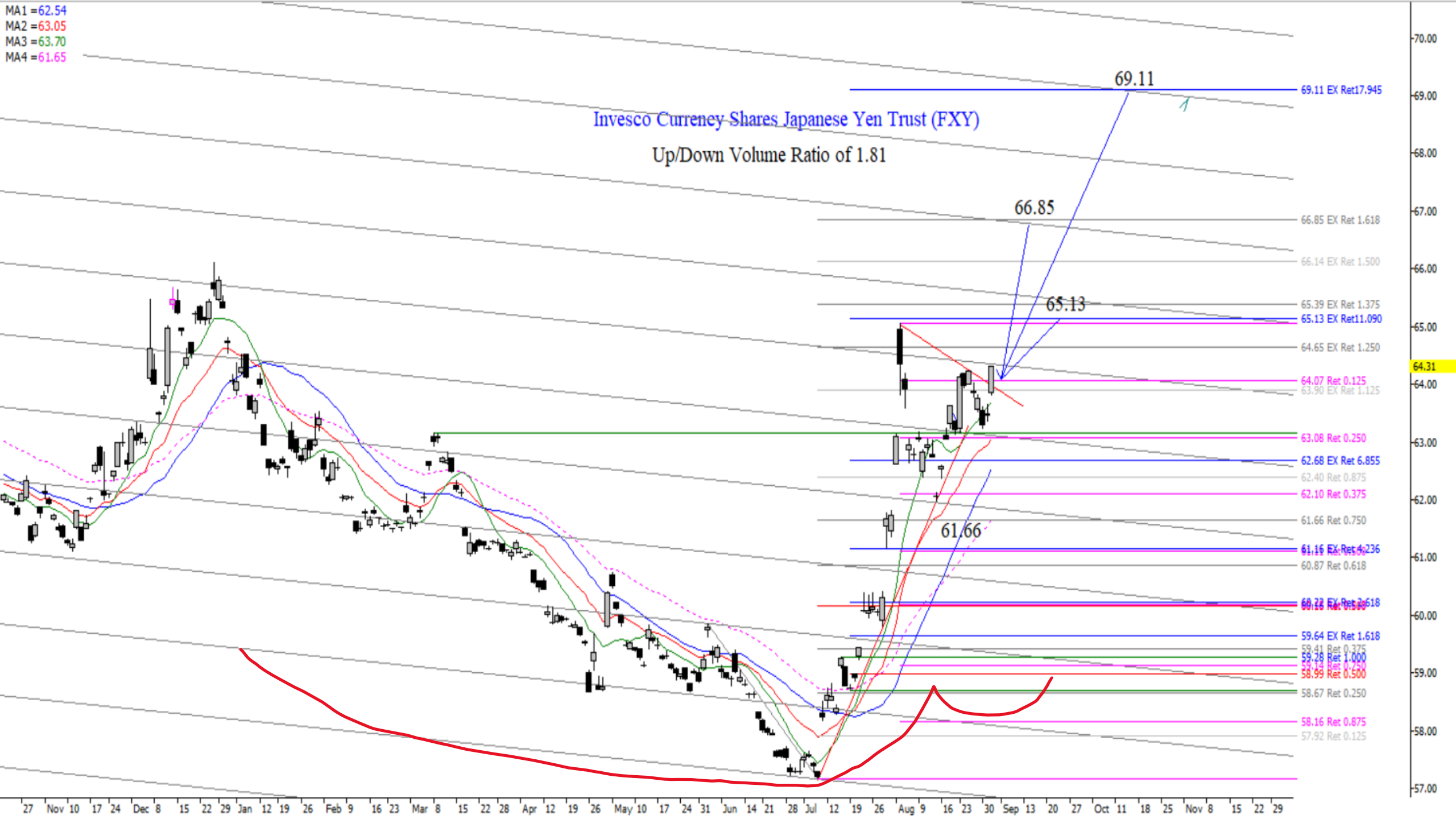
Value	EX Ret
5876.07	1.375
5807.27	1.250
5738.47	1.125
5638.73	1.618
5600.87	0.875
5532.07	0.750
5459.41	0.618
5394.46	0.500
5325.66	0.375
5256.86	0.250
5188.06	0.125
4984.50	1.125

5900.00  
5800.00  
5700.00  
5600.00  
5500.00  
5400.00  
5300.00  
5200.00  
5100.00  
5000.00

MA1 = 62.54  
MA2 = 63.05  
MA3 = 63.70  
MA4 = 61.65

### Invesco Currency Shares Japanese Yen Trust (FXY)

Up/Down Volume Ratio of 1.81





***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)*

- **Rocket Companies Inc. (RKT)** was purchased on August 13 at 18.08. I sold 1/3 of the RKT position on August 20 at 19.59 for an +8.4% gain and another 1/3 on August 23 at 20.28 for a 12.2% return. The remaining 1/3 position closed at 20.19 with an 11.7% gain.
- **Aveanna Healthcare Holdings Inc. (AVAH)** was purchased on August 15 at 4.83. On August 16, I sold 1/3 of the position for an 8.1% gain. On August 23, I sold another 1/3 position at the second Fibonacci target of 5.86 for a 21.3% return. The remaining 1/3 position closed at 5.42 for a +12.2% gain.
- **Invesco Currency Shares Japanese Yen (FXJ)** was purchased on August 20 at 63.25. Shares closed at 64.23 with a 1.6% gain.



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- **Invesco Currency Shares Japanese Yen (FXJ)** was purchased on August 20 at 63.25. Today, I sold 1/3 of the position at 64.30 and a 2-point gain. Shares closed at 64.32 with a 2.0% gain.
- **Imax Corp (IMAX)** was purchased on August 26 at 21.63. Shares closed at 21.60.
- I sold my **Defiance Daily Target 1.5X Short MSTR ETF (SMST)** position yesterday.  $\frac{3}{4}$  of the SMST position was sold with an 8.1% return and a  $\frac{1}{4}$  of the position was sold with an 8.8% gain.



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