



# 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) .*
- *Warrior Metallurgical Coal Inc. (HCC). Traded at another all-time high today.*
- *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.*
- *AbbVie Inc. (ABBV) hit a new all-time high today.*
- *Digital World Acquisition Corp. (DWAC)*





## Essential Lessons for Stock Market Success.

Class 3 is Thursday February 17, 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** took a breather and was the only sector to finish lower on the day. It follows the lead of oil prices which started a pullback from yesterday's high. I provided a chart of the United States Oil Fund (USO) in this report. USO closely tracks the oil price and hit its rising trendline again yesterday. The Up/down volume ratio closed above 2.01 and indicated massive institutional accumulation of oil. (Refer to chart of USO)

The CBOE Volatility Index (VIX) continues to provide excellent clues to the beginning and end of each market selloff as the market trends lower. The VIX shot up to the 31.2 target number for two days in a row and gave a 30-minute sell signal on today's close at 25.46. Look for the market rally to continue as the VIX moves lower to the following target number at 23.0. (Refer to VIX chart)  
*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)

77.22 EX Ret 4.236

64.31

64.31 EX Ret 2.618

56.33

56.33 EX Ret 1.618

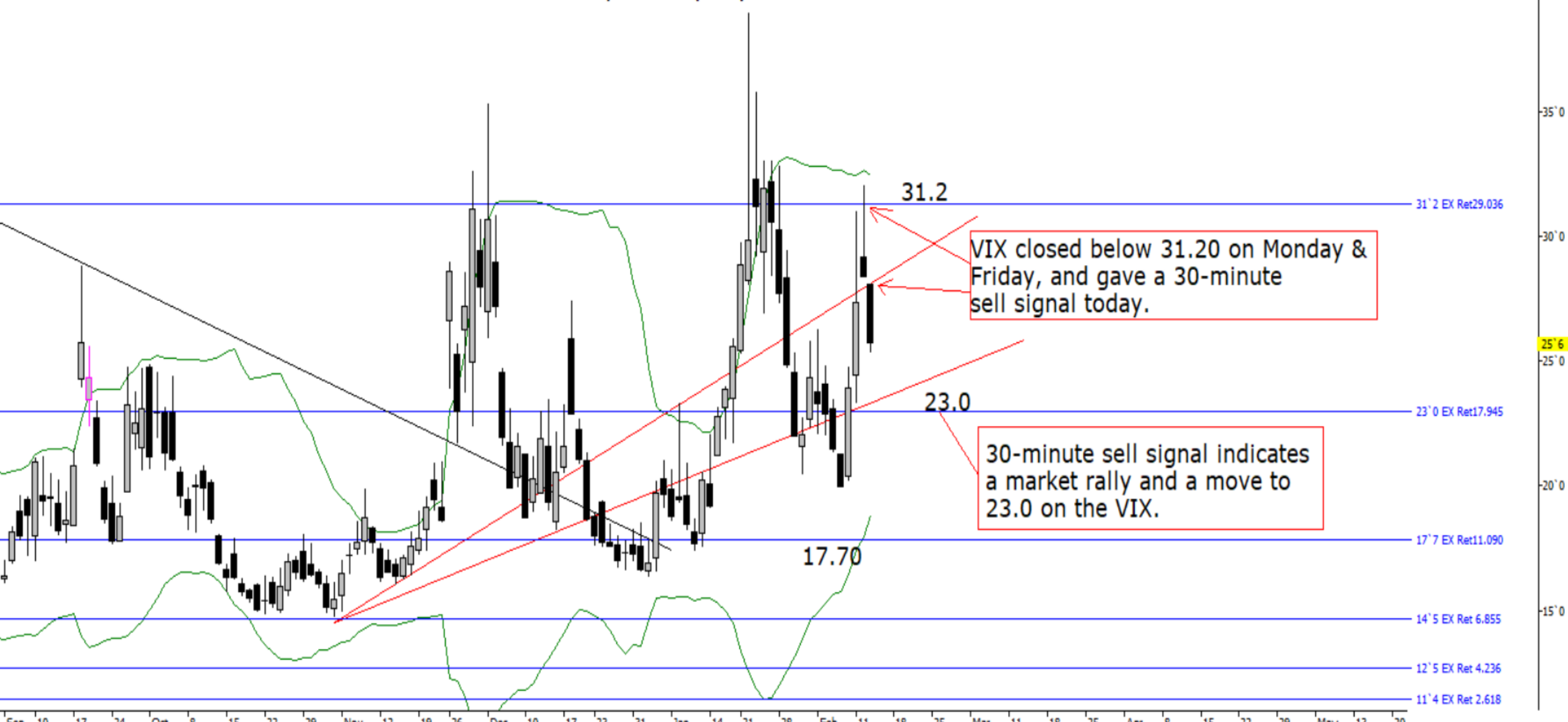
51.40 Ret 1.000

47.41 Ret 0.500

75.00  
70.00  
65.00  
60.00  
55.00  
50.00  
45.00  
40.00

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

### CBOE Volatility Index (VIX)



31.2

VIX closed below 31.20 on Monday & Friday, and gave a 30-minute sell signal today.

23.0

30-minute sell signal indicates a market rally and a move to 23.0 on the VIX.

17.70

## *Suncoke Energy Inc. (SXC)*

- Industry Group: **Energy Coal**. The group currently ranks as the 2<sup>nd</sup> strongest industry group out of 197 and is up 24.49% 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.
- Even with Suncoke Energy Inc.'s pullback today, the Up/Down volume ratio hit new highs at 2.13. Institutional accumulation in leadership coal stocks indicates much higher prices in the next few weeks.
- Position is at 2-star(\*\*)
- **Under massive institutional accumulation** with an Up/Down Volume ratio of 2.13.
- *Suncoke Energy Inc. (SXC)* closed at 7.66.
- *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)



9.96 EX Ret 6.855

9.56 EX Ret 1.618

8.65 EX Ret 1.618

8.43 EX Ret 1.125

7.85 Ret 0.875

7.60 EX Ret 1.000

7.26 EX Ret 4.236

7.00 Ret 0.500

6.75 Ret 0.500

6.71 Ret 0.375

6.42 Ret 0.250

6.14 Ret 0.125

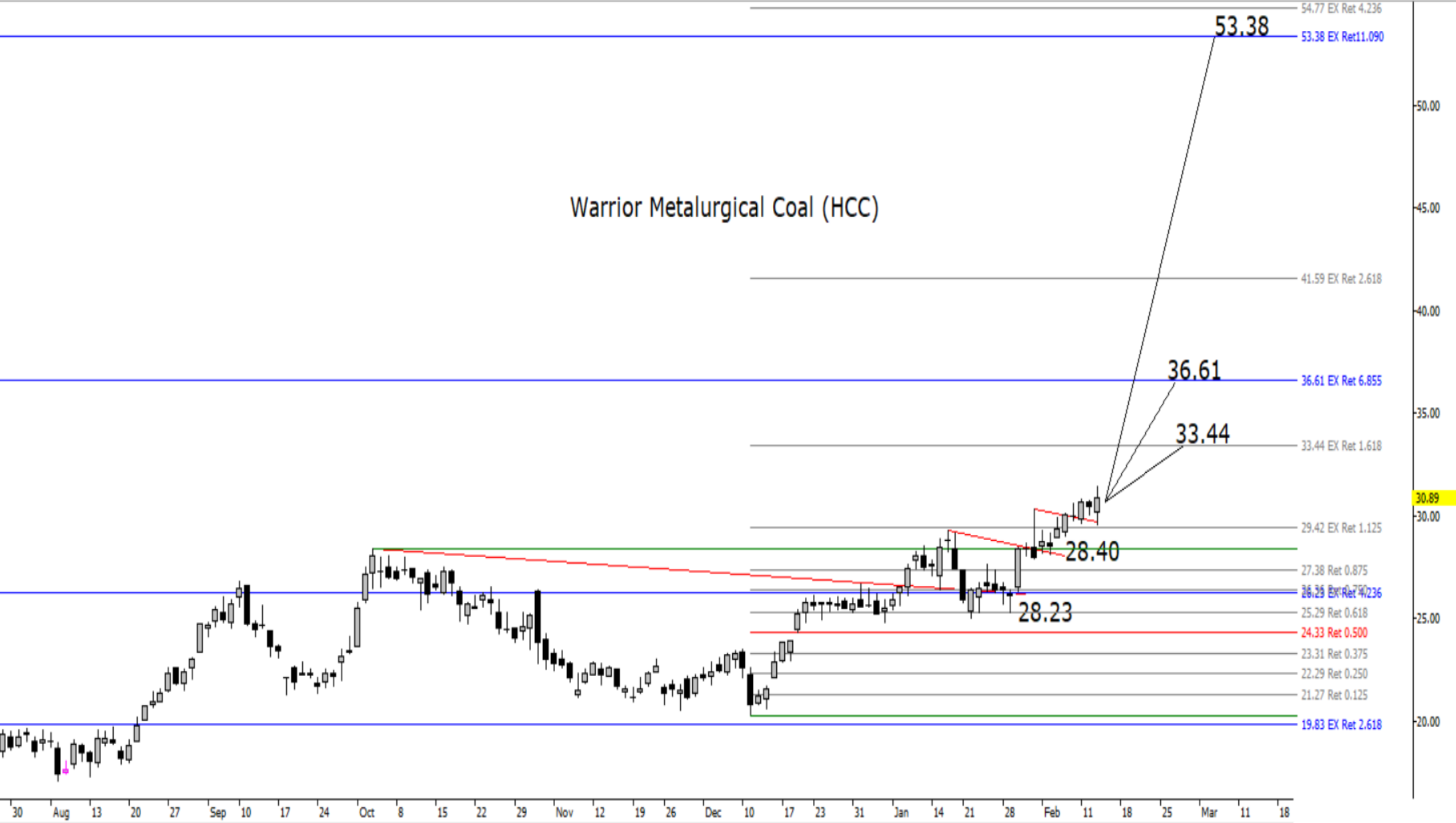
7.66



## Warrior Metallurgical Coal Inc. (HCC)

- Industry Group: **Energy Coal**. The group currently ranks as the 2<sup>nd</sup> strongest industry group out of 197 and is up 24.49% 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 a new high again today. Coal stocks continue to have the best-looking charts in the market.
- 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 Metalurgical Coal (HCC)

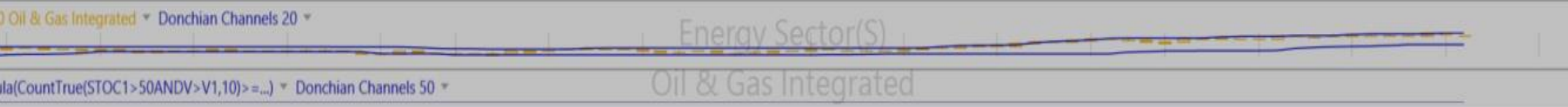


## Petroleo Bras Partners ADR Preferred A(PBR.A)

- **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(PR.B.A) hit a new high on Friday and pulled back yesterday. After pulling back further this morning, the stock clawed back to at-session highs. This is very bullish price behavior. I am looking for the stock to move higher in the next few days.
- Position is at 1-star(\*)
- **Under institutional accumulation** with an Up/Down Volume ratio of 1.4.
- Petroleo Bras Partners ADR Preferred A(PR.B.A) closed at 12.54.
- Petroleo Bras Partners ADR Preferred A(PR.B.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)



## *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 lower after a throw back into its trendline today on below average volume. Institutional accumulation is very strong.

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

- **Under institutional accumulation** with an Up/Down Volume ratio of 1.87.

- **Chevron Corp. (CVX)** closed at 134.11.

- **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 went back above 2%**
- 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 9.58.
- 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.
- *Digital World Acquisition Corp. (DWAC) is basing above Fibonacci support at 79.36 and gave a 30-minute buy signal in after hour trading today. Watch for the stock to move higher in the next few days.*
- Position is at 2-star(\*\*)
- **Under massive accumulation** with an Up/Down Volume ratio of 1.5.
- *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.

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