



TFR

Trading Floor Research

Welcome to the
— Trading Floor —

08/06/23



This Trading Floor Research report contains:

S&P 500 Update

Sector Bullish Percent Index Update

KraneShares CSI China Internet ETF (KWEB) Update

Grayscale Bitcoin Trust (GBTC) Update

Direxion Technology Bear 3X (TECS)

Still Setting up from last week.

XIAO-I ADR (AIXI)

Market Comments

S&P 500 Update

*Last week the **S&P 500** showed technical damage but still needs to give an official sell signal.*

Without a sell signal, the downside risk indicates that long positions should be managed very closely and sold to cut losses. But a shorting opportunity is only ready to be executed with a confirmed sell signal.

The technical damage included three distribution days in the past four sessions and four since the market topped on July 27.

*Also, the S&P 500 closed below its strong bear market **3/4 number at 4486.86** on Friday. The important weekly close came after an attempted bounce off 4486.86 on Thursday.*

The 3/4 number is substantial, and reversals are very likely. But Closing below 4486.86 on a weekly basis makes a reversal to resume the uptrend less likely. The S&P 500 must reclaim 4486.86 quickly; otherwise, the 3/4 number will become a firm ceiling.

*The next downside **Fibonacci targets are 4434.33 and 4311.69** and will confirm a **sell signal with a close below 4389.92**.*



Market Comments

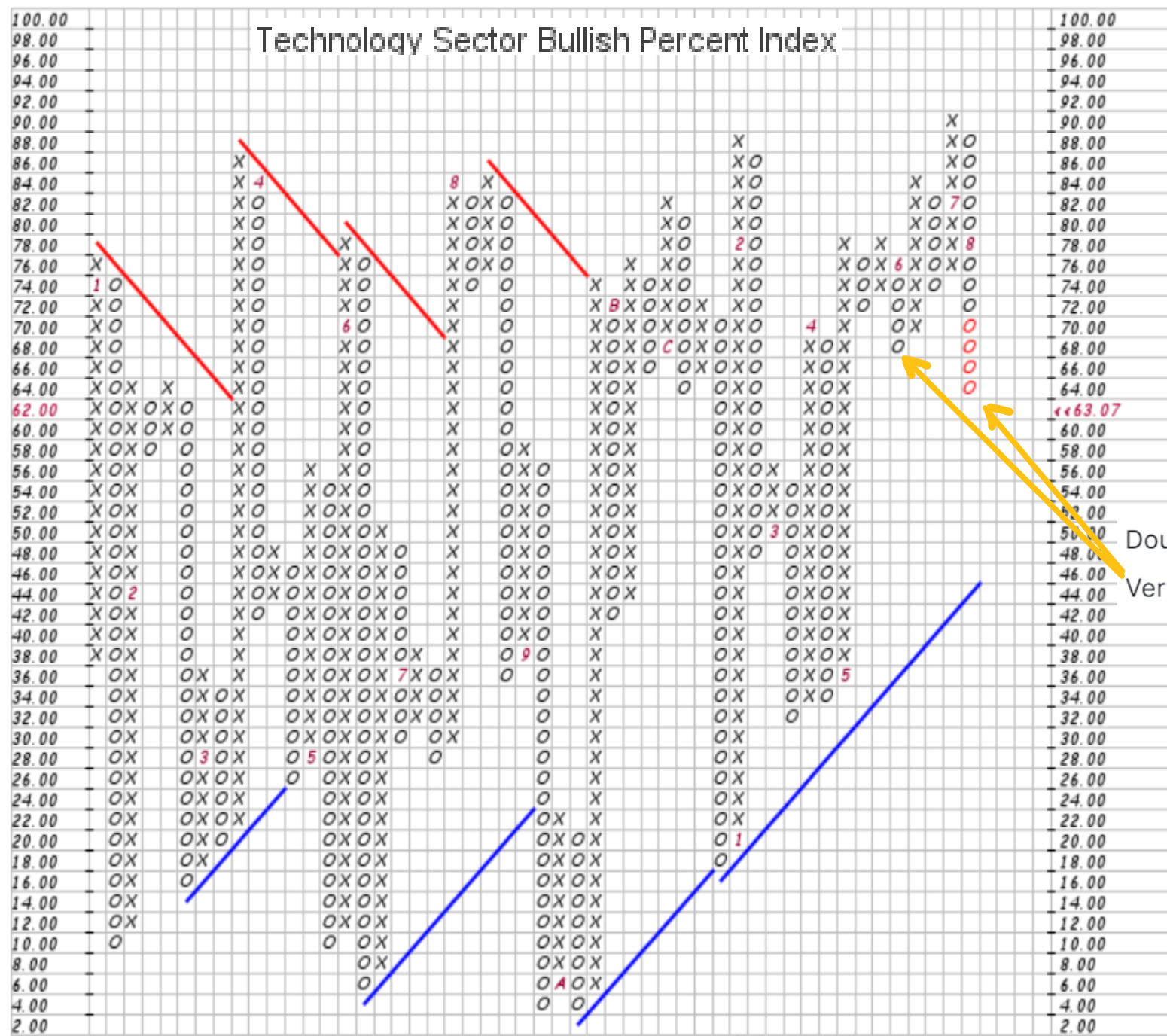
Technology Sector Bullish Percent Index Update

The **Technology sector's Bullish Percent Indicator** gave a more bearish reading on Friday.

The initial market warning from technology stocks showed extreme Bullish Percent Index readings over two weeks ago, followed by a Bullish Percent sell signal.

Technology stocks are now a candidate to consider shorting after a Bullish Percent Point & Figure chart gave a double bottom breakdown on Friday.

I will purchase the **Direxion Technology Bear 3x (TECS)** with confirmation at 14.72. The trade is highlighted in the newsletter.

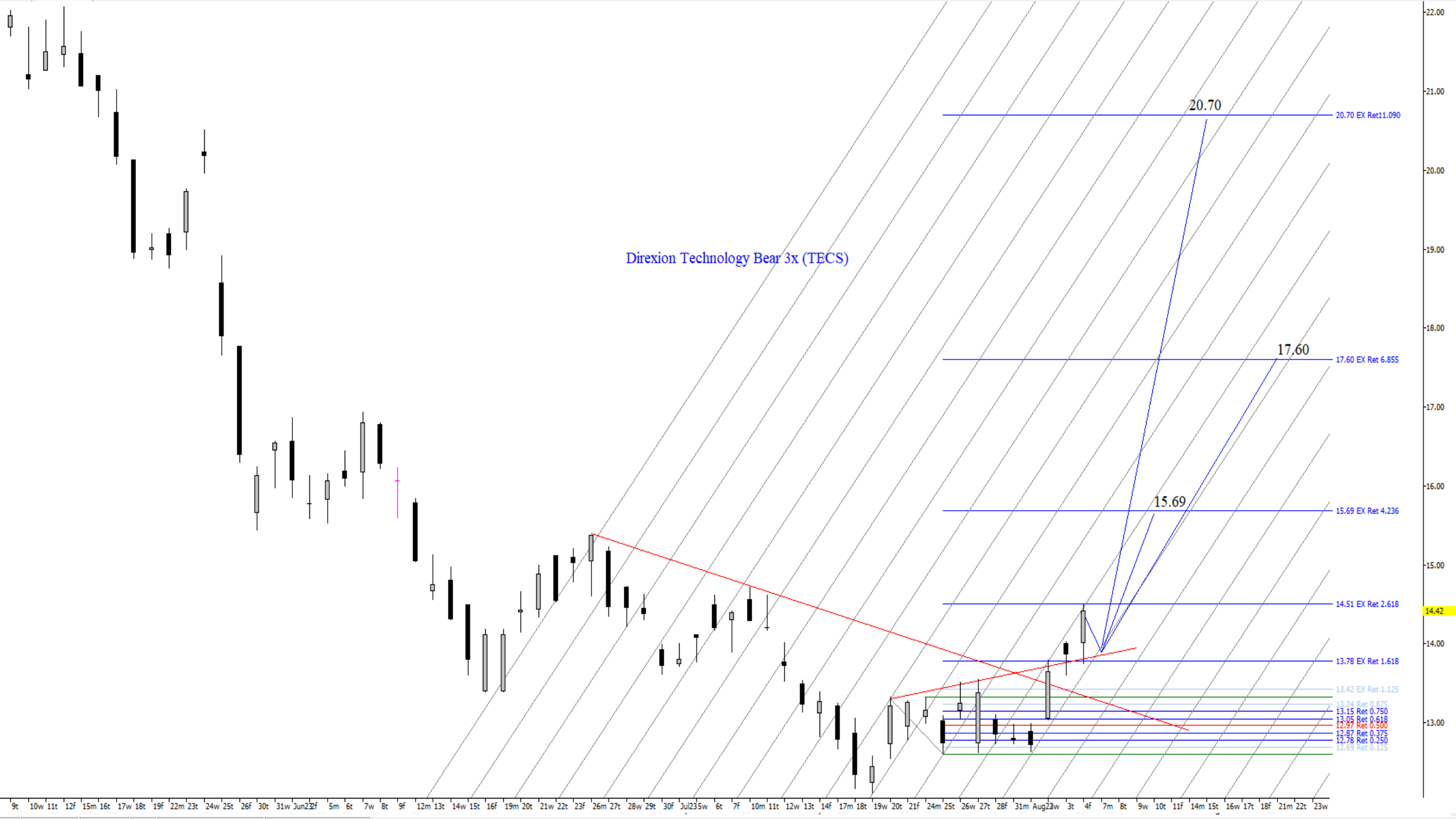


An Extreme Bullish Percent reversal has led to a decline and a Double Bottom Breakdown. The Technology Sector is ready for a major decline.

Double Bottom Breakdown
Very Bearish!

Buy candidate: Direxion Technology Bear 3x (TECS)

- *Portfolio: Short-Technology Sector. This trade is designed to move three times the inverse of the daily performance of S&P's Technology Sector.*
- The **Technology Sector Bullish Percent Indicator** gave a Double Bottom breakdown sell signal on Friday. The bears are taking control of tech stocks, and the sector is close to confirming a sell signal. (Refer to P&F Bullish Percent chart)
- *Direxion Technology Bear 3x (TECS) trade is designed to take advantage of the next potential move lower in the Technology Sector.*
- *Direxion Technology Bear 3x (TECS) will confirm with a 30-minute confirmation at 14.72.*
- *Wait for text confirmation!*
- *Start position at 1-star(*).*
- *Direxion Technology Bear 3x (TECS) is under Accumulation with an Up/Down Volume Ratio of 1.07 and close to 100-day highs.*
- *Direxion Technology Bear 3x (TECS) closed at 14.52.*
- *Direxion Technology Bear 3x (TECS) VWAP is at 46.25*
- *Sell target price: 1st target is 15.69; 2nd target is 17.60; 3rd target is 20.70*
- *Stop sell price: Close below 13.78.*



Market Comments

Chinese Market Update

Chinese stocks are coming close to completing their pullback.

*Friday **KraneShares CSI China Internet ETF (KWEB)** was close to confirming the resumption of its uptrend after a retreat to its 50% number at 30.06 last week.*

*Once I get confirmation, I will purchase stocks like **XIAO-I Corp. (AIXI)**. The AI Chinese stock returned to retest Fibonacci support at 7.36 on Friday.*

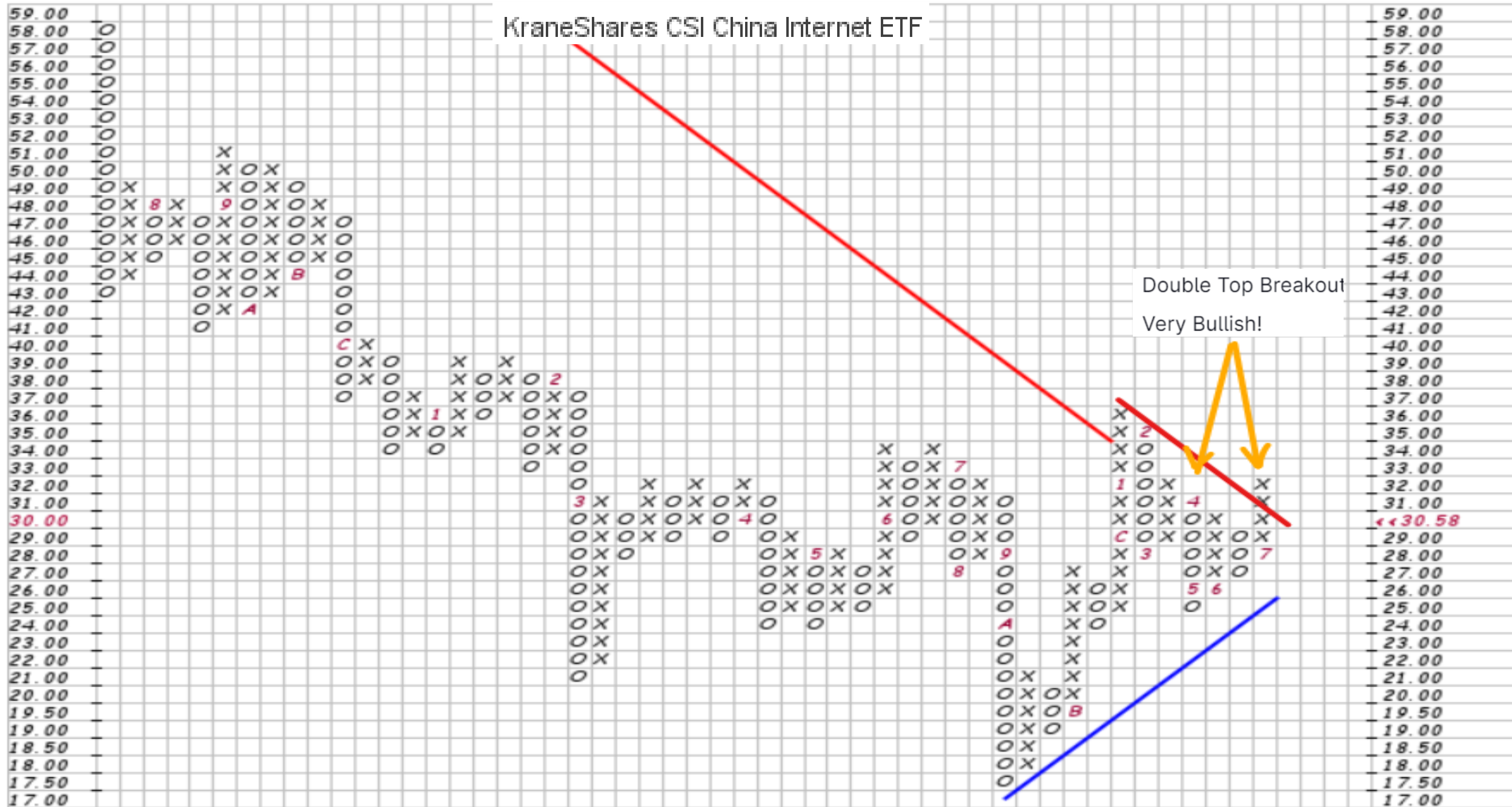
I will purchase shares once it gives a buy signal from its high handle on the IPO Primary base.

*This report highlights **XIAO-I ADR (AIXI)** in the **Computer Software Enterprise** industry group.*

KraneShares CSI China Internet ETF (KWEB)



KraneShares CSI China Internet ETF



Double Top Breakout
Very Bullish!

22

23

30.58

Buy Candidate: XIAO-I ADR (AIXI)

- *Industry Group: **Computer Software Financial**.* The Computer Software Financial industry group ranks as the 19th strongest industry group out of 197 and is up +21.34% YTD and is in a buy signal since July 20.

- **XIAO-I ADR (AIXI)** is a Chinese company offering AI, machine learning, and cloud computing services.
- **XIAO-I ADR (AIXI)** was an IPO on March 09 that broke out of its Primary Base last week and pulled back to Fibonacci support at 7.36. I will purchase shares with the completion of the high handle.
- **XIAO-I ADR (AIXI)** gave a Point & Figure chart Double Top Breakout last week and pulled back from the high pole, alleviating overbought conditions.
- *XIAO-I ADR (AIXI) will confirm with a 30-minute buy signal.*
- *Wait for text confirmation!*
- *Start Position at 1-star(*)*
- *Under massive institutional accumulation with an Up/Down Volume ratio of 2.50.*

- *XIAO-I ADR (AIXI) closed at 7.59.*

- *XIAO-I ADR (AIXI) VWAP is at 6.48.*

- *Sell target prices: 1st target is 8.72; 2nd target is 10.29; 3rd target is 10.93.*
- *Stop sell price: Close below 6.52.*



XIAO-I ADR (AIXI)
Up/Down Volume Ratio 2.51

10.93
10.93 EX Ret 11.090

10.29
10.29 EX Ret 1.618

8.72
8.72 EX Ret 6.855

7.36
7.36 EX Ret 4.236

6.52
6.52 EX Ret 2.618

6.15 Ret 0.500
6.00 EX Ret 1.618

5.75 EX Ret 1.125
5.69 Ret 0.375
5.43 Ret 0.578
5.40 Ret 0.500
5.25 Ret 0.250
4.76 Ret 0.250

7.59

Xiao-I Corp.						
10.50						10.50
10.00					X	10.00
9.50					8 0	9.50
9.00					X 0	9.00
8.50					X 0	8.50
8.00	X				X 0	8.00
7.50	X 0				X 0	<<7.59
7.00	X 0 X				X	7.00
6.50		0 X 4 X			X	6.50
6.00		0 X 0 5 7 X				6.00
5.50		0 X 0 X 0 X				5.50
5.00		0	0 X 0 X			5.00
4.75			0 X 0			4.75
4.50			0			4.50
4.25						4.25

Grayscale Bitcoin Trust (GBTC) & Bitcoin Update

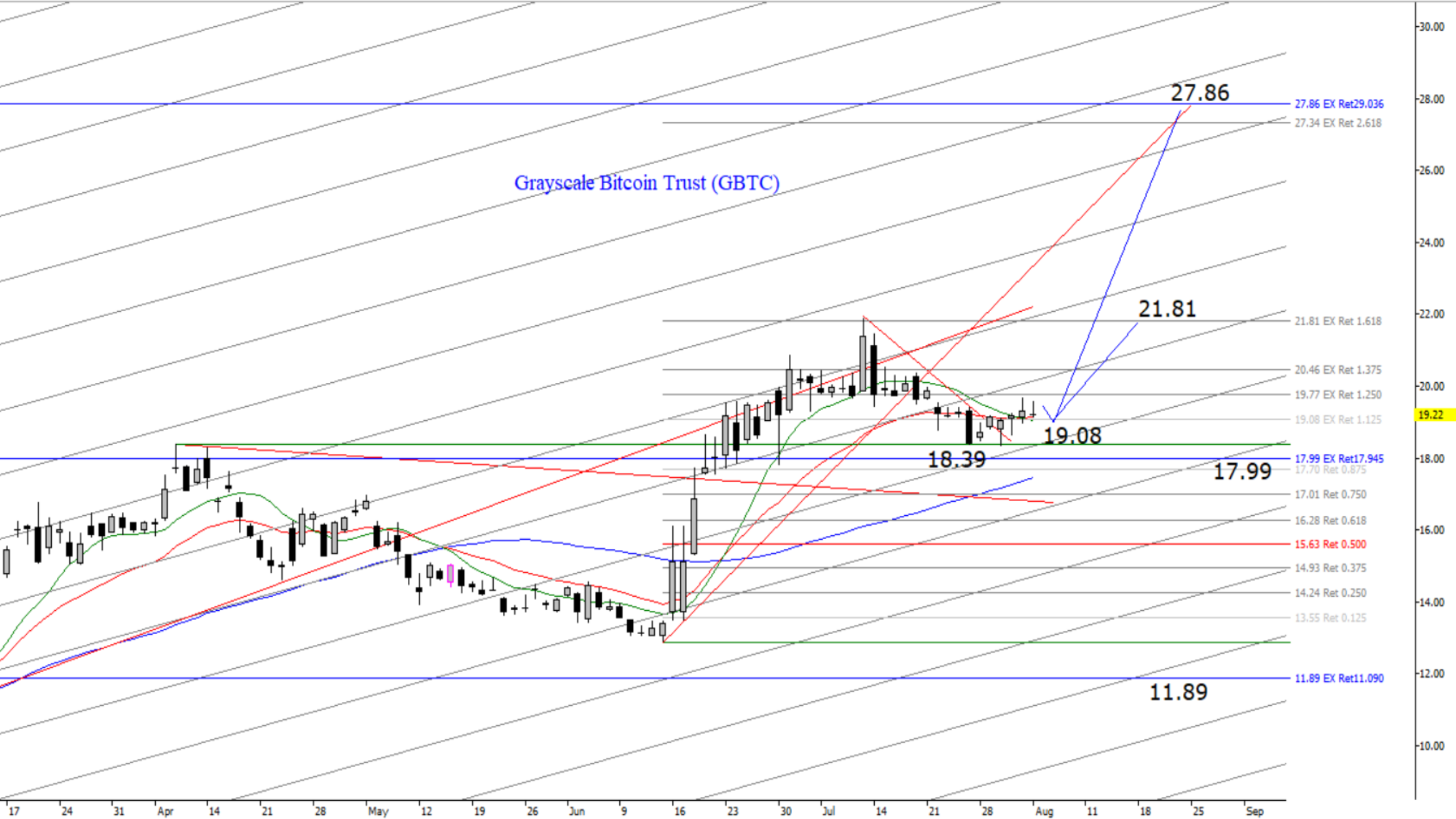
*The pullback in **Grayscale Bitcoin Trust (GBTC)** hit the Fibonacci target range between 18.39 and 17.99, and last Tuesday, got yanked down to 18.39 Fibonacci level once more before shares continued to rise for the rest of the week.*

The rise contrasted with a market that was getting hit and demonstrated GBTC's relative strength.

Last week's setup reconfirmed the Grayscale Bitcoin Trust (GBTC) trade at 19.17 and offered another excellent place to add to the position I entered Monday at 18.99.

August is one of the most volatile months of the year for Bitcoin. Since its inception in 2009, it has been up +64% of the time, with an average return of 152.39%. It is down 15% of the time, with an average loss of -54.91%, and neutral 21% of the time. Almost 80% of the time, Bitcoin will have a big move one way or the other in August.

Last week's action in Grayscale Bitcoin Trust (GBTC) indicates that Bitcoin is ready to advance. History suggests a big move.





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