



TFR

Trading Floor Research

Welcome to the
— Trading Floor —

12/15/21



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

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

- *Sigmatron International Inc. (SGMA). A new Buy candidate in the Electronic Contract Manufacturing industry group.*
- *Carvana Co. (CVNA) I covered my short and sold my Puts this morning at my Fibonacci target number of 214.75.*
- *Roblox Corporation CL A (RBLX) was stopped out yesterday with a close below 108.86.*
- *SiTime Corp (SITM) gave a new 30-minute buy signal today.*
- *Impinj Inc. (PI) Confirmed a buy on Monday. It made an all time closing high today.*

Bonus stocks:

- *Optical Cable Corp. (OCC) added 12/13/21 and hit Fibonacci target today at 6.50.*
- *Smith-Midland Corporation (SMID) added today 12/15/21*

Sectors, Industry Groups & Leadership Stocks

10 of the 11 market sectors are in sell signals. The utility sector is in a buy signal and extended its gains today.

Consumer Defensive, Real Estate, and Basic Materials Sectors have very constructive. But even after today's significant reversal on the Fed announcement, they continue to be in sell signals.

The S&P 500, NASDAQ, and Russell 2000 remain in sell signals.

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

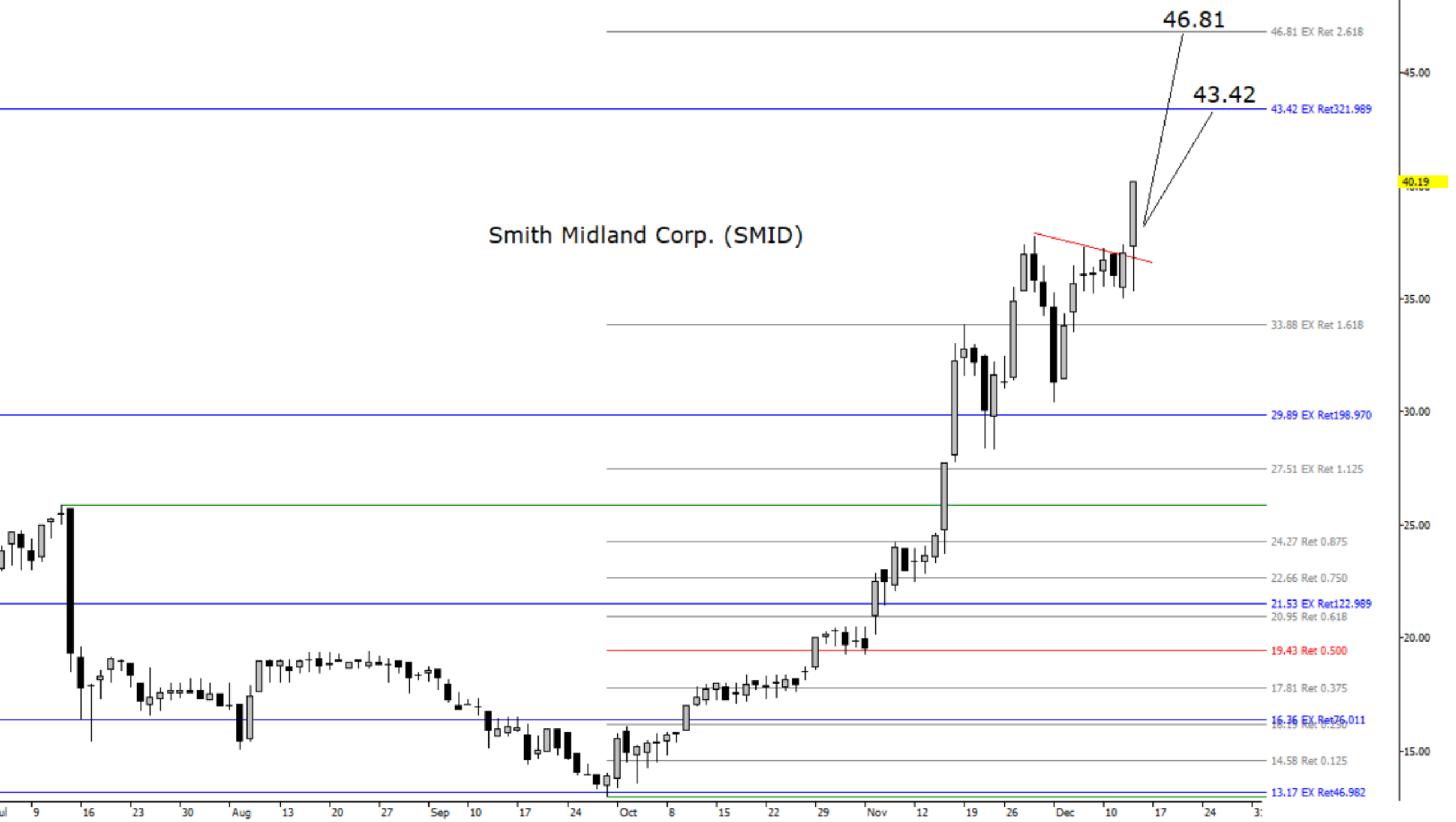
*Last week, the **Telecom Fiber Optics** and **Building-Cement/Concrete/Aggregate** industry groups gave buy signals. Both are being bought with a potential flow of government funds from infrastructure.*

I included two names as bonus stocks this past weekend.

*My favorite stock in the Building-Cement/Concrete/Aggregate industry group is **Smith-Midland Corporation (SMID)**. The stock gave a buy signal today and can be bought.*

*My Favorite Telecom Fiber-Optic stock **Optical Cable Corp. (OCC)**, was bought earlier this week and finished the day up 16% after hitting its Fibonacci target number at 6.50.*

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



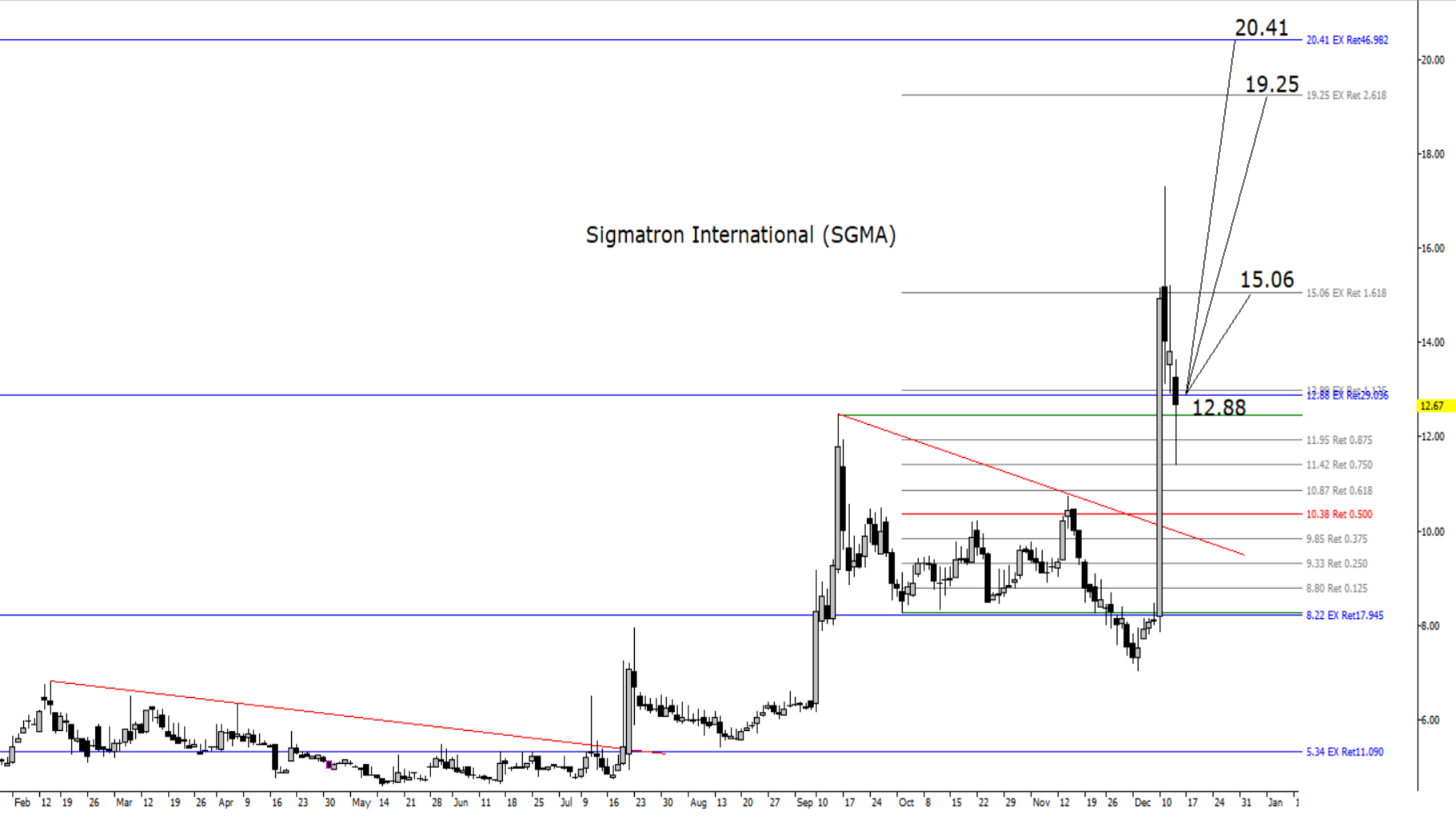
Optical Cable Corp. (OCC)



Buy candidate: Sigmatron International Inc. (SGMA)

- Industry Group: **Electronic Contract Manufacturing**. The group currently ranks as the 66th strongest industry group out of 197 and is up 22.13% YTD. The group gave a buy signal on 12/10/21. This is an emerging industry group in a bear market and can become a leading industry group when a new bull market begins.
- Earnings on Sigmatron (SGMA) have accelerated from 220%, 500%, and 1000% over the past three quarters. Earnings acceleration like this can lead to extensive winning stocks.
- Sigmatron International (SGMA) manufactures printed circuit boards and assembled box-build electronics products.
- Last Friday, Sigmatron (SGMA) broke out of a cup-with-handle base that started December 2017 on its quarterly earnings.
- Sigmatron sold off to its 10-day moving average and closed below Fibonacci resistance at 12.88.
- **Sigmatron (SGMA) will confirm a buy signal with a 30-minute close above 12.88 on increased volume.**
- **Wait for a text confirmation!**
- Initiate position at 2-star(**)
- **Under institutional accumulation** with an Up/Down Volume ratio of 1.8.
- Sigmatron (SGMA) closed at 12.67.
- Sigmatron (SGMA) VWAP is at 11.42
- Sell target prices: 1st target is **15.06**; 2nd target is **19.25**; 3rd target is **20.41**
- Stop sell price: Close below **11.42**.

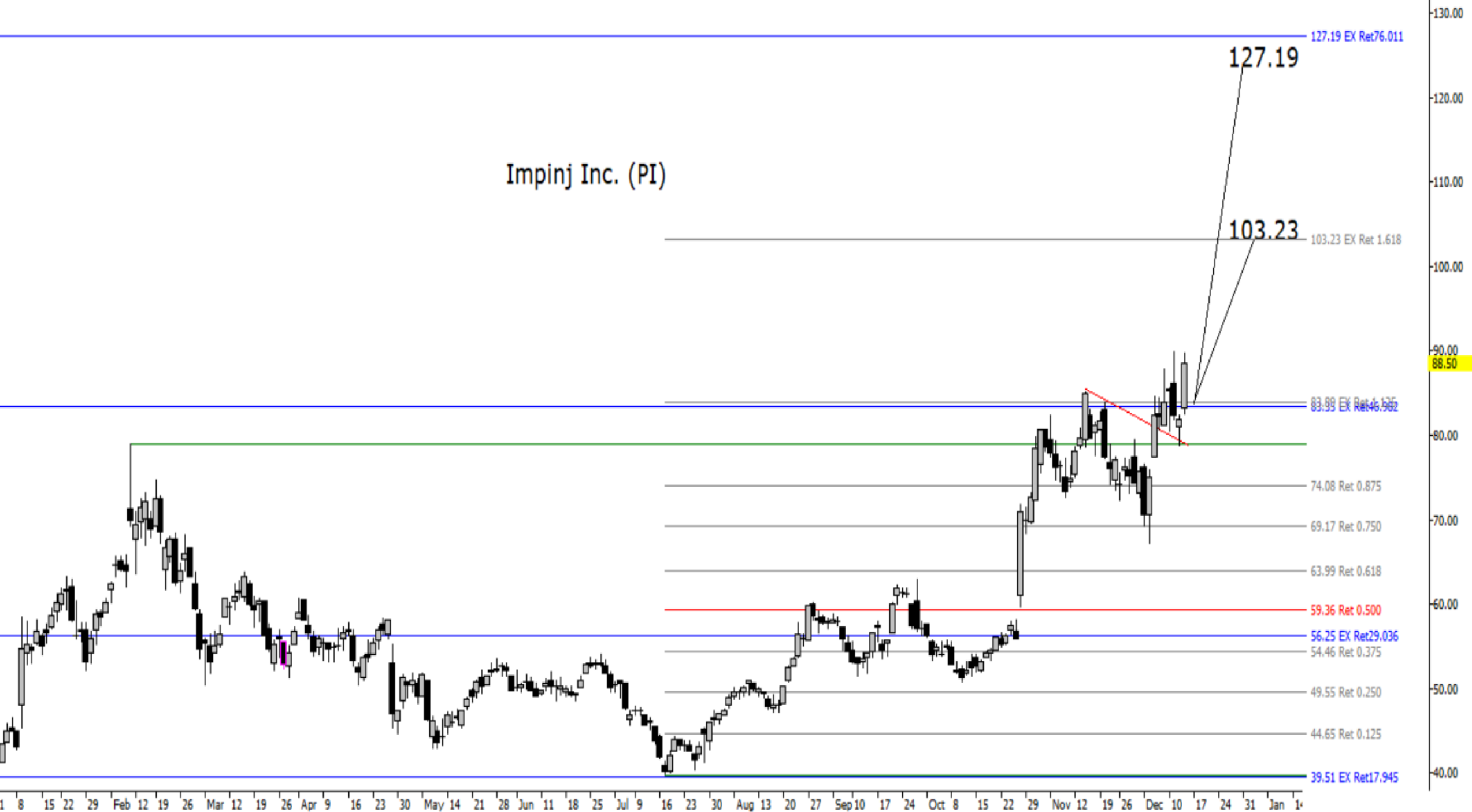
Sigmatron International (SGMA)



Impinj Inc. (PI)

- Industry Group: **Electronic Semiconductor Manufacturing**. The group currently ranks as the 12th strongest industry group out of 197 and is up 22.90% YTD. The group gave a buy signal on 10/28/21. Semiconductors continue to show exceptional strength in this weak market.
- Earnings estimates for next year have been trending higher and currently stand at a 267% increase over 2021.
- Impinj (PI) Provides Radio Frequency Identification (RFID) solutions for identifying, locating, and authenticating items. Impinj just announced a new generation RFID called RAIN RFID. The market could be buying Impinj based on the ability of these chips to aid in alleviating today's supply chain shortages.
- Impinj (PI) broke out of a cup-with-handle base that started February 11, 2021. The stock closed at all time closing highs today. I accumulated more shares this morning after a fresh 30-minute buy signal.
- November 3, 2021, Impinj sold off to form the bottom of its handle on news of a \$225 million convertible bond offering. Impinj shrugged it off closing very strong today. Dilution news like this can cripple a stock for months. This is a very strong stock.
- Position is at 2-star(**)
- **Under massive institutional accumulation** with an Up/Down Volume ratio of 2.1.
- Impinj Inc. (PI) closed at 88.39 on above average volume.
- Impinj Inc. (PI) VWAP is at 31.73
- Sell target prices: 1st target is **103.34**; 2nd target is **127.19**
- Stop sell price: Close below **78.98**.

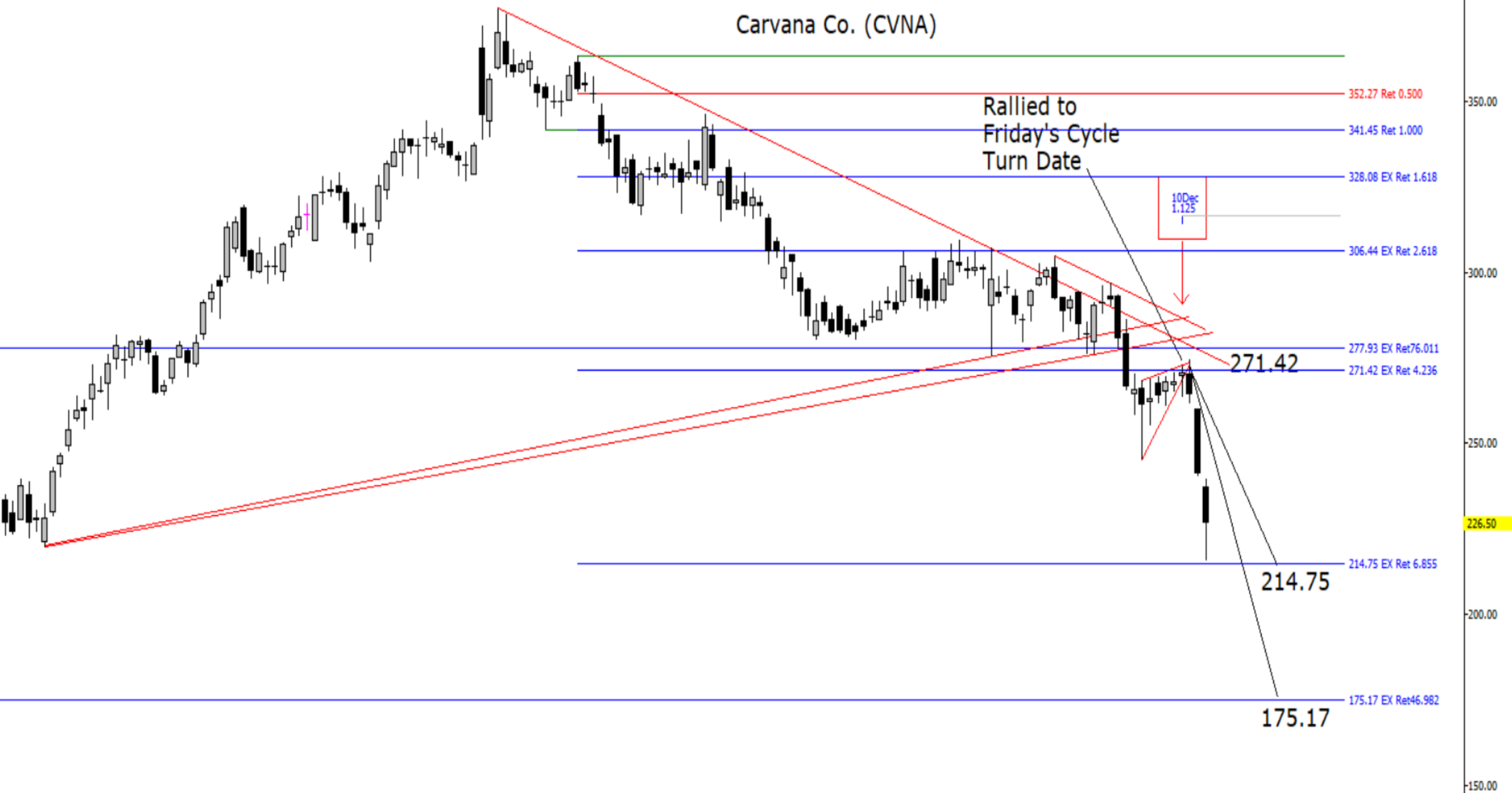
Impinj Inc. (PI)



Short candidate: Carvana Co. CL A (CVNA)

- Industry Group: **Retail/Wholesale-Automobile**. The group currently ranks as the 81st strongest industry group out of 197 and is up 18.19% YTD. The group gave a 20-day closing low with an above-average volume sell signal on November 17, 2021.
- Carvana Co. CL A (CVNA) Sells used cars through an e-commerce platform at Carvana.com.
- Since Carvana's IPO on 4/28/2017, the stock has run up 4600% and recently broke down from a fifth stage base. The base count of five is very high, and it is significantly extended.
- Last week, Carvana (CVNA) broke an inverted cup-with-handle base to the downside that started 5/13/21. Friday, it returned to its Fibonacci resistance at 271.24 on the cycle turn date of December 10, 2021. This is referred to as squaring time and price and could mark a cycle high.
- **CVNA hit its first Fibonacci target price today, and I recommended covering all shorts with a 59 point drop in three trading days.**
- Under massive institutional Distribution with an Up/Down Volume ratio of 0.5.
- Carvana Co. (CVNA) closed at 226.50.
- Carvana Co. (CVNA) VWAP is at 118.80.
- Buy (Cover Short) target prices: **1st target is 214.75**; 2nd target is **175.17**
- Stop sell price: Close below **277.93**.

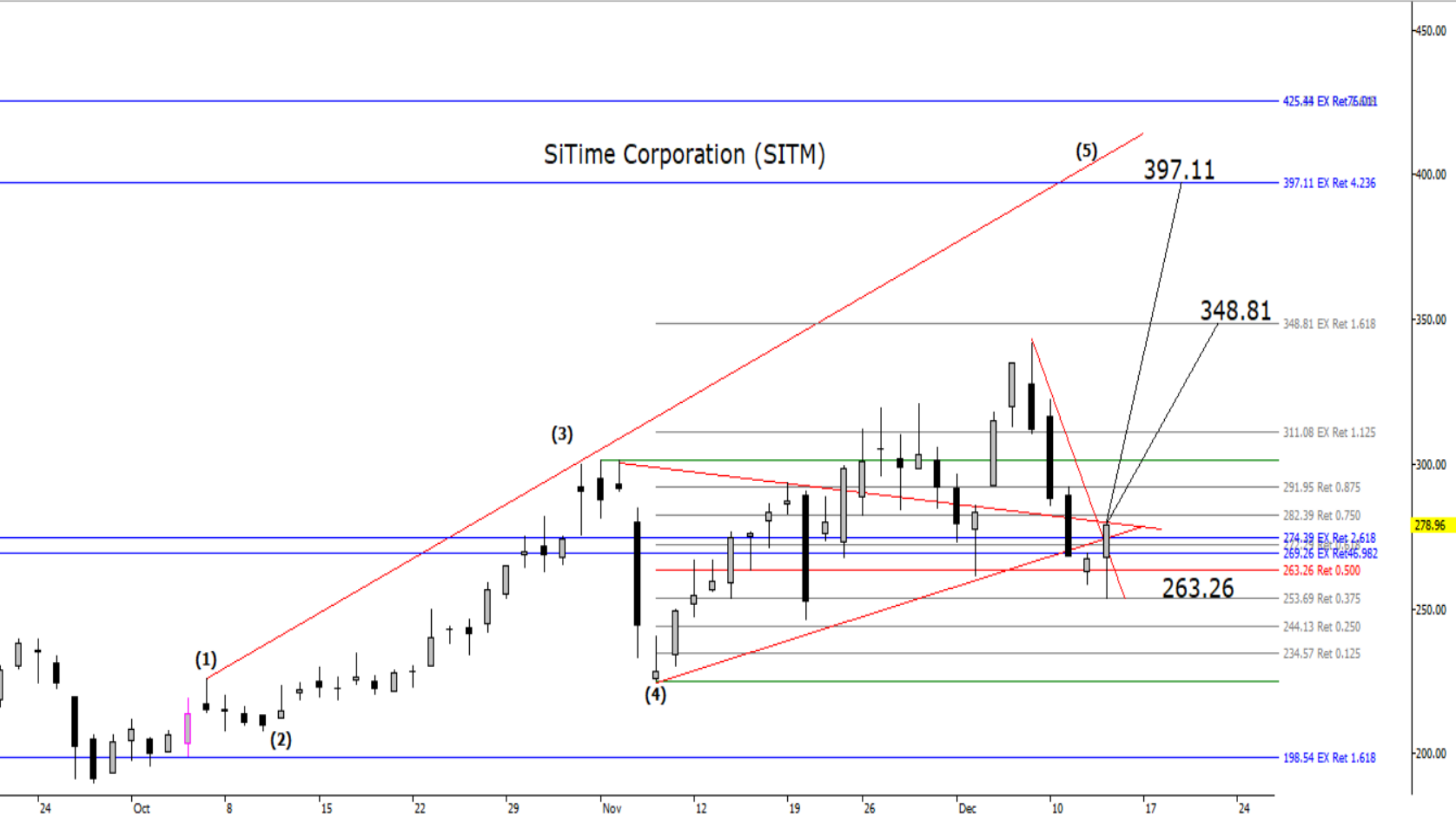
Carvana Co. (CVNA)



SiTime Corporation (SITM)

- Industry Group: **Electronic Semiconductor Fabless**. The group currently ranks as **the strongest industry group** out of 197 and is up 59.66% YTD. The group gave a buy signal on 10/26/2021. **The industry group strength is a bright spot in a very weak market.**
- SiTime Corporation (SITM) designs & markets resonators, oscillators and clock ICs to provide silicon timing systems solutions.
- SiTime Corporation broke out of the cup-with-handle base within a cup-with-handle base that started September 24, 2021.
- SiTime Corporation (SITM) broke out to new highs last week and pulled back to the 50-day moving average and the strong 50% Fibonacci number at 263.26 today.
- SiTime (SITM) gave a new 30-minute buy signal today. I added to my position and bought calls.
- Position at 2-star(**)
- Under Massive institutional accumulation with an Up/Down Volume ratio of 2.0
- SiTime Corporation (SITM) closed at 278.02.
- SiTime Corporation (SITM) VWAP is at 117.84
- Sell target prices: 1st target is **348.81**; 2nd target is **397.11**
- Stop sell price: Close below **263.26**.

SiTime Corporation (SITM)





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