



TFR

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)

- *Direxion Daily FTSE China Bear 3x (YANG). A new buy candidate that will move higher with a move lower in Chinese market.*
- *Cumberland Pharmaceuticals Inc. (CPIX). Closed below the VWAP today, and I sold 90% of my position.*
- *Impinj Inc. (PI) Closed on the 50-day moving average and above key Fibonacci support at 78.98. A close below 78.98 will be a sell.*
- *Real Brokerage Inc. (REAX) Is holding at 3.38 Fibonacci support.*
- *Biofrontera Inc. (BFRI). Was stopped out with a close below 7.05 on Monday.*
- *American Virtual Cloud Technologies Inc. (AVCT) was bought on Monday 01/03/22*



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)

- *Avalara Inc. (AVLR). **SHORT** position was up +5.35% today.*
- *Zendesk Inc. (ZEN). **SHORT** position was up +5.26% today.*
- *Garmin Ltd. (GRMN) **SHORT** position was up +.39% today*

Sectors, Industry Groups & Leadership Stocks

10 of the 11 market sectors are in sell signals. The utility sector is in a buy signal.

Today, a key phrase, "Balance Sheet Runoff," was revealed from the Fed minutes. This means the Federal Reserve will not replace bonds that have matured in their portfolio and is a considerably more hawkish statement than what the Fed discussed with analysts on the day of the Fed meeting in December. The market sold off hard on the news.

Hopefully, you have kept massive amounts of cash, as I have written about for many weeks. Things are about to get very ugly.

The lack of sector and industry group buy signals has forced me to the sidelines, and the shorts I recommended led to a positive day.

Last week I wrote, "*Trends will be defined next week when the traders come back.*" I believe today's market move has defined the next trend as down.

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.

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

Buy candidate: Direxion Daily FTSE China Bear 3x (YANG)

- Market: FTSE China Index. This trade is designed to move 3x the inverse move of the FTSE China index. The index ETF I used to do technical analysis was the SPDR S&P China (GXC).
- Direxion Daily FTSE China Bear 3x (YANG) is an Exchange-traded Fund (ETF) seeking the performance corresponding to three times the inverse of the FTSE China.
- Direxion Daily FTSE China Bear 3x (YANG) is breaking double bottom base handle that started July 27, 2021. The top of the base was Fibonacci resistance at 21.66. Today's close above Fibonacci resistance and the handles trendline on above-average volume has put the trade in motion.
- **Direxion Daily FTSE China Bear 3x (YANG) will confirm a buy signal with a 30-minute close above 22.78 on increased volume.**
- **Direxion Daily FTSE China Bear 3x (YANG) will confirm a buy with a pullback to the trendline at 22.41.**
- **Wait for a text confirmation!**
- Initiate position at 3-star(***)
- **Under institutional accumulation** with an Up/Down Volume ratio of 1.84.
- Direxion Daily FTSE China Bear 3x (YANG) closed at 22.75.
- Direxion Daily FTSE China Bear 3x (YANG) VWAP is at 39.51.
- Sell target prices: 1st target is **29.09**; 2nd target is **41.12**
- Stop sell price: Close below **21.66**.

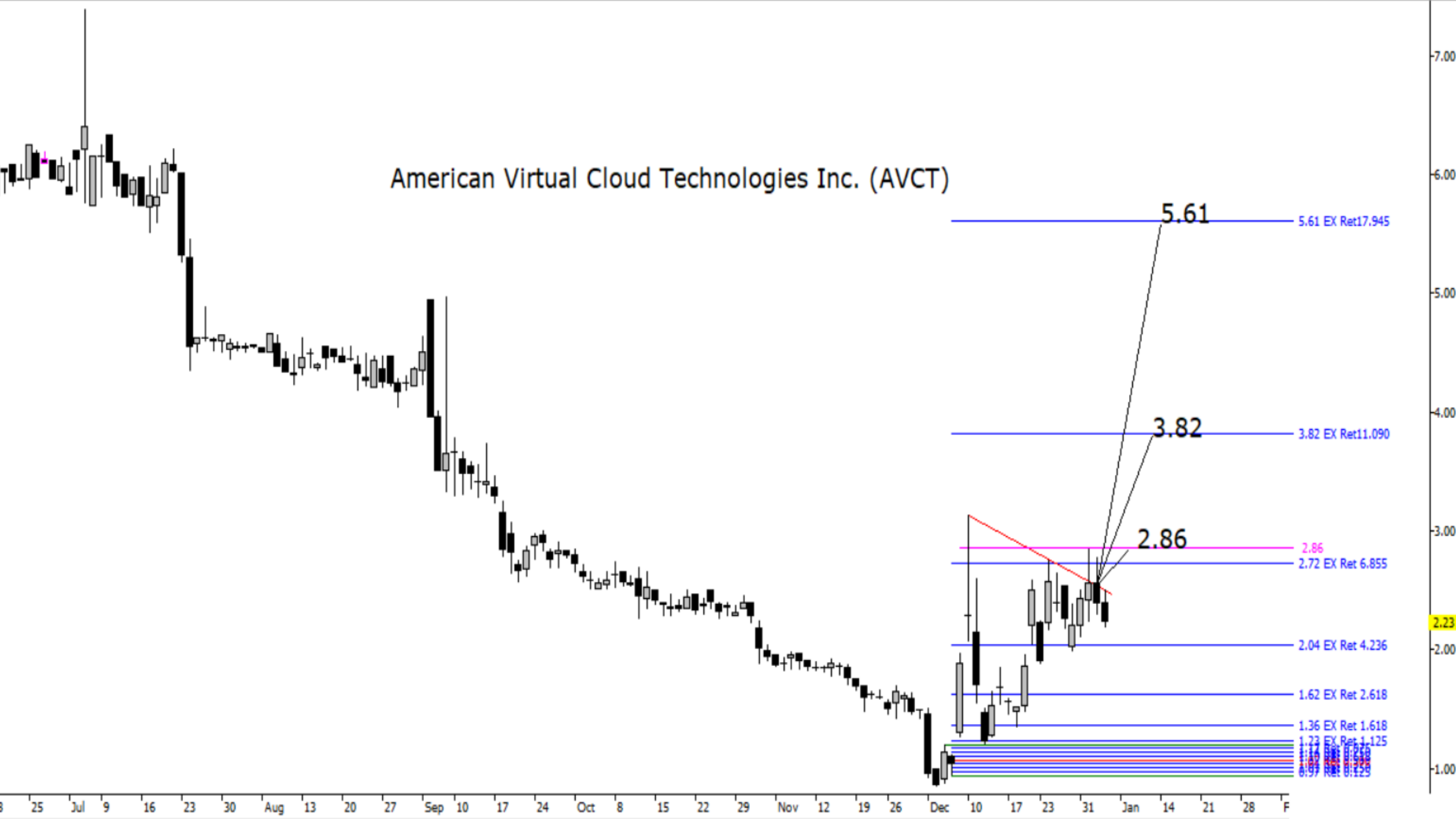
• Direxion Daily FTSE China Bear 3x (YANG)



American Virtual Cloud Technologies Inc. (AVCT)

- Industry Group: Computer Tech Services. The group currently ranks as the 44th strongest industry group out of 197 and is down -3.13% YTD. The group gave a 20-day closing high on 12/27/21 with above-average volume.
- American Virtual Cloud Technologies Inc. (AVCT) provides organizations with cloud communications, managed, and cybersecurity services.
- American Virtual Cloud Tech Inc. (AVCT) gave a buy signal on December 10, 2021, with a 20-day high on massive volume gapping the 50-day moving average. Since then, the stock has made a cup-with-handle base.
- Position is at 1-star(*)
- **Under massive institutional accumulation** with an Up/Down Volume ratio of 3.18.
- American Virtual Cloud Technologies Inc. (AVCT) closed at 2.26.
- American Virtual Cloud Technologies Inc. (AVCT) VWAP is at 2.86.
- Sell target prices: 1st target is **2.86**; 2nd target is **3.82**; 3rd target is **5.61**
- Stop sell price: Close below **2.04**.

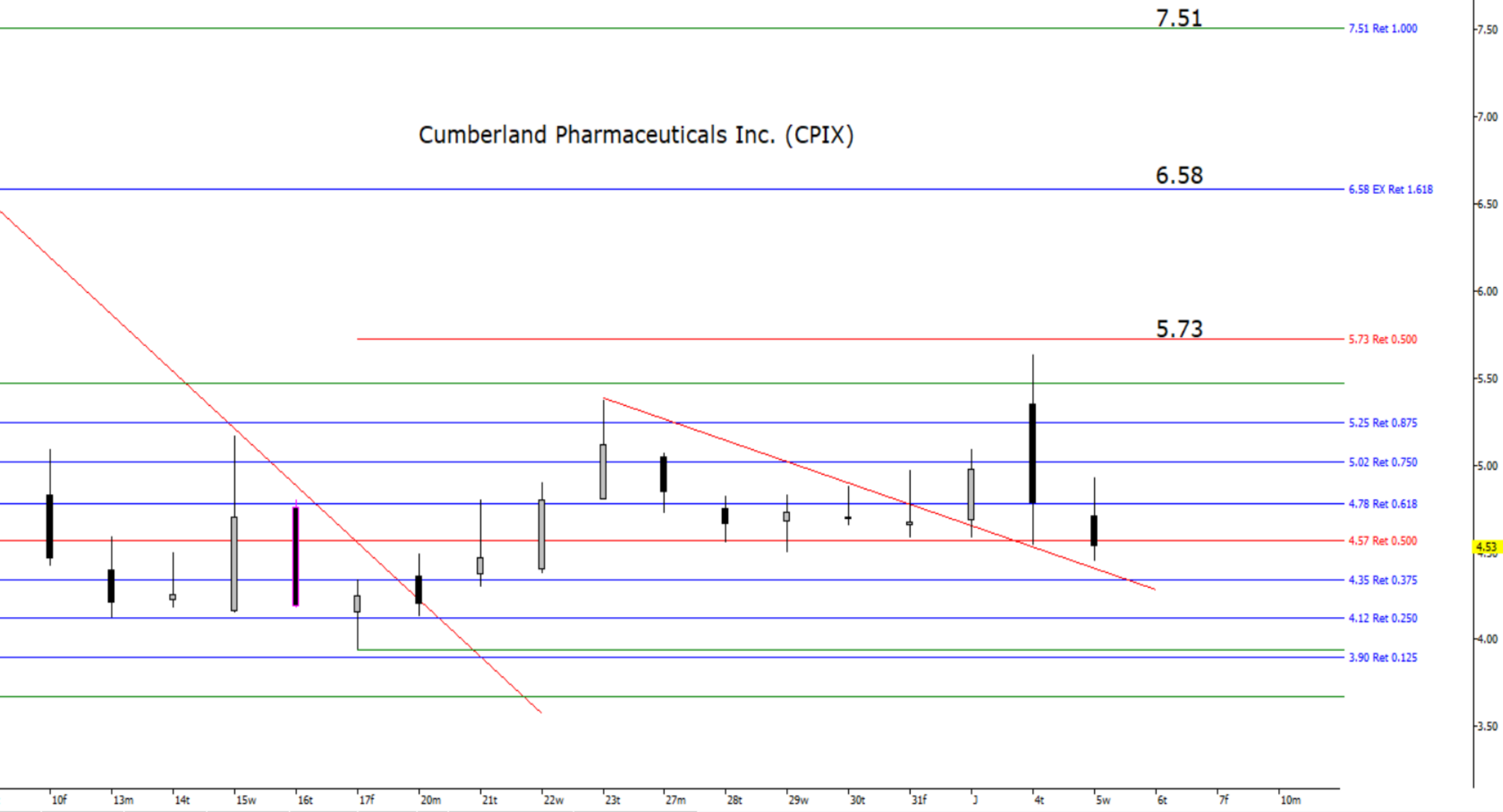
American Virtual Cloud Technologies Inc. (AVCT)



Cumberland Pharmaceuticals Inc. (CPIX)

- Industry Group: **Medical Ethical Drugs**. The group currently ranks as the 86th strongest industry group out of 197 and is down -2.45% YTD. The group gave a buy signal on December 15, 2021. The group broke out of a cup-with-handle base that started August 23, 2021.
- Cumberland Pharmaceuticals Inc. (CPIX) develops prescription drugs to treat pain/fever, acetaminophen poisoning, and chronic acute constipation.
- I sold 90% of my position at the close today. The stock closed below the VWAP at 4.70. I am keeping my losses small in this terrible market
- Position is at 1-star(*).
- Institutional accumulation is strong with an Up/Down Volume ratio of 6.09, but the Up/Down ratio closed at a 20-day low. Stock price could follow.
- Cumberland Pharmaceuticals Inc. (CPIX) closed at 4.53.
- Cumberland Pharmaceuticals Inc. (CPIX) VWAP is at 4.70.
- Sell target prices: **1st target is 5.73; 2nd target is 6.58; 3rd target is 8.38**
- Stop sell price: Close below **3.96**.

Cumberland Pharmaceuticals Inc. (CPIX)



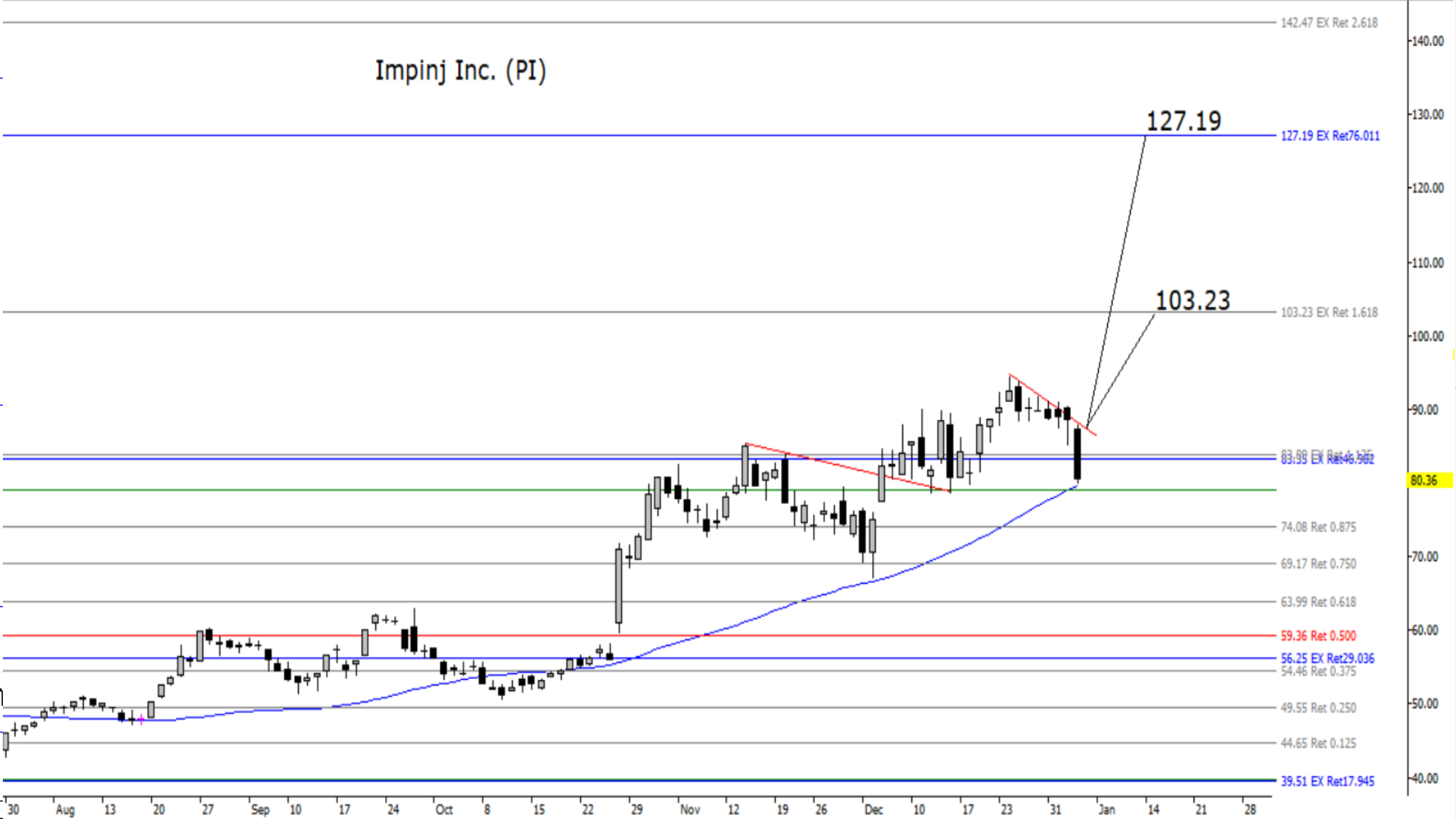
Biofrontera Inc. (BFRI)

- Industry Group: **Medical Ethical Drugs**. The group currently ranks as the 86th strongest industry group out of 197 and is down -2.45% YTD. The group gave a buy signal on December 15, 2021. The group broke out of a cup-with-handle base that started August 23, 2021.
- Biofrontera Inc. (BFRI) develops and markets dermatological drugs and medical cosmetics to treat and care for skin diseases.
- **I sold my position with a close below 7.05.**
- Position is at 1-star(*).
- Biofrontera Inc. (BFRI) closed at 5.86.
- Biofrontera Inc. (BFRI) VWAP is at 6.41.
- Sell target prices: **1st target is 14.54; 2nd target is 21.24**
- Stop sell price: Close below **7.05**.

Impinj Inc. (PI)

- Industry Group: **Electronic Semiconductor Manufacturing**. The group currently ranks as the 7th strongest industry group out of 197 and is down -1.2% 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) pulled back to the 50-day moving average today. This is where institutions should defend a stock and accumulate shares. If the stock closes below the 50-day moving average and Fibonacci support at 78.98, it should be sold.**
- Position is at 2-star(**)
- **Under institutional accumulation** with an Up/Down Volume ratio of 1.72.
- Impinj Inc. (PI) closed at 80.36.
- 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**.

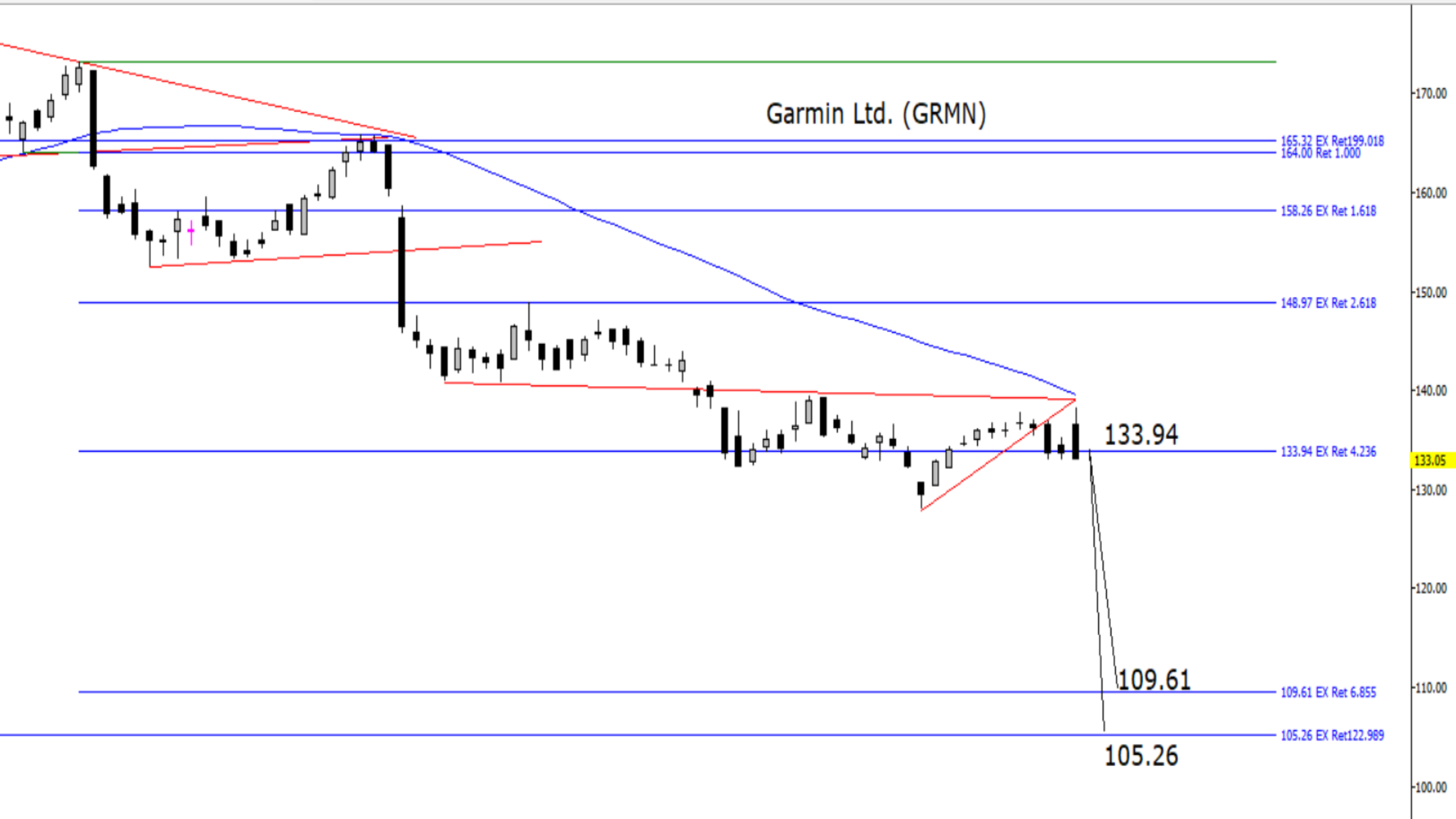
Impinj Inc. (PI)



Short Garmin Ltd. (GRMN)

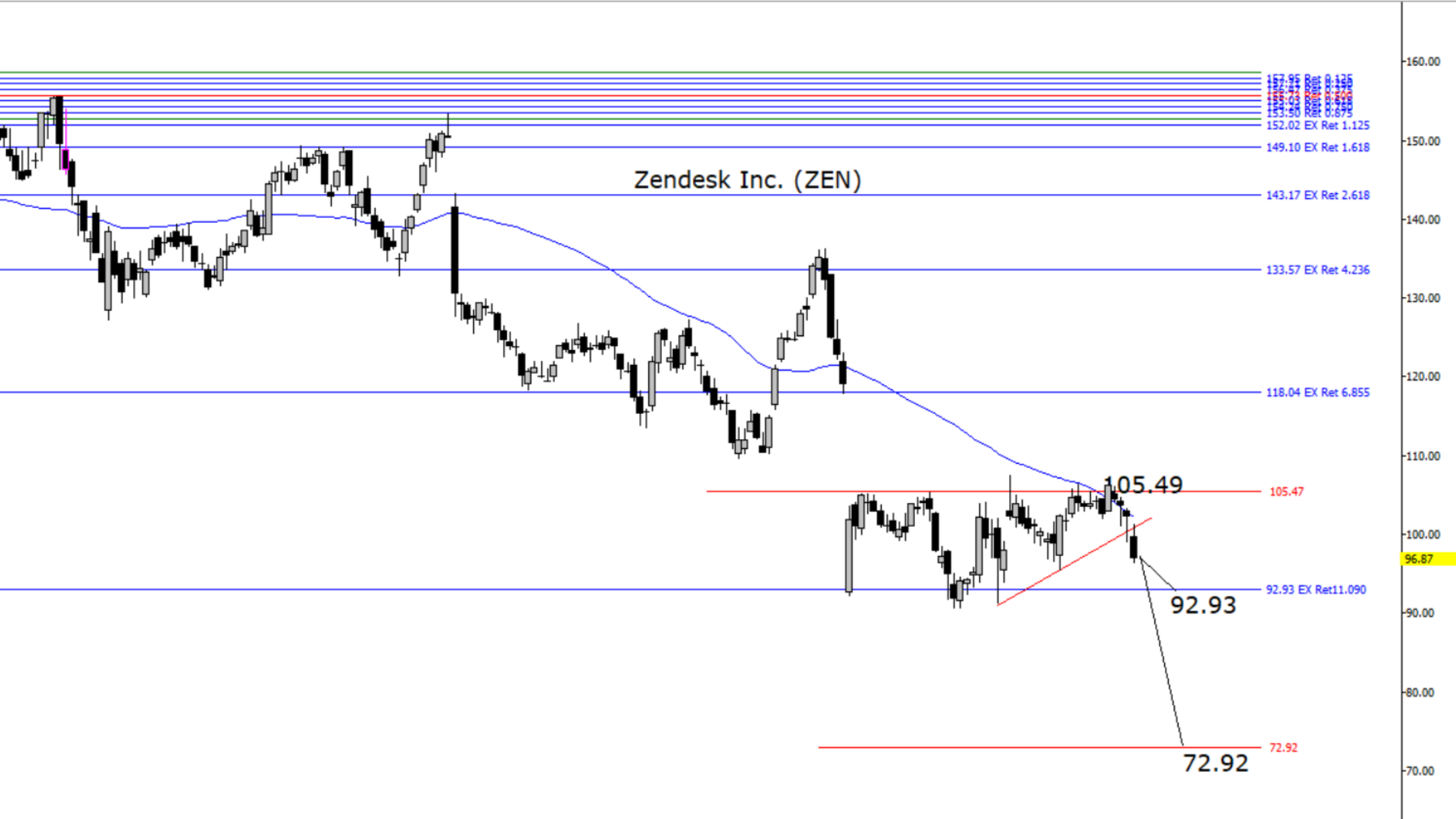
- Industry Group: **Consumer Products Electronic**. The group currently ranks as the 190th strongest industry group out of 197 and is down -.9% YTD. The group gave a 20-day closing low sell signal on July 08, 2021.
- Garmin Ltd. (GRMN) Manufactures and markets hand-held portable/fixed mount GPS systems for Automobile/outdoor/marine/fitness.
- Garmin has been stair-stepping lower in Darvas Boxes since it topped out on August 31, 2021.
- **Garmin Ltd. (GRMN) rallied to its 50-day moving average on a buy recommendation from Deutsche bank today. Failing at the 50-day moving average indicates that institutions were selling against a critical price point. The stock entirely reversed by the end of the day and closed below Fibonacci support at 133.94. This is a very bearish price response to a buy upgrade. Hold shorts for a continued move lower.**
- Position is at 2-star(**).
- Under massive institutional Distribution with an Up/Down Volume ratio of 0.48.
- Garmin Ltd. (GRMN) closed at 133.05.
- Garmin Ltd. (GRMN) VWAP is at 75.25.
- Buy (Cover Short) target prices: **1st target is 109.61; 2nd target is 105.26**
- Stop sell price: Close above **136.94**.

Garmin Ltd. (GRMN)



Short Zendesk Inc. (ZEN)

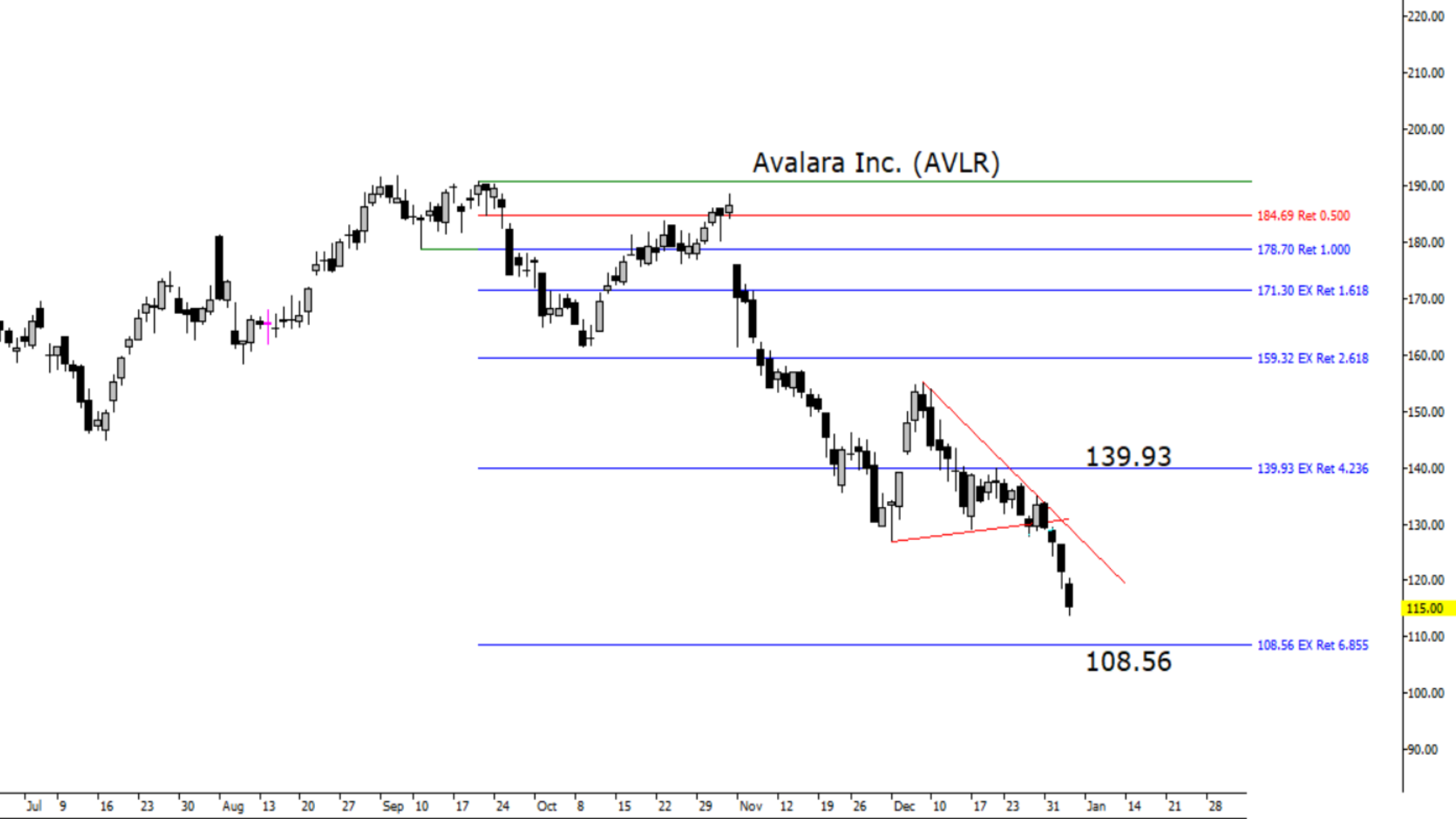
- Industry Group: **Computer Software Enterprise**. The group currently ranks as the 174th strongest industry group out of 197 and is down -8.21% YTD. The group gave a 20-day closing low sell signal on November 22, 2021.
- Zendesk Inc. (ZEN) Develops software as a service platform that helps customers engage with their customers.
- Zendesk has been trading under Fibonacci resistance at 105.49 since gapping below it on October 29, 2021. Last week's market rally had the stock rally back to its 105.49 resistance on below-average volume.
- Zendesk found institutional sellers at its 50-day moving average. A stock failing against a 50-day is a high probability area to short.
- **Zendesk Inc. (ZEN) traded at Fibonacci resistance on Thursday last week and moved lower for the past four trading sessions. It is approaching its first Fibonacci target at 92.93. I will cover most of my position at this target.**
- Position is at 2-star(**).
- Under massive institutional Distribution with an Up/Down Volume ratio of 0.5.
- Zendesk Inc. (ZEN) closed at 96.87.
- Zendesk Inc. (ZEN) VWAP is at 72.69.
- Buy (Cover Short) target prices: **1st target is 92.93**; 2nd target is 72.92
- Stop sell price: Close above **105.49**.



Short Avalara Inc. (AVLR)

- Industry Group: **Computer Software Specialty Enterprise**. The group currently ranks as the 140th strongest industry group out of 197 and is down 8.68% YTD. The group gave a 20-day closing low sell signal on November 18, 2021. The industry group rallied to the 200-day moving average this week. This is a very vulnerable group.
- Avalara Inc. (AVLR) Develops cloud-based software solutions designed to improve accuracy and efficiency by automating
- **The bottom has fallen out on AVLR the past three trading sessions as it quickly moves to my Fibonacci target at 108.56.**
- **Avalara broke down on Monday from an inverted cup-with-handle top since May 11, 2021.**
- Position is at 2-star(**).
- Under massive institutional Distribution with an Up/Down Volume ratio of 0.52.
- Avalara Inc. (AVLR) closed at 115.00.
- Avalara Inc. (AVLR) VWAP is at 100.41.
- Buy (Cover Short) target prices: **1st target is 108.56.**
- Stop sell price: Close above **139.93.**

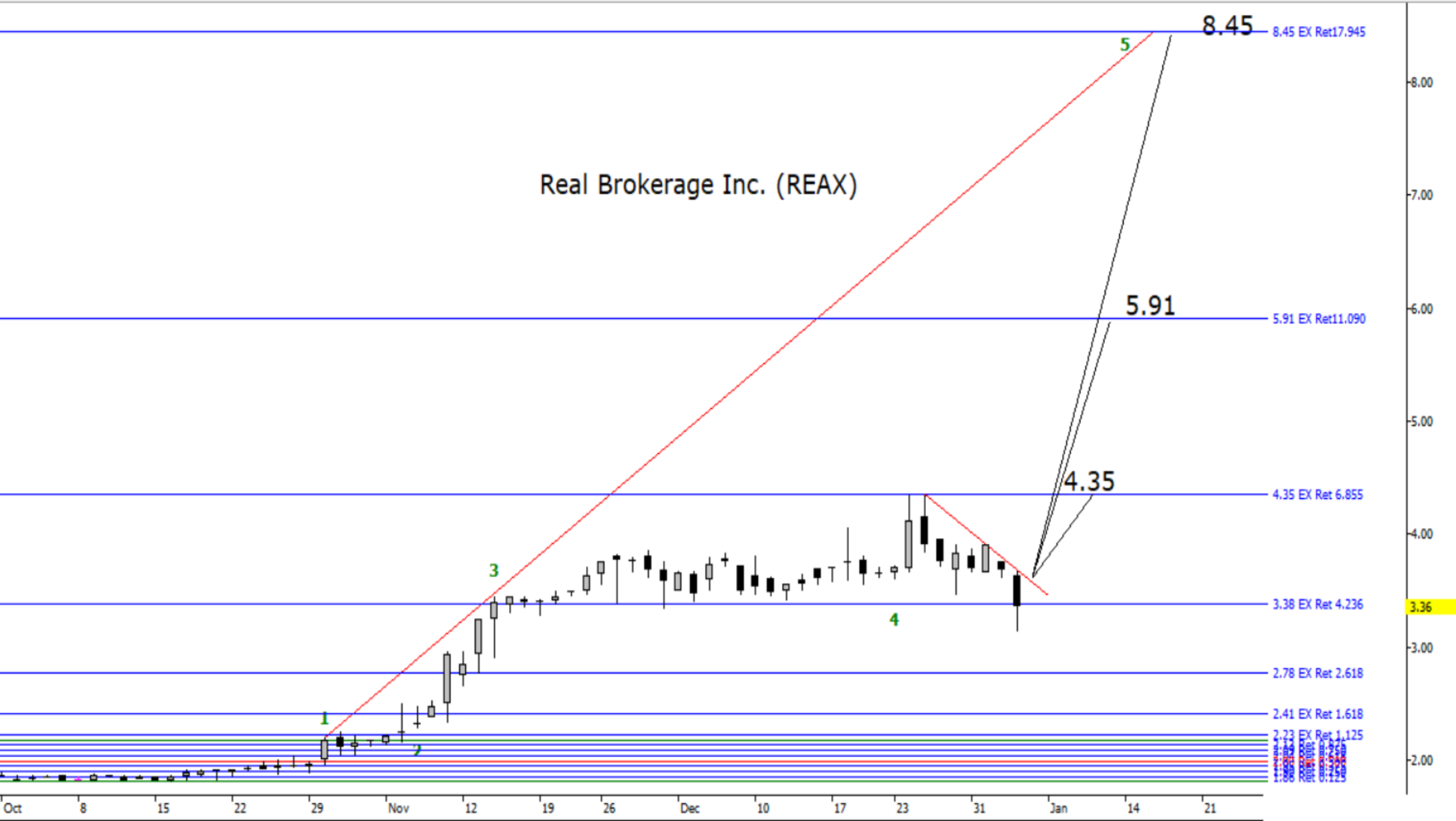
Avalara Inc. (AVLR)



Real Brokerage Inc. (REAX)

- Industry Group: Real Estate Development/Operations. The group currently ranks as the 35th strongest industry group out of 197 and is down -0.47% YTD. The group gave a 20-day closing high on 12/25/21 with below-average volume. No volume confirmation so far this week.
- Real Brokerage Inc. (REAX) is a Canadian-based tech-powered real estate brokerage operating in 31 states and the District of Columbia.
- Real Brokerage Inc. (REAX) broke out of its IPO base on November 11, 2021. During recent market declines, the stock has traded above Fibonacci support 3.38 in a tight handle formation. It is ready to break out with industry group strength.
- **Real Brokerage Inc. (REAX) pulled back to Fibonacci support at 3.38 today with the market selloff. Holding shares**
- Position is at 2-star(**)
- **Under institutional accumulation** with an Up/Down Volume ratio of 1.83.
- Real Brokerage Inc. (REAX) closed at 3.38.
- Real Brokerage Inc. (REAX) VWAP is at 1.99.
- Sell target prices: 1st target is **4.35**; 2nd target is **5.91**
- Stop sell price: Close below **3.38**.

Real Brokerage Inc. (REAX)





Trading Floor Research

Welcome to the
Trading Floor

¹The results are not (or may not be) representative of the performance of all selections made by Trading Floor Research (TFR) newsletter. We look for investment resources and inform you of these resources, which you may choose to use in making your own investment decisions. TFR is providing information on this resource to you subject to the TFR "Terms and Conditions of Service" disclaimer.

Past performance is no guarantee of future results. Inherent in any investment is the potential for loss. This material is being provided for informational purposes only and nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security. No recommendation or advice is being given as to whether any investment is suitable for a particular investor. It should not be assumed that any investments in securities, companies, sectors or markets identified and described were or will be profitable. All information is current as of the date of herein and is subject to change without notice.