



TFR

Trading Floor Research

Welcome to the
— Trading Floor —

07/02/23



This Trading Floor Research report contains:

S&P 500 Update

Direxion Shares ETF Trust GOOGL Bear 1X (GGLS)

Metalpha Tech Holding. (MATH)

MicroStrategy Inc. (MSTR)

Still setting up from last week

Eneti Inc. (NETI)

Market Comments

S&P 500

*On Monday, the **S&P 500** completed its selloff as it approached its 5/8 number from January 2022 high to October 2022 low at **4311.69**. The actual low was 4328.08.*

*The index quickly reclaimed my first Fibonacci downside target on Tuesday morning at **4340.39** and continued to rally into Friday's close.*

In last week's newsletter, I said," The S&P 500 should hold at this critical number and move higher to the 3/4 number at 4486.86."

*Fridays, close above the 1.618 Fibonacci expansion at 4434.33, put the S&P 500 on course to hit the substantial **¾ number** from January 2022 high to October 2022 low at **4486.86**.*

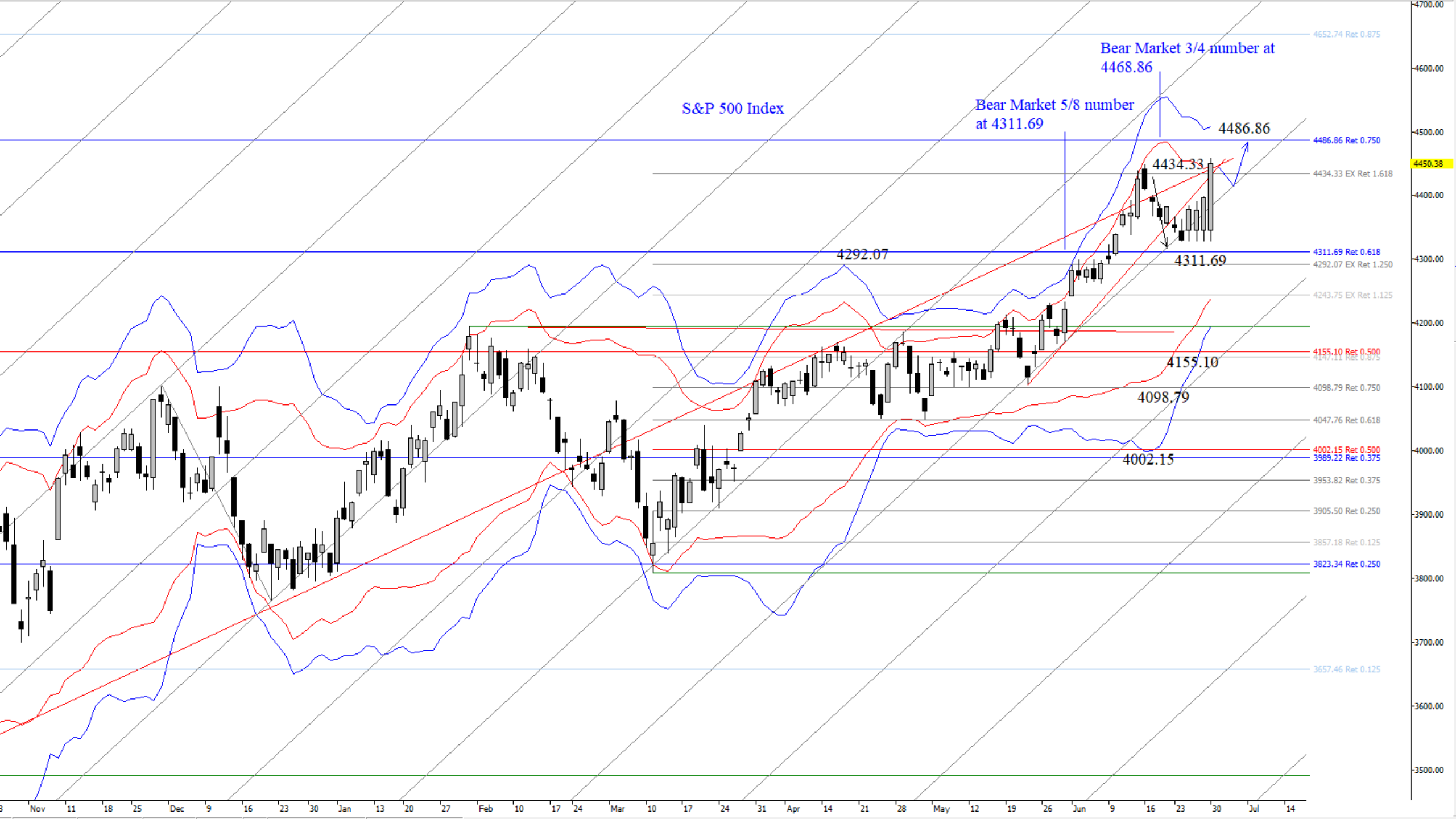
Last week's 130-point move has it closing above two standard deviations from the mean in overbought territory. Price will trade within two standard deviations 95.4% of the time. The greatest probability points to a pullback next week.

*The retreat should retest the 1.618 Fibonacci expansion number at 4434.33. Holding at 4434.33 will allow the S&P 500 to move higher and hit the **¾ number** at 4486.86.*

*The **¾ target** is a strong number and a common area for major reversals.*

*The **¾ number** at 4486.86 will test the ability of the market to move forward from there. **If the S&P 500 can take out the substantial ¾ number, it will return to its January 2022 highs.***

*A reversal at the **¾ number** could send the index lower to a retest of the **½ number** at 4155.10.*



Industry Group & Sector Analysis

Last week I wrote, “The Point & Figure charts on **Bitcoin** and **Grayscale Bitcoin Trust GBTC** have given very bullish buy signals indicating a new uptrend in Bitcoin.”

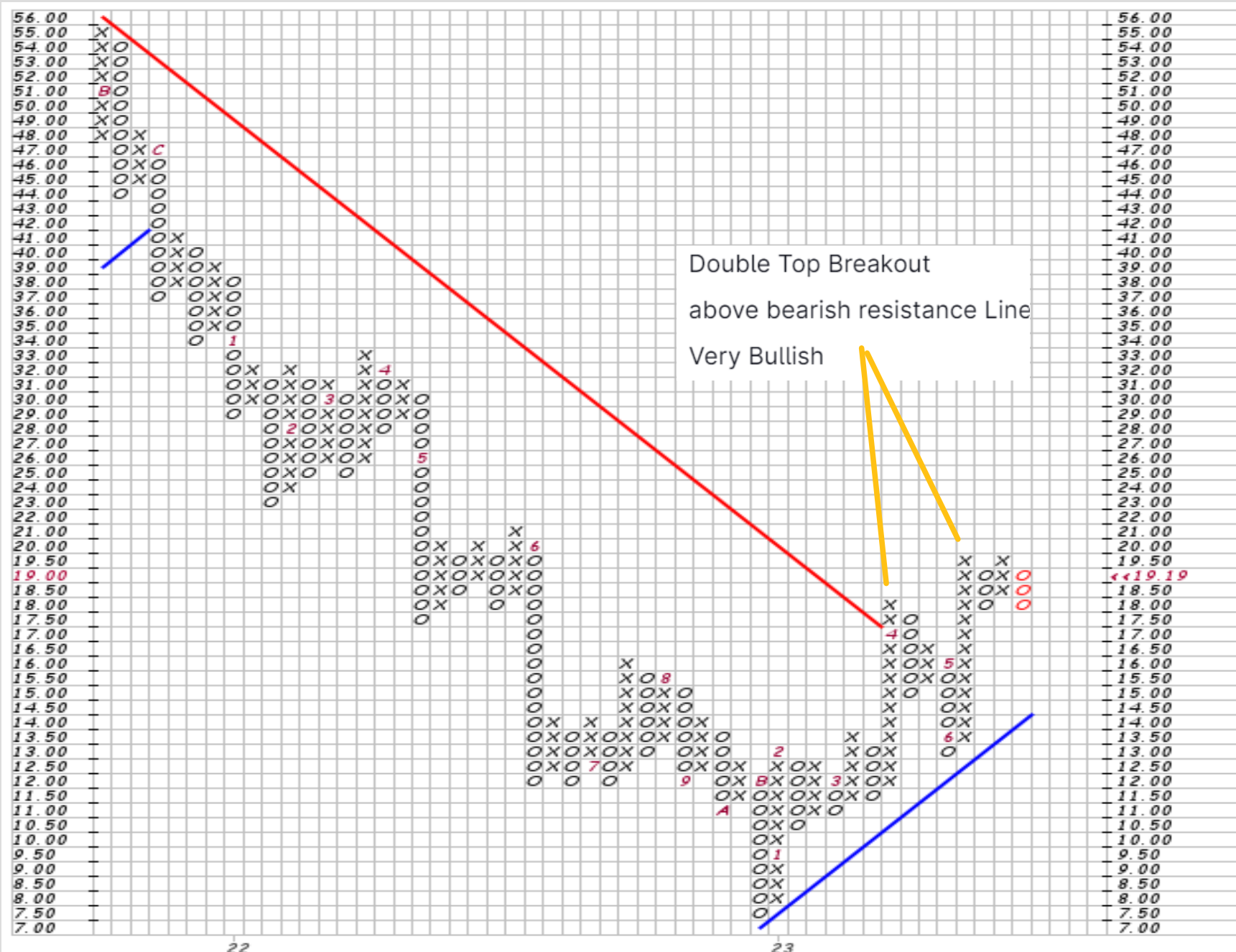
At the time, the Grayscale Bitcoin Trust GBTC chart indicated it was short-term overbought and needed a rest. Last week GBTC spent the week basing above Fibonacci support at 17.99, alleviating the short-term overbought conditions.

On Friday, Grayscale Bitcoin Trust GBTC started the day making new highs and then spiked lower to retest at 17.99. The shares immediately reclaimed 50% of the daily range and closed in the top 1/3. After the price spike that took shares lower, **GBTC closed the week with a strong price reset.**

We took advantage of Bitcoin’s first move higher by purchasing **Marathon Digital Holdings (MARA)** with a 25% return in two trading days and **Bit Digital (BTBT)** with a 17% return in two sessions.

More leadership stocks emerged last week. My favorites are **Metalpha Tech Holding. (MATH)** and **MicroStrategy Inc. (MSTR)**. Both are highlighted in this report.

GBTC Grayscale Bitcoin Trust



Buy Candidate: Metalpha Tech Holding. (MATH)

- *Industry Group: **Commercial Services Consulting**.* The Commercial Services Consulting industry group ranks as the 83rd strongest industry group out of 197 and is up +5.78% YTD and is in a buy signal since June 02.

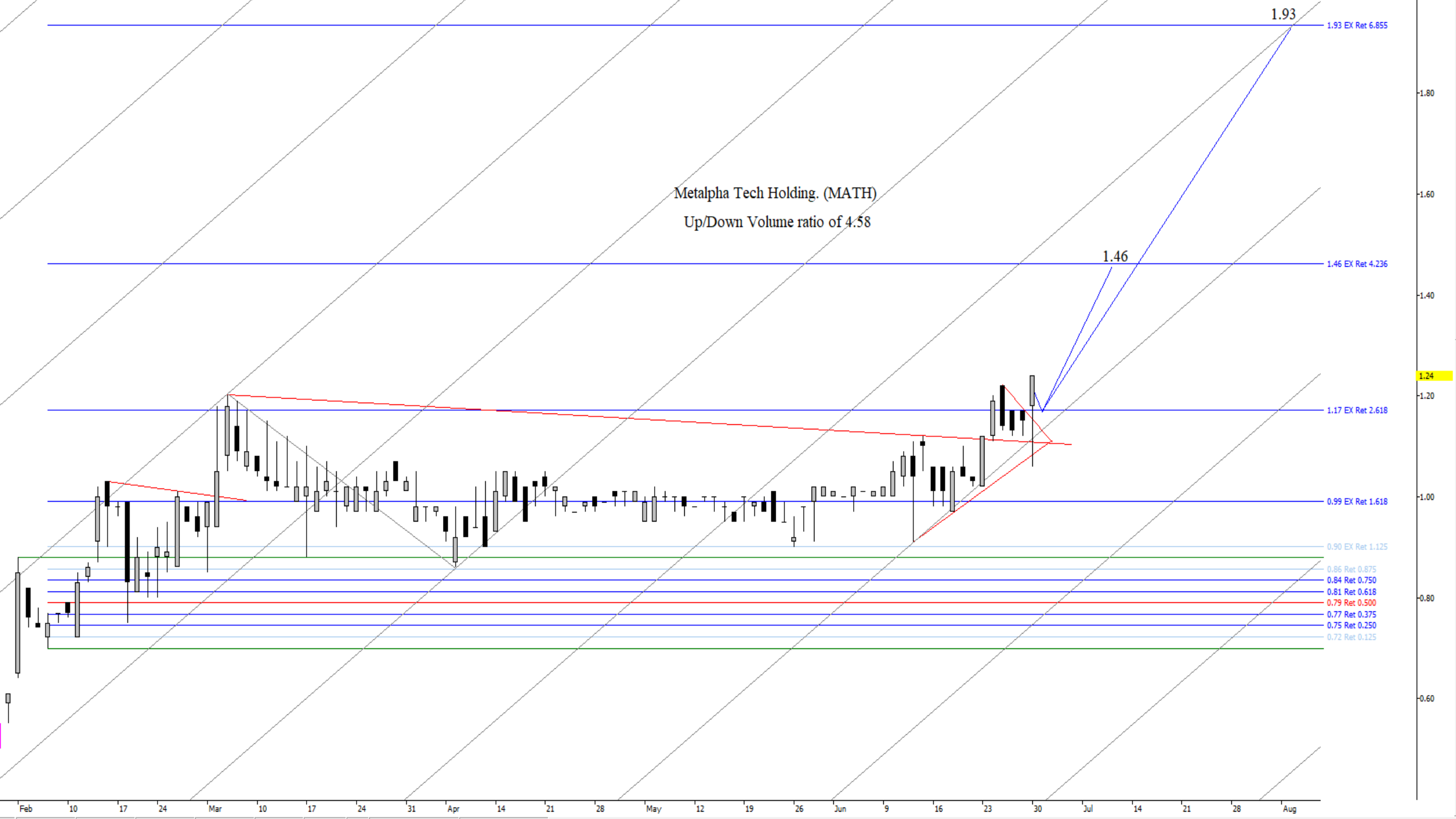
Metalpha Tech Holding. (MATH) is getting additional strength as Bitcoin is trending higher.

- **Metalpha Tech Holding. (MATH)** is a global crypto-based wealth management company. Their Next Generation Fund I provides a regulated and compliant channel to invest in Grayscale Investments LLC's products through structured derivatives.
- **Metalpha Tech Holding. (MATH) is confirming a breakout** of a cup-with-handle base closing above Fibonacci resistance at 4.77.
- **Metalpha Tech Holding. (MATH)** will give a Point & Figure chart Double Top Breakout at 1.25.
- *Metalpha Tech Holding. (MATH) will confirm with a pullback to 1.17.*
- *Wait for text confirmation!*
- *Start Position at 2-star(**)*
- *Under institutional accumulation with an Up/Down Volume ratio of 4.58.*

- *Metalpha Tech Holding. (MATH) closed at 1.24.*

- *Metalpha Tech Holding. (MATH) VWAP is at 2.05.*

- *Sell target prices: 1st target is 1.46; 2nd target is 1.93; 3rd target is 2.70.*
- *Stop sell price: Close below .99.*



Metalpha Tech Holding. (MATH)
Up/Down Volume ratio of 4.58

1.46

1.93

1.93 EX Ret 6.855

1.46 EX Ret 4.236

1.17 EX Ret 2.618

0.99 EX Ret 1.618

0.90 EX Ret 1.125

0.86 Ret 0.875

0.84 Ret 0.750

0.81 Ret 0.618

0.79 Ret 0.500

0.77 Ret 0.375

0.75 Ret 0.250

0.72 Ret 0.125

1.80

1.60

1.40

1.24

1.00

0.80

0.60

Feb 10 17 24 Mar 10 17 24 31 Apr 14 21 28 May 12 19 26 Jun 9 16 23 30 Jul 14 21 28 Aug

Buy Candidate: MicroStrategy Inc. (MSTR)

- *Industry Group: Computer Software Database.* The Computer Software Database industry group ranks as the 2nd strongest industry group out of 197 and is up +52.55% YTD and is in a buy signal since June 02.

- *MicroStrategy Inc. (MSTR) is getting additional strength as Bitcoin is trending higher.*

- **MicroStrategy Inc. (MSTR) has been buying Bitcoin from April this year to June and has now emerged as the world's largest corporate owner of Bitcoin.**

- **MicroStrategy Inc. (MSTR) confirms a cup-with-handle base breakout that started April 14, 2023.**

- **MicroStrategy Inc. (MSTR) Point & Figure chart broke a Tripple Top Breakout. Very Bullish!**

- *MicroStrategy Inc. (MSTR) will confirm with a pullback to 337.43.*

- *Wait for text confirmation!*

- *Start Position at 2-star(**)*

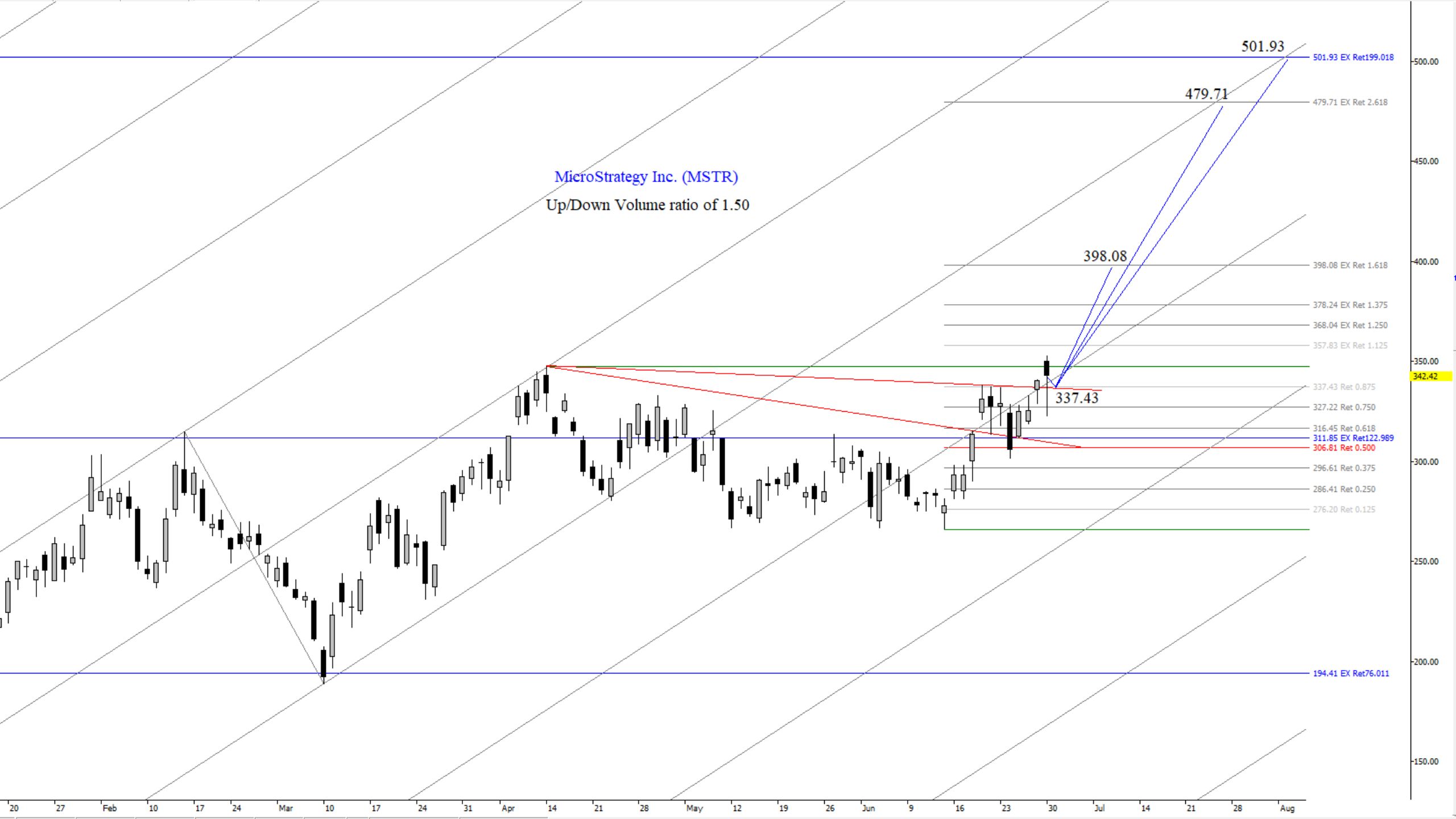
- *Under institutional accumulation with an Up/Down Volume ratio of 1.50.*

- *MicroStrategy Inc. (MSTR) closed at 342.46.*

- *MicroStrategy Inc. (MSTR) VWAP is at 388.06.*

- *Sell target prices: 1st target is 3.98.08; 2nd target is 479.71; 3rd target is 501.93*

- *Stop sell price: Close below 327.22.*



MicroStrategy Inc. (MSTR)

Triple Top Breakout



Buy candidate: Direxion Daily GOOGL Bear 1X (GGLS)

- **Portfolio: Short Alphabet Inc. Class A Inc. (GGLS).** This trade is designed to move inverse the daily performance of Alphabet Inc. Class A (GOOGL).
- Direxion Daily GOOGL Bear 1X (GGLS) trade is designed to take advantage of the next potential move lower in Alphabet Inc.

Alphabet Inc. (GOOGL) has the greatest technical challenges of the big tech stocks. When Alphabet Inc. (GOOGL) broke its critical Fibonacci support at 120.89 six trading days ago, it also gave a sell signal.

Since then, GOOGL has been going sideways below 120.89 to alleviate oversold conditions.

The Point & Figure Chart also gave a sell signal with a double bottom breakdown.

Alphabet Inc. (GOOGL) completed a head and shoulders top last week. A measured move indicates a selloff to 110.92.

Alphabet Inc. (GOOGL) gapped higher and retested Fibonacci resistance at 120.89 on Friday morning. As the market grew stronger, GOOGL sold off for the remainder of the day. Alphabet's relative weakness indicates that it should be shorted when the market pulls back. Confirmation of its next move lower could come soon as the market is short-term overbought.

Buy candidate: Direxion Daily GOOGL Bear 1X (GGLS)

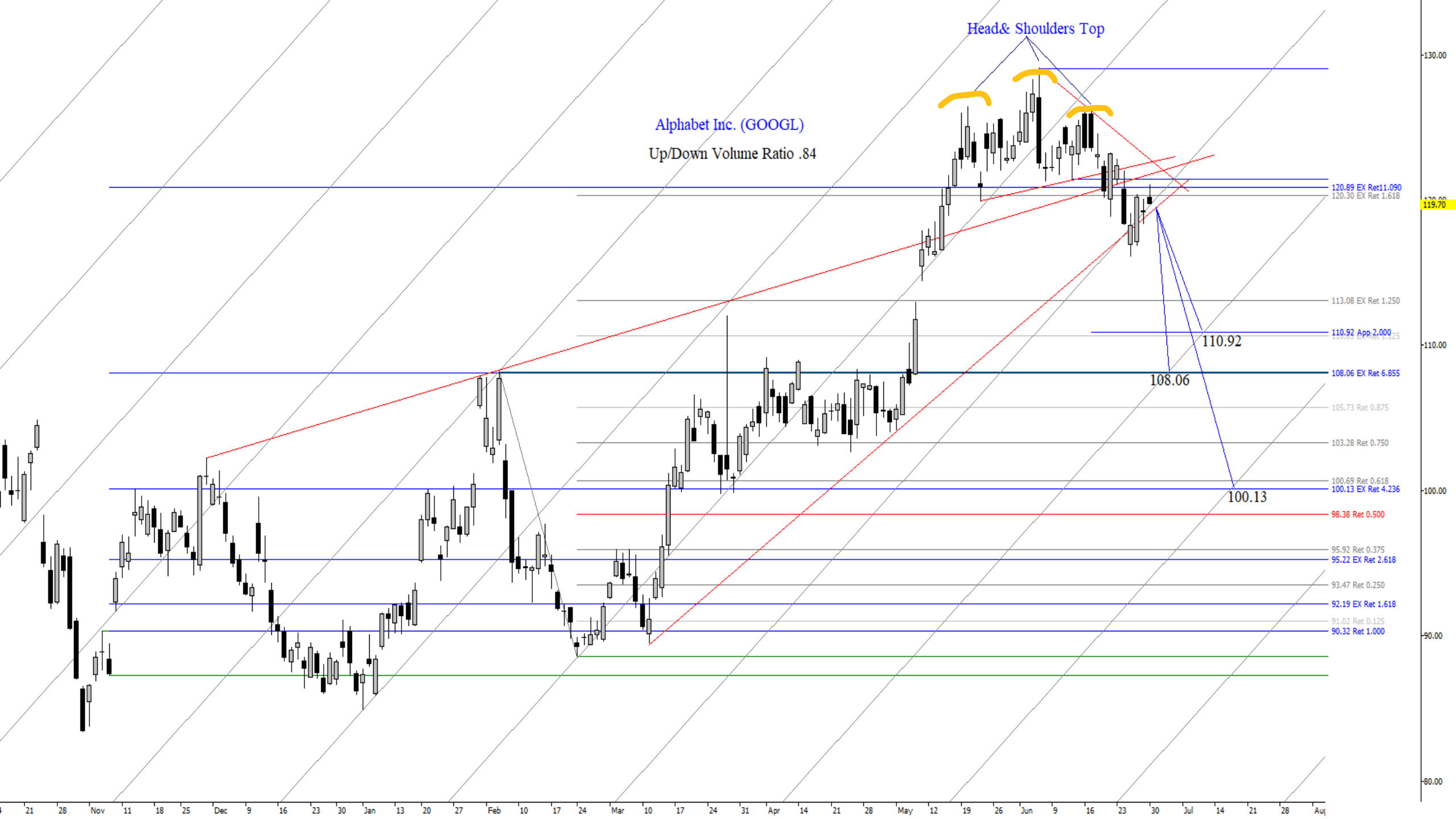
- *The Direxion Daily GOOGL Bear 1X (GGLS) will Confirm a Buy with the next 30-minute sell signal on Alphabet Inc. (GOOGL).*
- *I will send a text confirmation*
- *Start position at 1-star(*).*
- *Up/Down Volume Ratio on Alphabet Inc. (GOOGL) of .84 indicates institutional distribution*

- *Direxion Daily GOOGL Bear 1X (GGLS) closed at 20.49.*

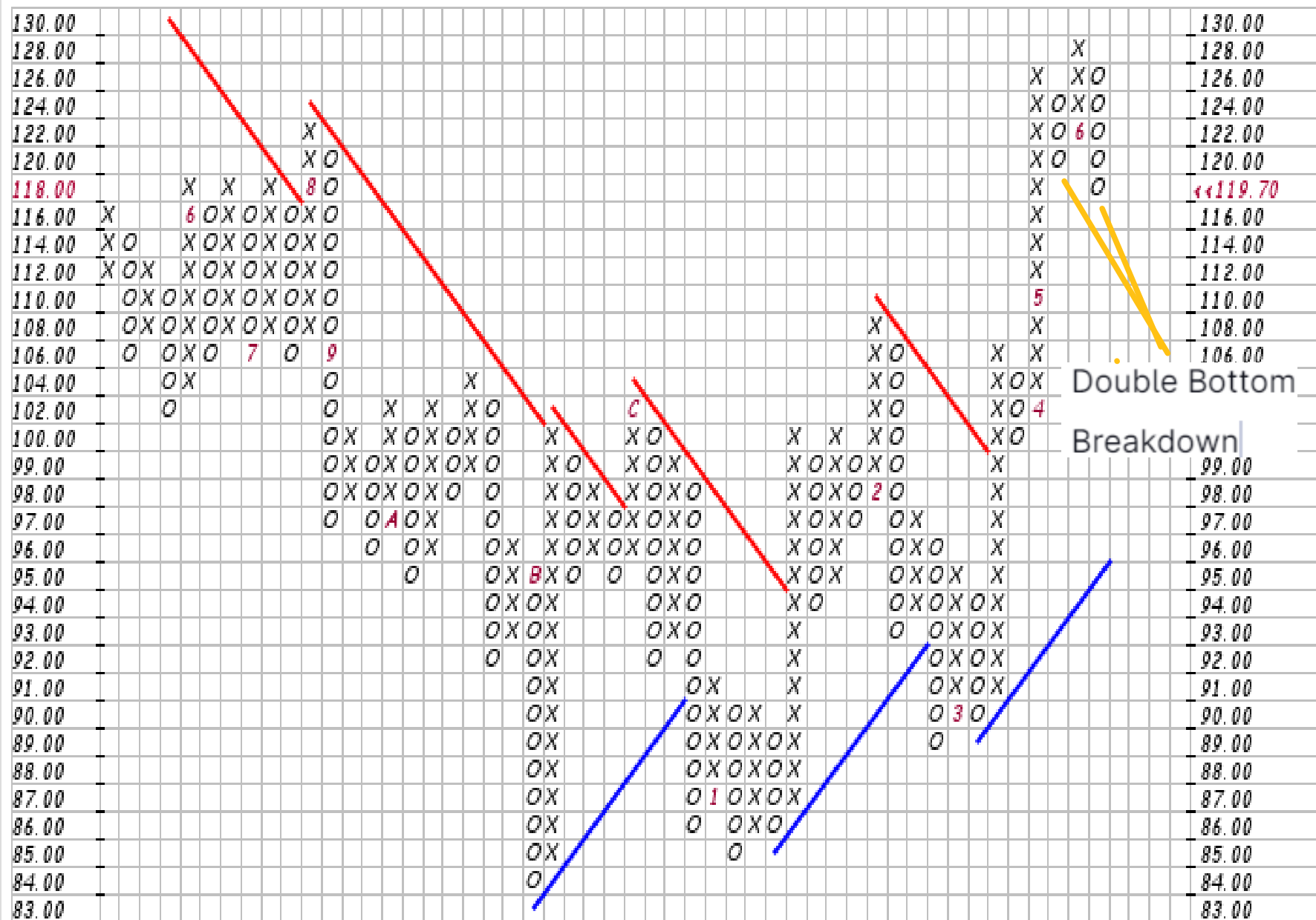
- *Direxion Daily GOOGL Bear 1X (GGLS) VWAP is at 24.31.*

- *Down trend target prices on Alphabet Inc. (GOOGL): 1st target is 110.92; 2nd target is 108.06; 3rd target is 100.13.*

Stop price on GOOGL: Close above 120.13.



Alphabet Inc. (GOOGL)



Buy Candidate: Eneti Inc. (NETI)

- *Industry Group: Shipping & Ports and Energy Alternative/Other.* The Energy Alternative/Other industry group ranks as the 147th strongest industry group out of 197 is -12.48% YTD and gave its most recent buy signal on June 06.

- Eneti Inc. (NETI) owns offshore wind farms & wind turbine installation vessels.

- Eneti Inc. (NETI) broke out of its base on June 14 and pulled back to Fibonacci support at 11.70.

- Eneti Inc. (NETI) broke a double top above the bearish resistance line and pulled back to the bearish resistance line on the Point & Figure chart.

- Eneti Inc. (NETI) will confirm with a 30-minute buy signal at 12.25.

- *Wait for text confirmation!*

- *Start Position 1-star(*).*

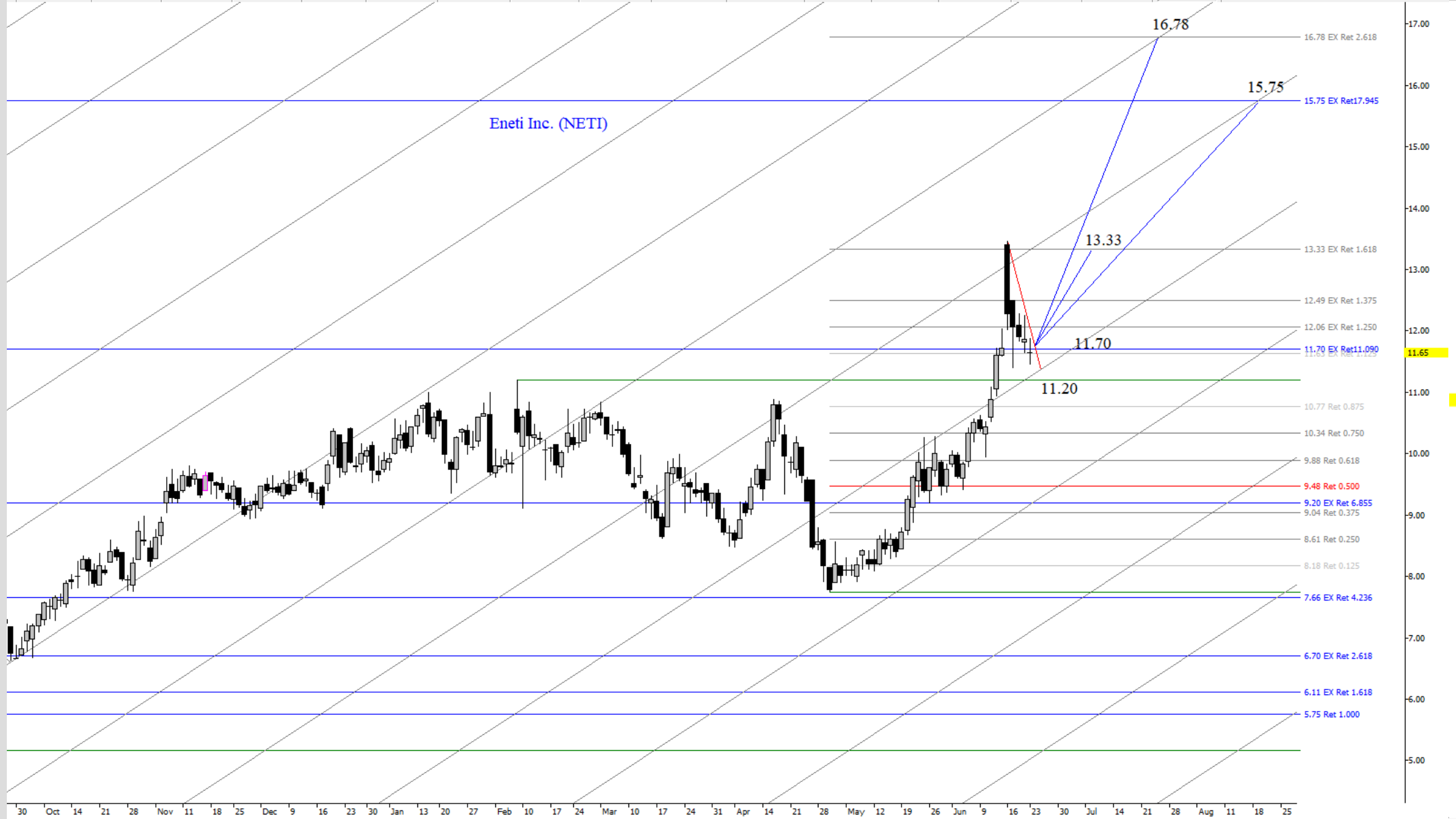
- *Under accumulation with an Up/Down Volume ratio of 2.12.*

- *Eneti Inc. (NETI) closed at 11.67.*

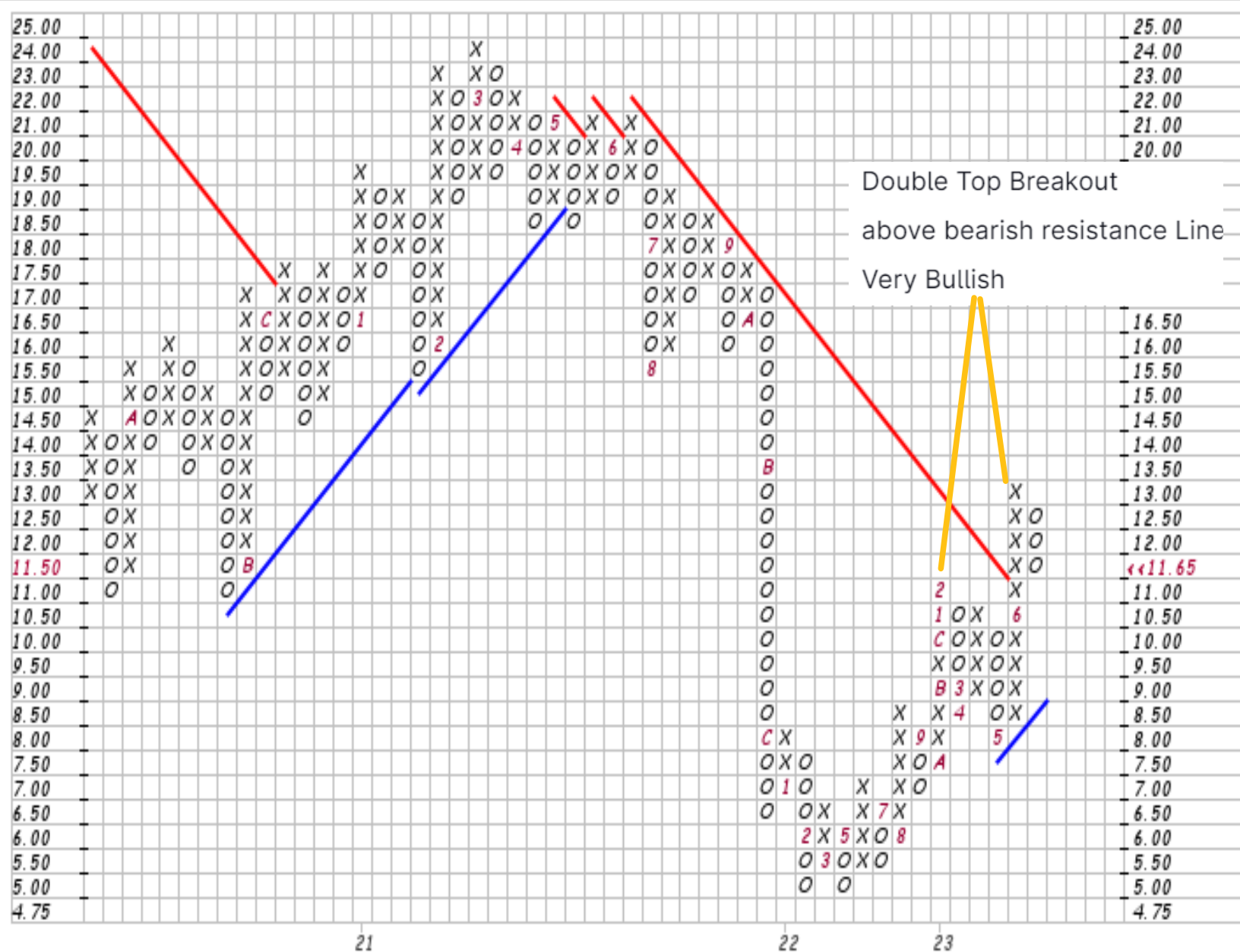
- *Eneti Inc. (NETI) VWAP is at 30.69.*

- *Sell target prices: 1st target is 13.33; 2nd target is 15.75; 3rd target is 16.78*

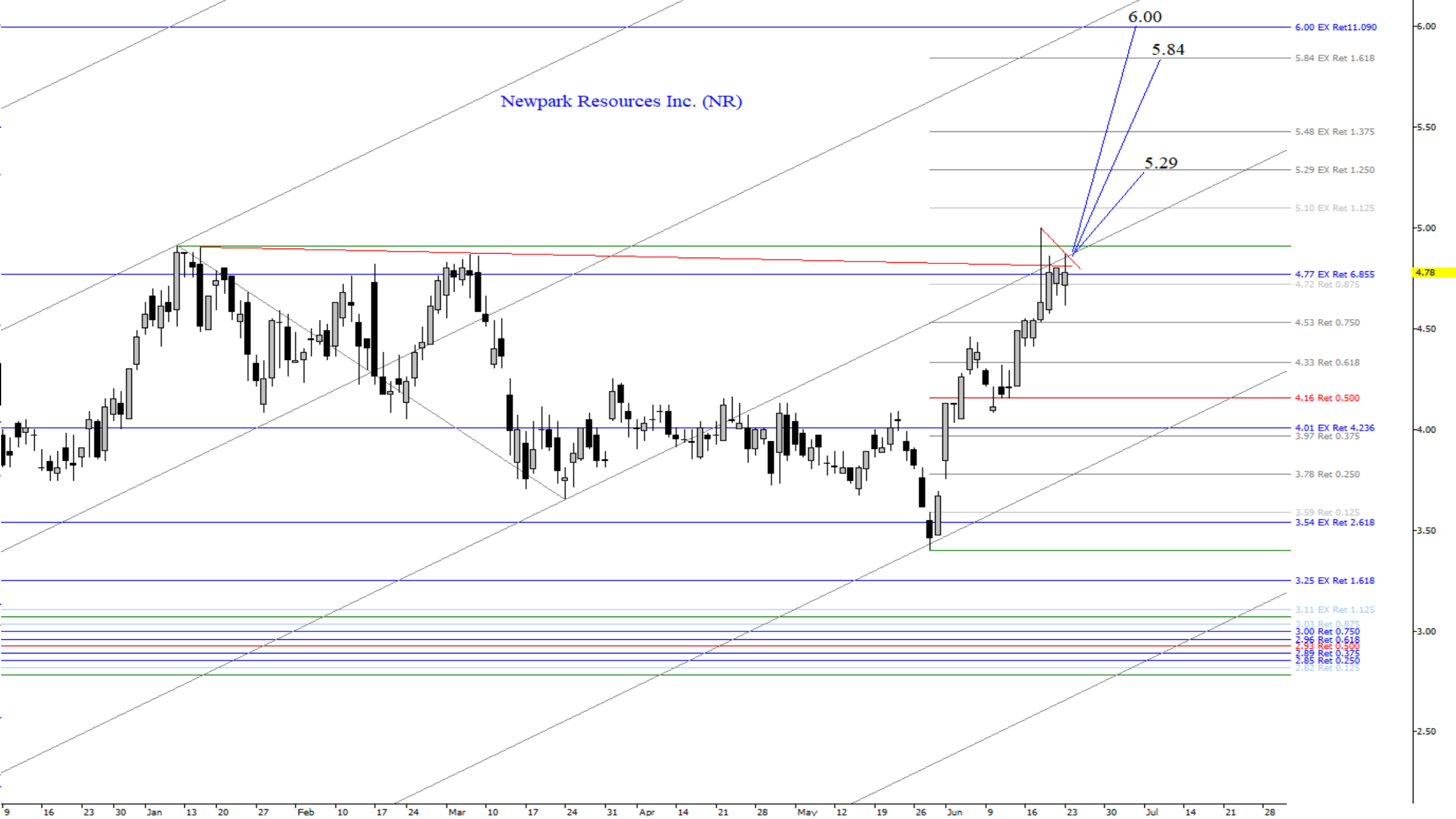
- *Stop sell price: Close below 11.20.*



Eneti Inc. (NETI)



Newpark Resources Inc. (NR)





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