



TFR

Trading Floor Research

Welcome to the
— Trading Floor —



08/21/22

This Trading Floor Research report contains:

- **Direxion Daily S&P 500 Bear 3X (SPXS)**. An ETF BUY Candidate corresponding to 3X the inverse daily performance of the S&P 500.
- **Vita Coco Company Inc. (COCO)**. A new BUY candidate in the Beverages Non-Alcoholic industry group.
- **ProShares Ultra Bloomberg Natural Gas (BOIL)**. An ETF BUY Candidate corresponding to 2X the daily performance of the Bloomberg Natural Gas Index.

Sectors, Industry Groups & Leadership Stocks

Stocks showed churning action this past week as the market finished lower on substantial volume. Strong stocks and TFR recommendations **LGL Group Inc. (LGL)** and **NeoVolta Inc. (NEOV)** broke out on significant volume and got dragged back into their bases. Stalling action in leadership stocks warns that the rally could be ending. Combine the individual stock behavior with the adverse movement in the **S&P 500**, and my market instinct tells me to cut back on my already small stock positions.

Another troubling development in the S&P 500 was how the index abruptly reversed at the critical 4300 level I talked about in last week's newsletter and finished the week closing below the upward sloping trendline from the July 14, 2022 low. The bulls came to the rescue by Friday's close as the index closed slightly above the firm Fibonacci 50% number of 4227.75. But by closing lower on bigger volume than Thursday, the bears added a distribution day.

The index could rally, using the Fibonacci 50% number as support, and throw back into the broken trendline before reversing lower again. I have a cycle turn date of Tuesday, August 27. An S&P 500 retracement could move higher into the cycle date.

A 30-minute sell signal after the S&P 500 rallies should allow us to short the S&P 500. I will use the **Direxion Daily S&P 500 Bear 3x (SPXS)** to take advantage of the move lower as I did in the last market selloff. Direxion Daily S&P 500 Bear 3x (SPXS) is featured in this week's report.

A close back below 4227.75 will put the bears back in control. The bears taking control after hitting 4300 like a brick wall could start a swift selloff in the S&P 500. (Refer to S&P 500 chart)

If the S&P 500 closes below 4275.75, the next significant Fibonacci support is at 4084.48 and 3945.86, and closing below the 3742.02 Fibonacci number from my long-term chart, the market will resume its downtrend.

Even though I see riskier capital enter the markets,
the bears are in control Of the Russell 2000 and indicate "Risk-Off" in the markets.



Technical Analysis Roadmap for the S&P 500 *Where Does the Market Go From Here*

Reserve Your Spot NOW for a Free Live & Online presentation!

CTIA and CBOE Global Markets Event Series

433 W Van Buren St., Chicago, IL 60607

Register at:

<https://Eventbrite.com>

Wednesday August

24,2022

4:00 PM Central Time

The webinar highlights a 50-year model showing the completion of a long-term Bull cycle & the highest probability of bear market lows.

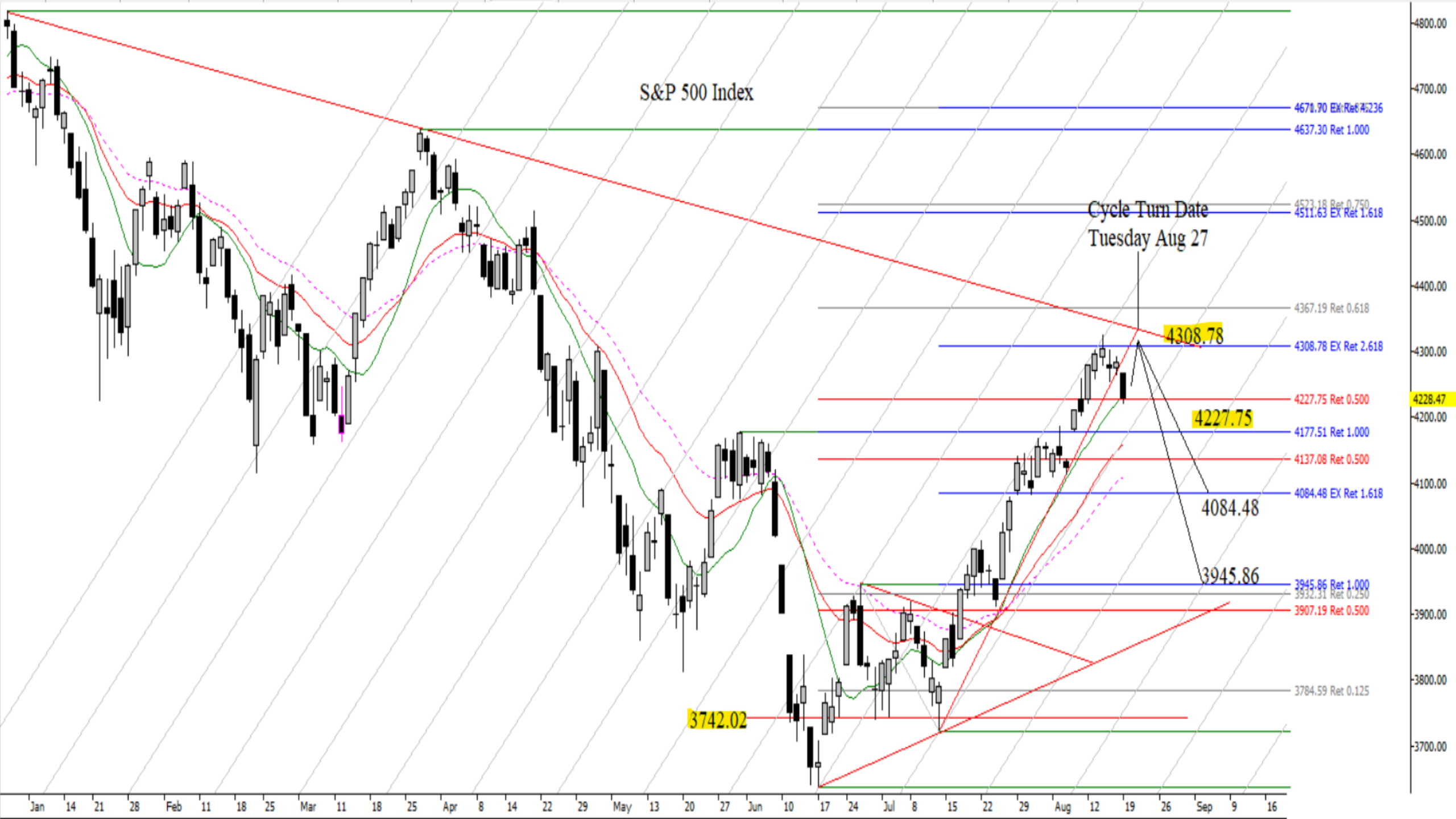
**Presenting Live and
Online**

David Wozniak, CMT

Chief Market Strategist



S&P 500 Index



Cycle Turn Date
Tuesday Aug 27

3742.02

4308.78

4227.75

3945.86

4084.48

4671.90

4637.30

4523.18

4511.63

4367.19

4308.78

4227.75

4177.51

4137.08

4084.48

3945.86

3932.31

3907.19

3784.59

Jan 14 21 28 Feb 11 18 25 Mar 11 18 25 Apr 8 14 22 29 May 13 20 27 Jun 10 17 24 Jul 8 15 22 29 Aug 12 19 26 Sep 9 16

4800.00
4700.00
4600.00
4500.00
4400.00
4300.00
4200.00
4100.00
4000.00
3900.00
3800.00
3700.00

Buy candidate: Direxion Daily S&P 500 Bear 3X (SPXS)

- *Portfolio: Short the S&P 500. This trade is designed to move 3x the inverse daily performance of the S&P 500 (SPX).*
 - *The Direxion Daily S&P 500 Bear 3X (SPXS) trade is designed to take advantage of the next potential move lower in the S&P 500 (SPX). As the S&P 500 has a retracement rally, I will watch SPXS pull back to Fibonacci support between 18.35 and 17.65. After the retracement, I will watch for confirmation with a 30-minute buy signal.*
 - *The Direxion Daily S&P 500 Bear 3X (SPXS) will Confirm a Buy with a pullback to 18.35-17.65 and 30-minute buy signal.*
- Wait for text confirmation!*
- *Start position at 3-star(***)*
 - *Direxion Daily S&P 500 Bear3X (SPXS) closed at 18.66.*
 - *Direxion Daily S&P 500 Bear 3X (SPXS) VWAP is at 48.28*
 - *Sell target price: 1st target is 21.33; 2nd target is 24.30; 3rd target is 29.12.*

Stop sell price: Close below 17.43.



Buy Candidate: Vita Coco Company Inc. (COCO)

- **Industry Group: Beverages Non-Alcoholic.** The Beverages Non-Alcoholic industry group ranks as the 91st strongest industry group out of 197 and is down -6.12% YTD, and is in a buy signal since June 06, 2022
- **Vita Coco Company Inc. (COCO)** products include coconut water, energy drinks with coconut oil and milk, and protein-infused water.

Vita Coco Company Inc. (COCO) is forming the handle of an IPO cup-with-handle base that started on November 15, 2021. This stock is under heavy institutional accumulation as market speculators are turning their attention to Consumer Defensive stocks like Vita Coco. IPO bases offer tremendous upside potential.

- *Vita Coco Company Inc. (COCO) will provide confirmation with a 30-minute close above 15.89.*

- *Wait for text confirmation!*

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

- *Under heavy institutional accumulation with an Up/Down Volume ratio of 2.32.*

- *Vita Coco Company Inc. (COCO) closed at 15.23.*

- *Vita Coco Company Inc. (COCO) VWAP is at 12.28.*

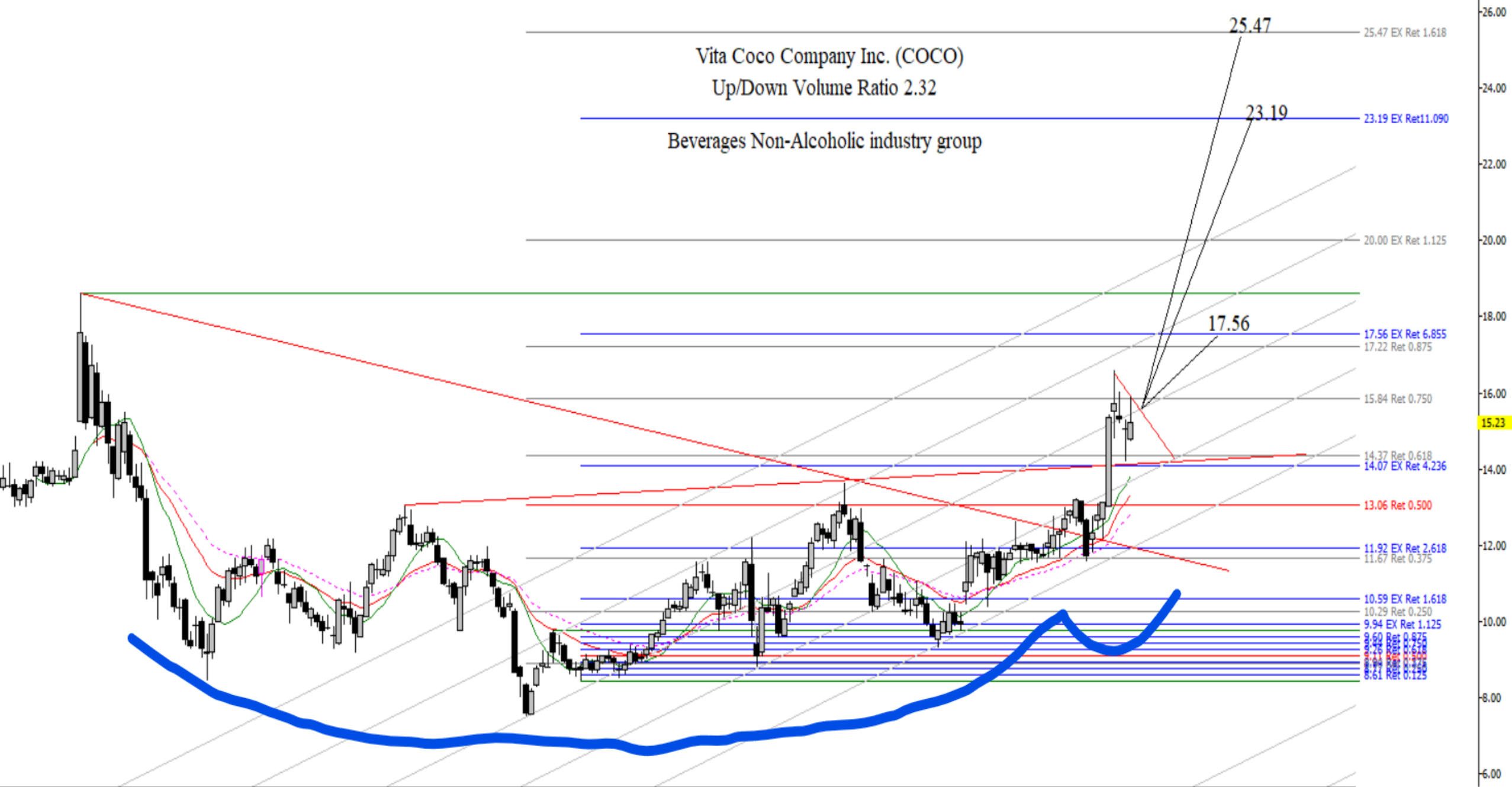
- *Sell target prices: 1st target is 17.56; 2nd target is 23.19; 3rd target is 25.47*

- *Stop sell price: Close below 13.06.*

Vita Coco Company Inc. (COCO)

Up/Down Volume Ratio 2.32

Beverages Non-Alcoholic industry group



Buy candidate: ProShares Ultra Bloomberg Natural Gas (BOIL)

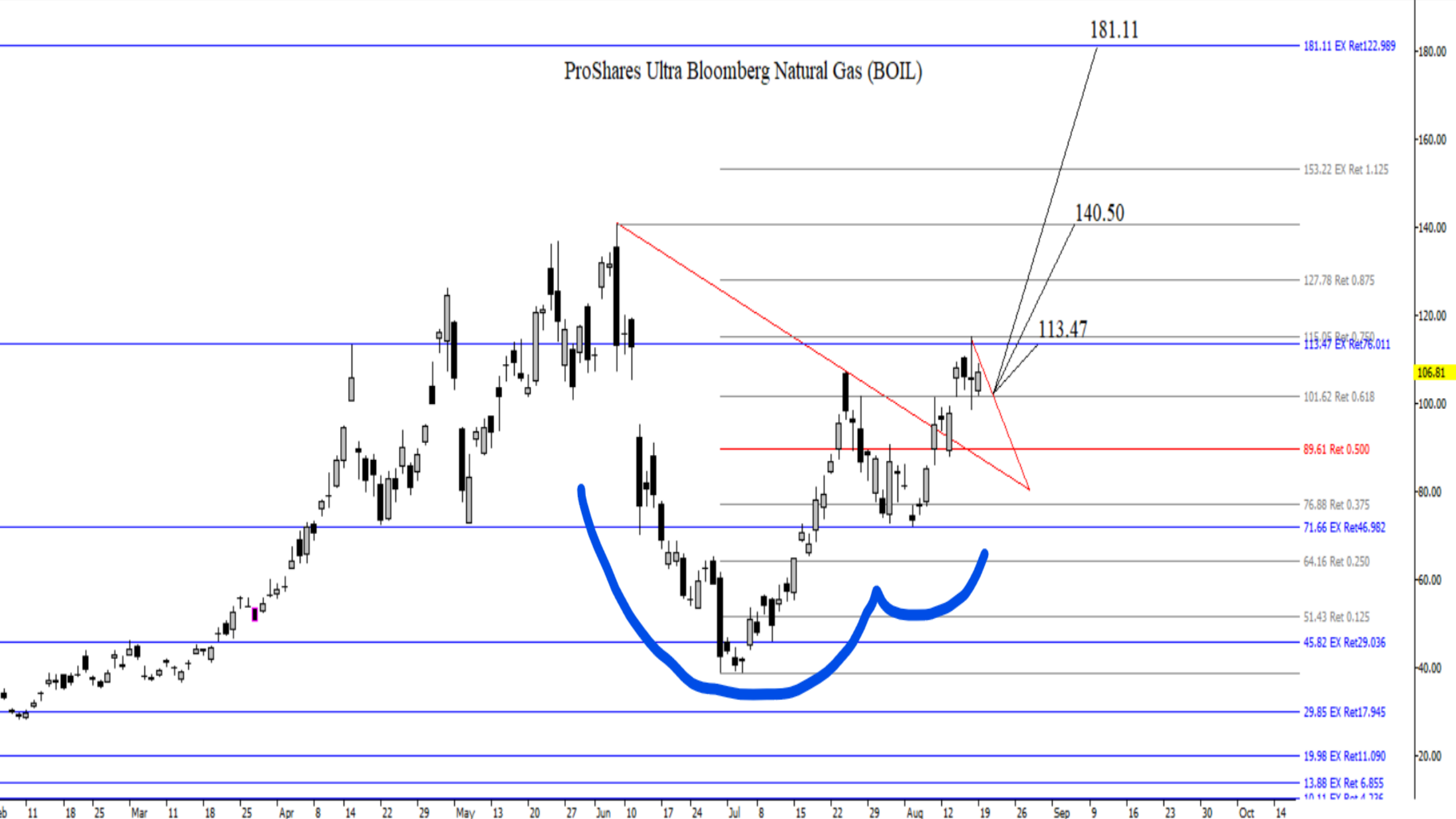
- *Portfolio: Long Natural Gas. This trade is designed to move 2x the daily performance of the Bloomberg Natural Gas index.*
- *ProShares Ultra Bloomberg Natural Gas (BOIL) trade is designed to take advantage of the next potential move higher in natural gas. As Natural Gas Index completes a cup-with-handle base, I will watch BOIL pull back to Fibonacci support between 101.62 and the 10-day moving average. After the retracement confirmation will be a 30-minute buy signal.*
- *The ProShares Ultra Bloomberg Natural Gas (BOIL) will Confirm a Buy with a pullback to 101.62 and 30-minute buy signal.*

Wait for text confirmation!

- *Start position at 2-star(**).*
- *ProShares Ultra Bloomberg Natural Gas (BOIL) closed at 106.81.*
- *ProShares Ultra Bloomberg Natural Gas (BOIL) VWAP is at 53.81*
- *Sell target price: 1st target is 113.47; 2nd target is 140.50; 3rd target is 181.11.*

Stop sell price: Close below 89.61.

ProShares Ultra Bloomberg Natural Gas (BOIL)





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