



Trading Floor Research

Welcome to the
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TFR

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05/16/21

This Trading Floor Research report contains:

- Bitcoin confirms sell signal
- Comments on Precipio Inc. in the Medical-Services industry group.
- Recon Technology Ltd (RCON). A new buy candidate in Oil and Gas Machinery/Equipment industry group.

Bitcoin confirms sell signal and Bonds look like another move lower

Two weeks ago, I wrote about the price correlation Bitcoin has with the S&P 500. Most of the time Bitcoin trades in lockstep with the market, but the few times Bitcoin showed divergence it offered some predictive qualities. Early last week, the market followed Bitcoin on its downward slide.

By the end of the week, the market trended higher. Yet Bitcoin Trust (GBTC) confirmed its path lower on Thursday with a 20-day low sell signal on above average volume.

The Feds monetary policy is providing the liquidity the market needs to stay on life support. It is also providing fuel for higher inflation. Traders' conviction quickly changed earlier this week when they thought that inflation pressures could be more than transitory. The volume on Thursday's and Friday's market rally was considerably lower than Tuesday's and Wednesday's market selloff. Volume continues to point to a market under distribution. The chart provided on Bitcoin Trust (GBTC) is also pointing lower. In the meantime, this choppy market is leading to a very dangerous environment for individual stocks, and bonds. I provided a recent update to the 7-10 -year treasury bond chart (IEF). This is also pointing to much lower prices and higher yields.

Bitcoin trust (GBTC) downside targets are 29.31 and 26.50.

iShares 7–10-year Treasuries Bond (IEF) targets are 110.52.



Grayscale Bitcoin Trust (GBTC)



18Mar21
TCR

14Apr21

1.000
10May

Throwback into crossing trendlines
gives price and time turn on May 10

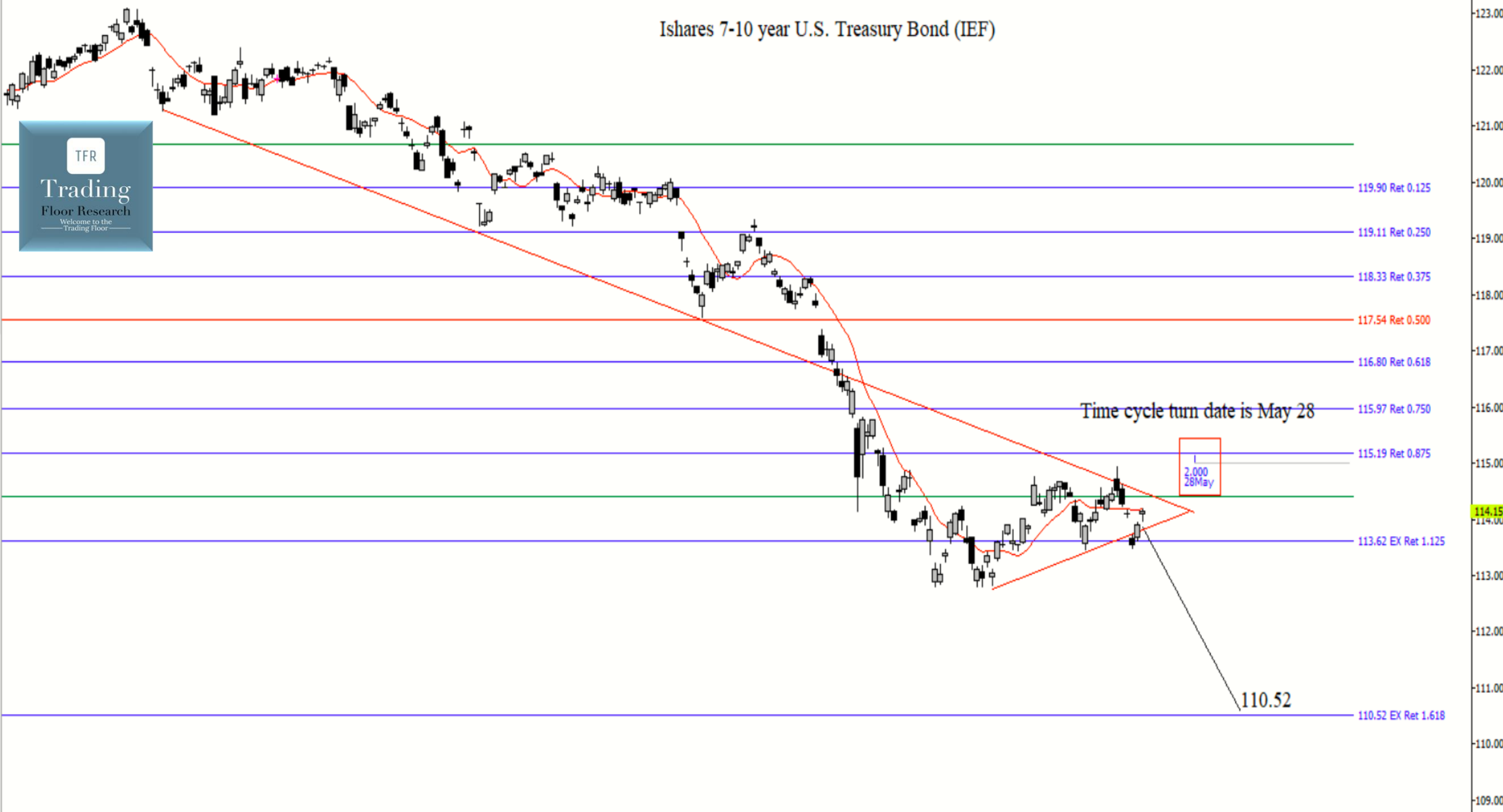
Close below 41.69 confirms sell signal

20-day closing low sell signal
on above average volume



60.00
55.00
50.00
45.00
40.00
35.00
30.00
25.00
20.00

Ishares 7-10 year U.S. Treasury Bond (IEF)



2,000
28May

110.52

Precipio Inc. (Stock analysis)

In last week's class, John Mourani asked for my opinion on Precipio Inc. (PRPO). Since others might be interested in this very topical stock, I thought I would offer my comments to everyone.

On May 3, Precipio Inc. announced that it had launched its COVID-19 rapid antibody test on Amazon.com. The purpose of the test is to identify antibodies that have been developed after the person has been exposed to the virus.

“There are two key important benefits to knowing if an individual has antibodies. First, individuals unknowingly infected or those who know they were infected can determine if they now have those antibodies. For those who are deliberating whether to get vaccinated, this test presents a tool that can provide additional information to make that decision. Secondly, individuals who have been vaccinated can use the test to inform whether the vaccination was successful and if the antibodies measured have persisted over time.”

On May 3, Precipio reacted to the news with a move from 1.83 to 9.18 in two days. Since then, the stock has pulled back to a low of 3.46 on Thursday. Friday PRPO closed 15% higher at 4.00 after trading as high as 4.50.

Volume has been strong and shown accumulation during the impulse move up to 9.18, and the retracement down to 3.46. The up/down volume ratio is at an impressive 5.7. This shows strong institutional accumulation.

Precipio Inc's industry group is Medical-Services. Unfortunately, Medical-Services gave a sell signal on March 3, 2021. The group reconfirmed a sell two weeks ago. Downside volume has been very large for the group the last two weeks. Remember that 60% of an individual stock move is because of the strength of the industry group. This puts big downside pressure on PRPO and lowers the probabilities of success. The unique nature of the story surrounding the stock could counter this, but the strength of the industry group should never be ignored.

You might notice on the chart the last time PRPO made an impressive short-term move, it faded away. The news it rose on July 30, 2020, reported a successful outcome on the COVID-19 antibody test on animals. This time's price reaction could be different, but this is where I let the support and resistance target numbers be my guide.

PRPO found support at the 1/4 grid number of 3.65 on Thursday and Friday. It could still move lower to its bigger Fibonacci support at 3.10. This may also offer a better buying opportunity.

There is a confluence of Fibonacci resistance numbers at 4.57-4.68. The IPO VWAP is at 4.45. **In order to move higher from here, PRPO needs to close above all that resistance at 4.57 on a daily close with above average volume.** I will send an alert if that happens. Otherwise, the best action on PRPO is to wait and watch.



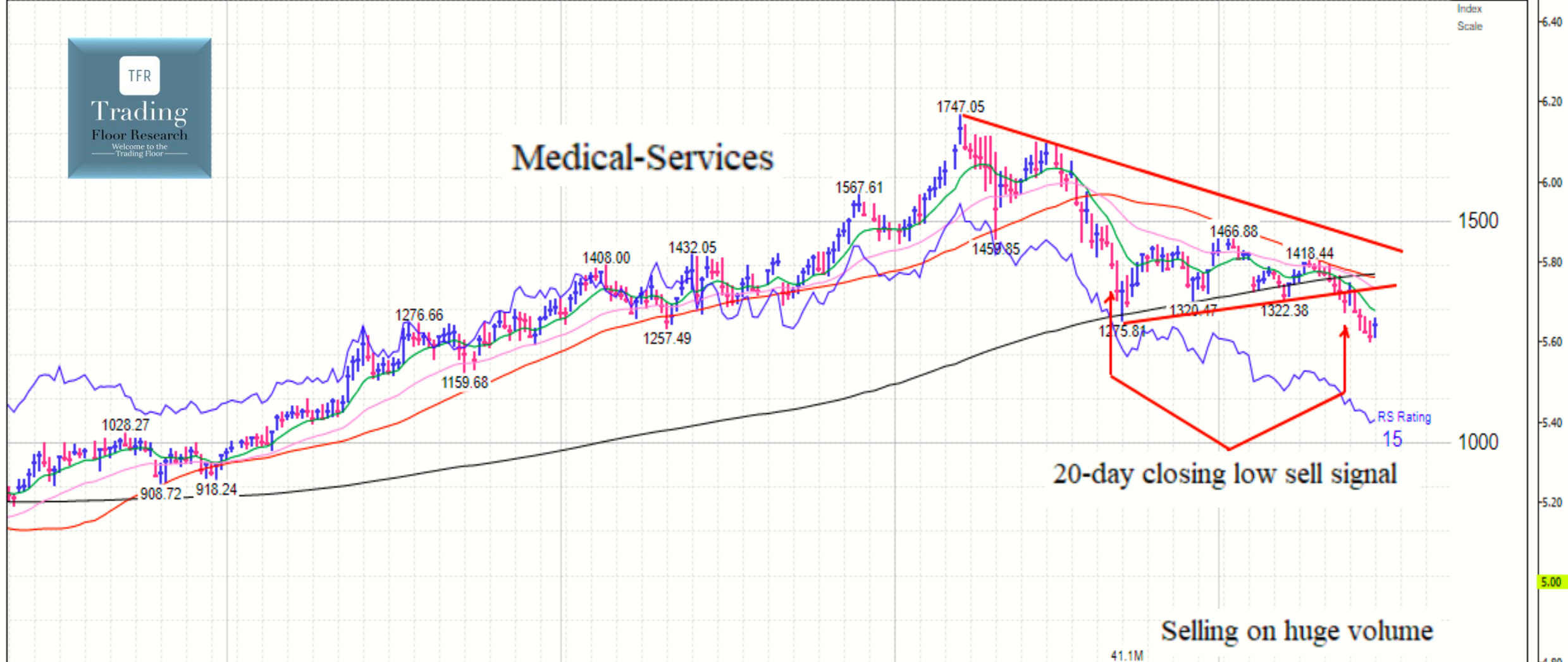


Precipio Inc. (PRPO)



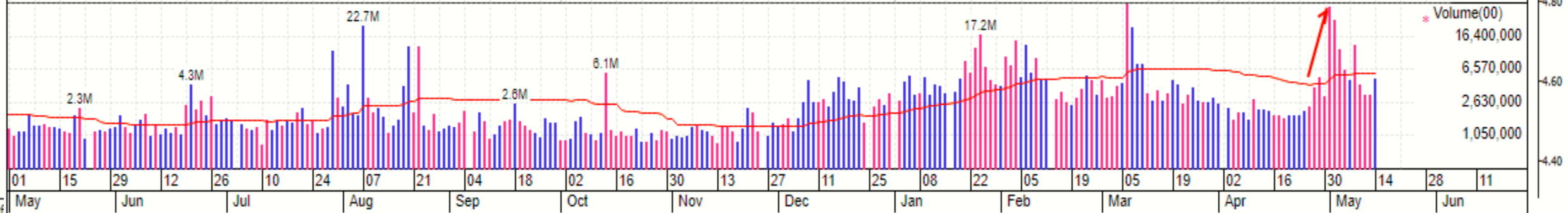


Medical-Services



20-day closing low sell signal

Selling on huge volume



Volume(00)

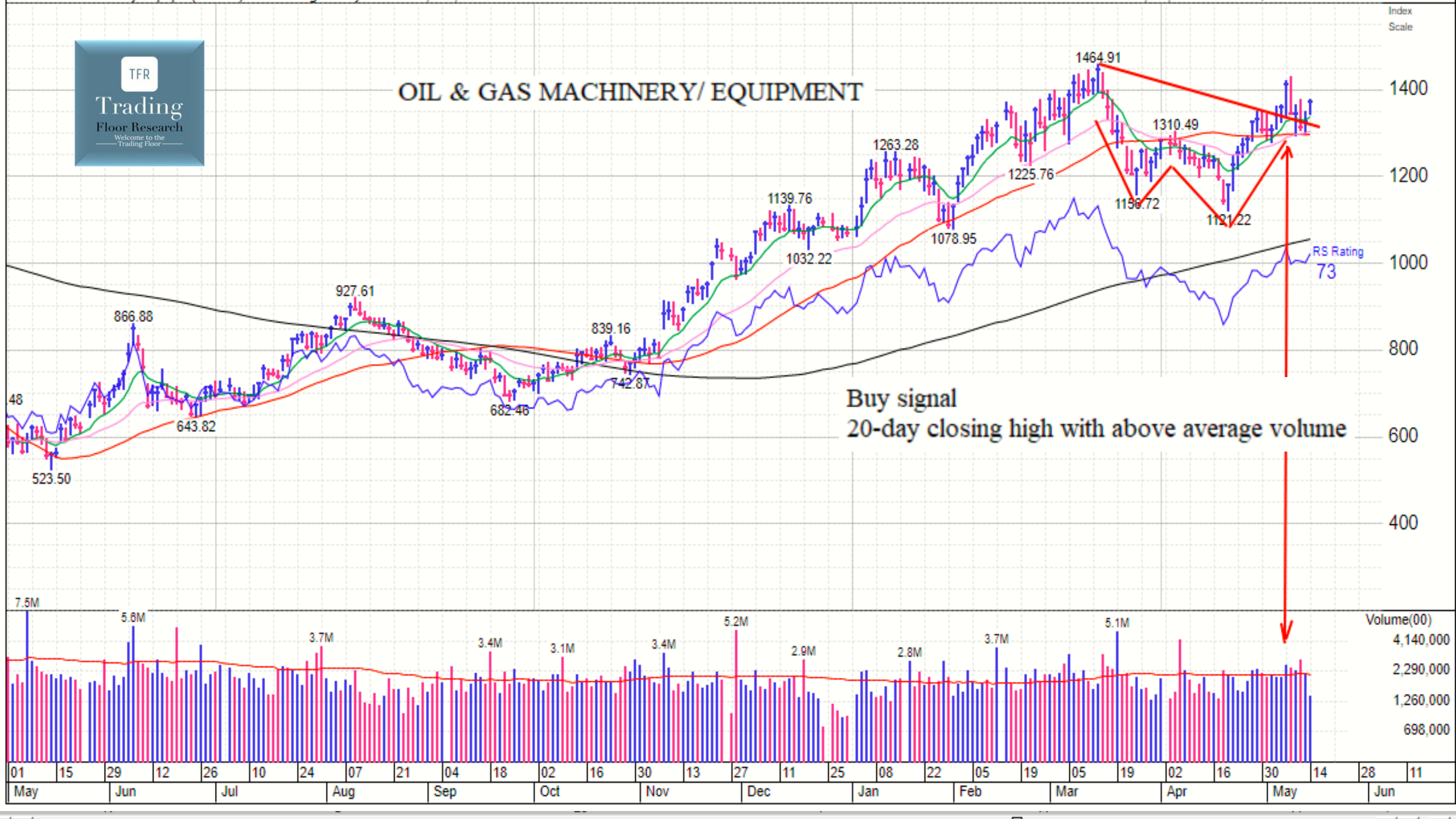
16,400,000
6,570,000
2,630,000
1,050,000

- Buy candidate: **Recon Technology Ltd (RCON)**
- Industry Group: Oil& Gas Machinery/ Equipment. The group currently ranks as the 53rd strongest industry group in the market out of 197 and is up 28% for the year. The group reconfirmed a buy signal 5/7/21 after breaking the trendline of a 3-month double bottom base. Last week the group did a throwback into the trendline to form a handle on the double bottom base.
- RCON is a Chinese company providing software and hardware solutions to the petroleum extraction/ production industry.
- RCON has set up in a Cup-with-handle base since March.
- RCON needs to break the trendline at the top of it's handle to give a buy signal.
- RCON has already given two 30-minute buy signals in the handle. **Closing above the trendline at 9.69 will complete the buy signal.**
- **RCON can be bought with a 30-minute close above 9.69 with above average volume..**
- Start position at 1-star(*) (Market concerns)
- Under massive accumulation with an Up/Down Volume ratio of 4.0.
- RCON closed at **9.60** on Friday.
- **Buy RCON as close to 9.69 as possible. Do not pay more that 9.89**
- **Don't chase RCON in this market. Let it come to you.**
- RCON VWAP is at 5.09.
- Sell target prices: **1st target 10.75, 2nd target is 12.79, 3rd target 16.90**
- Stop sell price: **Close** below **8.44**.





OIL & GAS MACHINERY/ EQUIPMENT





Recon Technology Ltd (RCON)





Results of TFR closed positions

XPEV	Sold position	+41.83%	OTIC	Sold position 12/22/20	+41.80%
DADA	Stopped out	-12.6%	BTBT	Sold position 12/30/20	+101.15%
GPRO	Stopped out	-2.31%	LUNG	Sold position 12/31/20	+41.88%
FUV	Sold position	+67.34%	GBTC	Sold position 01/05/21	+95.29%
BLNK	Sold position	+76.25%	ZKIN	Sold ½ position 01/05/21	+28.57%
OPTT	Sold ½ position	+128%	TGC	Sold position 01/28/21	+309.82%
OPTT	Stopped out 1/2 position	+49.13%	SNMP	Sold position 01/28/21	+122.58%
BBIO	Sold Position	+21.81%	GP	Sold position 01/25/21	+41.29%
CVAC	Sold Position	+66.81%	GMDA	Sold position 01/26/21	-6.87%
NGMS	Stopped out	-11.22%	TUSK	Sold position 01/27/21	+1.77%
EH	Sold Position	+61.78%	ZKIN	Sold position 01/27/21	+16.17%
UFAB	Sold Position	+43.60%			

Results of TFR closed positions



CLIR	Sold position 01/28/21	+17.44%
VVPR	Sold position 01/27/21	+34.13%
CHNR	Sold position 01/27/21	-18.01%
ARYA	Sold position 02/08/21	+95.26%
USWS	Sold position 02/18/21	+217.90%
ARYA	Sold position 02/27/21	0.00%
NBAC	Sold position 02/26/21	-6.87%
SDPI	Sold position 02/26/21	+8.42%
BRN	Sold position 02/26/21	-14.15%
FURY	Sold position 02/26/21	-22.52%
GHSI	Sold position 02/25/21	-30.33%

Results of TFR closed positions

OGEN	Sold position 02/26/21	0.00%
TTOO	Sold position 02/25/21	+33.85%
THCA	Sold position 02/26/21	-6.14%
XELA	Sold position 02/26/21	-10.29%
AMST	Sold position 02/26/21	+6.45%
TUSK	Sold position 03/19/21	-23.69%
MBII	Sold position 03/24/21	+23.91%
PANL	Sold position 03/24/21	-1.85%





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