



TFR

# Trading Floor Research

Welcome to the  
— Trading Floor —

10/01/23



This Trading Floor Research report contains:

S&P 500 Update

Technology Sector/Direxion Technology Bear 3X (TECS) Update

Energy Sector/ Direxion Energy Bear 2X (ERY)

ElectroCore Inc. (ECOR)

*Still setting up:*

Direxion Daily S&P 500 Bear 3x (SPXS)

S&P 500 Update  
&

Direxion Daily S&P 500 Bear 3x (SPXS)

*After the **S&P 500 Point & Figure chart** turned down on Tuesday, the index continued to sell off and found support at the most significant trendline since the low last October.*

*This trendline marks the uptrend that started one year ago and is the most important of the bear market rally. Breaking the trendline would indicate that the S&P 500 could no longer be considered in an uptrend and would start the next leg lower.*

*Wednesday's selloff had the index confirming the trendline before starting the rally that concluded Friday morning. The probability of a bounce after confirming the third point on the trendline is a high-probability technical pattern.*

*The retracement rally took the S&P 500 within seven points of the neckline of the **head & shoulders** pattern at 4340.39.*

*Once again, the S&P 500 reversed at a high probability target and closed below the firm Fibonacci number at 4311.69. Friday's close below 4311.69 indicates that the downtrend will continue this week.*

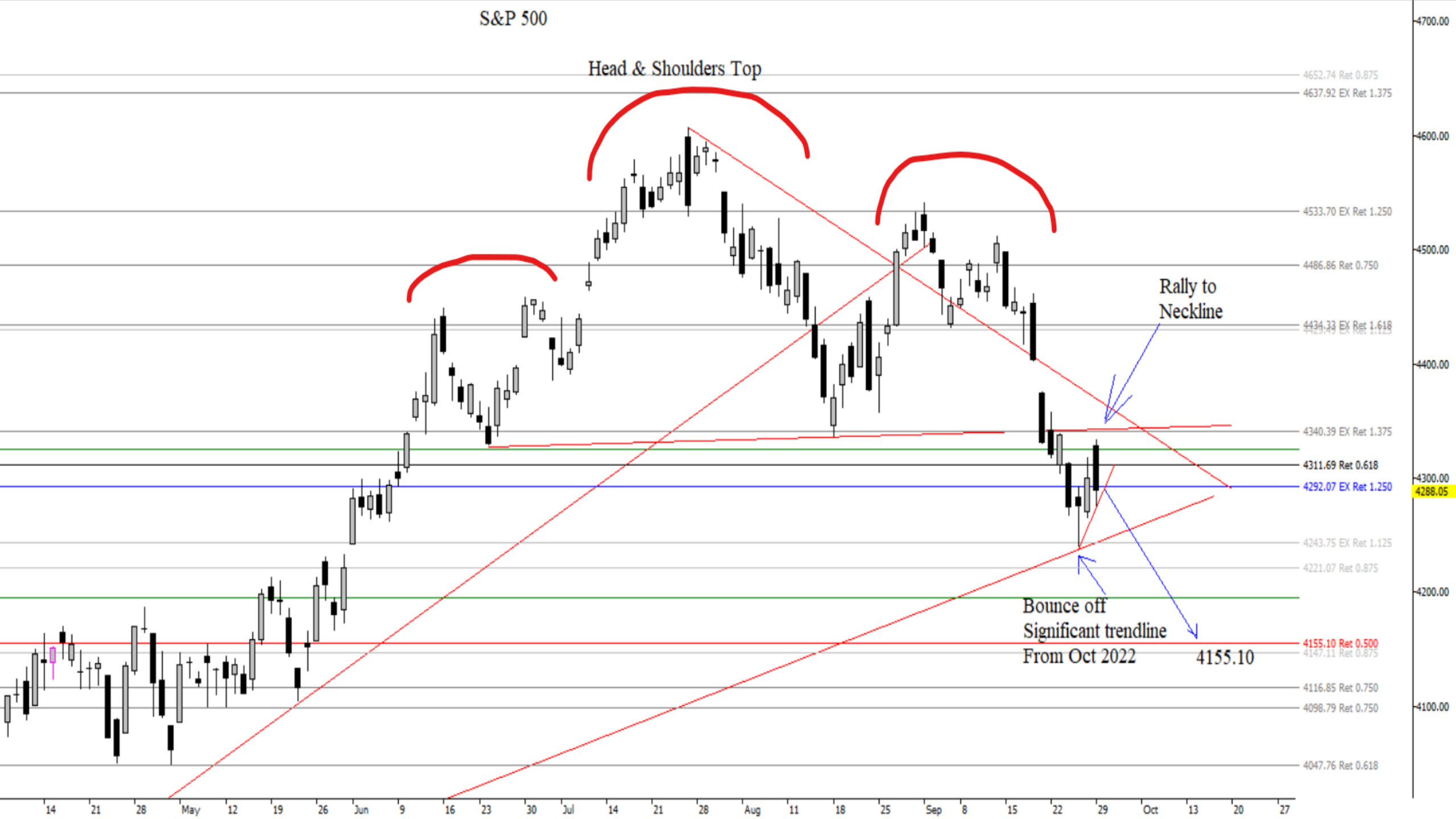
*Monday morning, the S&P 500 will trade on the passage of the stopgap government funding bill. If it can close back above 4311.69, the rally may last a couple more days and move toward the head & shoulders neckline again.*

*Closing below the rising October 2022 trendline at 4246.80 would send the S&P 500 into a steep downtrend.*

*After confirmation, I intend to repurchase the **Direxion Daily S&P 500 Bear 3x (SPXS)** to take advantage of further downside potential.*

*The next downside target is 50% of the January 2022 high to October 2022 low at 4155.10.*

# S&P 500





# S&P 500



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).*
- *The Direxion Daily S&P 500 Bear 3X (SPXS) will Confirm a Buy with a close above 15.94 on the 30-minute chart.*

*Wait for text confirmation!*

- *Start position at 2-star(\*\*).*
- *Direxion Daily S&P 500 Bear3X (SPXS) closed at 15.77.*
- *Direxion Daily S&P 500 Bear 3X (SPXS) VWAP is at 30.98*
- *Sell target price: 1<sup>st</sup> target is 16.49; 2<sup>nd</sup> target is 18.43*

*Stop sell price: Close below 14.81.*



Direxion Daily S&P 500 Bear 3x (SPXS)

18.43

18.43 EX Ret 2.618

16.49

16.49 EX Ret 1.618

15.29

15.53 EX Ret 1.125

14.81

15.05 Ret 0.875

14.81 Ret 0.750

14.55 Ret 0.618

14.32 Ret 0.500

14.08 Ret 0.375

13.84 Ret 0.250

13.59 Ret 0.125

Cycle Turn Date  
October 12

-18.00  
-17.00  
-16.00  
15.78  
-15.00  
-14.00  
-13.00





## Sector Update

### Technology sector Sell Signal & Direxion Technology Bear 3X (TECS) Update

*I continue to look at the **Technology** sector for confirmation of a further downtrend in the market.*

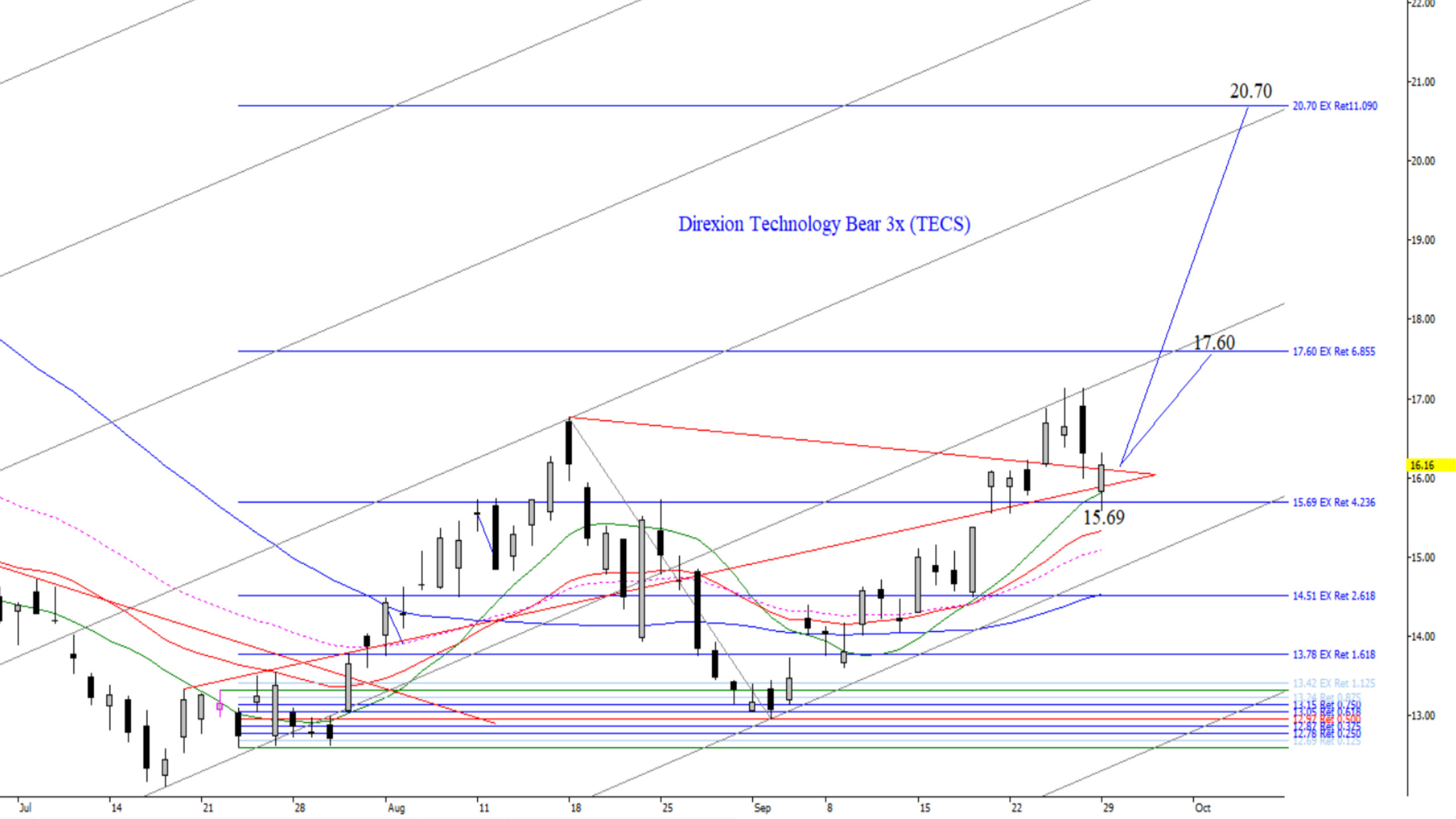
*Tech stocks led the NASDAQ and S&P 500 higher until the market top in July and continue to be an excellent barometer of the market's next trend.*

*Even Friday morning, the Technology sector had one of the largest bounces as bottom fishers unsuccessfully tried to call the lows.*

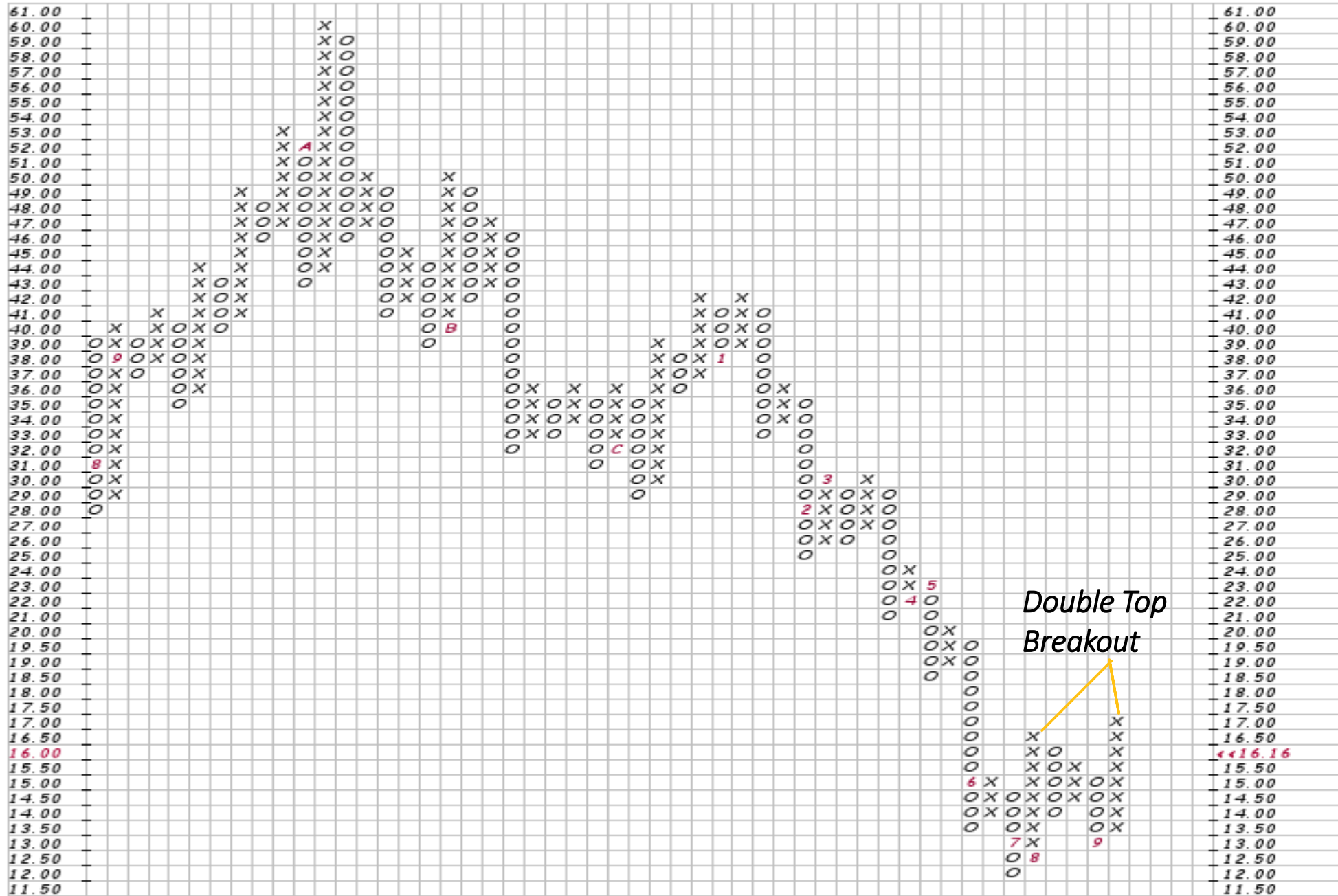
*After a retest of the 20-day moving average, the Technology sector finished the day back below 50% of the bear market range from the November 2021 high to October 2022 low. Since the Technology sector closed below the 1/2 number on September 21, it has been unable to close back above the significant number.*

*The bears have taken control of the tech stocks and are holding the line, indicating more downside for tech stocks and the market.*

*I continue to hold the **Direxion Technology Bear 3x (TECS)** to take advantage of the move.*



# Direxion Technology Bear 3X (TECS)



## Sector Update

### Energy Sector Update

The **Bullish Percent Index** reversal from historic highs in the **Energy** sector on September 20 alerted me of a potential downturn. It was at historic highs for the past few weeks as it hit 96.

After topping out on September 19, the Energy Sector attempted to make new highs again on Thursday and missed by .04%. The inability to make a new high when the price is that close is never a good sign.

With Friday's -1.51% drop, I am getting sell signals in the Energy sector for the first impulse move lower.

When I get confirmation, I will purchase the **Direxion Energy Bear 2x (ERY)** to take advantage of the move.

The Fibonacci targets on ERY are at 25.25, 25.78, and 26.52.

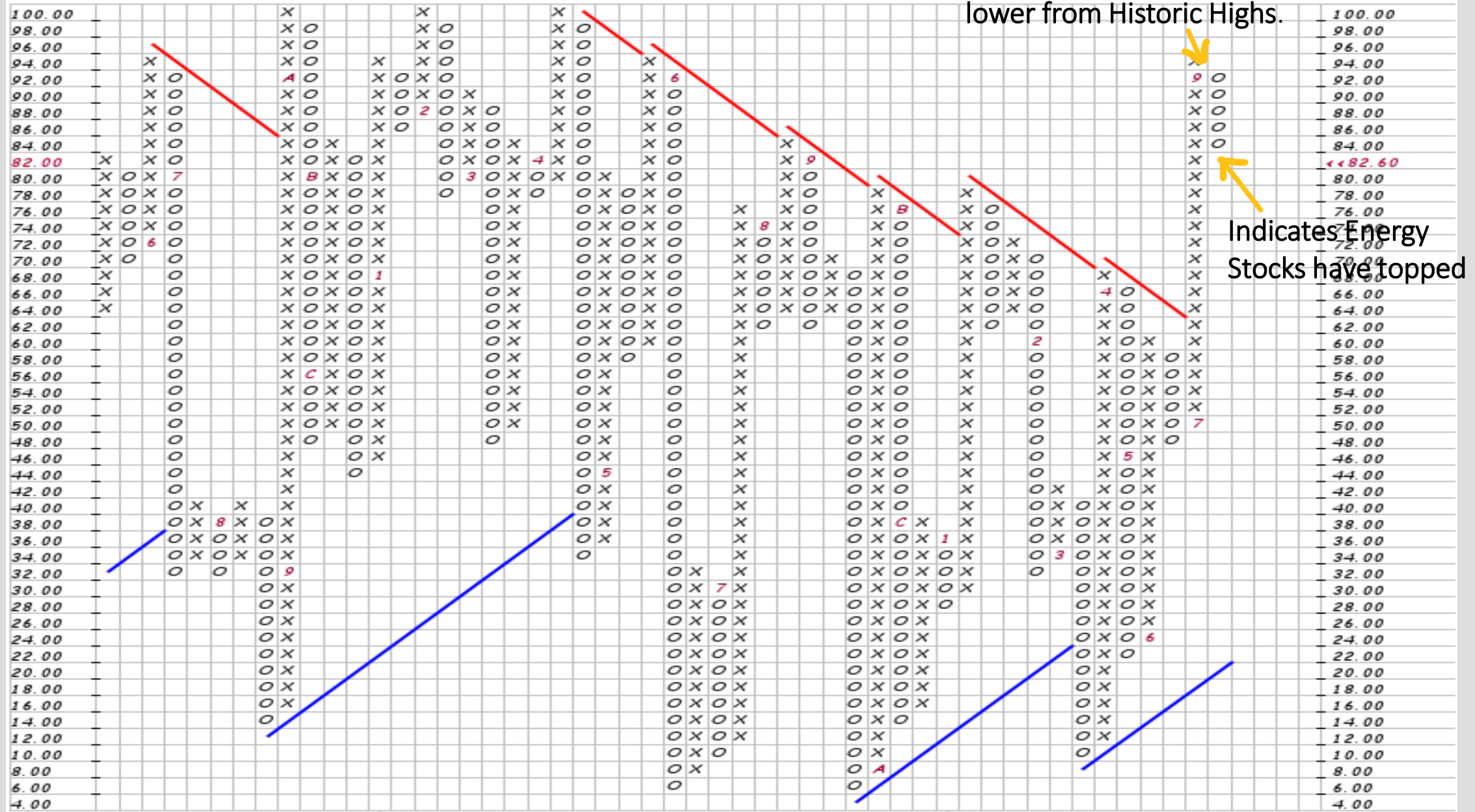
The stop is a daily close below 24.28.

# Energy Sector Update

## The Bullish Percent Chart

The bullish Percent Index turned

lower from Historic Highs.



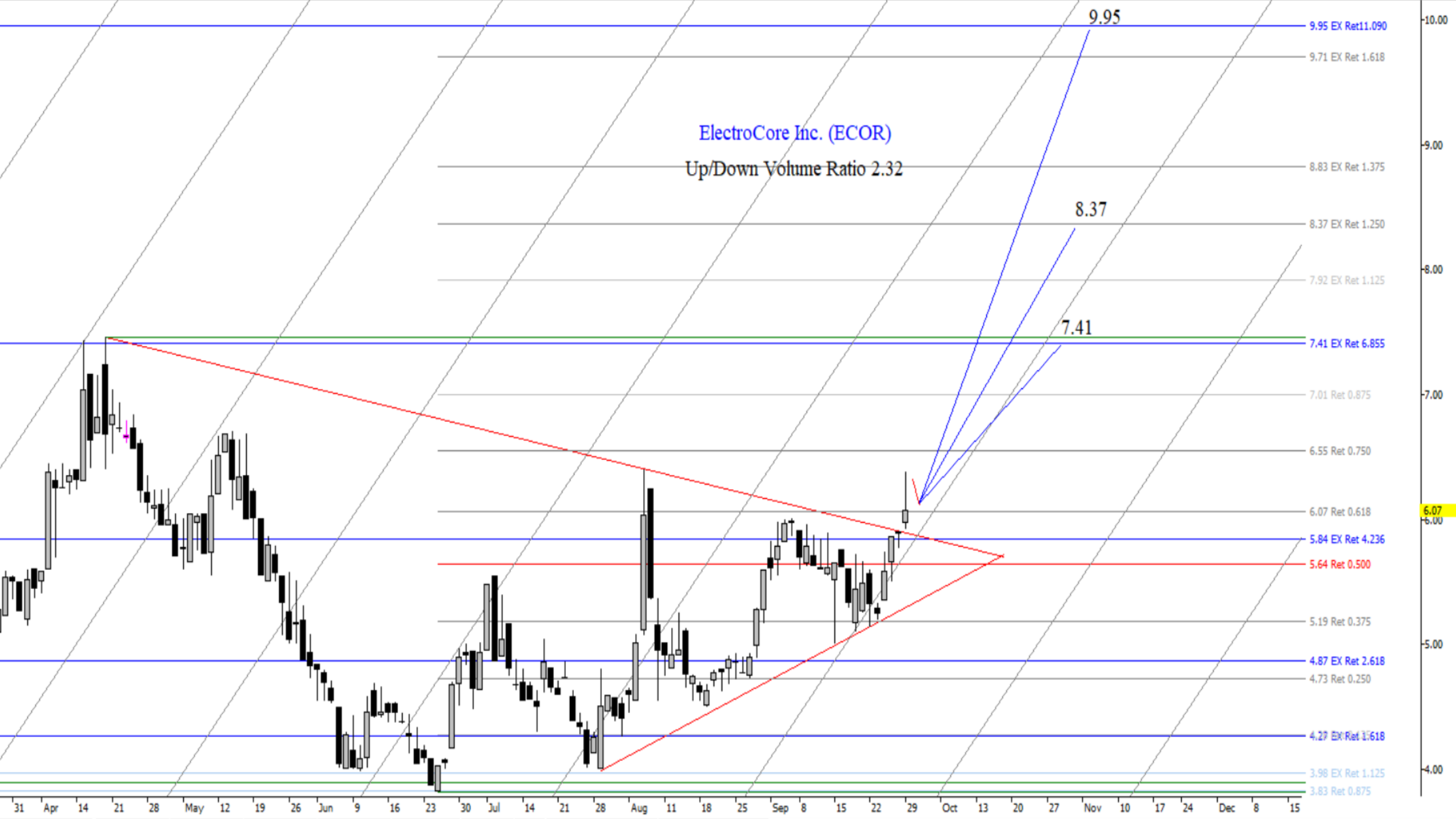
## Buy Candidate: ElectroCore Inc. (ECOR)

- *Industry Group: **Medical Biotech**. I see Biotech stocks have nice one- and two-day upside moves in this difficult market. ECOR is a potential candidate for a quick move higher.*
- *ElectroCore Inc. (ECOR) develops and manufactures therapeutics for treating neurology and rheumatology conditions.*
- *ElectroCore Inc. (ECOR) will complete a rising **Triple top** breakout above the bullish resistance line at 6.50 on the Point & Figure Chart. The stock broke out of its cup-with-handle base on Friday at 6.01.*
- *ElectroCore Inc. (ECOR) will confirm with a 30-minute close above 6.16.*
- *Wait for a text Alert!*
- *Start Position at 1-star(\*)*
- *ElectroCore Inc. (ECOR) is under massive accumulation with an **Up/Down Volume Ratio** of 2.32, breaking 100-day highs.*
- *ElectroCore Inc. (ECOR) closed at 6.07.*
  
- *ElectroCore Inc. (ECOR) VWAP is at 27.11.*
- *Fibonacci target prices: 1st target is 7.41; 2nd target is 8.37; 3<sup>rd</sup> target is 9.71-9.95*
- *Stop price: Close below 5.85.*



# ElectroCore Inc. (ECOR)





ElectroCore Inc. (ECOR)

Up/Down Volume Ratio 2.32

9.95

8.37

7.41

6.07

5.64

4.87

4.27

3.98

3.83



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