TFR

Trading Floor Research

Welcome to the Trading Floor

01/28/24

<u>This Trading Floor Research report contains:</u>

NASDAQ 100 (QQQ) & Market Sector Update

SOPHIA Genetics SA (SOPH)

Spruce Biosciences Inc. (SPRB)

Direxion Daily Real Estate Bear 3x (DRV)

Still setting up from last week

ProShares UltraShort Utilities ETF (SDP)

***NASDAQ 100 (QQQ) & Market Sector** Update*

On Wednesday, the **NASDAQ 100 (QQQ)** rallied to a critical Fibonacci number at 427.99. The number is the weak 1.125 expansion from the bear 2022 market base. Reversing from weak Fibonacci numbers can often lead to quick declines. Upward progress was again held in check on Thursday at the 1.125 expansion. Friday, the QQQs gapped lower and closed near the day's lows.

The QQQ .60% decline closing below Thursday's lows sets up a corrective move that will likely retest the 2021 high at 408.71. If the QQQs close below 408.71, it will lead to a much more severe decline. Once I get a 30-minute confirmation, I will purchase the **ProShares UltraShort QQQ (SQQQ)** to take advantage of the move.

As the **S&P 500** hit new highs last week, sectors continued to crumble. **Utilities, Real Estate**, and **Basic Materials** are leading the downside charge.

The **Direxion Daily Real Estate Bear 3x (DRV)**position purchased on Tuesday quickly moved higher and closed Wednesday with a +4.13% gain as the **real estate sector ended near a 2024 low.** The oversold Real Estate sector attempted a rally on Thursday that stopped at the .375 retracement from the recent -5.65% decline. The bounce alleviated much of the oversold conditions as Real Estate moved lower again on Friday.

NASDAQ 100 (QQQ) & Market Sector Update
(Continued)

The **Utilities sector** could only bounce on Thursday, which increased the move's intensity as utility stocks closed at new 2024 lows. The "**January Effect**" gave a 2024 sell signal for Utilities last week, indicating that Utilities will move much lower.

Utilities are interest rate sensitive and are the best indicator of future moves in the bond market. The complete collapse of the Utility sector and the "January Effect" should have investors questioning the thesis that interest rates are heading lower. The end-of-the-week bounce in Utilities sets up a tremendous low-risk entry opportunity for the **ProShares UltraShort Utilities (SDP)** ETF. Confirmation for this trade may come soon. It is highlighted once again in this week's TFR report.

Thursdays and Fridays' bounce in the beaten-down **Basic Materials sector** also sets the hook for a continued move lower. Once I get confirmation, I will purchase the **ProShares UltraShort Basic Materials (SMN)** ETF.


NASDAQ 100 (QQQ)
427.99
416.18
408.53
404.13
387.98
427.99 EX Ret 1.125
423.78 EX Ret 1.618
416.18 EX Ret 1.618
408.53 Ret 0.750
404.13 Ret 0.500
399.73 Ret 0.250
393.68 EX Ret 1.125
389.43 Ret 0.875
382.28 Ret 0.875
376.57 Ret 0.750
365.17 Ret 0.500
359.46 Ret 0.375
353.76 Ret 0.250
349.78 Ret 0.618
348.05 Ret 0.125
20
27
Nov
10
17
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Dec
8
15
22
29
Jan
12
19
26
Feb
9

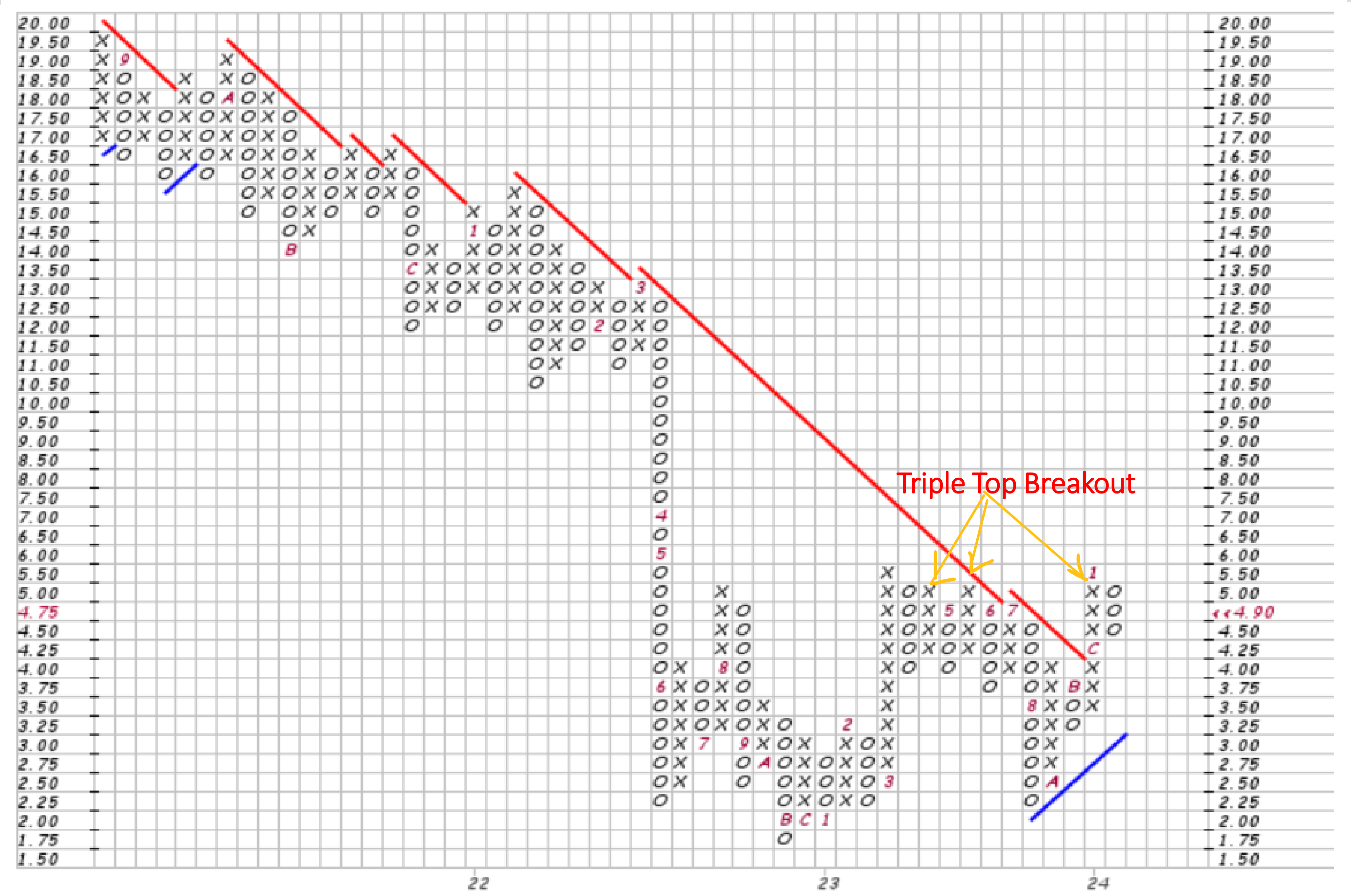
<u>*Confirmed BUY: SOPHIA Genetics SA (SOPH)*</u>

- *Industry Group: **Medical Biotech**. The Medical Biotech industry group ranks 3rd of 197 and is up +1.65% YTD. The **Medical Biotech** industry group gave a buy signal on December 1 and is under accumulation with an Up/Down Volume Ratio of 1.62.*

- ***SOPHIA Genetics SA (SOPH)** mission is to build the future of AI-assisted medicine.*
- ***SOPHIA Genetics SA (SOPH)** pulled back from a **Point & Figure triple Top** Breakout above the bearish resistance line. The pattern indicates a move that could go to 11.50. It also is completing the handle of a cup-with-handle **base that started in March 2023**.*
- *SOPHIA Genetics SA (SOPH) was purchased at 4.95.*
- ***The position was started at a 1-star****
- ***SOPHIA Genetics SA (SOPH)** is under massive accumulation with an **Up/Down Volume Ratio** of 2.62.*
- ***SOPHIA Genetics SA (SOPH)** closed at 2.12.*
- ***SOPHIA Genetics SA (SOPH) Anchored** VWAP is at 7.59.*
- *Fibonacci target prices: 1st target is 6.03; 2nd target is 6.68; 3rd target is 8.02; 4th target is 8.66.*
- *Stop price: Close below 4.41.*


SOPHIA Genetics (SOPH)
Up/Down Volume Ratio of 2.62
8.66
8.02
6.68
6.03
8.66 EX Ret11.090
8.02 EX Ret 1.618
7.59 EX Ret 1.500
7.14 EX Ret 1.375
6.68 EX Ret 1.250
6.23 EX Ret 1.125
6.03 EX Ret 6.855
5.32 Ret 0.875
4.86 Ret 0.750
4.41 EX Ret 4.236
3.95 Ret 0.500
3.50 Ret 0.375
3.40 EX Ret 2.618
3.04 Ret 0.250
2.78 EX Ret 1.618
2.59 Ret 0.125
2.40 Ret 1.000
2.09 Ret 0.500
8.00
7.00
6.00
5.00
4.90
4.00
3.00
2.00
10 17 24 31 Apr 14 21 28 May 12 19 26 Jun 9 16 23 30 Jul 14 21 28 Aug 11 18 25 Sep 8 15 22 29 Oct 13 20 27 Nov 10 17 24 Dec 8 15 22 29 Jan 12 19 26 Feb 9

SOPHIA Genetics SA (SOPH)



Confirmed BUY: Spruce Biosciences Inc. (SPRB)

- *Industry Group: **Medical Biotech**. The Medical Biotech industry group ranks 3rd of 197 and is up +1.65% YTD. The Medical Biotech industry group gave a buy signal on December 1 and is under accumulation with an Up/Down Volume Ratio of 1.62.*
- ***Spruce Biosciences Inc. (SPRB)** develops novel therapies for patients suffering from endocrine disorders with significant unmet needs.*
- ***Spruce Biosciences Inc. (SPRB) is close to c**ompleting another **Point & Figure Double Top B**reakout at 3.50. SPRB hit 3.48 on Friday. It also **broke out of a 1-year cup-with-handle base on Friday**.*
- *Spruce Biosciences Inc. (SPRB) was purchased at 2.76.*
- ***The position was started at a 1-star****

•***Spruce Biosciences Inc. (SPRB)** is under massive accumulation with an **Up/Down Volume Ratio** of 3.84, making 100-day highs.*

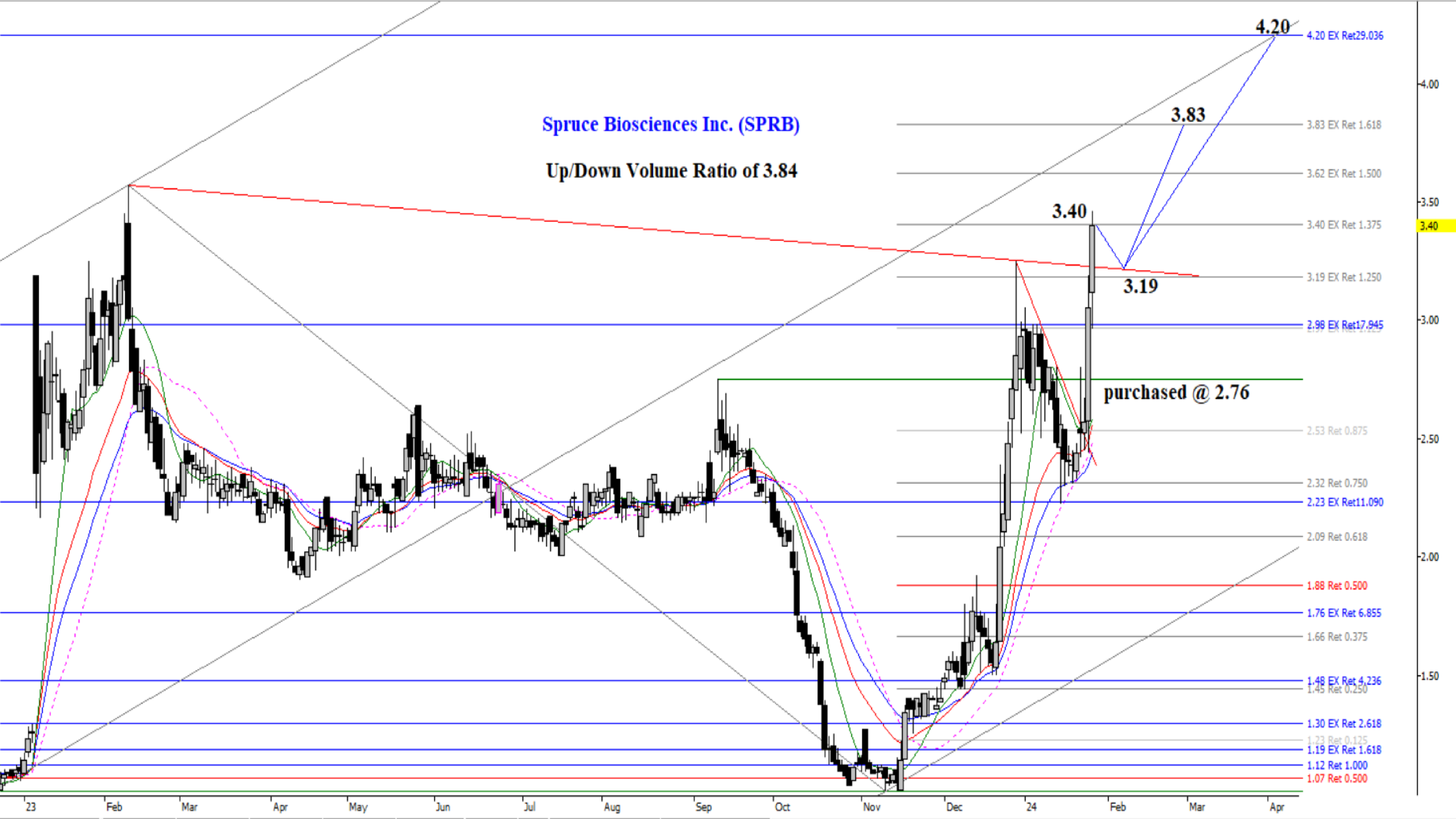
• ***Spruce Biosciences Inc. (SPRB)** closed at 2.12.*

• ***Spruce Biosciences Inc. (SPRB) Anchored** VWAP is at 4.06.*

•***Fibonacci target prices**: Hit its 1st target at 3.19, and a 1/3 position was sold with a **15.5% return**. Hit its 2nd target at 3.40, and a 1/3 position was sold with a **23.2% return**.*

3rd target is 3.83; 4th target is 4.20.

•*Stop price: Close below 2.23.*



Spruce Biosciences Inc. (SPRB)
Up/Down Volume Ratio of 3.84
4.20
3.83
3.40
3.19
purchased @ 2.76
4.20 EX Ret29.036
3.83 EX Ret 1.618
3.62 EX Ret 1.500
3.40 EX Ret 1.375
3.19 EX Ret 1.250
2.98 EX Ret17.945
2.53 Ret 0.875
2.32 Ret 0.750
2.23 EX Ret11.090
2.09 Ret 0.618
1.88 Ret 0.500
1.76 EX Ret 6.855
1.66 Ret 0.375
1.48 EX Ret 4.236
1.45 Ret 0.250
1.30 EX Ret 2.618
1.23 Ret 0.125
1.19 EX Ret 1.618
1.12 Ret 1.000
1.07 Ret 0.500
4.00
3.50
3.40
3.00
2.50
2.00
1.50
23
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
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24
Feb
Mar
Apr

Spruce Biosciences Inc. (SPRB)

Confirmed BUY: Direxion Daily Real Estate Bear 3x (DRV)

- ***Portfolio: Real Estate Sector.*** This ETF corresponds to 3x the inverse move in the Real Estate Select Sector Index.
- ***Direxion Daily Real Estate Bear 3x (DRV)*** *trade is designed to increase when the Real Estate Select Sector Index moves lower.*
- ***Direxion Daily Real Estate Bear 3x (DRV)*** *completed a* ***long tail-down pattern*** *on the Point and Figure chart. DRV has Fibonacci resistance at 39.09. Closing above 39.09 will send shares considerably higher.*

- *The Direxion Daily Real Estate Bear 3x (DRV) was purchased at 38.28.*
- *The position was started at a 1-star**
- *Up/Down Volume Ratio on Direxion Daily Real Estate Bear 3x (DRV) is hitting 20-day highs, indicating higher prices*

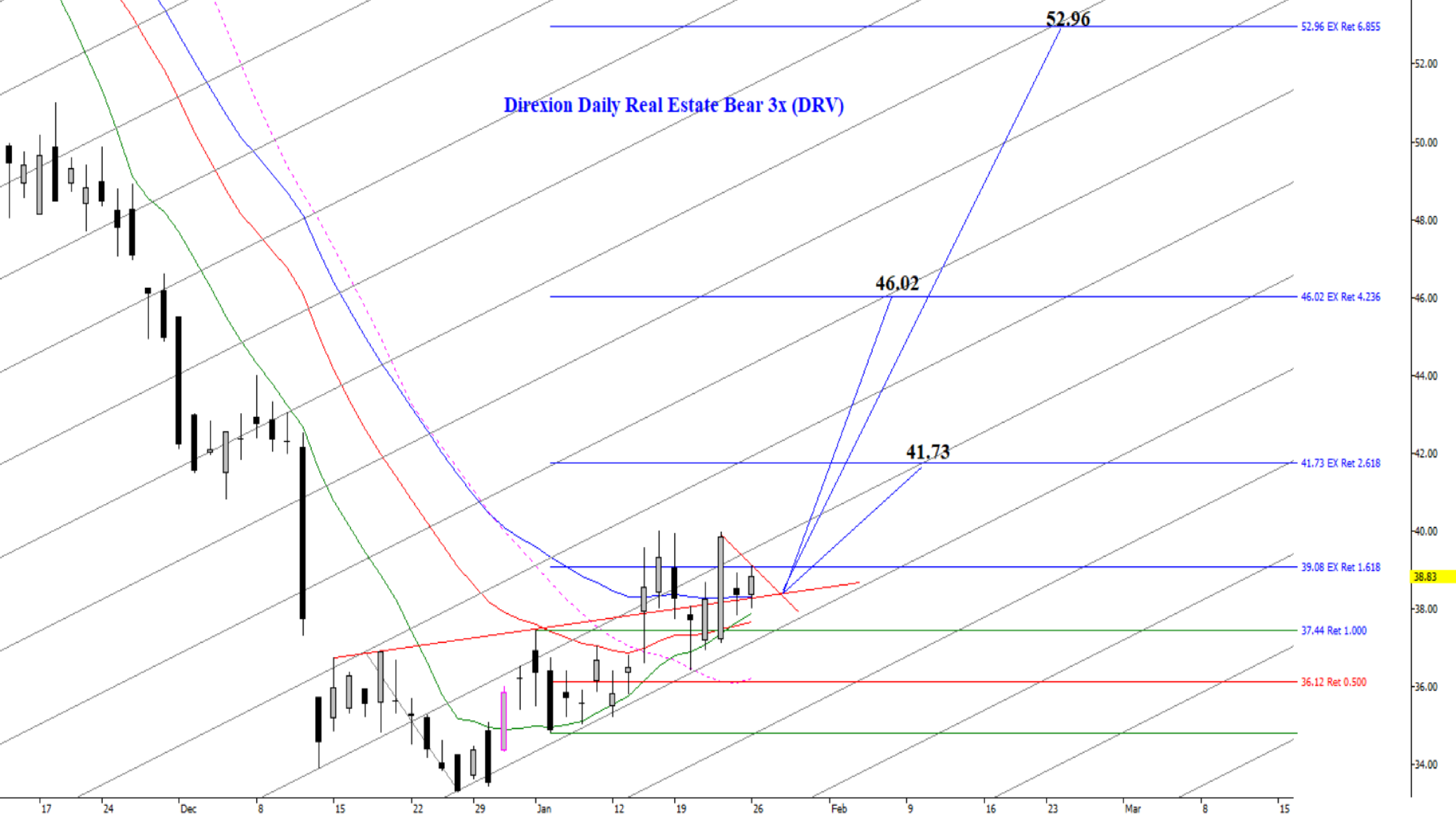
- *Direxion Daily Real Estate Bear 3x (DRV) closed at 38.83.*

- *Direxion Daily Real Estate Bear 3x (DRV) Anchored VWAP is at 58.05.*

- *Sell target price: 1st target is 41.73; 2nd target is 46.02; 3rd target is 52.96.*

Stop sell price: Close below 36.12.

Direxion Daily Real Estate Bear 3x (DRV)



Direxion Daily Real Estate Bear 3x (DRV)
52.96
46.02
41.73
52.96 EX Ret 6.855
46.02 EX Ret 4.236
41.73 EX Ret 2.618
39.08 EX Ret 1.618
37.44 Ret 1.000
36.12 Ret 0.500
38.83
52.00
50.00
48.00
46.00
44.00
42.00
40.00
38.00
36.00
34.00
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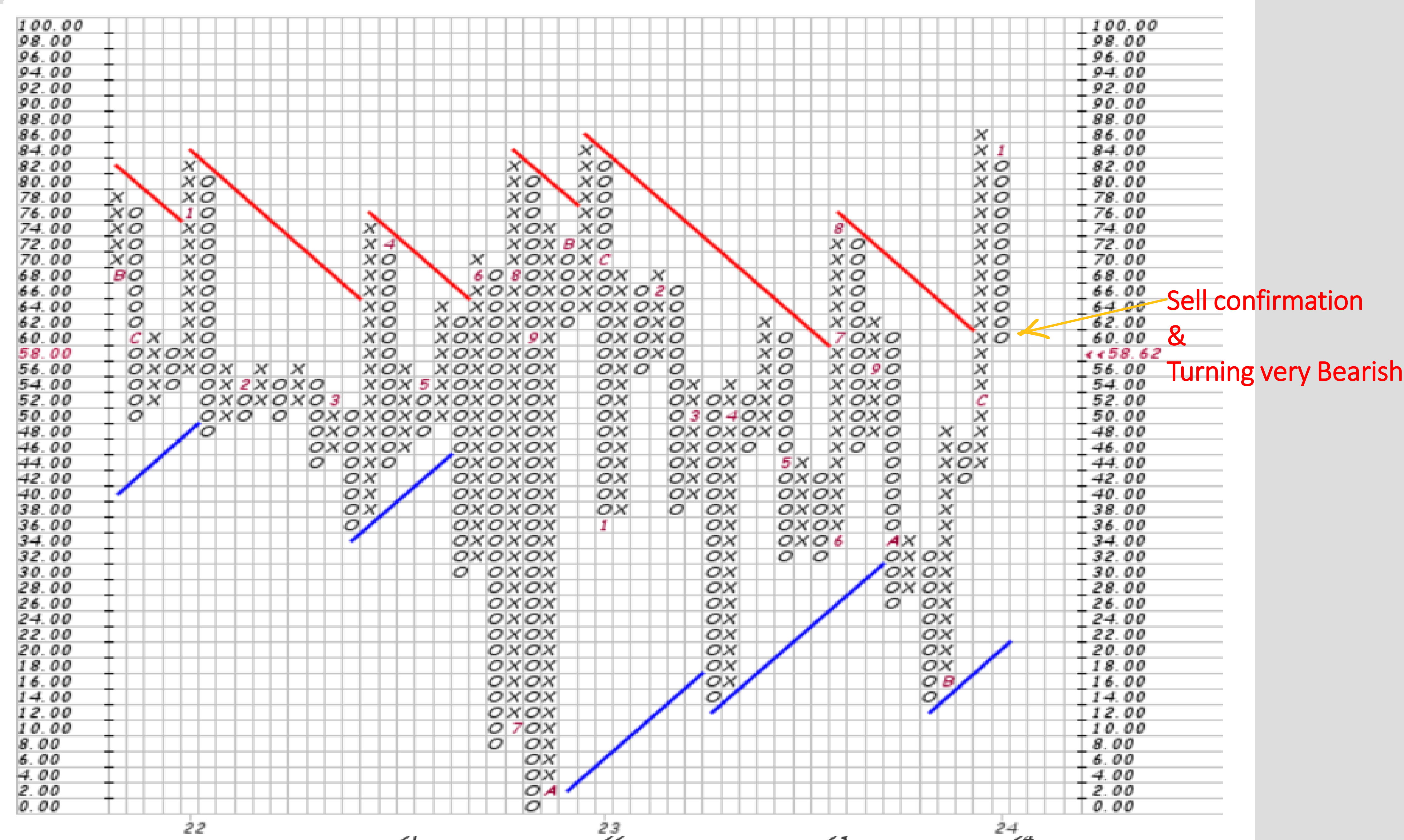
Bullish Percent Index Real Estate Sector



<u>*Buy candidate: ProShares UltraShort Utilities ETF (SDP)*</u>

- ***Portfolio: Utilities Sector.*** This ETF corresponds to 2x the inverse move in the Dow Jones Utilities Sector Index.

•***ProShares UltraShort Utilities ETF (SDP)*** *trade is designed to increase when the Dow Jones Utilities Sector Index moves lower. SDP Up/Down Volume ratio making a 100-day high indicates higher prices.*

- ***Utilities Select Sector SPDR Fund (XLU)*** *completed a Double Bottom Breakdown on the Point and Figure chart and made a new 2024 low on Wednesday.*

• ***The ProShares UltraShort Utilities ETF (SDP) closing above*** *Fibonacci resistance at 13.62 and the Ichimoku cloud at 13.65 should send shares higher.*

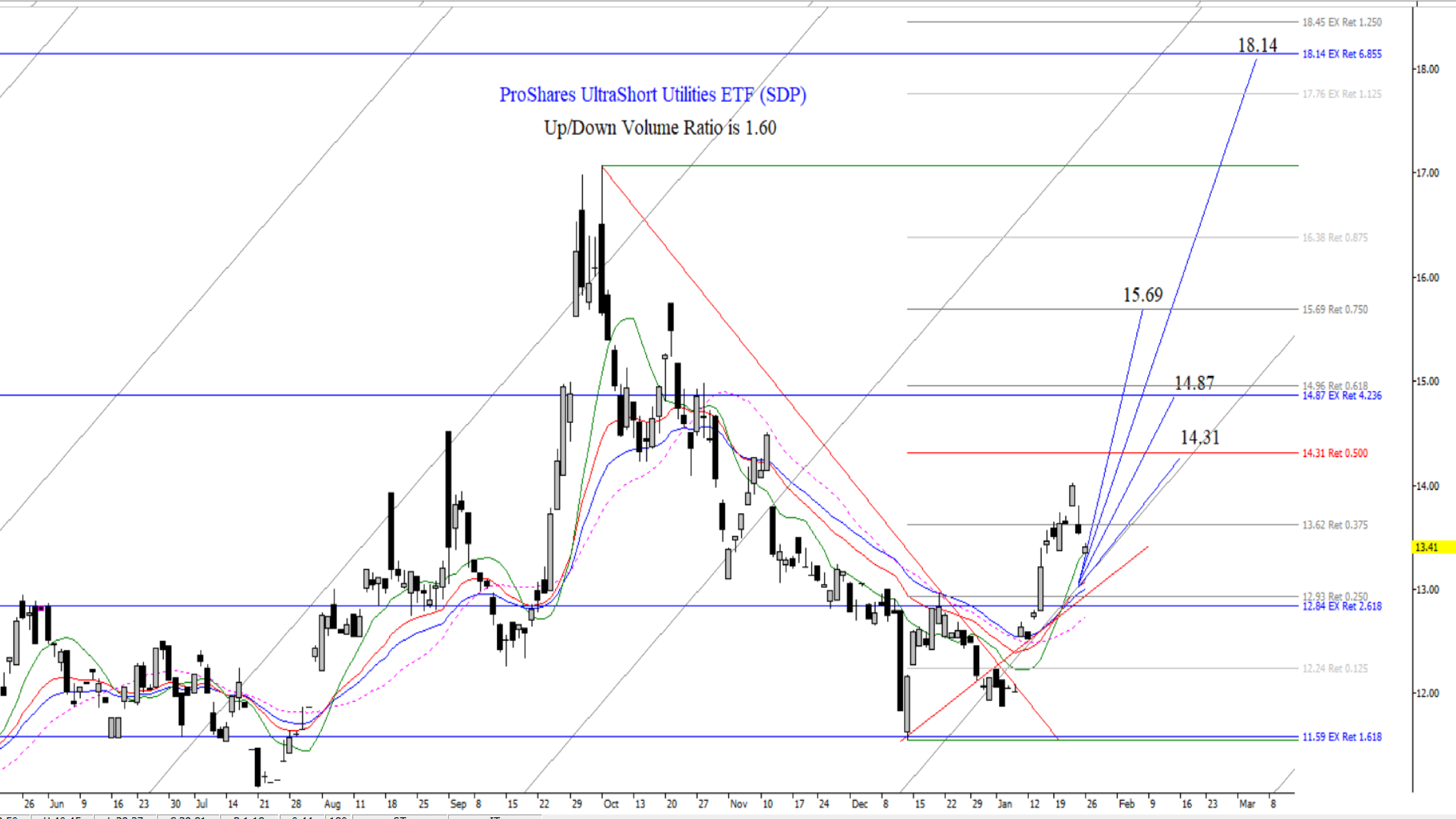
- ***Wait for text confirmation!***
- ***Start position at 1-star(*).***
- ***Up/Down Volume Ratio on ProShares UltraShort Utilities ETF (SDP) hit 1.60 with a 100-day high that began on Wednesday, indicating higher prices***

• ***ProShares UltraShort Utilities ETF (SDP) closed at 13.42.***

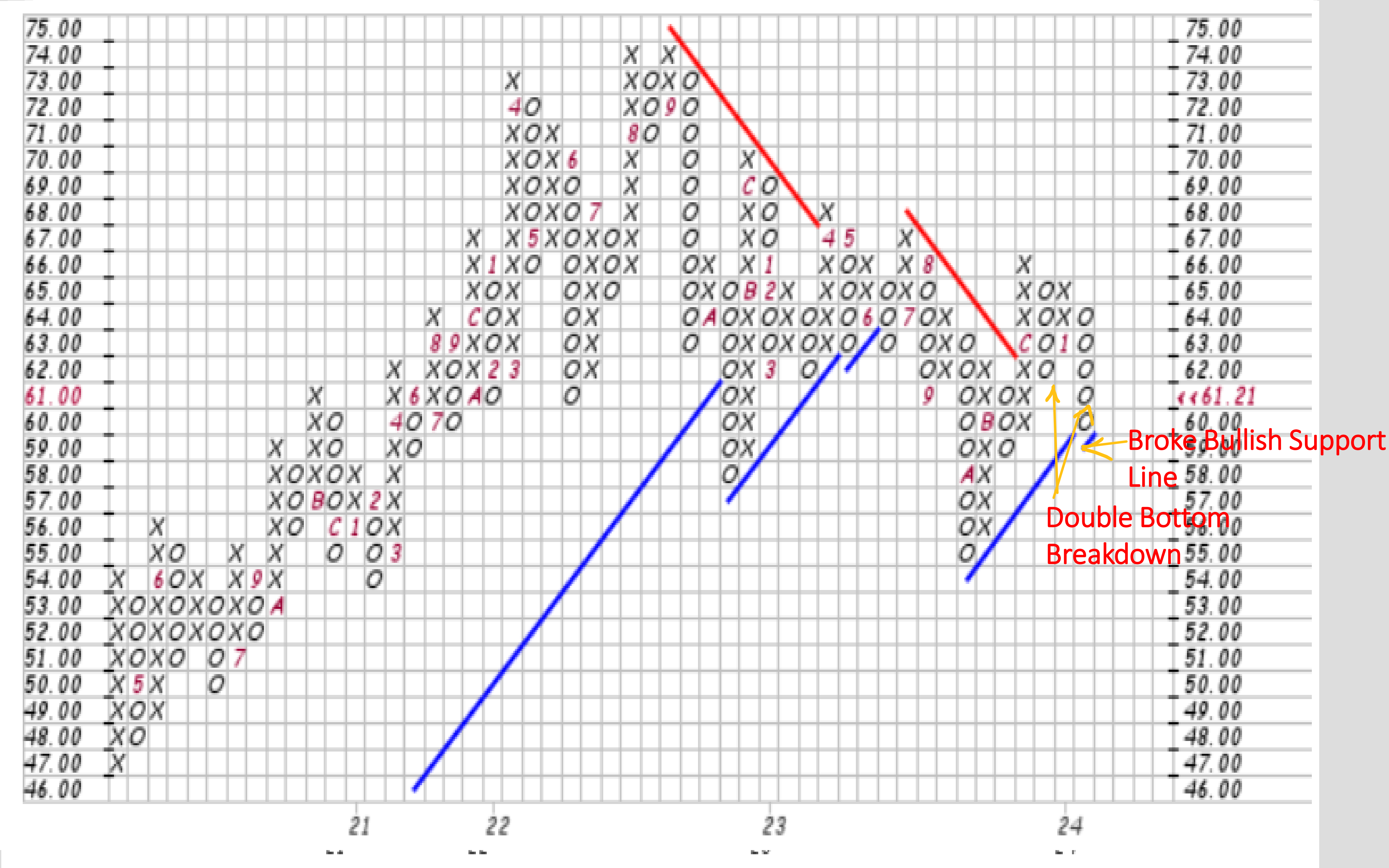
• ***ProShares UltraShort Utilities ETF (SDP) Anchored VWAP is at 16.84.***

•***Sell target price: 1st target is 14.31; 2nd target is 14.87; 3rd target is 15.69; 4th target is 18.14.***

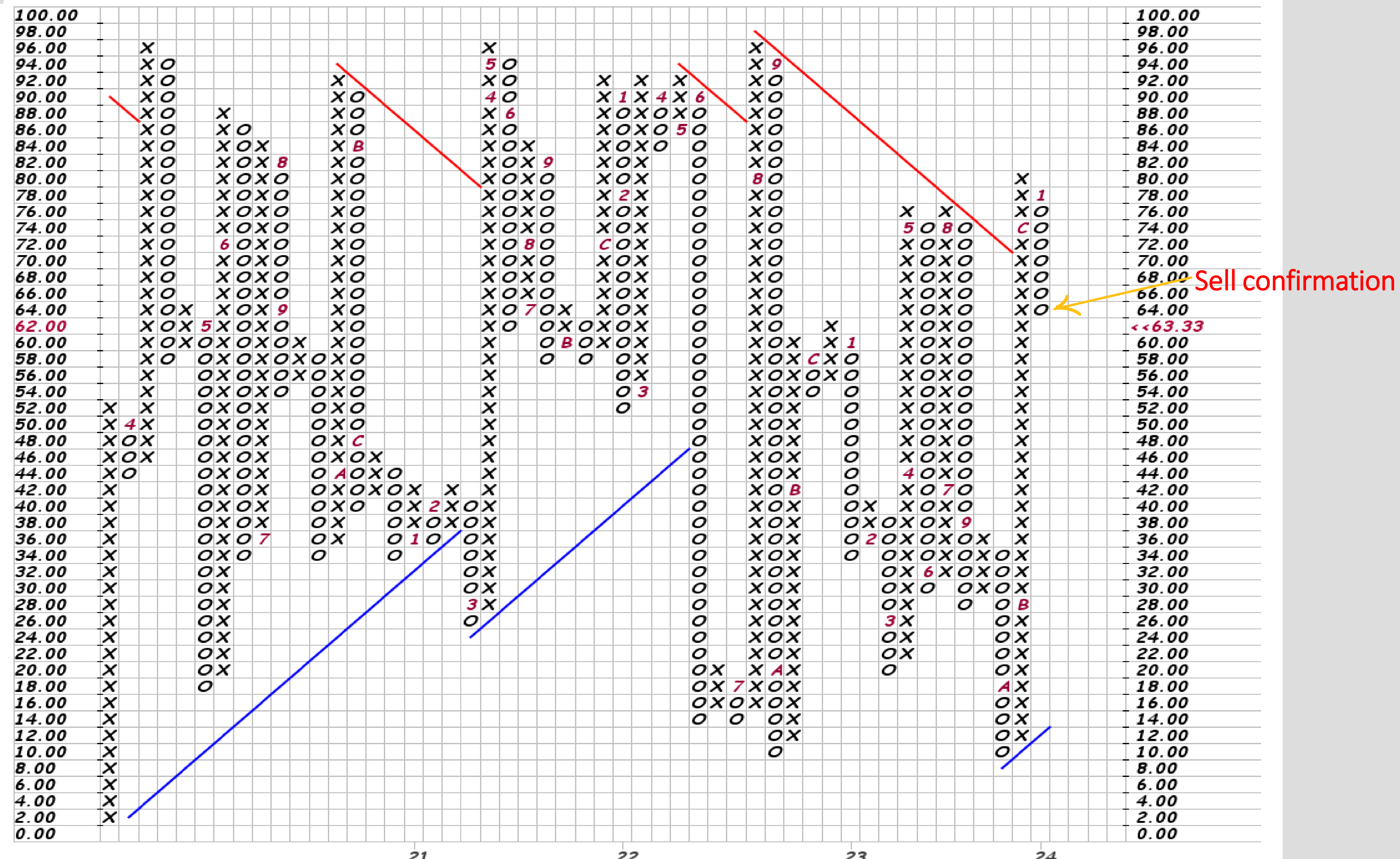
Stop sell price: Close below 12.84.


ProShares UltraShort Utilities ETF (SDP)
Up/Down Volume Ratio is 1.60
18.14
15.69
14.87
14.31
18.45 EX Ret 1.250
18.14 EX Ret 6.855
17.76 EX Ret 1.125
16.38 Ret 0.875
15.69 Ret 0.750
14.96 Ret 0.618
14.87 EX Ret 4.236
14.31 Ret 0.500
13.62 Ret 0.375
12.93 Ret 0.250
12.84 EX Ret 2.618
12.24 Ret 0.125
11.59 EX Ret 1.618
18.00
17.00
16.00
15.00
14.00
13.41
13.00
12.00
26 Jun 9 16 23 30 Jul 14 21 28 Aug 11 18 25 Sep 8 15 22 29 Oct 13 20 27 Nov 10 17 24 Dec 8 15 22 29 Jan 12 19 26 Feb 9 16 23 Mar 8

Utilities Select Sector SPDR Fund (XLU)



Bullish Percent Index Utilities Sector



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