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Trading Floor Research

Welcome to the
—— Trading Floor ——

09/06/26

This Trading Floor Research report contains:

Russell 2000 Index (IWM) and the iShares MSCI Momentum ETF (MTUM) Update

Sector Update

Leverage Shares 2x Long FCX (FCXG)

Grayscale Hyperliquid Staking ETF (HYPG)

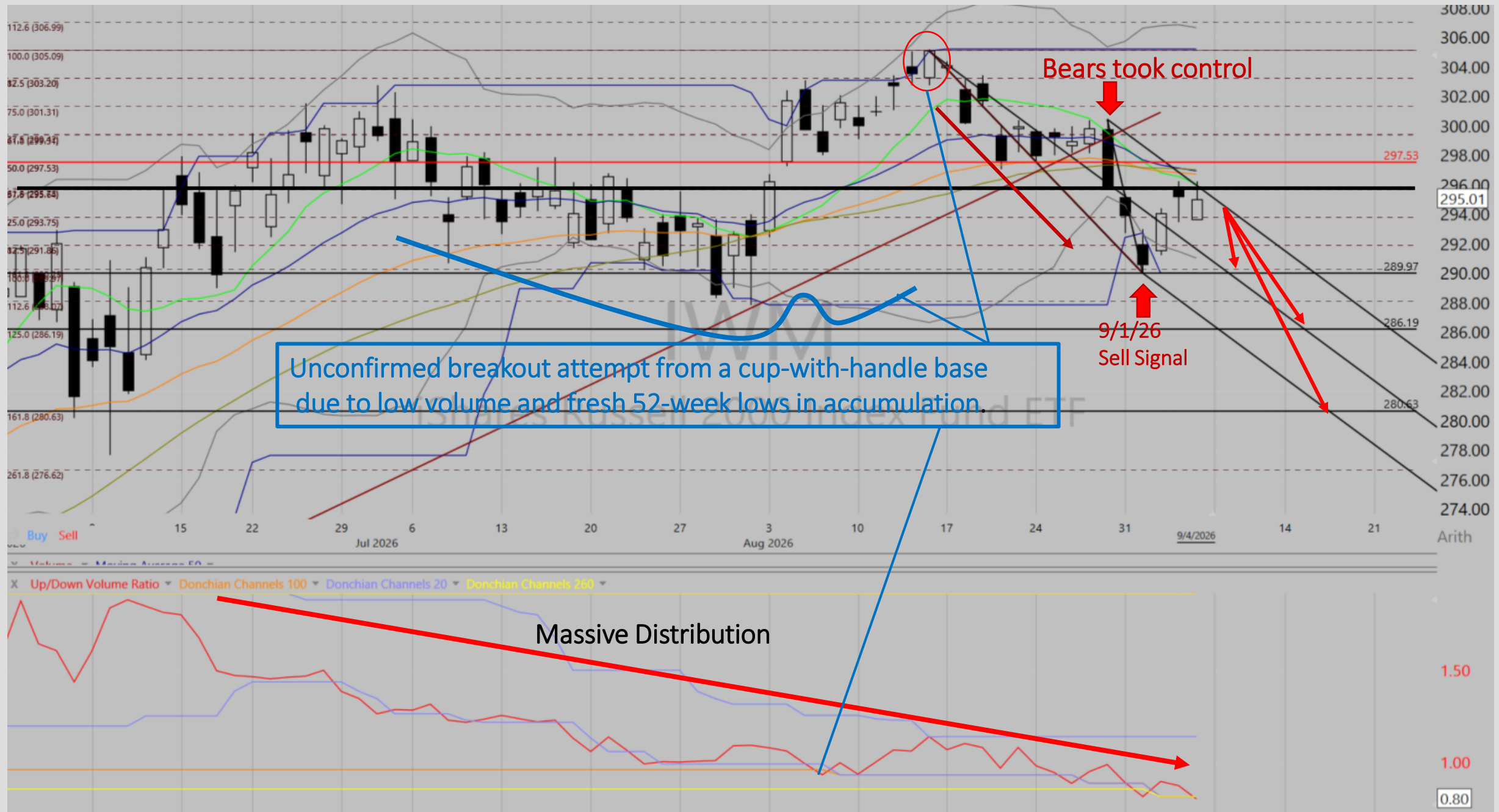
Russell 2000 Index (IWM) and the iShares MSCI Momentum ETF (MTUM) Update

The **Russell 2000 Index (IWM)** and the **iShares MSCI Momentum ETF (MTUM)** both triggered sell signals on Tuesday, with my accumulation indicator for each also falling to a 52-week low. This simultaneous weakness across two key instruments—both in price action and accumulation—suggests that institutional investors are reducing exposure and that liquidity is drying up. Such pronounced distribution typically signals heightened caution and a shift away from riskier assets.

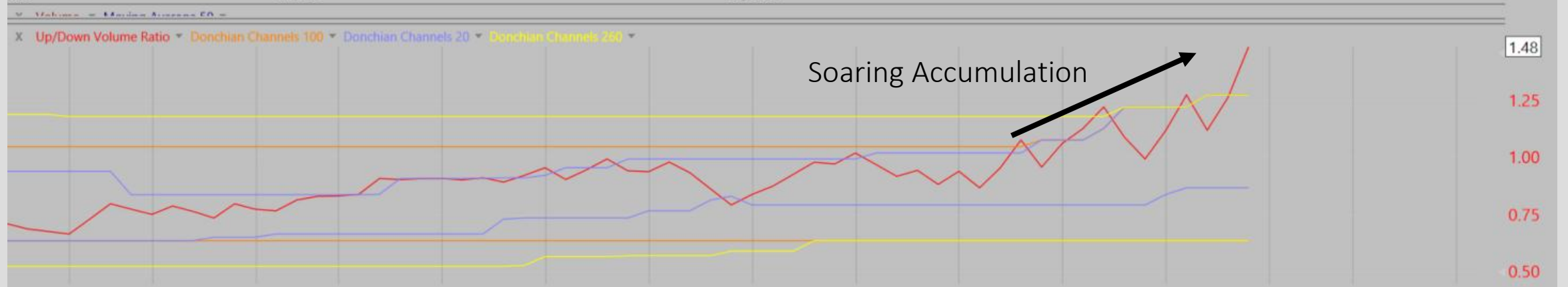
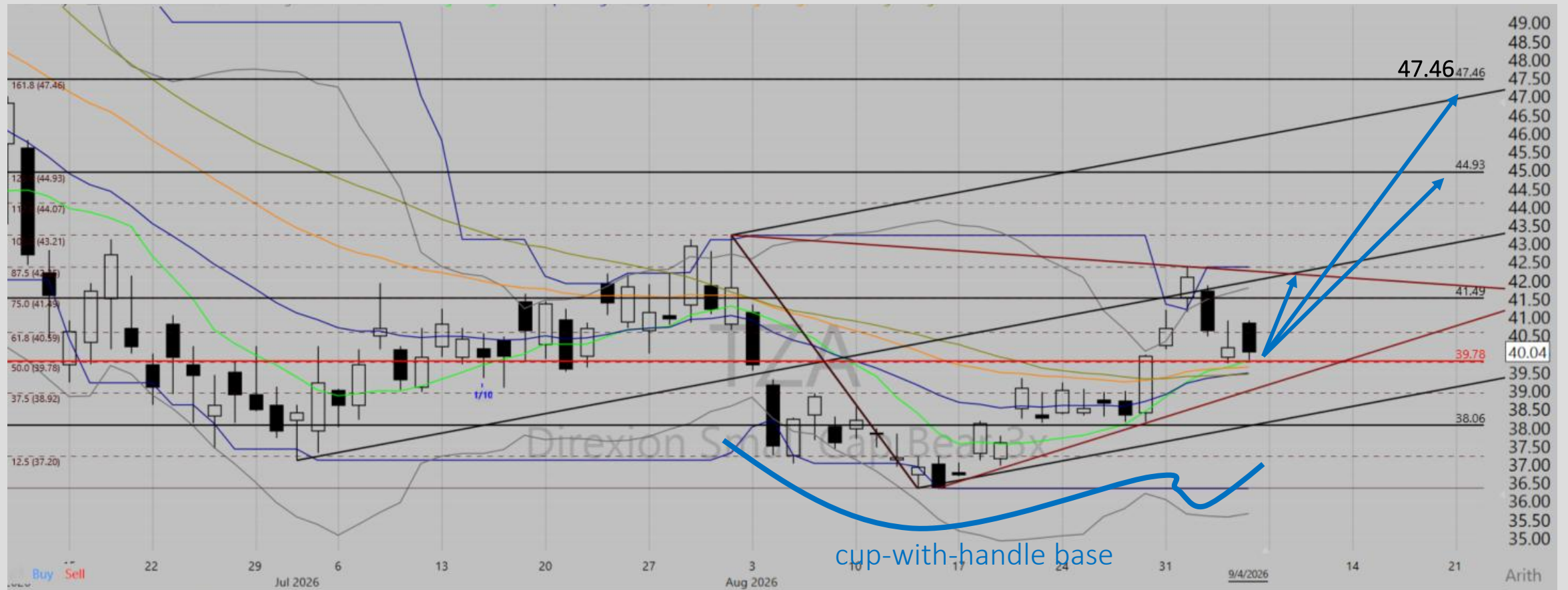
In this environment, taking aggressive positions increases the potential for losses, as downward momentum can accelerate and recovery attempts may be short-lived. By maintaining smaller position sizes on all new purchases, I limit exposure to sudden drawdowns and preserve capital. This approach also allows greater flexibility to adjust or exit positions quickly if market conditions deteriorate further. Ultimately, position sizing is a key risk management tool in volatile or uncertain markets, helping to ensure longevity and reduce the emotional impact of adverse moves.

Tuesday's **Russell 2000 Index (IWM)** sell signal came after an unconfirmed breakout attempt from a cup-with-handle base on August 13, which likely failed due to low volume and fresh 52-week lows in accumulation. This failure was quickly followed by intensified bearish momentum, as IWM closed below the midpoint of the cup-with-handle base—clearly signaling a loss of control by the bulls. After last week's sell signal, IWM rebounded in a retracement rally but was halted at the 0.375 Fibonacci level, a key technical resistance. Should IWM confirm a move lower from this area, it would create a strong shorting setup using an inverse ETF such as the **Direxion SmallCap Bear 3x (TZA)**.

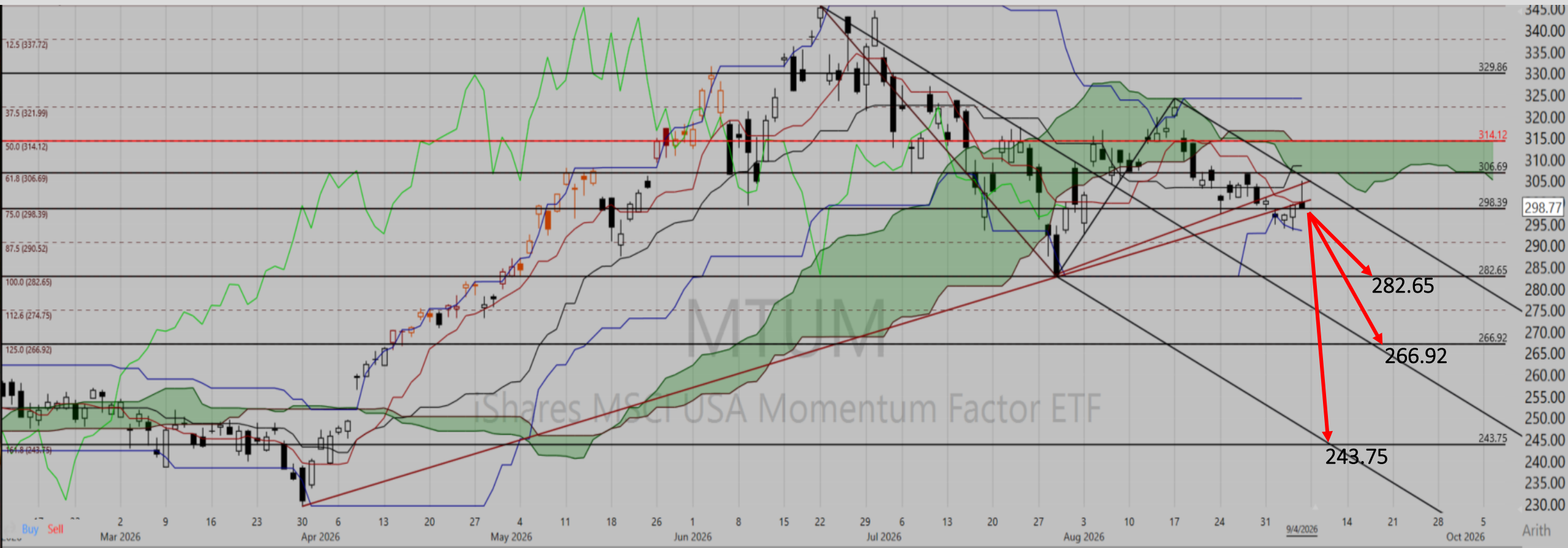
Russell 2000 Index (IWM)



Direxion SmallCap Bear 3x (TZA)



iShares MSCI Momentum ETF (MTUM)



Sector Update

Currently, only five of eleven sectors remain on buy signals: **healthcare, basic materials, energy, financial services, and communication services**. These sectors are showing strong accumulation and continue to indicate higher prices.

As a result, my focus for new buying opportunities will remain on these key sectors. Basic materials led the market higher Thursday, gaining 1.89%, with all groups in the sector participating.

The strongest moves came from **miners** and **agricultural inputs**, which remain my primary focus. I continue to hold positions in **Tower Hill Mines (THM)**, **5E Advanced Materials (FEAM)**, and **Leverage Shares 2x Long FCX (FCXG)**.

Healthcare continues to show the strongest sector accumulation in the market. Accumulation has been building steadily since the June 24 buy signal, driving prices higher. Although Thursday's gain was a modest 0.15%, many leading names moved up.

My position in **Inhibikase Therapeutics (IKT)** broke out of its five-week consolidation and tested its first Fibonacci target, at which point I sold a third of my shares for a 9.6% gain. Accumulation continues to build in IKT, indicating the potential for further upside.

Basic Materials Sector



cup-with-handle base

Improving accumulation

Agricultural Inputs Industry Group



Gold Miners Group



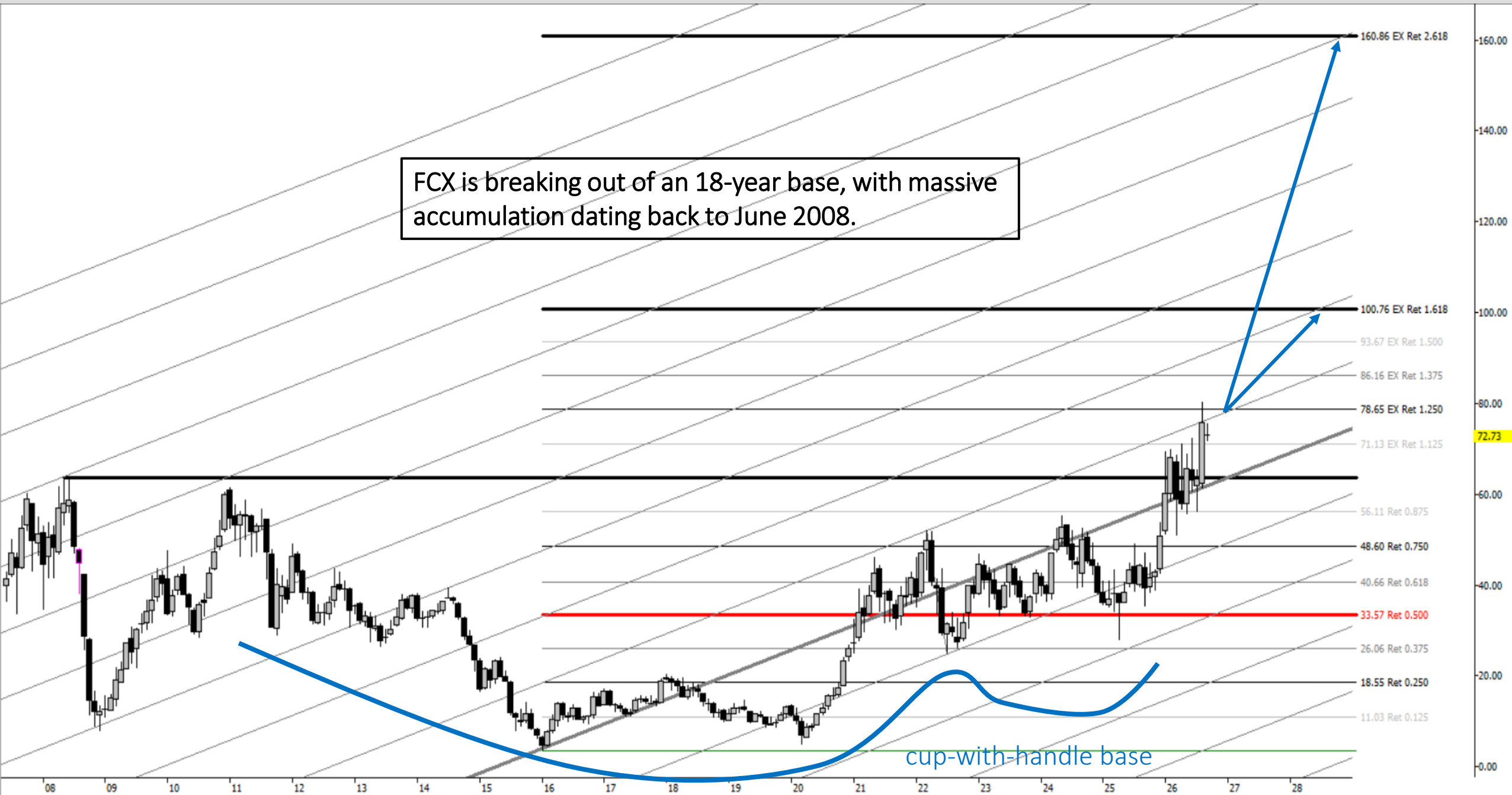
Confirmed Buy: Leverage Shares 2x Long FCX (FCXG)

- **Leverage Shares 2x Long FCX (FCXG) ETF Position:** This trade is structured to deliver 2x the daily performance of **Freeport-McMoRan (FCX)**.
- This past week, **copper miners** drew attention as the group retreated to its August 21 breakout area, which also coincided with its most recent buy signal. Notably, copper stocks have generated four buy signals throughout August—a highly unusual frequency that often precedes significant upward price movement. Such repeated buy signals in a short period suggest robust underlying demand and an increased probability of a sustained rally in the group.
- To capitalize on this setup, I purchased **Leverage Shares 2x Long FCX (FCXG)** after confirmation. While my Trading Floor Research format focuses on swing trading ideas, in rare cases I recommend stocks for long-term holding when the chart and accumulation are compelling. **Freeport-McMoRan (FCX)** is one such case. FCX is breaking out of an 18-year base, with massive accumulation dating back to June 2008. In my past role as a portfolio manager, I would use long-term breakouts on strong accumulation like this as a signal to buy and hold for years. For example, I bought **Microsoft (MSFT)** in 2016 after it broke out of a 16-year base that began at its December 1999 high of 53.81. More recently, I highlighted **Gold (GLD)** in March 2024 after it completed a 13-year base that began in 2011. My swing trading approach often uses leveraged ETFs to maximize returns, but due to performance decay over time, direct ownership of FCX is preferable for long-term holding.
- FCXG broke out of a coiled spring base on August 21 on strong volume, driving accumulation levels sharply higher. Tuesday, it confirmed the move by retesting its ascending trendline from the February 25 base and finding support at the 16.33 Fibonacci level. If broader market weakness pushes the stock down to the next Fibonacci support at 15.13, I intend to add to my position.
- The **Leverage Shares 2x Long FCX (FCXG)** position was started at 1/2-star.
- **Leverage Shares 2x Long FCX (FCXG) was purchased at 16.67.**
- **Leverage Shares 2x Long FCX (FCXG) is undergoing significant accumulation, recently hitting all-time highs.**
- **Leverage Shares 2x Long FCX (FCXG) closed at 16.22.**
- **Leverage Shares 2x Long FCX (FCXG) has an anchored VWAP of 15.06.**
- **The Fibonacci sell targets:** 1st target 19.92; 2nd target 20.84; 3rd target is 24.23; 4th target is 24.84; 5th target is 33.24; 6th target is 51.52
- **Stop price: Close below 14.06.**

Copper Miners Industry Group



Freeport-McMoRan (FCX) [Monthly Chart](#)



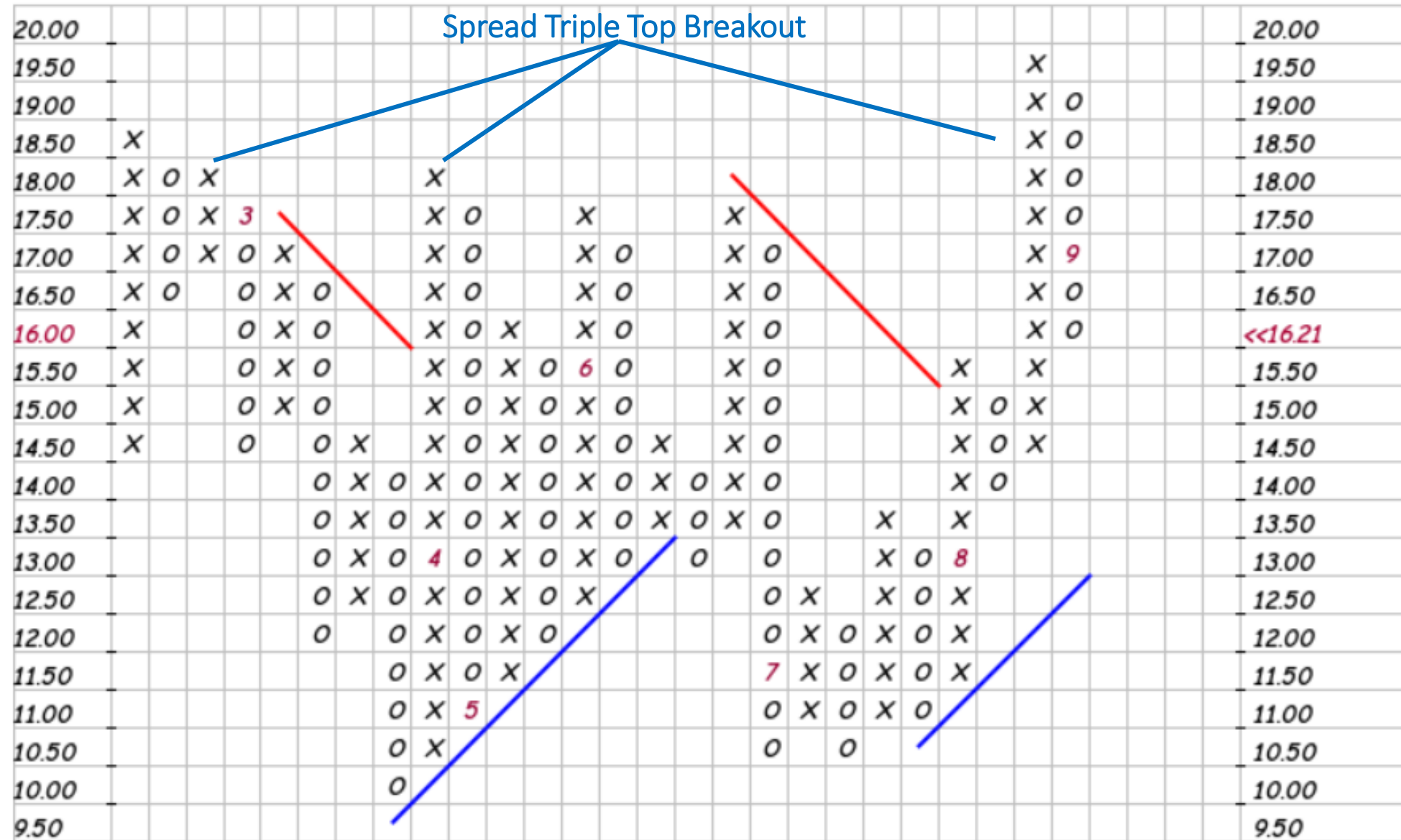
Leverage Shares 2x Long FCX (FCXG)



Massive accumulation confirms the breakout



Leverage Shares 2x Long FCX (FCXG)



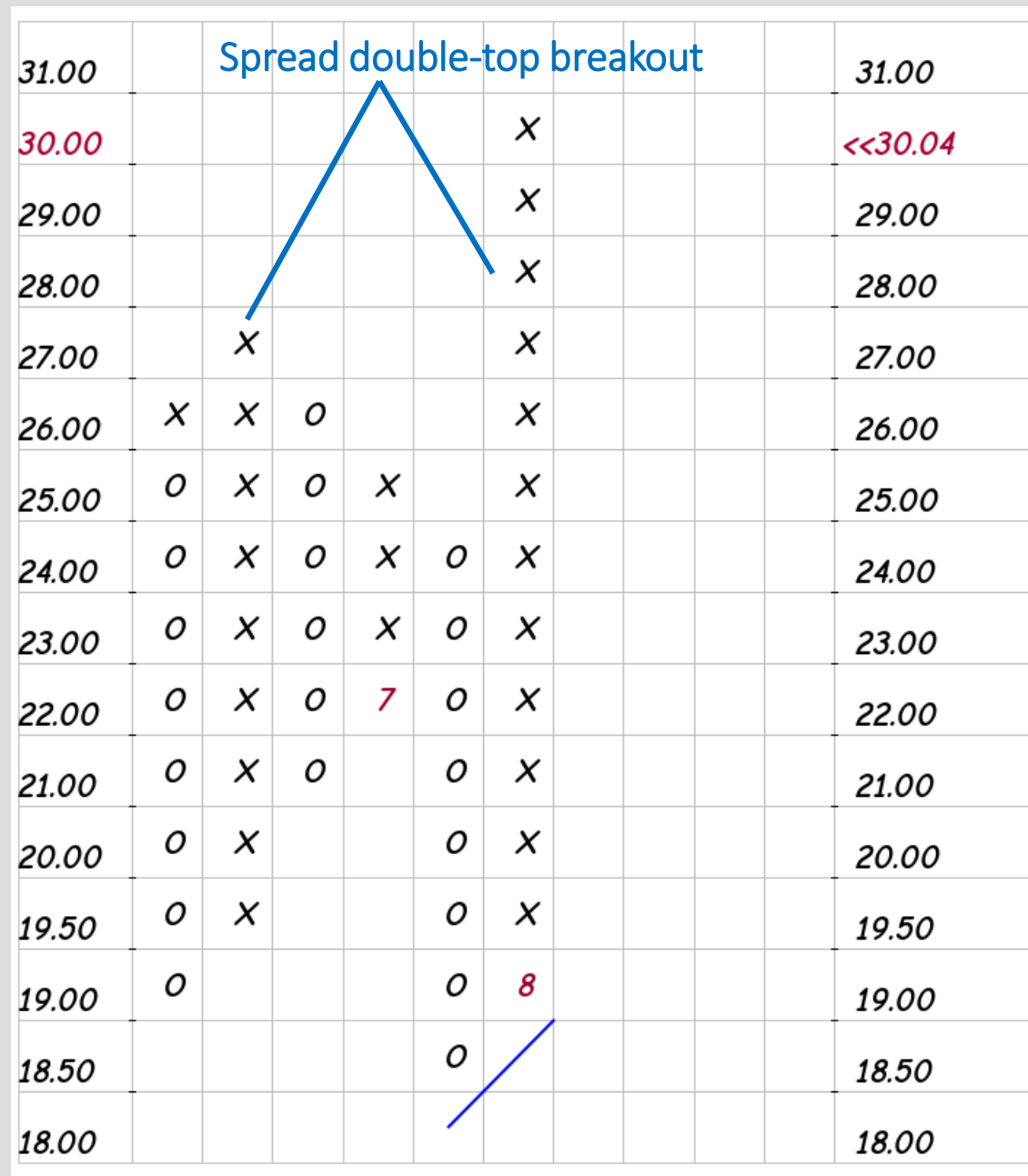
Confirmed Buy: Grayscale Hyperliquid Staking ETF (HYPG)

- **Grayscale Hyperliquid Staking ETF (HYPG) ETF Position:** *This trade is structured to deliver the daily performance of the Hyperliquid protocol's digital token (HYPE).*
- As **Bitcoin** prepares to break out of a cup-with-handle base on substantial accumulation, many other cryptocurrencies are also setting up for potentially considerable moves higher. As strong as Bitcoin's accumulation looks, the strongest accumulation I am seeing is in the **Hyperliquid protocol's digital token (HYPE)**. Thursday, HYPE confirmed its next move higher from a double-bottom base with a high handle. To capitalize on the move, I purchased the **Grayscale Hyperliquid Staking ETF (HYPG)** following confirmation. HYPG is under intense accumulation as it breaks out, indicating substantially higher prices. A spread double-top breakout on the point-and-figure chart underscores the incredible demand.
- Adding further confidence to the HYPG trade, **Hyperliquid Strategies (PURR)** has given a buy signal for its next move higher. This coming week, I plan to purchase PURR shares once I receive confirmation, increasing my leverage in the Hyperliquid position. Earlier in March, I bought PURR for a successful three-week swing trade that returned 35.0%. The current chart setup is similar to March, but accumulation is now twice as high and building rapidly, which should provide extra fuel for the breakout.
- The **Grayscale Hyperliquid Staking ETF (HYPG)** position was started at 1/2-star.
- **Grayscale Hyperliquid Staking ETF (HYPG) was purchased at 29.26.**
- **Grayscale Hyperliquid Staking ETF (HYPG) is undergoing significant accumulation, soaring to new highs.**
- **Grayscale Hyperliquid Staking ETF (HYPG) closed at 30.05.**
- **Grayscale Hyperliquid Staking ETF (HYPG) has an anchored VWAP of 23.95.**
- **The Fibonacci sell targets:** 1st target 31.44; 2nd target 32.40; 3rd target is 35.42; 4th target is 37.71; 5th target is 41.01
- **Stop price:** Close below 24.93.

Grayscale Hyperliquid Staking ETF (HYPG)



Grayscale Hyperliquid Staking ETF (HYPG)



Hyperliquid Strategies (PURR)



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