



TFR

Trading Floor Research

Welcome to the
—— Trading Floor ——



This Trading Floor Research report contains:

S&P 500 Update

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

The Vita Coco Company Inc. (COCO)

ProShares UltraShort Healthcare (RXD)

S&P 500 (SPX) Update

After the **S&P 500** rallied to the Fibonacci target at 6009.82, it could not close above the critical resistance for the entire week. After many failed attempts to break through, the index started a selloff on Thursday.

Friday's continued selling began with a gap below the significant Fibonacci number at 5921.02. Closing below 5921.02 likely indicates a meaningful top.

I have discussed the potential impact of 5921.02 for the past few weeks. The Fibonacci target at 5921.02 is from my long-term chart and was calibrated from the lows of the 1987 crash. Fibonacci levels from the chart have provided significant market turning points for many years, and the magnitude of these numbers should not be underestimated.

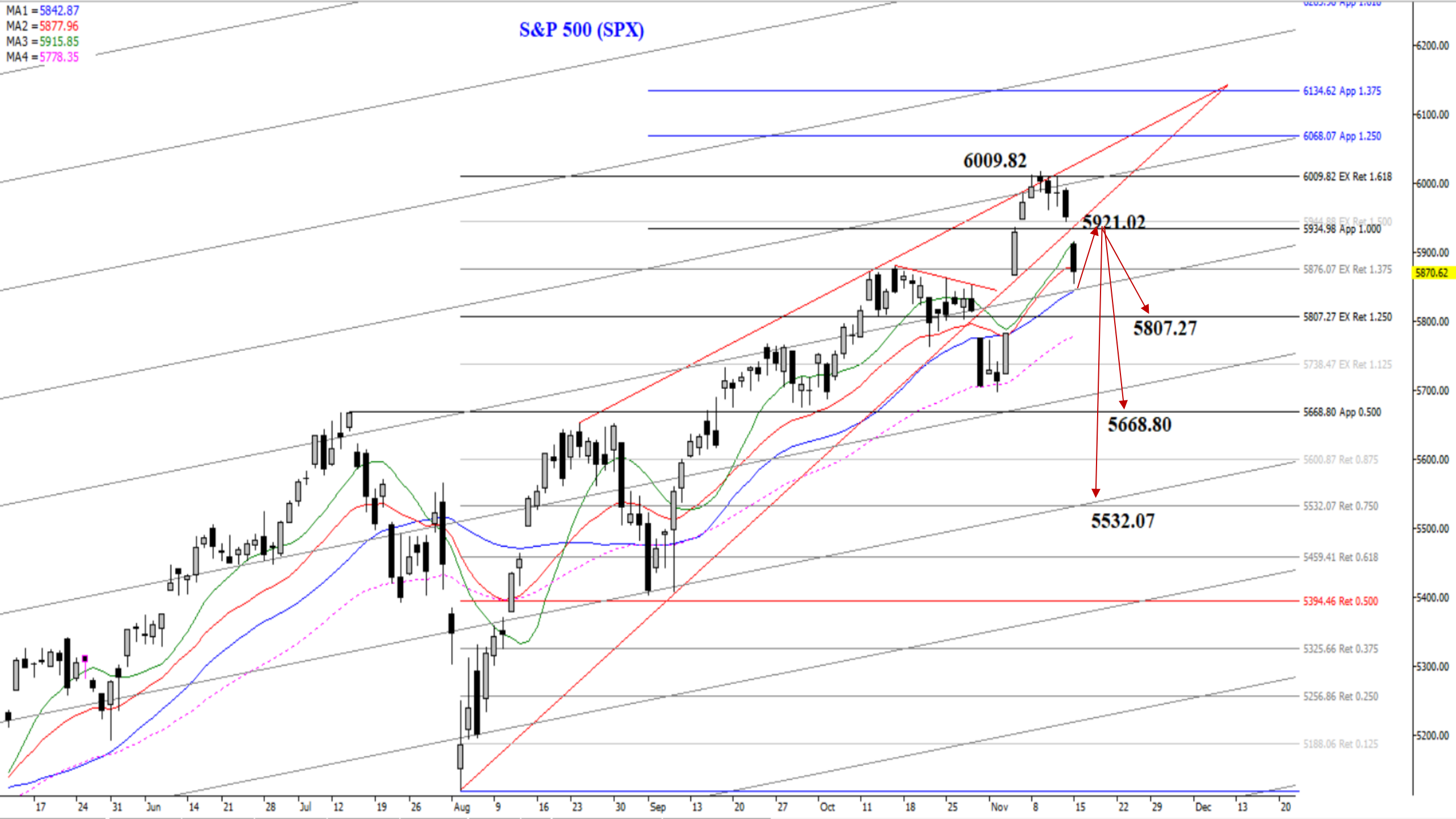
The S&P 500 gapped over 5921.02 on November 7 and traded above for six straight days. On Friday, the index gapped back below 5921.02 forming an island reversal at one of the most critical numbers on the chart. The ability to close above 5921.02 like it wasn't there was a big deal. Closing back below with massive volume is an even more significant event.

Friday trading also began with a gap below the ascending trendline from the August low. This week, I am focused on a shorting opportunity that would develop with a throwback into the trendline and a retest of 5921.02. The potential low-risk entry setup should provide another chance to purchase the **Direxion S&P 500 Bear 3x (SPXS)** and capitalize on the next possible move lower.

The next S&P 500 Fibonacci downside targets are 5807.27, 5668.80 and 5532.07.

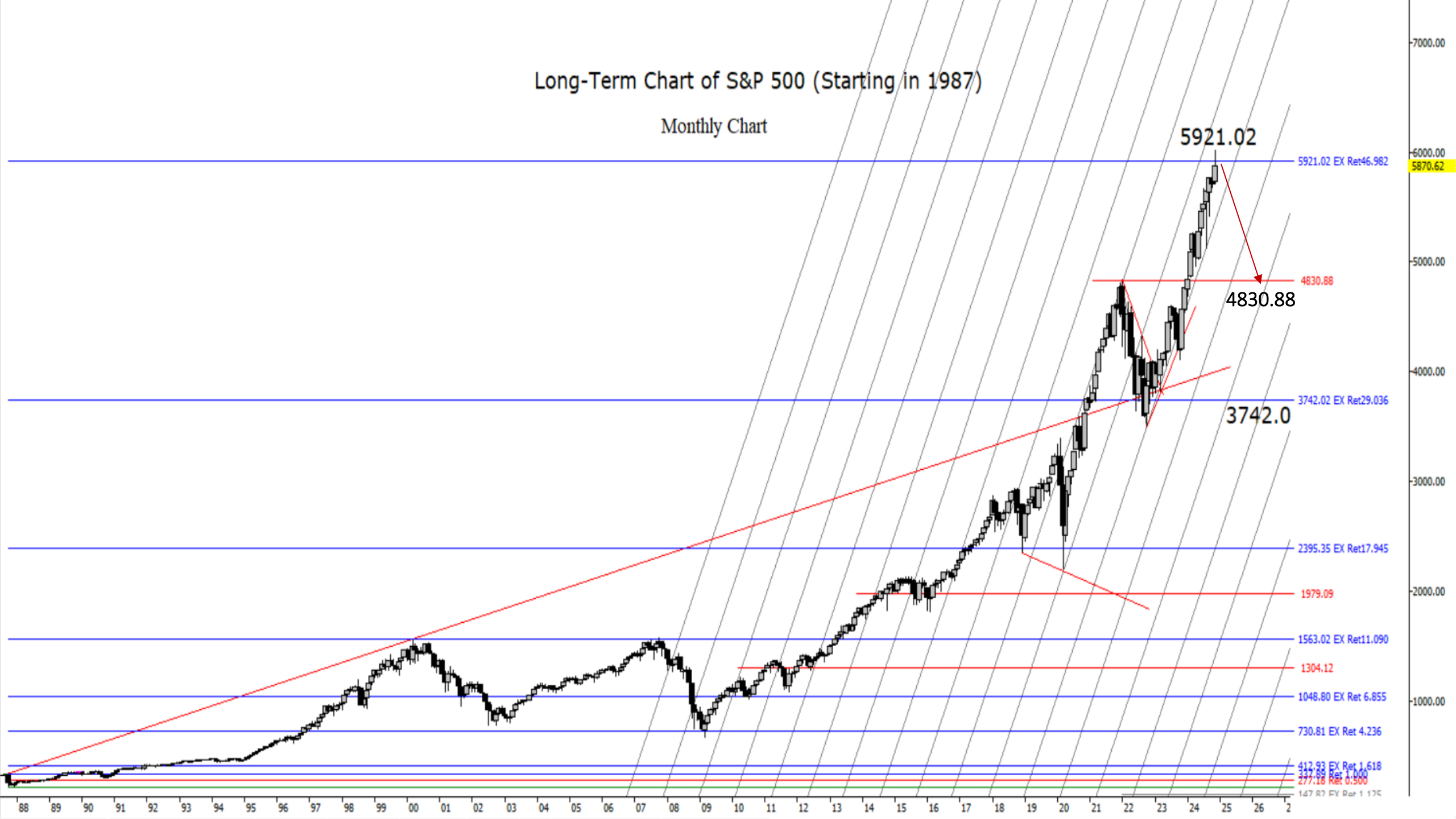
MA1 = 5842.87
MA2 = 5877.96
MA3 = 5915.85
MA4 = 5778.35

S&P 500 (SPX)



Long-Term Chart of S&P 500 (Starting in 1987)

Monthly Chart

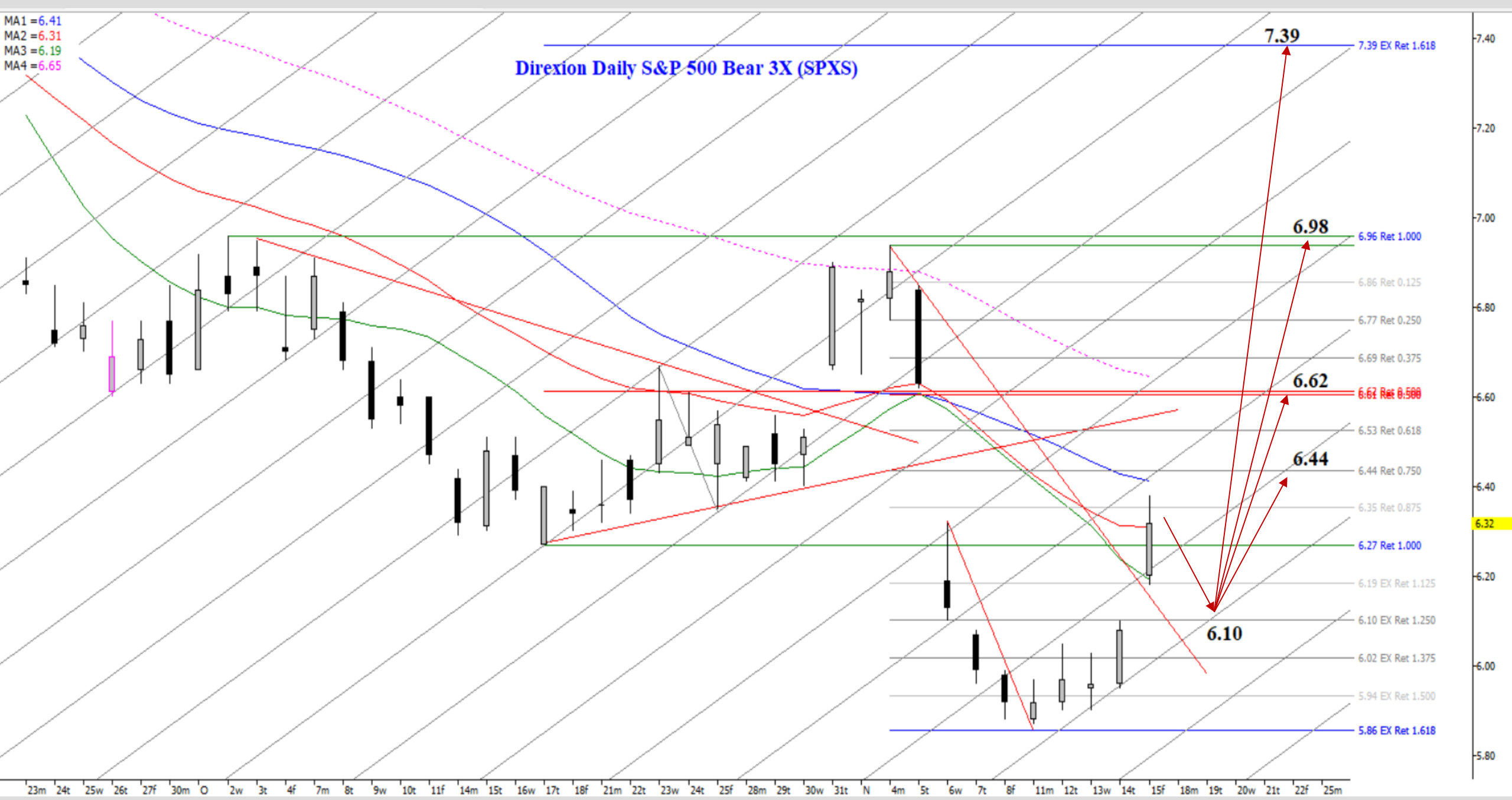


Buy candidate: Direxion Daily S&P 500 Bear 3X (SPXS)

- *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 with a pullback to Fibonacci support at 6.10 and offer low-risk entry.*
 - *Wait for text confirmation!*
- *Start position at 2-star(**).*
- *The Up/Down Volume Ratio hit a 100-day high, indicating strong accumulation and higher prices.*
- *Direxion Daily S&P 500 Bear3X (SPXS) closed at 6.32.*
- *Direxion Daily S&P 500 Bear 3X (SPXS) VWAP is at 21.13*
- *Sell target price: 1st target is 6.62; 2nd target is 6.98; 3rd target is 7.39.*
- *Stop sell price: Close below 5.86.*

MA1 = 6.41
MA2 = 6.31
MA3 = 6.19
MA4 = 6.65

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



Healthcare Sector Update

The **Healthcare sector** gave its initial sell signal on October 3. Since then, distribution and a subtle trend shift of lower highs and lower lows have developed.

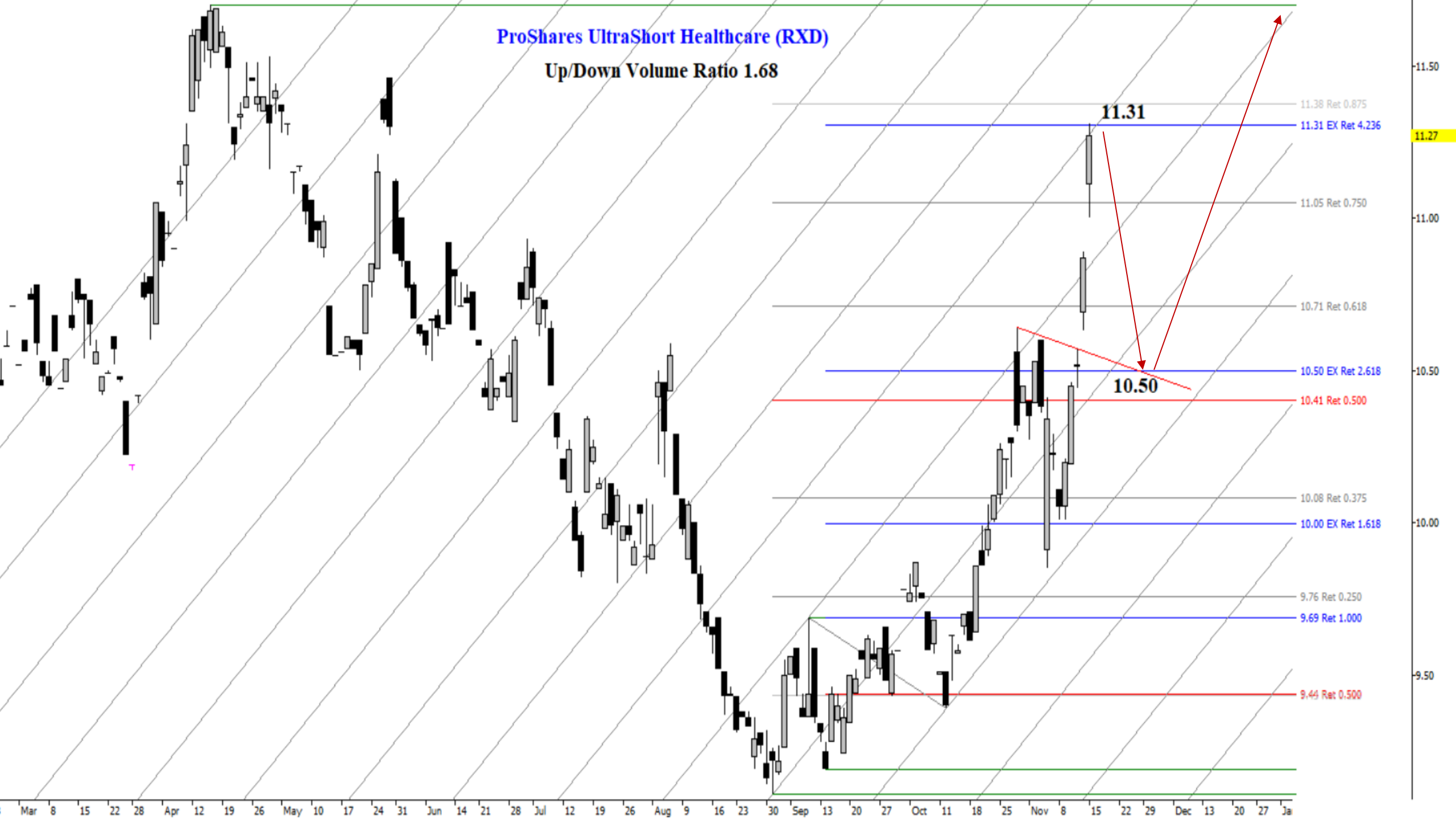
By November 1, the sector's up/down volume ratio was hitting 52-week lows with a strong distribution reading of .66. I used the sell signal and subtle downtrend and advised avoiding Biotech and Drug manufacturers that were showing relative weakness and substantial distribution.

This past week, the healthcare stocks got crushed. The sector was down 6.2% and closing near the week's lows. Until now, it has been about avoiding healthcare. Last week's selloff on massive volume indicates the start of a strong downtrend, and I am now focused on the **ProShares UltraShort Healthcare (RXD)** to capitalize on the move.

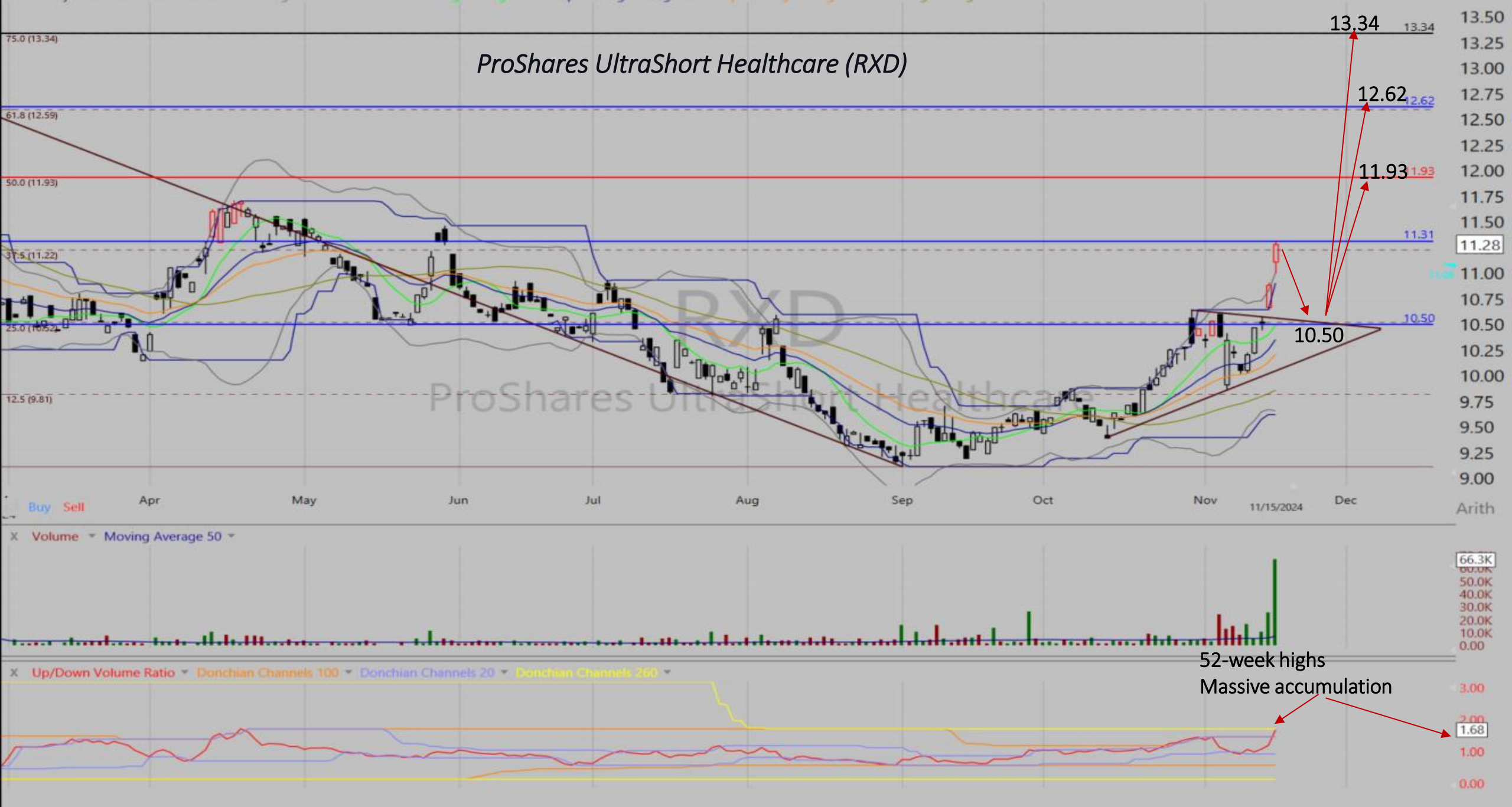
Healthcare stocks are oversold, and the ProShares UltraShort Healthcare (RXD) was stopped at the Fibonacci resistance of 11.31 on Friday. A pullback on ProShares UltraShort Healthcare (RXD) ETF to Fibonacci support at 10.50 should offer low-risk entry. Once I get confirmation, I plan to take advantage of a potential significant selloff in healthcare.

ProShares UltraShort Healthcare (RXD)

Up/Down Volume Ratio 1.68



ProShares UltraShort Healthcare (RXD)



Buy candidate: The Vita Coco Company Inc. (COCO)

- *Industry Group: Beverages Non-Alcoholic: The Beverages Non-Alcoholic industry group YTD returns are 21.66%.*
- *The Vita Coco Company Inc. (COCO) manufactures coconut oil energy drinks and protein-infused water.*
- *The Vita Coco Company Inc. (COCO) broke out of an IPO second stage base on November 4 with massive volume. The move sent the up/down volume indicator to 52-week highs. COCO's breakout on massive accumulation and an up/down volume ratio at 1.98 indicates substantially higher prices. A Triple Top above the bearish resistance line on the Point & Figure chart occurred simultaneously, highlighting incredible demand. Last week COCO pulled back to Fibonacci support at 33.29 to alleviate overbought conditions and form a high handle. Confirmation should come soon.*
- **Wait for text confirmation!**
- **Start position at 2-star(**).**
- *The Vita Coco Company Inc. (COCO) is undergoing significant accumulation, with an Up/Down Volume Ratio of 1.98 breaking 52-week highs.*
- *The Vita Coco Company Inc. (COCO) closed at 34.02.*
- **The Vita Coco Company Inc. (COCO) anchored VWAP is at 21.32.**
- **The Fibonacci sell targets: 1st target 36.76; 2nd target 41.87; 3rd target is 42.33; 4th target is 55.75.**
- **Stop price: Close below 29.82.**

MA1 = 31.07
MA2 = 32.79
MA3 = 34.86
MA4 = 30.54

Vita Coco Company Inc. (COCO)

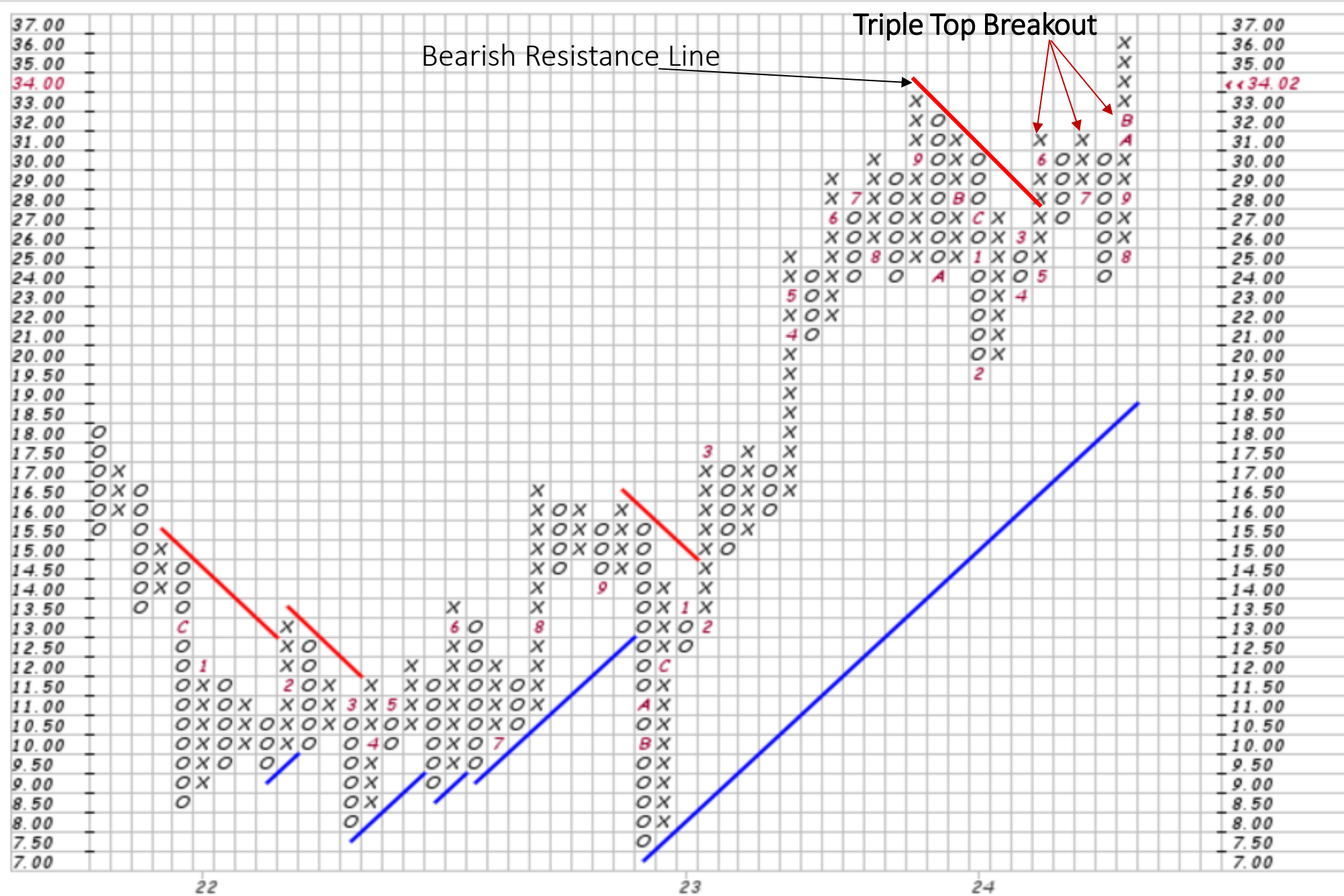
Up/Down Volume Ratio 1.98



The Vita Coco Company Inc. (COCO)



The Vita Coco Company Inc. (COCO)



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