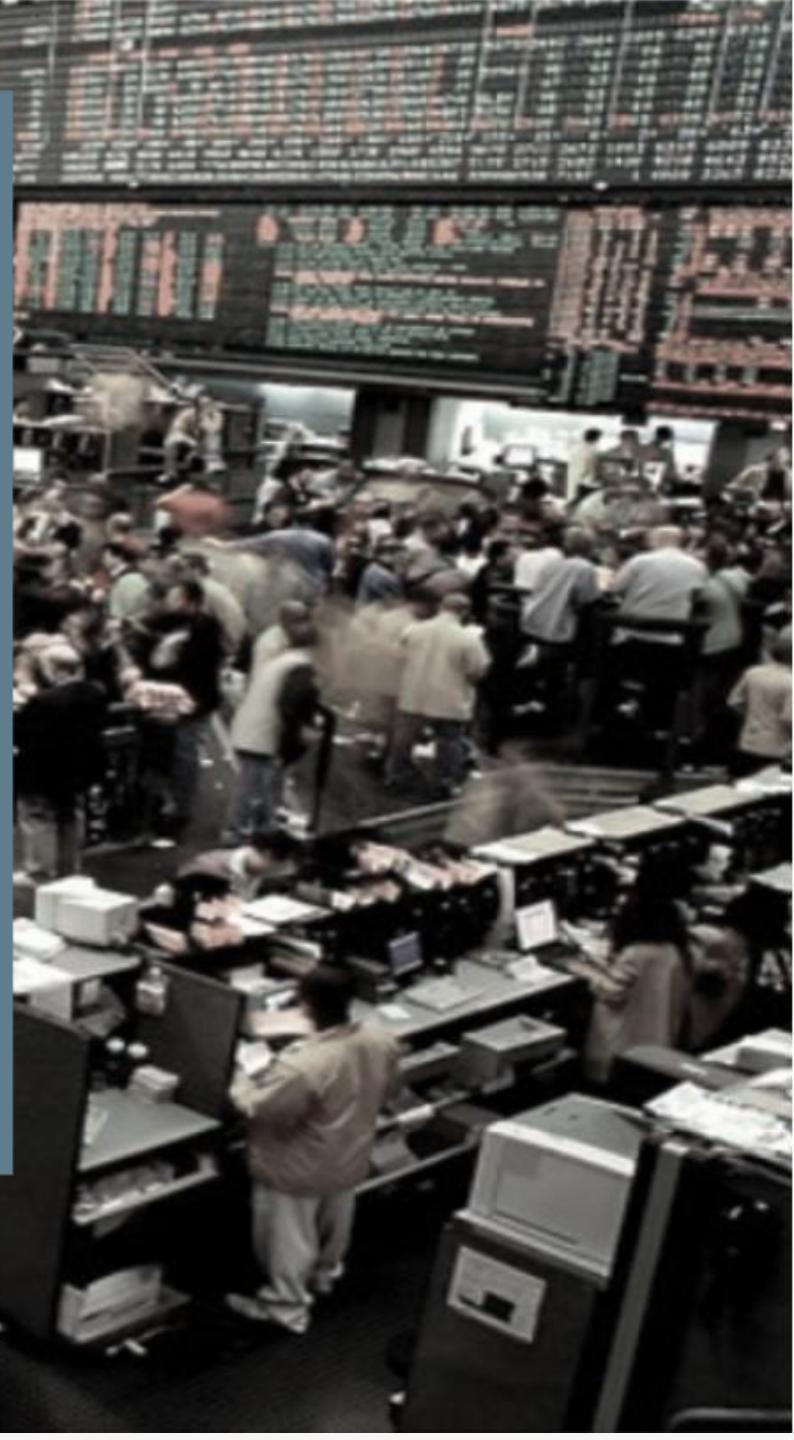
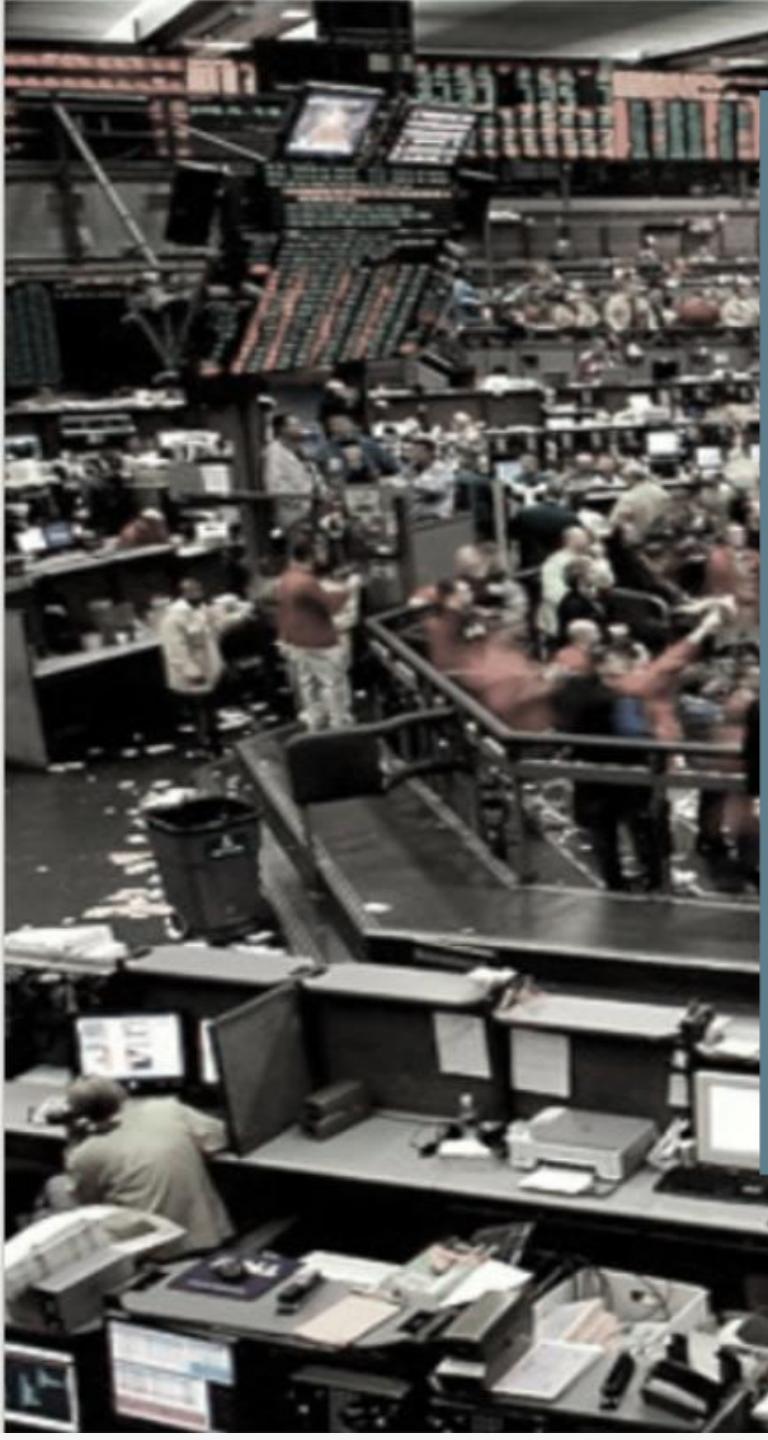




# Trading Floor Research

Welcome to the  
— Trading Floor —





This Trading Floor Research report contains:

S&P 500 & Sector Update

Direxion Technology Bear 3x (TECS)

Defiance Enhanced Long Volatility ETF (VIXI)

## S&P 500 & Sector Update

On Thursday, the S&P 500 rallied and retested the bottom of a recently broken channel. Nvidia's (NVDA) earnings report boosted the index, driving it higher with an explosive move that ended as quickly as it started. The bottom of the channel also represented 50% of its recent range at 6747.33, where bulls attempted unsuccessfully to regain control. Additionally, the cloud baseline created another barrier that the bulls couldn't overcome at this level.

After encountering a significant confluence of Fibonacci, channel, and cloud baseline resistance at 6747.33, the S&P 500 experienced a substantial reversal, leading to a sharp decline. The intense weakness across various sectors and distribution within the indexes contributed to Thursday's selloff. The technical damage from this market decline has positioned the market in a more dangerous situation than at the beginning of the week.

On Thursday, heavy downside volume in the S&P 500 resulted in four distribution days over the past six sessions, indicating strong selling pressure. The bearish patterns that emerged from Thursday's selloff included a combined belt hold and a bearish engulfing day. Furthermore, the index closed below five key reversal points established since September 17, four of which were tail patterns. Breaking through several established lows can be detrimental, potentially leading to rapid unwinding and increased volatility.

In light of this, I purchased the **Defiance Enhanced Long Volatility ETF (VIXI)** to capitalize on a potential market downturn. VIXI concluded the Thursday session with a bullish engulfing pattern, indicating a breakout from a cup-with-handle base. This breakout occurred on significant volume, resulting in increased accumulation levels. Additionally, a close above the daily cloud suggests that significantly higher prices may be on the horizon.

## S&P 500 & Sector Update (Continued)

*On Friday, the S&P 500 retracement bounced at the bottom of the daily cloud and rallied to the top of the cloud before closing the week below the Fibonacci quarter number at 6621.53. The bulls attempted to push the market higher but struggled to make significant progress. Another sector fell victim to Thursday's market decline, with **utilities** issuing a new sell signal.*

*Currently, only **the energy** and **healthcare** sectors are in a confirmed buy position. In contrast, nine of the eleven market sectors are in a confirmed sell signal, indicating strong potential for further declines.*

*Healthcare's new high during Friday's session highlights the opportunities available within that sector. This is a slight positive in a market that continues to show broadening distribution. I maintain a two-thirds position in **Pyxis Oncology (PYXS)** after realizing a 13.4% gain at the first Fibonacci target earlier in the week.*

# S&P 500



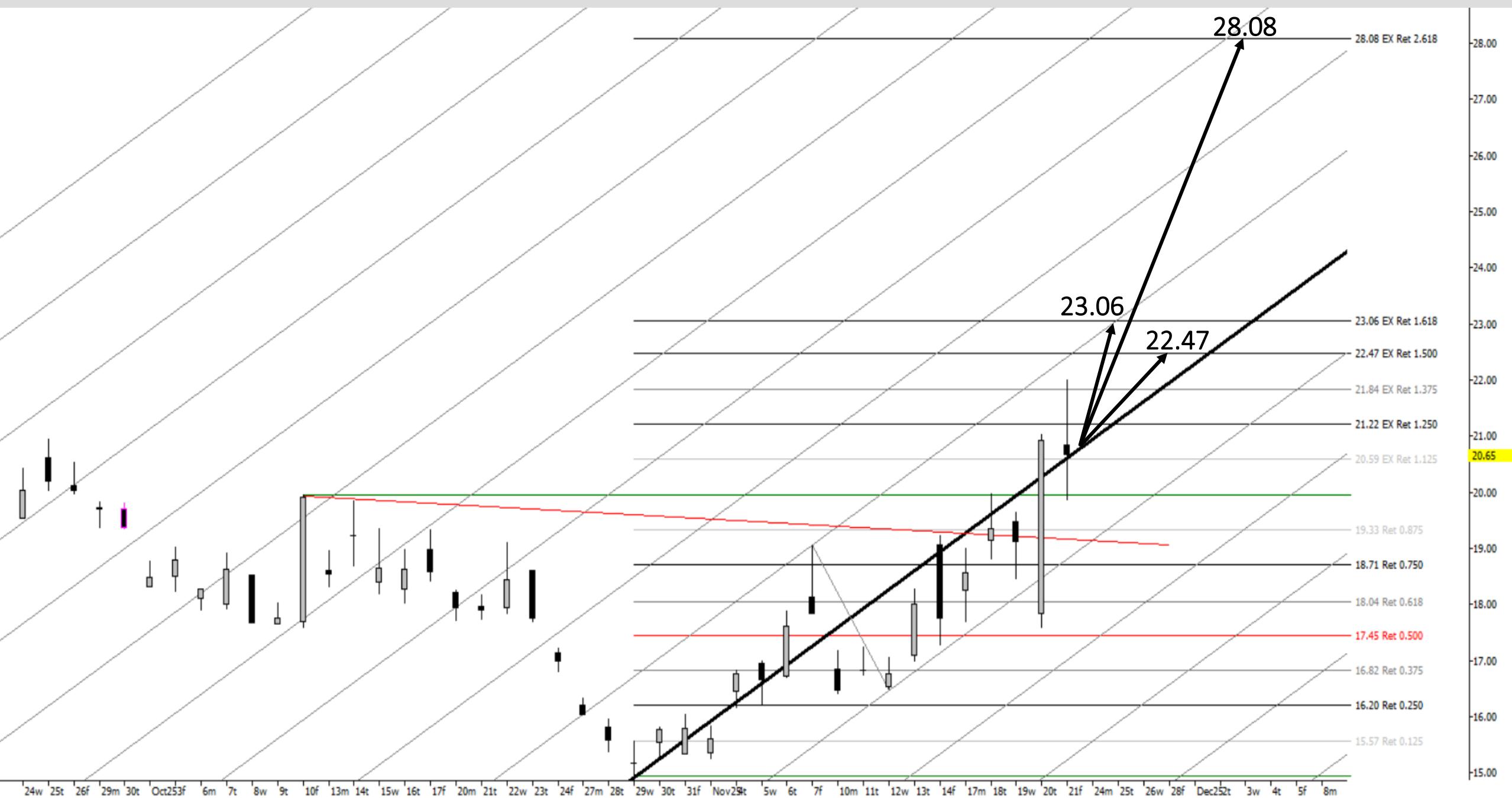
## Healthcare Sector



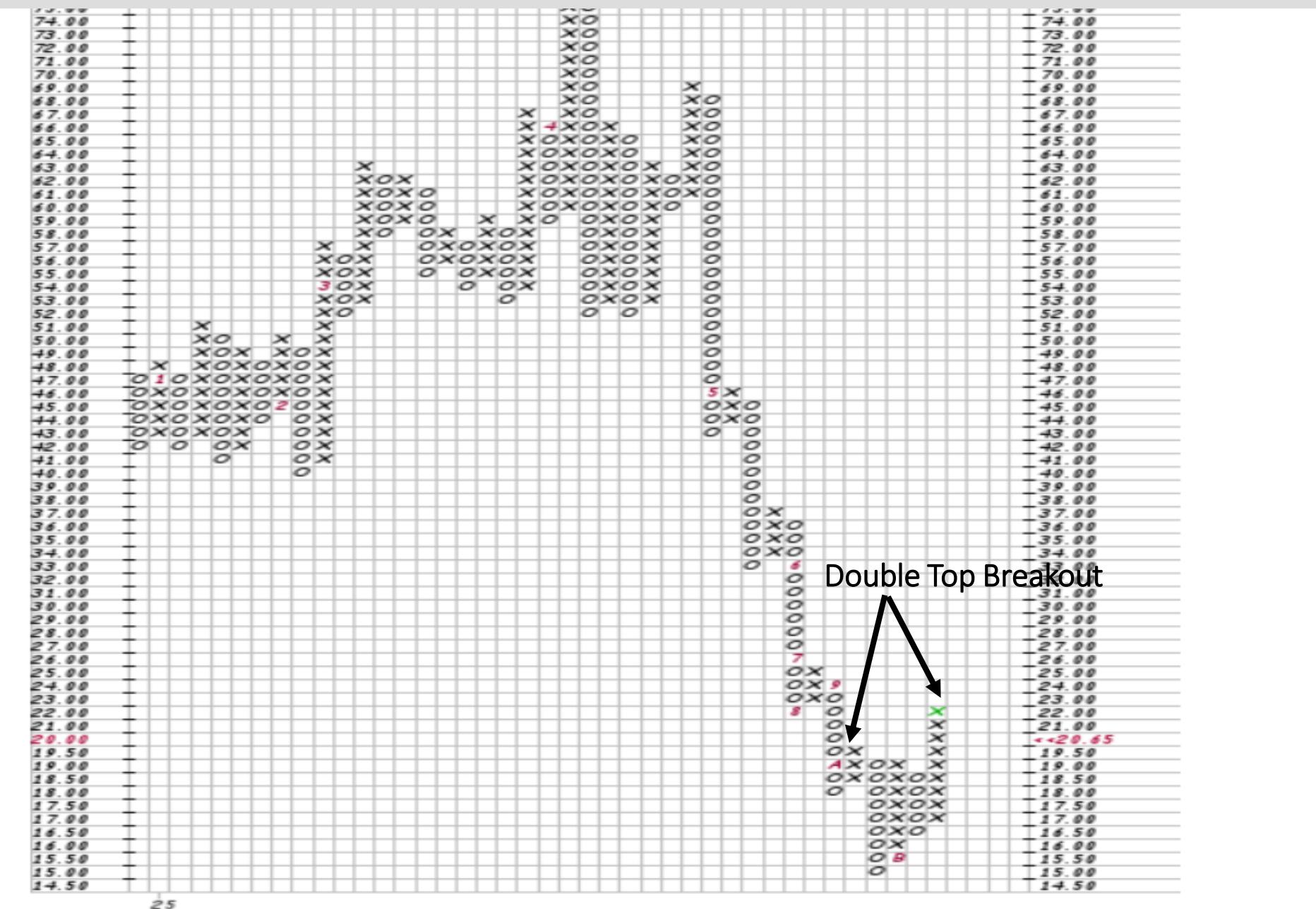
## **Confirmed Buy: Direxion Technology Bear 3x (TECS)**

- *Portfolio: Short the Technology Sector. This trade is designed to move 3x the inverse daily performance of the Technology Sector*
- *On Wednesday, I initiated a short position in the technology sector by purchasing the Direxion Technology Bear 3x (TECS) ETF. Since the beginning of November, TECS accumulation levels have been significant, suggesting the potential for much higher prices. I received a buy signal on Wednesday, which was accompanied by the largest trading volume since TECS began trading in 2009. This caught my attention and increased the trade's potential.*
- *On Thursday, the technology sector experienced a sell-off of -2.76%, which was a major contributor to the overall market decline. My position in the Direxion Technology Bear 3x (TECS) ETF benefited from this movement, reaching its first Fibonacci target. At that point, I sold one-third of my position, realizing a 5.5% gain. On Friday, the TECS position hit its second Fibonacci target at 21.22, and I sold another one-third of my holdings, locking in a 9.6% gain.*
- *The Direxion Technology Bear 3x (TECS) confirmed a Buy and purchased at 19.36.*
- *Position is at 1-star(\*).*
- *Direxion Technology Bear 3x (TECS) closed at 20.60.*
- *Direxion Technology Bear 3x (TECS) VWAP is at 29.22*
- *Sell Fibonacci target prices: 1<sup>st</sup> target is 20.45; 2<sup>nd</sup> target is 21.22; 3<sup>rd</sup> target is 22.43; 4<sup>th</sup> target is 23.06.*
- *Stop sell price: Close below 17.45.*

# Direxion Technology Bear 3x (TECS)



# Direxion Technology Bear 3x (TECS)



## **Confirmed Buy: Defiance Enhanced Long Volatility ETF (VIXI)**

- *Portfolio: VIX futures with leveraged short exposure to the S&P 500 Index.*
- *Defiance Enhanced Long Volatility ETF (VIXI) provides returns during periods of high market volatility and declining equities. It uses a dual-strategy approach that combines long exposure to VIX futures with leveraged short exposure to the S&P 500 Index, designed to benefit from volatility spikes and equity downturns.*
- *Position Started at 1-star.*
- *Defiance Enhanced Long Volatility ETF (VIXI) was purchased at 17.28.*
- *Defiance Enhanced Long Volatility ETF (VIXI) is undergoing significant accumulation with an Up/Down Volume Ratio at 1.81.*
- *Defiance Enhanced Long Volatility ETF (VIXI) closed at 17.17.*
- *Defiance Enhanced Long Volatility ETF (VIXI) has an anchored VWAP of 15.98.*
- *Sell target price: 1<sup>st</sup> target is 19.67; 2<sup>nd</sup> target is 21.43; 3<sup>rd</sup> target is 26.22; 4<sup>th</sup> target is 46.52.*
- *Stop sell price: Close below 16.08.*

# Defiance Enhanced Long Volatility ETF (VIXI)



### Defiance Enhanced Long Volatility ETF (VIXI)



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