



TFR

Trading Floor Research

Welcome to the
—— Trading Floor ——



This Trading Floor Research report contains:

S&P 500 (SPX) & Market Sector Update

Verano Holdings Corp. (VRNOF)

FAT Brands Inc. (FAT)

Credo Technology Group Holding Ltd. (CRDO)

Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE)

Still setting up from last week

ProShares UltraShort Utilities ETF (SDP)

S&P 500 & Market Sector Update

The **S&P 500** closed at new 2024 highs, gapping above Fibonacci resistance at 4918.10 on above-average volume. Yes, the index shows bullish behavior that could send it higher. But don't confuse Friday's rally in the NDX and SPX for a strong market.

On Friday, the **Bullish Percent Indexes** moved lower for both the **NDX** and the **S&P 500**. The divergence of the indexes moving higher and more stock charts turning down is a rare occurrence and is an ominous sign for the markets.

The **Technology** sector was by far the strongest sector, up +1.51% at the close. The strongest sector in the market did not close at a 2024 high on Friday and was up on below-average volume. **Electronic Components** was the only technology industry group to close at 2024 new highs on above-average volume. One of thirteen industry groups in the sector that led Friday's market move closed at new highs in the most substantial sector in the market. The price behavior does not support a healthy market.

The **Consumer Cyclical**s sector had the second-best performance on Friday, with a +.41% gain. The meager move was made on volume considerably below average, with most of the performance coming from **Recreational Vehicles** and **Footwear & Accessories**. Both industry groups were up less than +.45% and bouncing from broken charts. The remaining industry groups were down, and the closing bell was the only thing that prevented a continued move lower.

Financial Services stocks closed slightly higher on below-average volume. **Insurance Diversified** was the only industry group to close at a 2024 high on above-average volume. **Capital markets** stocks contributed to the move as they popped from a broken chart on below-average volume. The rest of the sector looked pathetic as it continued to be pressured by **regional banks**.

S&P 500 & Market Sector Update
(Continued)

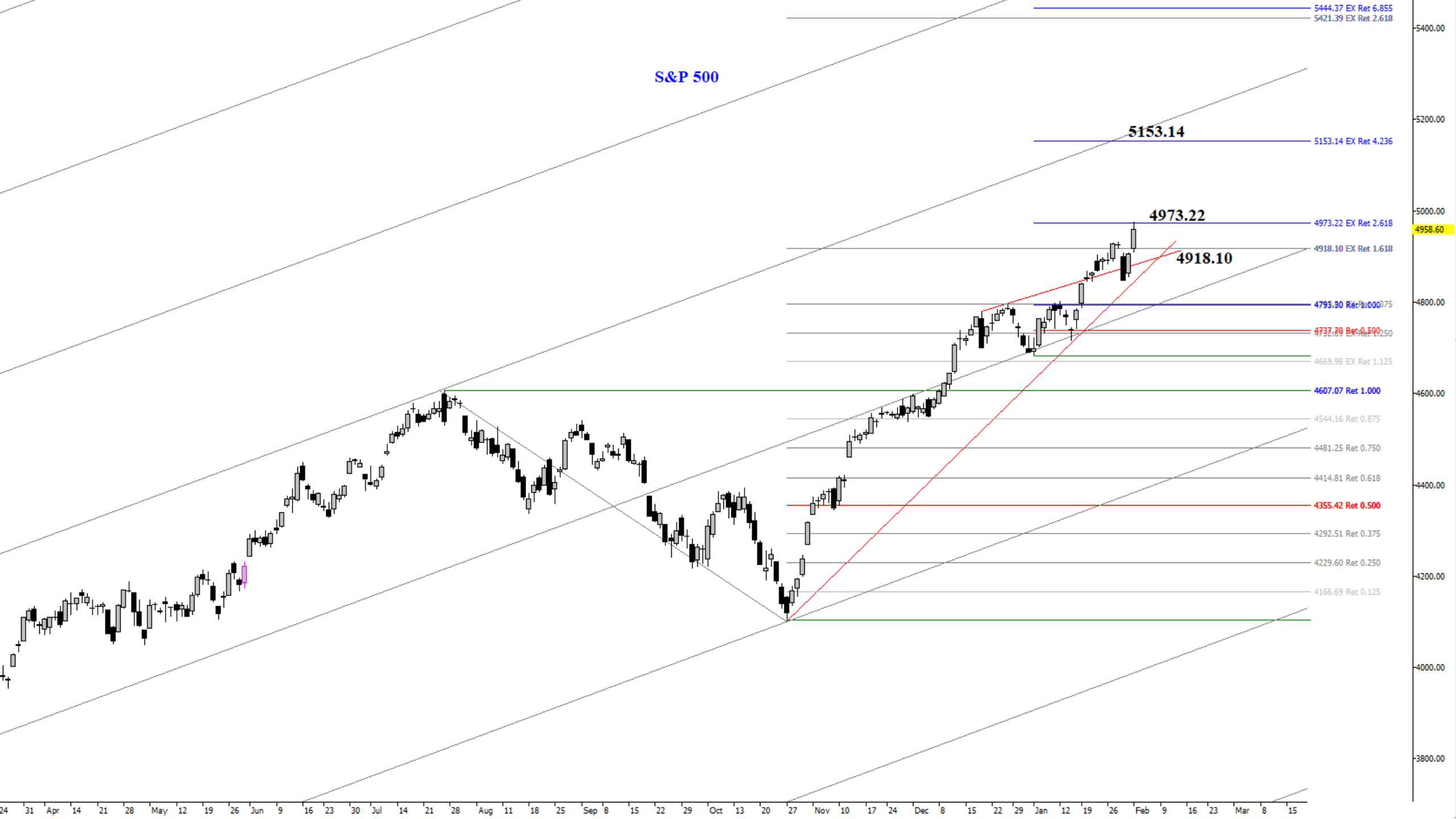
Now that we've reviewed Friday's strength, let's look under the hood and check what 70% of the market was doing.

Sectors taking a beating included:

- Communication Services down -2.44%
- Utilities were down -1.73% on above-average volume.
- Real Estate was down -1.35% on above-average volume.
- Energy was down -1.05% on above-average volume.
- Basic Materials were down -.89%
- Healthcare was down -.57%.

These stats highlight what was actually happening in the market as the S&P 500 hit a new high. The S&P 500 above-average volume was due to market sectors moving lower, not strength. The underlying weakness does not support a healthy market. I am staying focused on the market components. Investors mesmerized by shiny market objects like META and AI-related stocks could get caught in the trap.

The last time I remember divergences this stark, we were heading toward the historic March 2000 highs as internet stocks were the shiny objects.



Cannabis Industry Group Confirmed Buy

On Thursday, the **cannabis industry group confirmed a critical breakout** on strong volume. The industry group participation was a revealing sign of the strength of cannabis stocks.

The strength was found in **Verano Holdings Corp. (VRNOF)** early in the day as the stock confirmed a move higher. When I purchased shares, many other leaders had yet to participate.

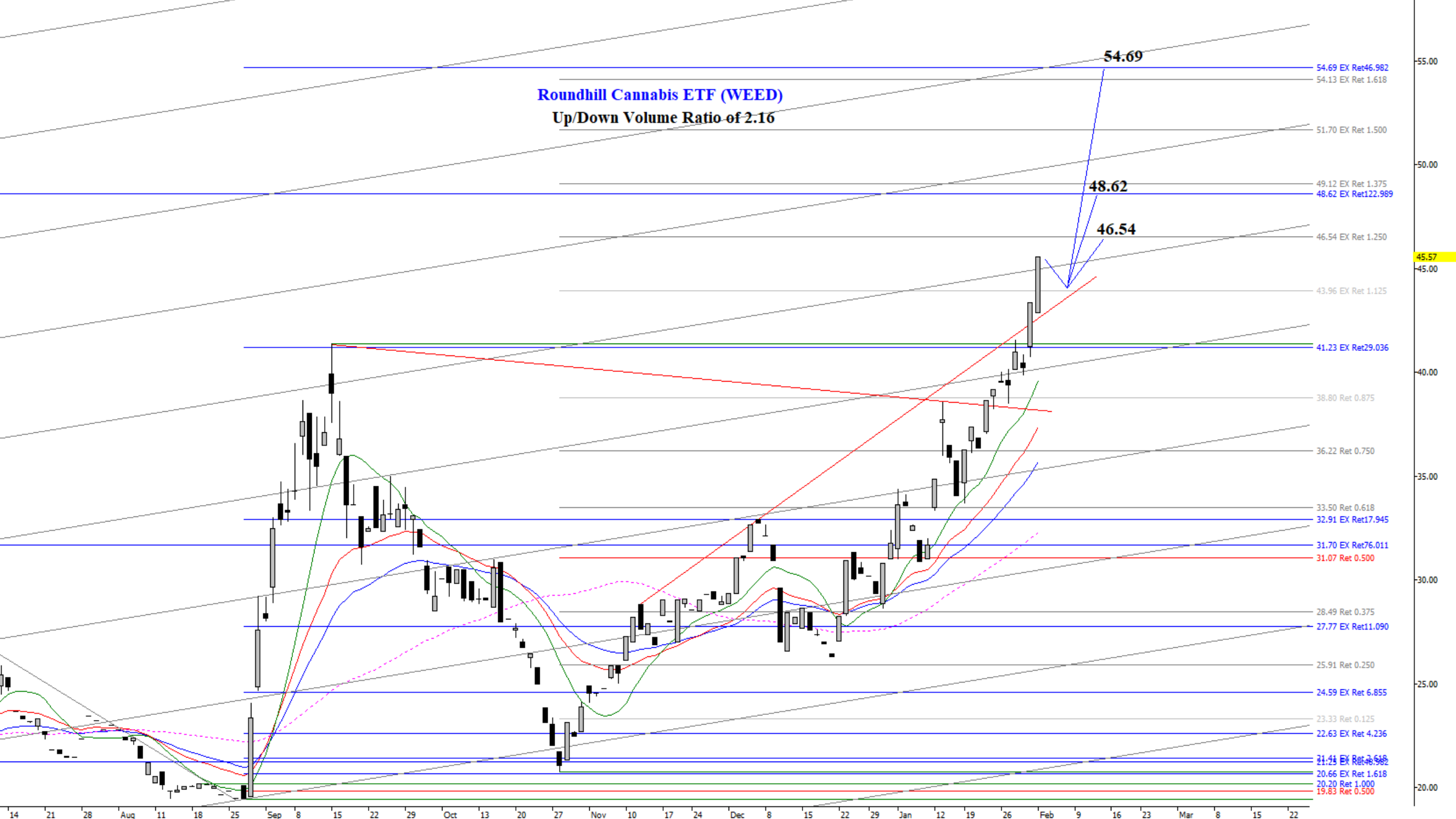
Later in the day, other emerging leaders like **Curaleaf Holdings Inc. (CURLF)**, **Green Thumb Industries Inc. (GTBIF)**, and **Nova Cannabis Inc. (NVACF)** confirmed.

Their confirmation sent the cannabis industry group into a buy signal and pushed **Roundhill Cannabis ETF (WEED)** higher. WEEDs ability to close above substantial Fibonacci resistance at 41.23 on heavy accumulation provided a strong buy signal.

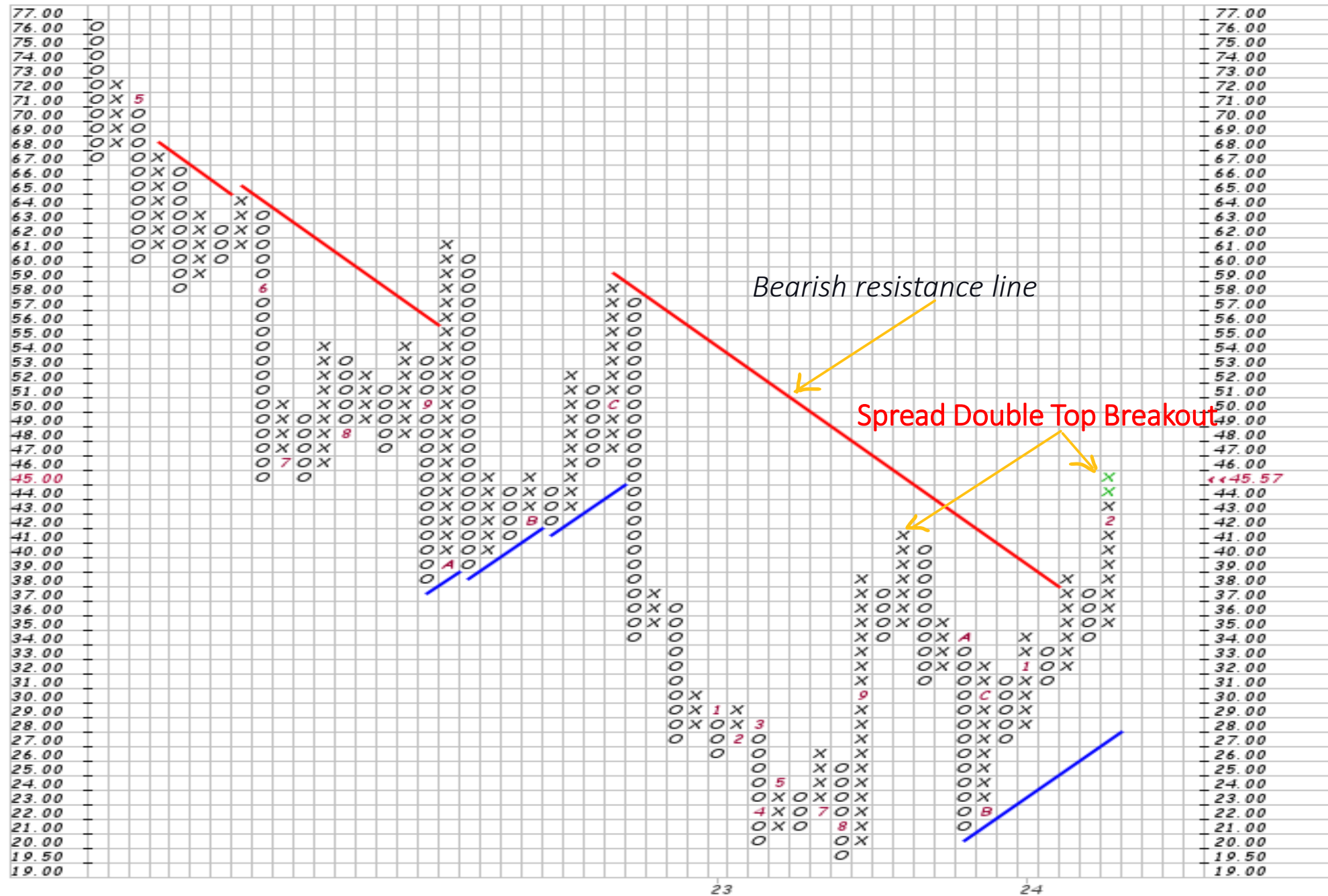
The Point & Figure chart completed a **Spread Double Top Breakout above the Bearish Resistance line**, often leading to a decisive move higher. WEEDs Up/Down volume ratio of 1.99 also points to much higher prices. Any pullback to 41.23 should offer an opportunity to accumulate shares.

This TFR report highlights **Verano Holdings Corp. (VRNOF)**, the cannabis stock I purchased on Thursday.

Roundhill Cannabis ETF (WEED)
Up/Down Volume Ratio of 2.16



Roundhill Cannabis ETF (WEED)

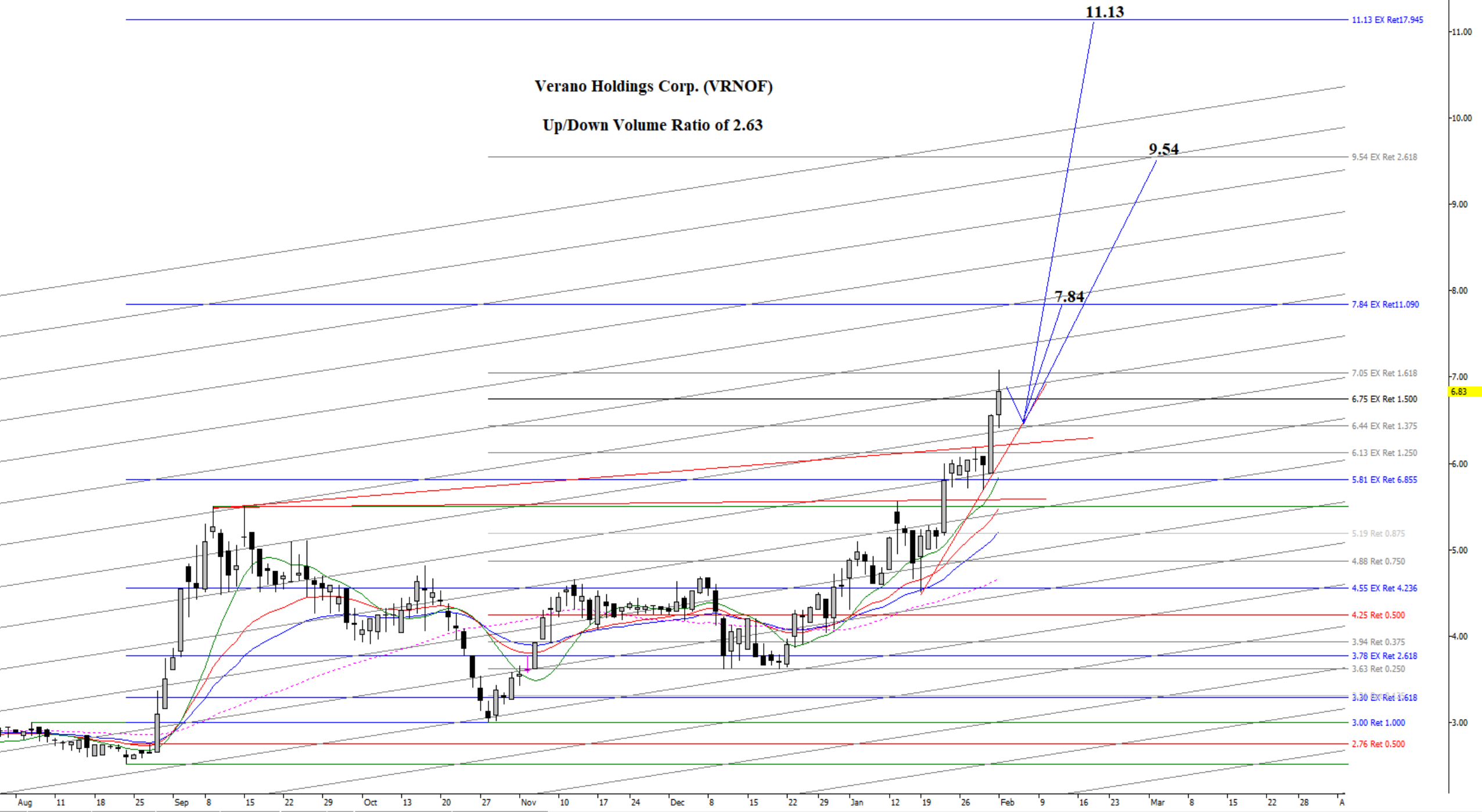


Confirmed BUY: Verano Holdings Corp. (VRNOF)

- *Industry Group: **Cannabis**. The Cannabis industry group is up +50.99% YTD. The Cannabis industry group gave a buy signal on Thursday, February 1, as it broke out of its 4.5-month base and is under accumulation with an Up/Down Volume Ratio of 2.16.*
- ***Verano Holdings Corp. (VRNOF)** produces cannabis products through 14 production facilities under various brands.*
- ***Verano Holdings Corp. (VRNOF)** completed a **Point & Figure Spread Quadruple Top Breakout** above the bearish resistance line at 7.00. It also **broke out of a 1.5-year cup-with-handle base on Thursday**.*
- *Verano Holdings Corp. (VRNOF) was purchased at 6.13 and is up +11.3% from the purchase at Friday's close.*
- *The position was started at a 1-star**
- ***Verano Holdings Corp. (VRNOF)** is under massive accumulation with an **Up/Down Volume Ratio** of 2.63, making 100-day highs.*
- ***Verano Holdings Corp. (VRNOF)** closed at 6.83.*
- ***Verano Holdings Corp. (VRNOF)** Anchored VWAP is at 7.45.*
- ***Fibonacci target prices:** 1st target is 7.05; 2nd target is 7.84; 3rd target is 9.54*
- *Stop price: Close below 5.81.*

Verano Holdings Corp. (VRNOF)

Up/Down Volume Ratio of 2.63



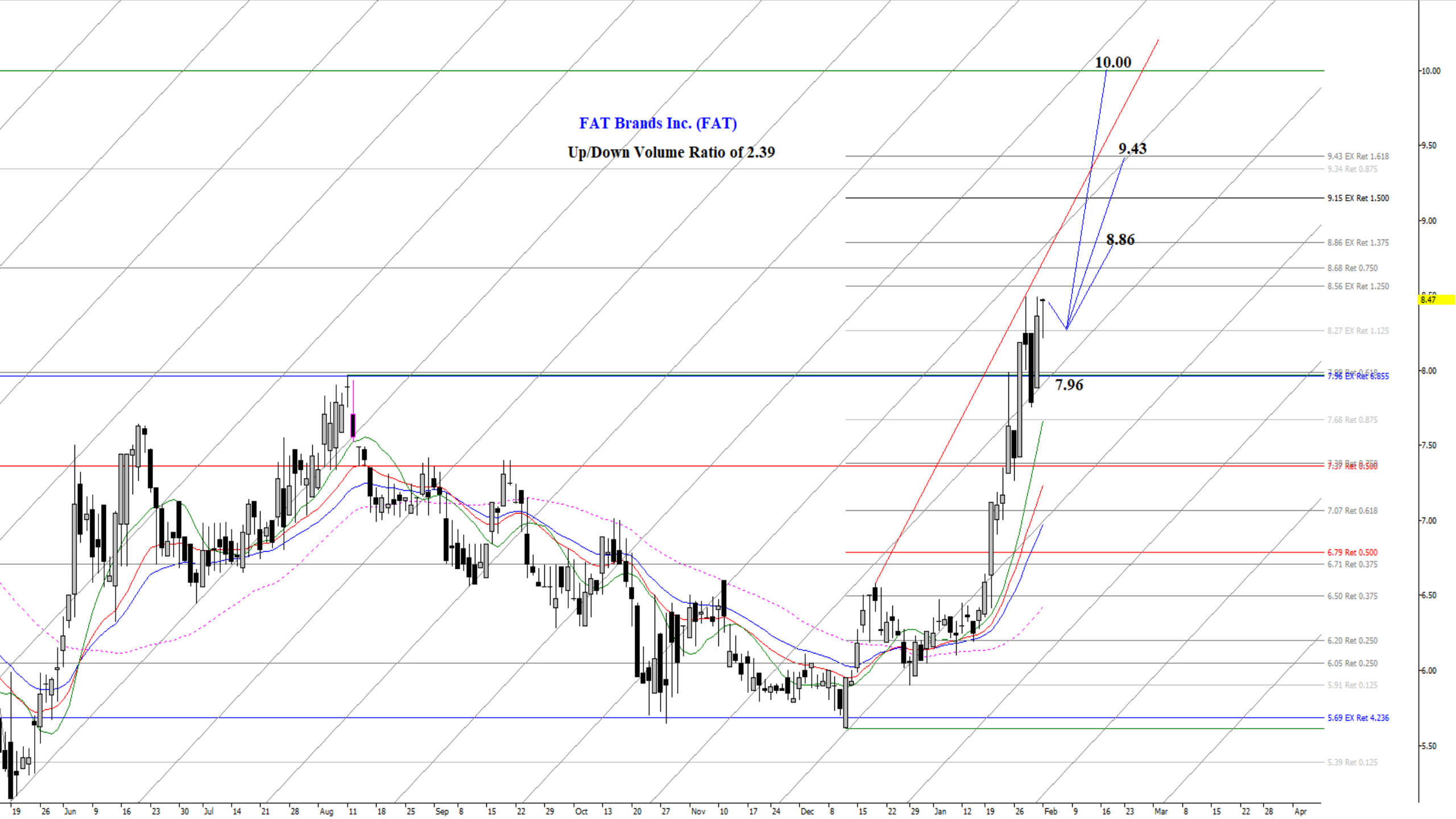
Verano Holdings Corp. (VRNOF)



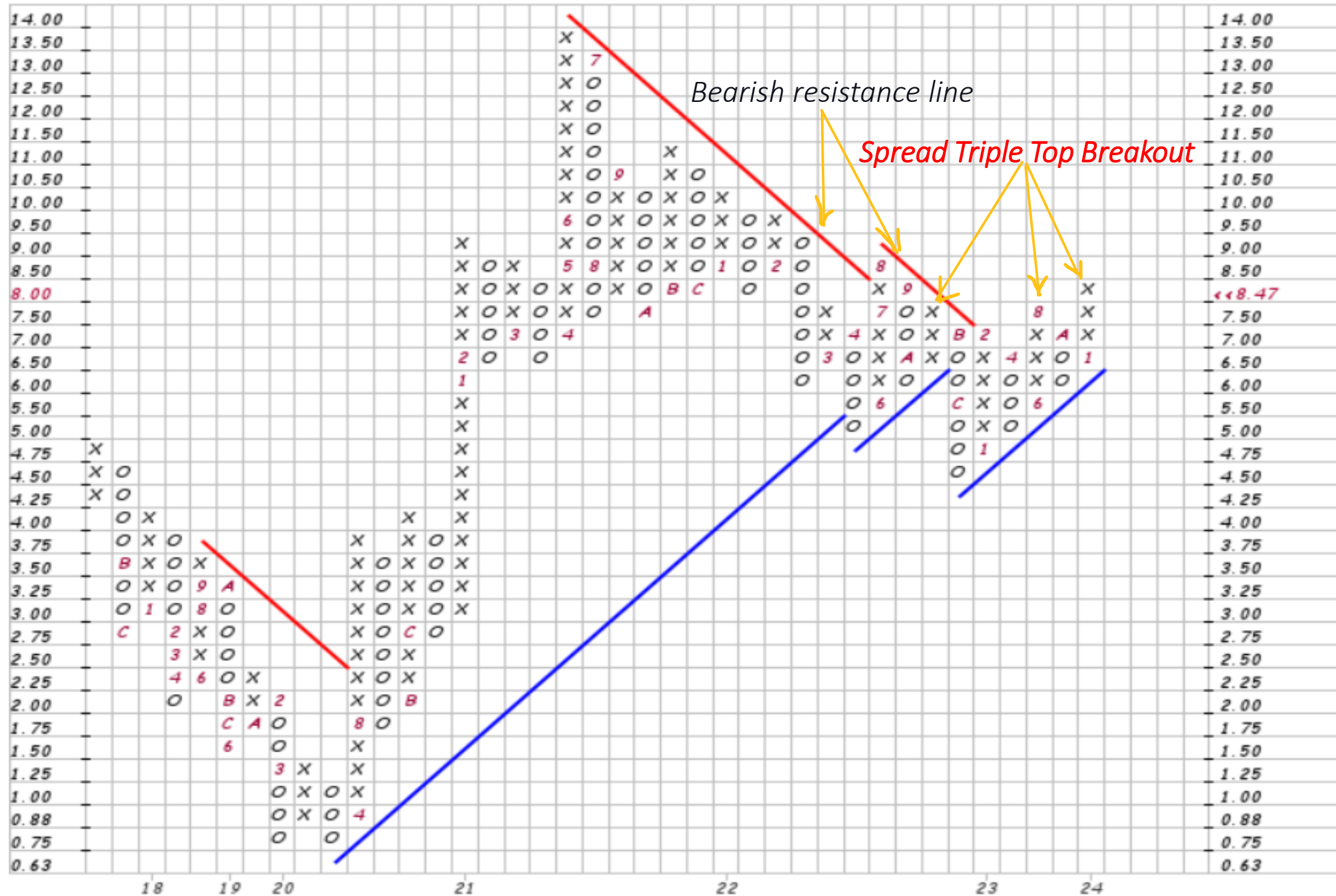
Confirmed BUY: FAT Brands Inc. (FAT)

- *Industry Group: **Retail Restaurant**. The **Retail Restaurant** industry group ranks 30th of 197 and is up +4.03% YTD. The **Retail Restaurant** industry group gave a buy signal on November 14 and is under accumulation with an Up/Down Volume Ratio of 1.13.*
- *FAT Brands Inc. (FAT) is a restaurant franchiser of casual restaurant concepts around the world including names like Jonny Rockets.*
- *FAT Brands Inc. (FAT) completed **Point & Figure Spread Triple Top Breakout** above the Bearish resistance line at 8.00. It also **broke out of a 1.5-year cup-with-handle base** last week.*
- *FAT Brands Inc. (FAT) was purchased at 8.13.*
- *The position was started at a 1-star**
- *FAT Brands Inc. (FAT) is under massive accumulation with an **Up/Down Volume Ratio** of 2.39, making 100-day highs.*
- *FAT Brands Inc. (FAT) closed at 8.47.*
- *FAT Brands Inc. (FAT) **Anchored** VWAP is at 8.06.*
- *Fibonacci target prices: 1st target at 8.68; 2nd target at 9.43; 3rd target is 10.00*
- *Stop price: Close below 7.96.*

FAT Brands Inc. (FAT)
Up/Down Volume Ratio of 2.39



FAT Brands Inc. (FAT)

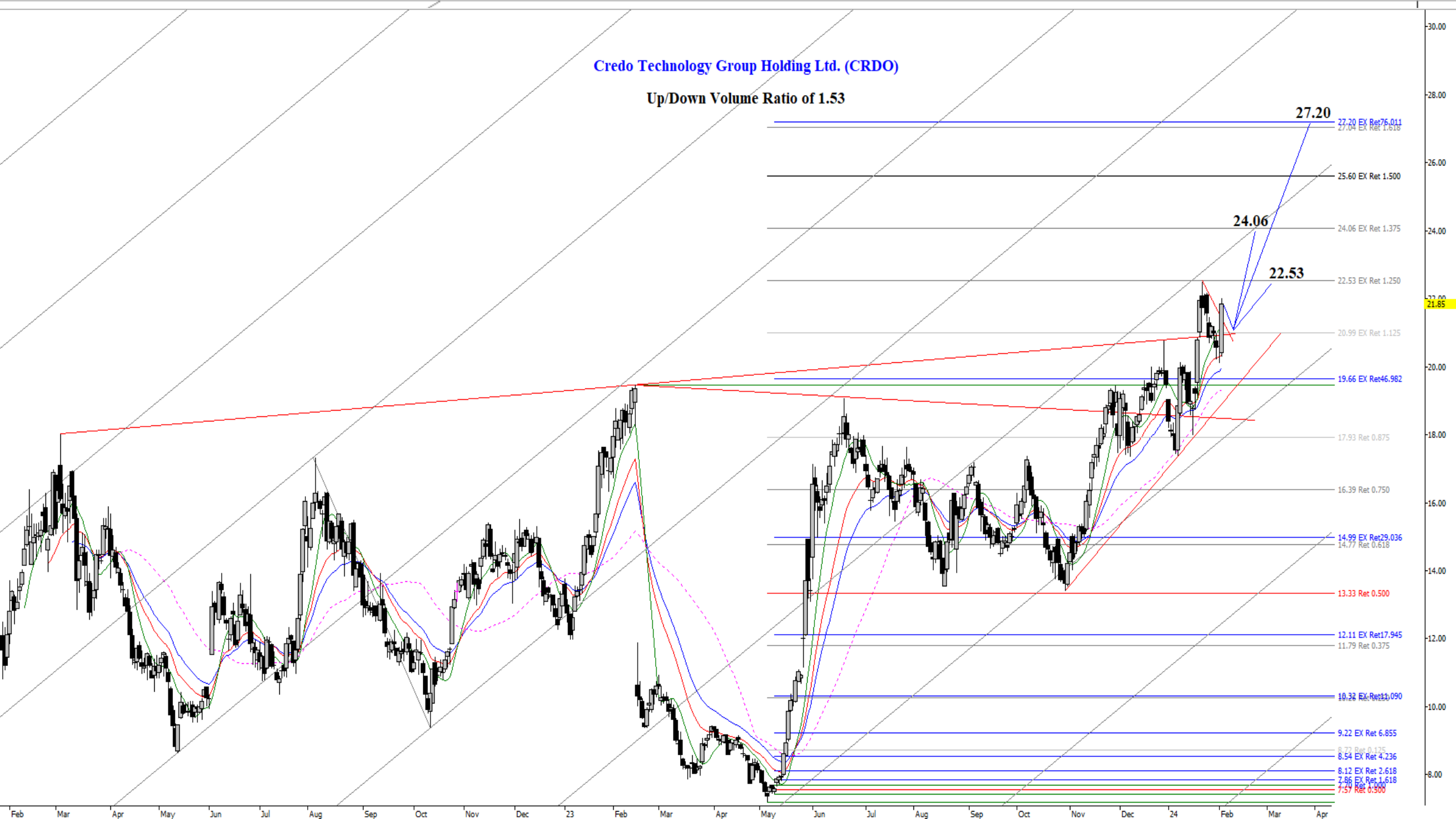


Confirmed BUY: Credo Technology Group Holding Ltd. (CRDO)

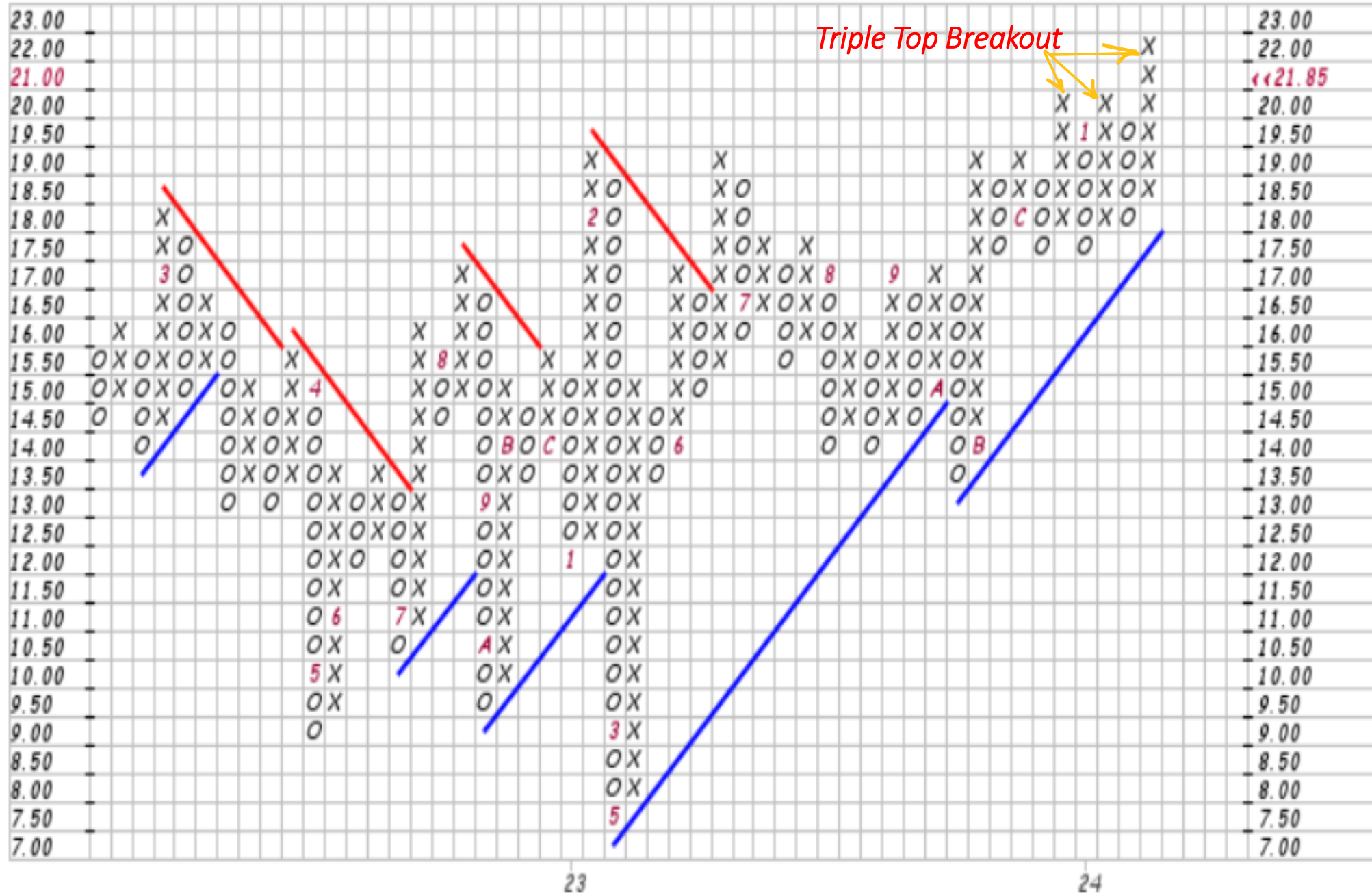
- *Industry Group: **Internet Networking Solutions**. The Internet Networking Solutions industry group ranks 46th of 197 and is up +1.55% YTD. The Medical Biotech industry group gave a buy signal on November 14.*
- *Credo Technology Group Holding Ltd. (CRDO) provides serializer-de-serializer technology and high-speed connectivity solutions.*
- *Credo Technology Group Holding Ltd. (CRDO) is breaking out of its IPO base and completed a Point & Figure Triple Top Breakout at 21.00.*
- *Credo Technology Group Holding Ltd. (CRDO) was purchased at 21.69.*
- *The position was started at a 1-star**
- *Credo Technology Group Holding Ltd. (CRDO) is under accumulation with an **Up/Down Volume Ratio** of 1.53, making 100-day highs.*
- *Credo Technology Group Holding Ltd. (CRDO) closed at 21.85.*
- *Credo Technology Group Holding Ltd. (CRDO) **Anchored** VWAP is at 14.51.*
- ***Fibonacci target prices:** 1st target at 24.06; 2nd target at 27.20; 3rd target is 39.42*
- *Stop price: Close below 19.66.*

Credo Technology Group Holding Ltd. (CRDO)

Up/Down Volume Ratio of 1.53



Credo Technology Group Holding Ltd. (CRDO)



Buy candidate: Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE)

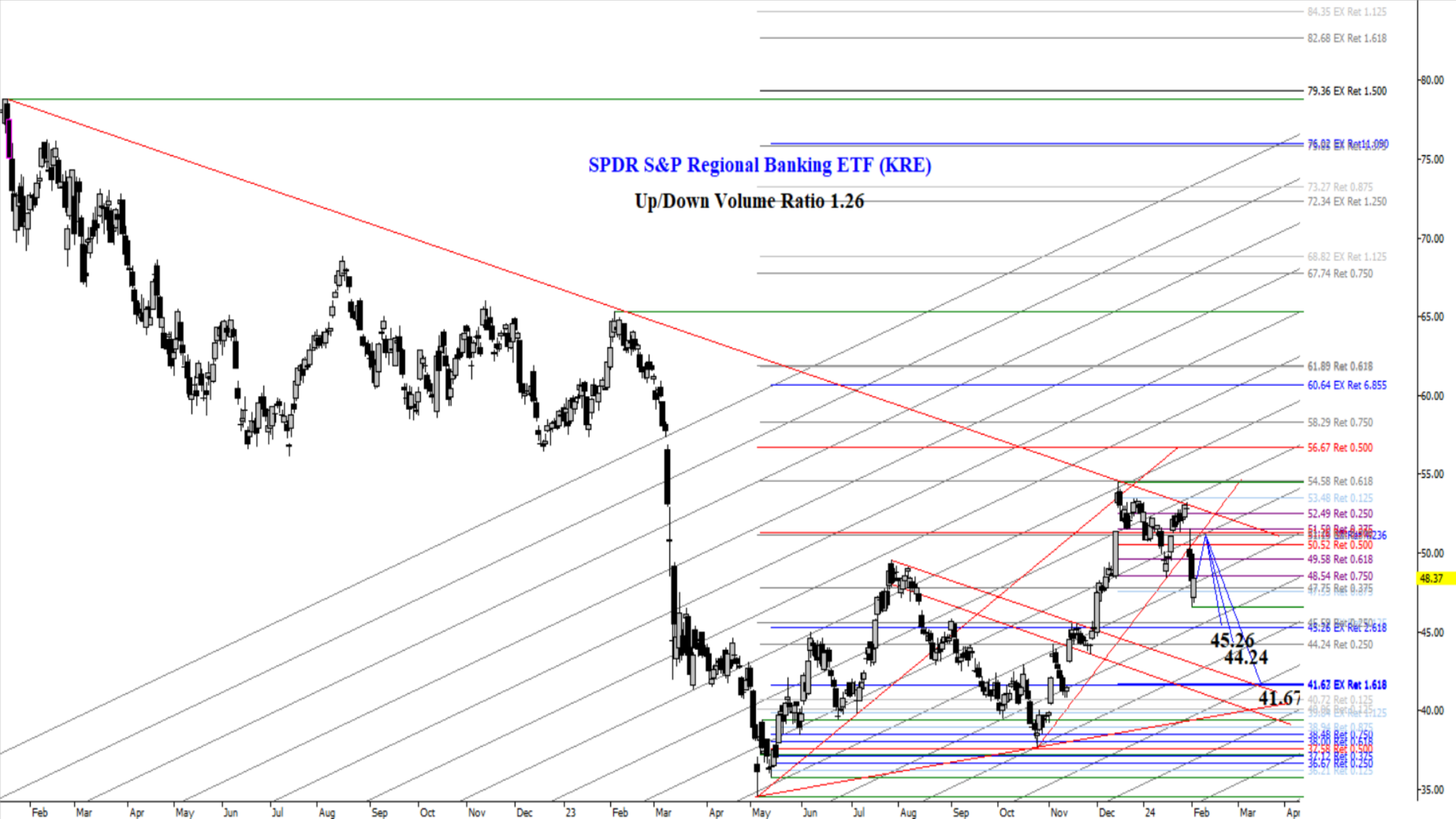
- **Portfolio: Regional Banks.** This ETF corresponds to 2x the inverse move in the SPDR S&P Regional Banking ETF (KRE).
- **Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE)** trade is designed to increase when the SPDR S&P Regional Banking ETF (KRE) moves lower.
- **SPDR S&P Regional Banking ETF (KRE)** completed a **Double-bottom breakdown pattern** on the Point and Figure chart. The Bullish support line is at 42 which becomes the first downside target. KRE broke its rising trendline from the October lows and was given two consecutive sell signals. A throwback into the trendline and top of the daily Ichimoku cloud at 51.04 will provide a low-risk entry into the SKRE position. The trendline and cloud line up well with a critical 50% Fibonacci resistance at 51.26.
- **Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE)** will be purchased with a pullback to Fibonacci support at 25.16.
- **Wait for text confirmation!**
- **Start position at 1-star(*).**
- **Up/Down Volume Ratio on SPDR S&P Regional Banking ETF (KRE)** is hitting 20-day lows, indicating lower prices
- **Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE)** closed at 27.23.
- **Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE)** Anchored VWAP is at 26.93.
- **SPDR S&P Regional Banking ETF (KRE)** Sell target price: 1st target is 28.70; 2nd target is 30.44; 3rd target is 35.17.

Stop sell price: Close below 25.16.

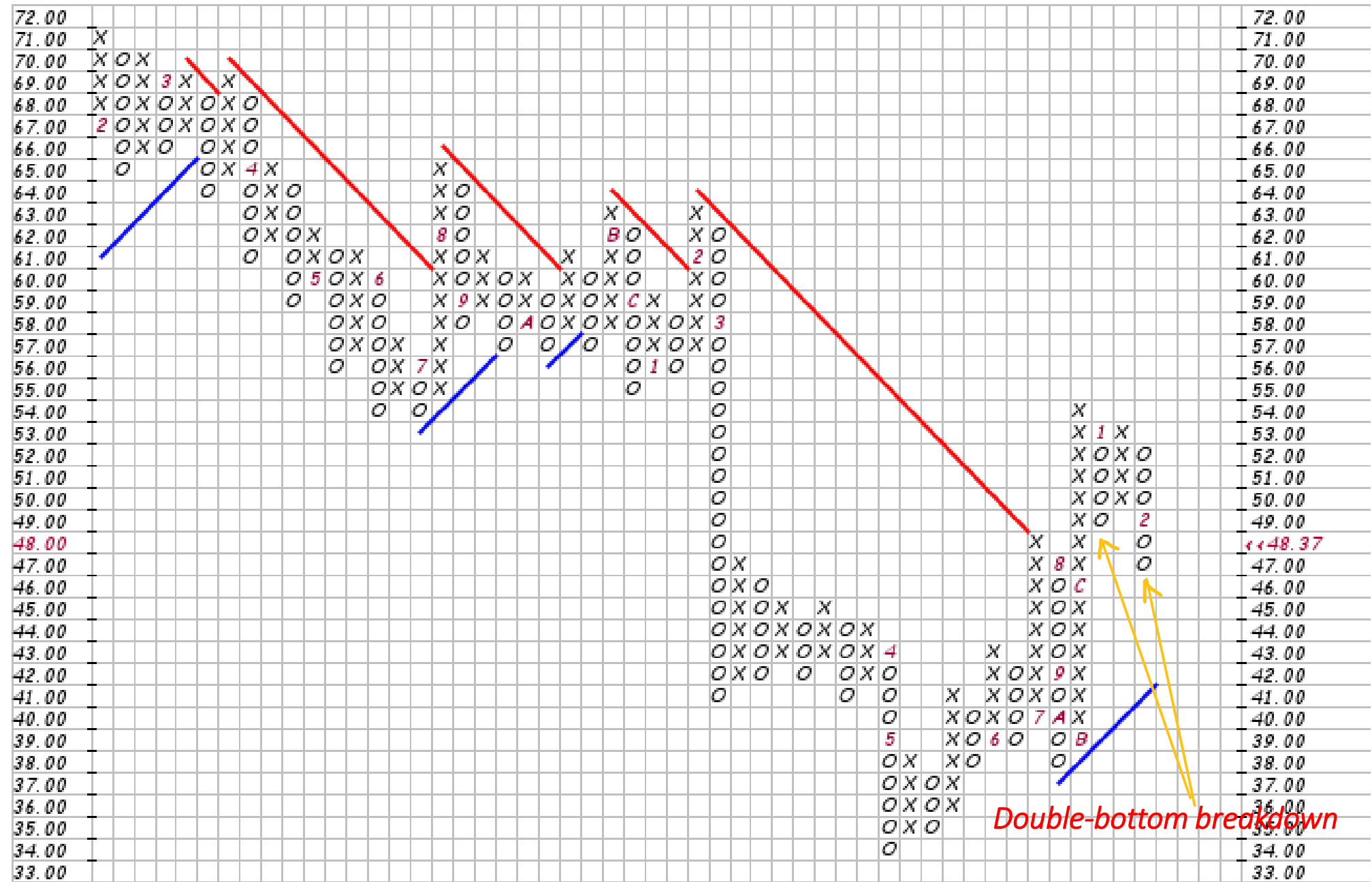
Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE)

Up/Down Volume Ratio 8.7





SPDR S&P Regional Banking ETF (KRE)



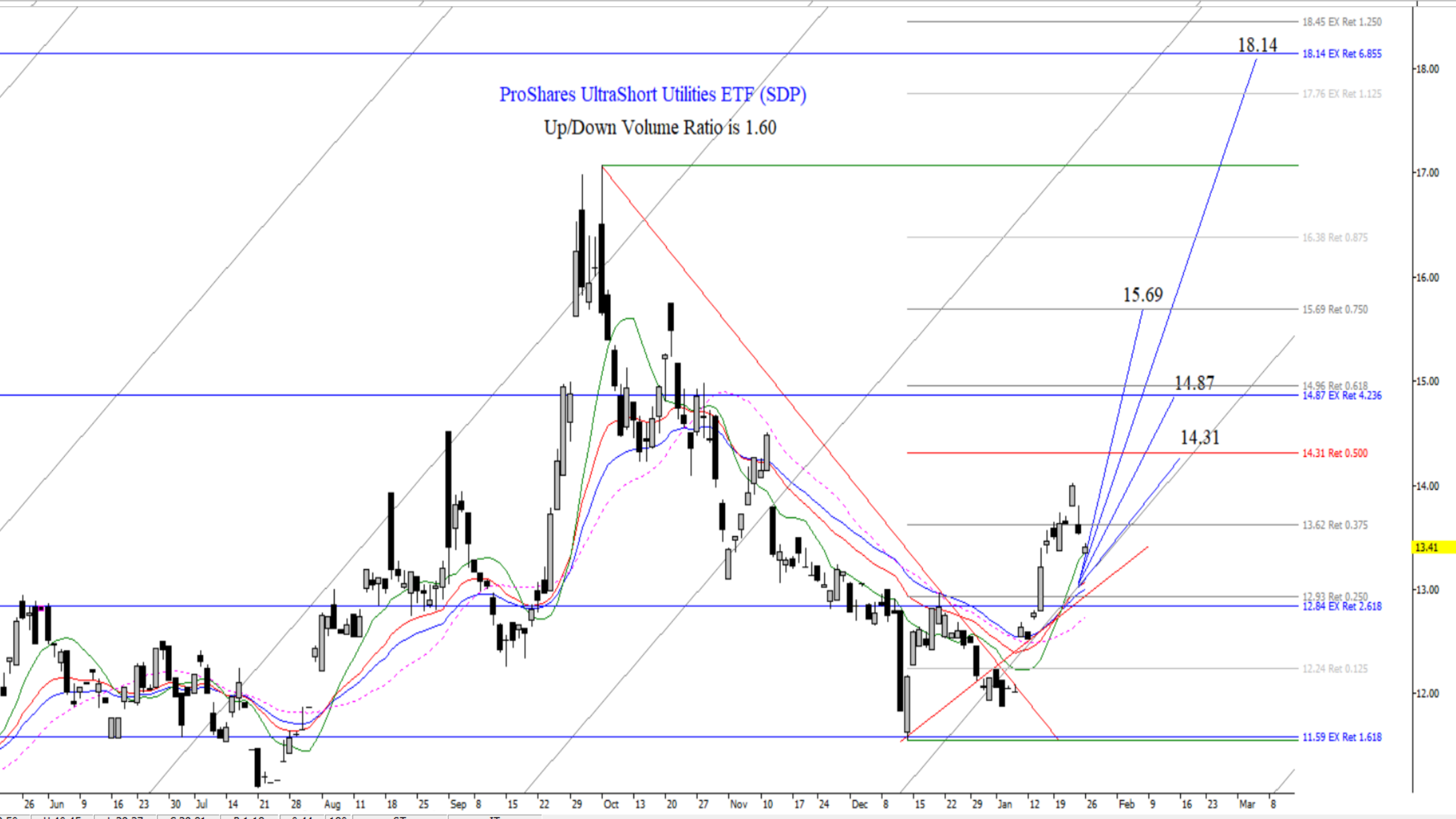
Buy candidate: ProShares UltraShort Utilities ETF (SDP)

- **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 two weeks ago.
- **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 13.27.**
- **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.**

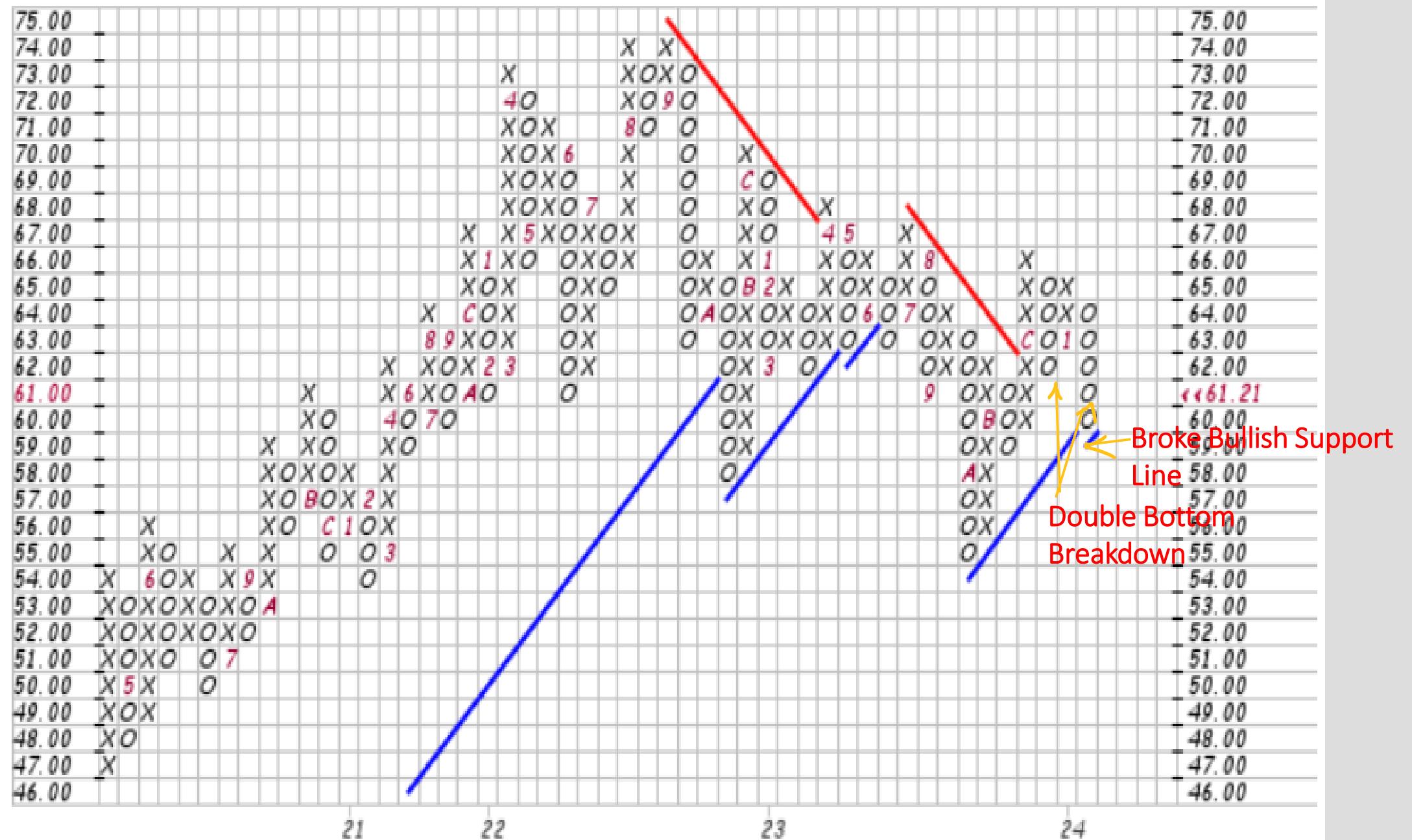
Stop sell price: Close below 12.84.

ProShares UltraShort Utilities ETF (SDP)

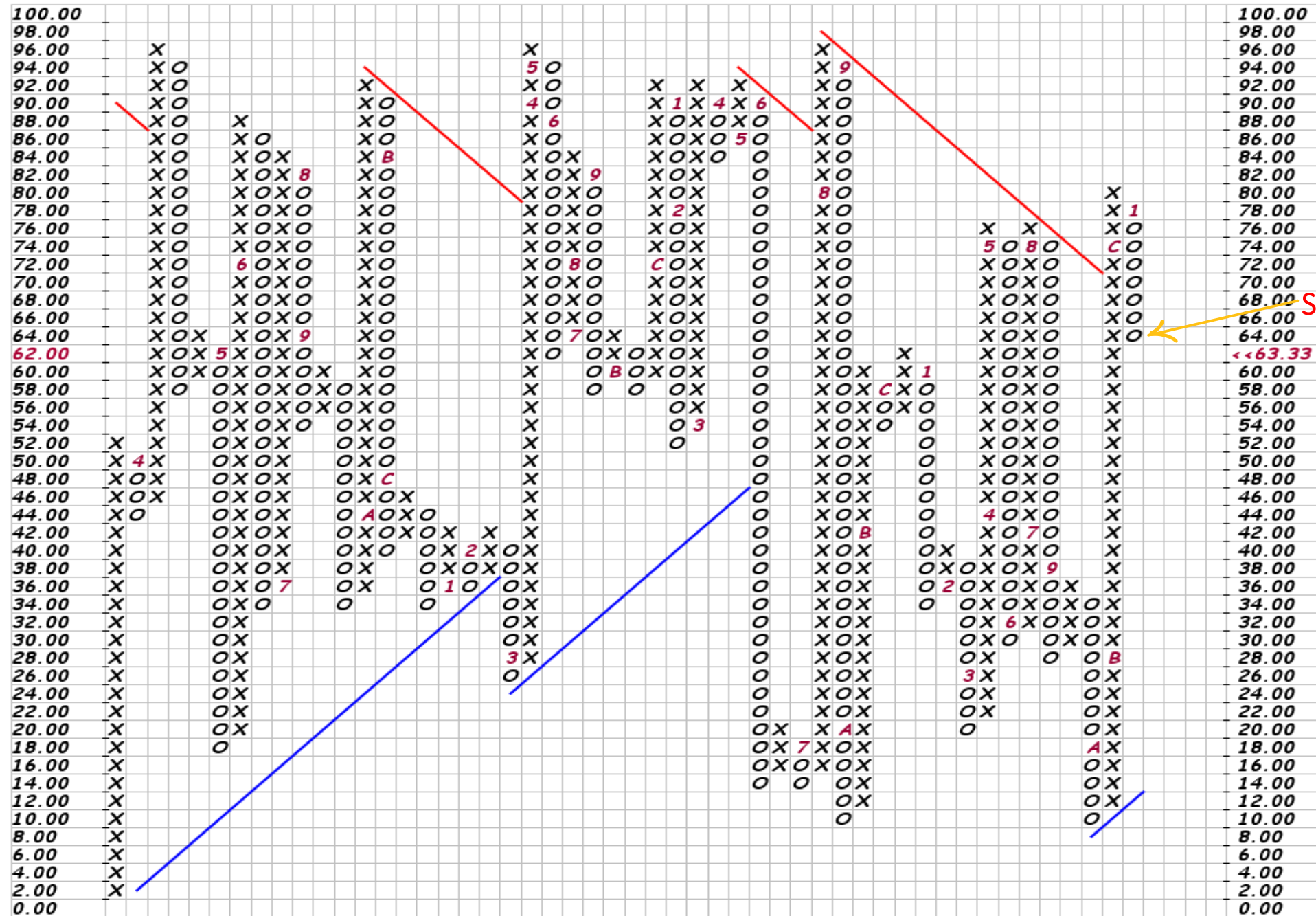
Up/Down Volume Ratio is 1.60



Utilities Select Sector SPDR Fund (XLU)



Bullish Percent Index Utilities Sector



Sell confirmation



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