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Trading

Floor Research

Welcome to the
Trading Floor

07/19/26

This Trading Floor Research report contains:

Technology Sector Update

Playtika (PLTK)

Defiance Target 2x Short MSTR ETF (SMST)

<u>Technology Sector Update</u>

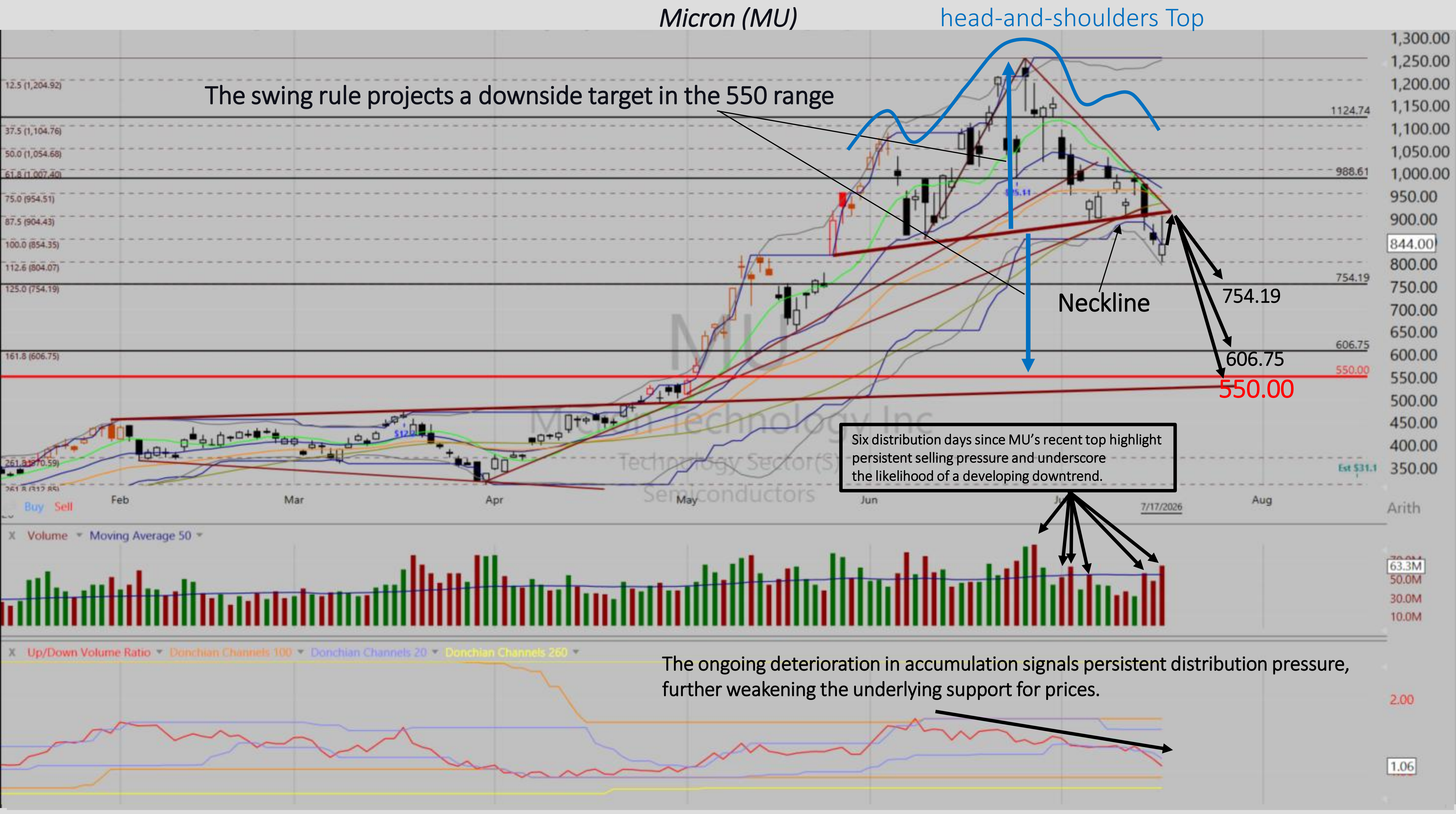
The **technology sector** issued a decisive sell signal on Thursday—the first confirmed sell since February. The prior February-to-April sell-off drove the sector 15.5% lower in just two months, highlighting its vulnerability to sharp corrections. Semiconductor stocks played a central role in Thursday's decline, dropping 4.86% and sending the group into its own sell signal.

My position in the **Defiance Target 2x Short MU (MUZ) ETF** benefited from this move lower, reaching its next Fibonacci targets and allowing me to sell my remaining shares for a 24.2% gain. On Thursday, **Micron (MU)** fell 5.65%, closing below the neckline of a head-and-shoulders topping pattern that has been developing since May. The completion of this significant pattern suggests it could take many months before MU challenges its June high again. According to the swing rule, the head-and-shoulders pattern projects a downside target in the 550 range, with key Fibonacci levels at 606.79 and 515.96. On Friday, a retracement began, potentially setting up a throwback rally to the neckline of the MU head-and-shoulders top. After an orderly retracement, I intend to repurchase my MUZ position, anticipating further downside in MU.

Sell signals across the key drivers of the recent market rally point to a likely correction in the major indexes and the technology sector. In response, I sold the remainder of my quantum computing positions in **QTREX Quantum (QTEX)** on Thursday and exited my **Horizon Quantum (HQ)** position on Wednesday. I had previously locked in partial gains in both positions, with realized returns of 31.2% and 20.7%, respectively.

Over the next few months, maintaining a strict focus on technical analysis will be essential. Buying dips in technology stocks simply because they appear fundamentally sound, while the sector remains under a sell signal, could be extremely risky. Until the technology sector confirms a new buy signal, I plan to focus on shorting tech stocks as they set up for the next leg lower.

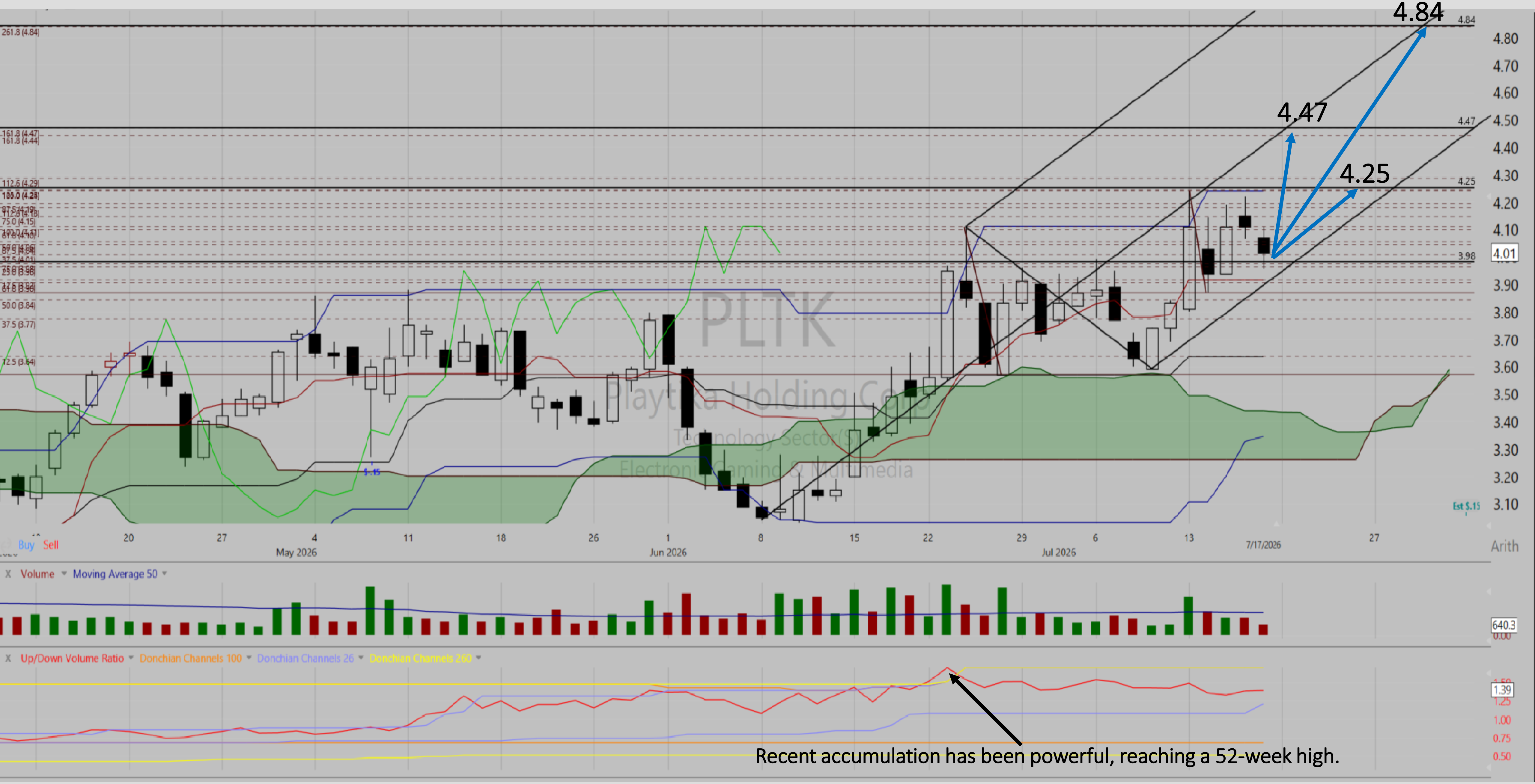
Technology Sector


Micron (MU)
head-and-shoulders Top
The swing rule projects a downside target in the 550 range
Neckline
754.19
606.75
550.00
Six distribution days since MU's recent top highlight persistent selling pressure and underscore the likelihood of a developing downtrend.
The ongoing deterioration in accumulation signals persistent distribution pressure, further weakening the underlying support for prices.
12.5 (1,204.92)
37.5 (1,104.76)
50.0 (1,054.68)
61.8 (1,007.40)
75.0 (954.51)
87.5 (904.43)
100.0 (854.35)
112.6 (804.07)
125.0 (754.19)
161.8 (606.75)
1124.74
988.61
754.19
606.75
550.00
844.00
Feb
Mar
Apr
May
Jun
7/17/2026
Aug
Buy
Sell
Volume
Moving Average 50
63.3M
50.0M
30.0M
10.0M
Up/Down Volume Ratio
Donchian Channels 100
Donchian Channels 20
Donchian Channels 260
2.00
1.06
Arith

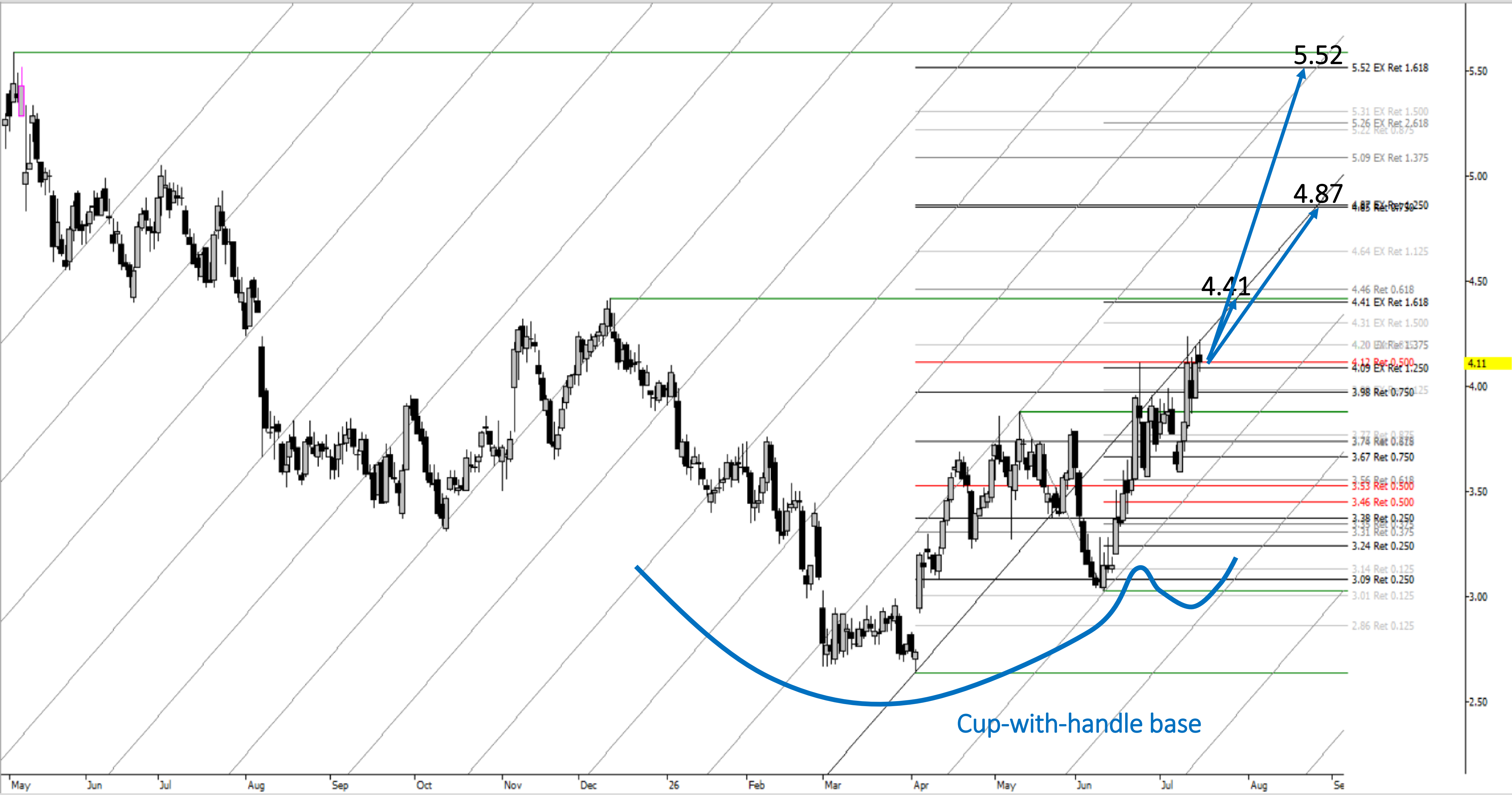
Confirmed Buy: Playtika (PLTK)

- ***Industry Group: Electronic Gaming.*** *Electronic gaming stocks issued a new buy signal on June 16, accompanied by massive volume, marking a pivotal inflection point for the group. Although overall accumulation remains low, the intensity of buying interest was enough to ignite movement among emerging leaders.* **Playtika (PLTK)** *stands out, having confirmed a new buy signal and rapidly gaining traction.*
- **Playtika (PLTK)** is a leading mobile gaming and technology company that specializes in developing and operating free-to-play mobile and web-based games.
- *PLTK recently broke out from a cup-with-handle base that developed over seven months, starting in December. Notably, the handle formed on substantial volume and accumulation, creating a textbook launchpad look. Such setups often reflect strong underlying demand, as shares are quietly accumulated ahead of a breakout. This combination of surging breakout volume and a well-formed launchpad pattern positions PLTK as a likely leader for the next significant advance, with technicals pointing to powerful buying interest and growing momentum.*
- The **Playtika (PLTK)**position was started at 1/2-star.
- Playtika (PLTK) ***was purchased at 4.02.***
- **Playtika (PLTK)** *is undergoing significant accumulation, recently hitting 52-week highs.*
- Playtika (PLTK) closed at 4.01.
- Playtika (PLTK) ***has an anchored VWAP of 11.25.***
- ***The Fibonacci sell targets****: 1st target 4.41; 2nd target 4.87; 3rd target is 5.21; 4th target is 5.52; 5th target is 6.49; 6th target is 7.77.*
- *Stop price: Close below 3.84.*

Playtika (PLTK)



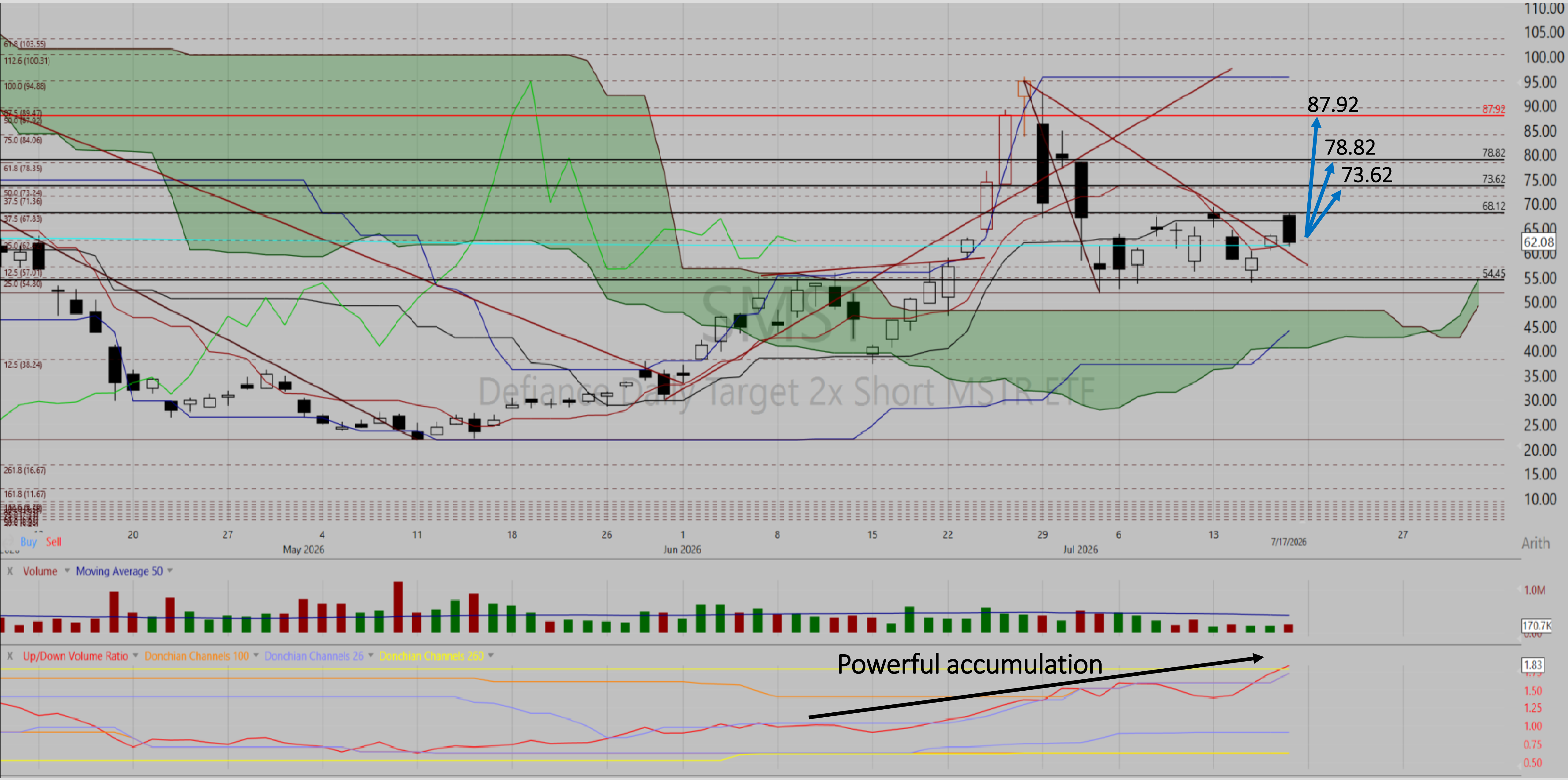
Playtika (PLTK)



Confirmed Buy: Defiance Target 2x Short MSTR ETF (SMST)

- ***Defiance Target 2x Short MSTR ETF (SMST) Position: This trade is structured to deliver twice the inverse of Strategy's (MSTR) daily performance, effectively providing 2x short exposure to MSTR.***
- *A sell signal in the technology sector—and across many of its groups, including **software, computer systems, electronic components,** and **semiconductors**—has fueled a risk-off environment that continues to weigh on **bitcoin** and **bitcoin-related stocks** such as **Strategy (MSTR).***
- ***Strategy (MSTR)** serves as a leveraged proxy for bitcoin, while continuing to operate its core enterprise software business.*
- *Capitalizing on the persistent and orderly downtrend in MSTR, I purchased the **Defiance Target 2x Short MSTR ETF (SMST)** on Thursday, following confirmation of the move. Distribution in MSTR has been massive, driving a marked deterioration in accumulation to its lowest level since the stock began trading in 1998. MSTR has also closed below its monthly cloud, establishing significant resistance at 104.50. The combination of a steady decline, surging distribution, and deteriorating accumulation signals the potential for significantly lower prices ahead. The next MSTR Fibonacci target is 80.95; a close below this level would likely set up a test of the Fibonacci 1.618 expansion at 46.78.*
- *On Friday, I sold a third of my **Defiance Target 2x Short MSTR ETF (SMST)** position after the ETF hit its first Fibonacci target at 68.12, locking in an 11.0% gain.*
- The **Defiance Target 2x Short MSTR ETF (SMST)** position was started at 1/2-star.
- Defiance Target 2x Short MSTR ETF (SMST) ***was purchased at 61.40.***
- Defiance Target 2x Short MSTR ETF (SMST) *is undergoing significant accumulation, breaking 52-week highs.*
- Defiance Target 2x Short MSTR ETF (SMST) closed at 62.08.
- Defiance Target 2x Short MSTR ETF (SMST) ***has an anchored VWAP of 61.51.***
- ***The Fibonacci sell targets**: 1st target 68.12; 2nd target 71.36; 3rd target is 73.62; 4th target is 78.82; 5th target is 84.63.*
- *Stop price: Close below 56.05.*

Defiance Target 2x Short MSTR ETF (SMST)



Strategy (MSTR)

Strategy (MSTR)

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