



TFR

# Trading Floor Research

— Welcome to the  
Trading Floor —



*This Trading Floor Research report is the weekly follow-up:*

*(Please, watch this list closely. If a TFR recommended stock does not appear in this list, it has been sold or was never bought)*

- *Suncoke Energy Inc. (SXC) held up well with the market decline*
- *Warrior Metallurgical Coal Inc. (HCC). Traded at 22-month high today.*
- *Petroleo Bras Partners ADR Preferred A (PRB.A) closed at a new 52-week high today.*
- *Chevron Corp. (CVX) threw back into its major trendline today.*
- *Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) Moving higher as yields continue to rise.*
- *AbbVie Inc. (ABBV) hit a new closing high today.*
- *Digital World Acquisition Corp. (DWAC) Sold  $\frac{3}{4}$  of position today.*
- *Sprott Physical Gold Trust (PHYS) Was a Confirmed buy today*



## Essential Lessons for Stock Market Success.

Class 3 is Thursday February 24, 2022, at the USW Burns Harbor Career Development Center.

A morning and afternoon class will be given:

- 8:30 am-11:30 am
- 4:00 pm-7:00 pm

Learn how to Preserve your principal in a down market, identify winning stocks before they move higher and short stocks before they move lower.

Invite a family member or friend

Call Sarah to reserve a seat at 219-787-3101

## Sectors, Industry Groups & Leadership Stocks

*All sectors and 97% of industry groups were in the red today. 9 of the 11 market sectors are in sell signals. The Energy and Financial Services sectors are in a buy signal. This indicates that the selloff is intensifying and supports high levels of cash in your portfolios.*

One of the few industry groups that closed higher today was the **Transportation Ship**, industry group. The move was so intense it gave a new buy signal for Ship stocks. New leadership stocks setting up in the group include **Golden Ocean Group (GOGL)** and **Grindrod Shipping Holdings (GRIN)**.

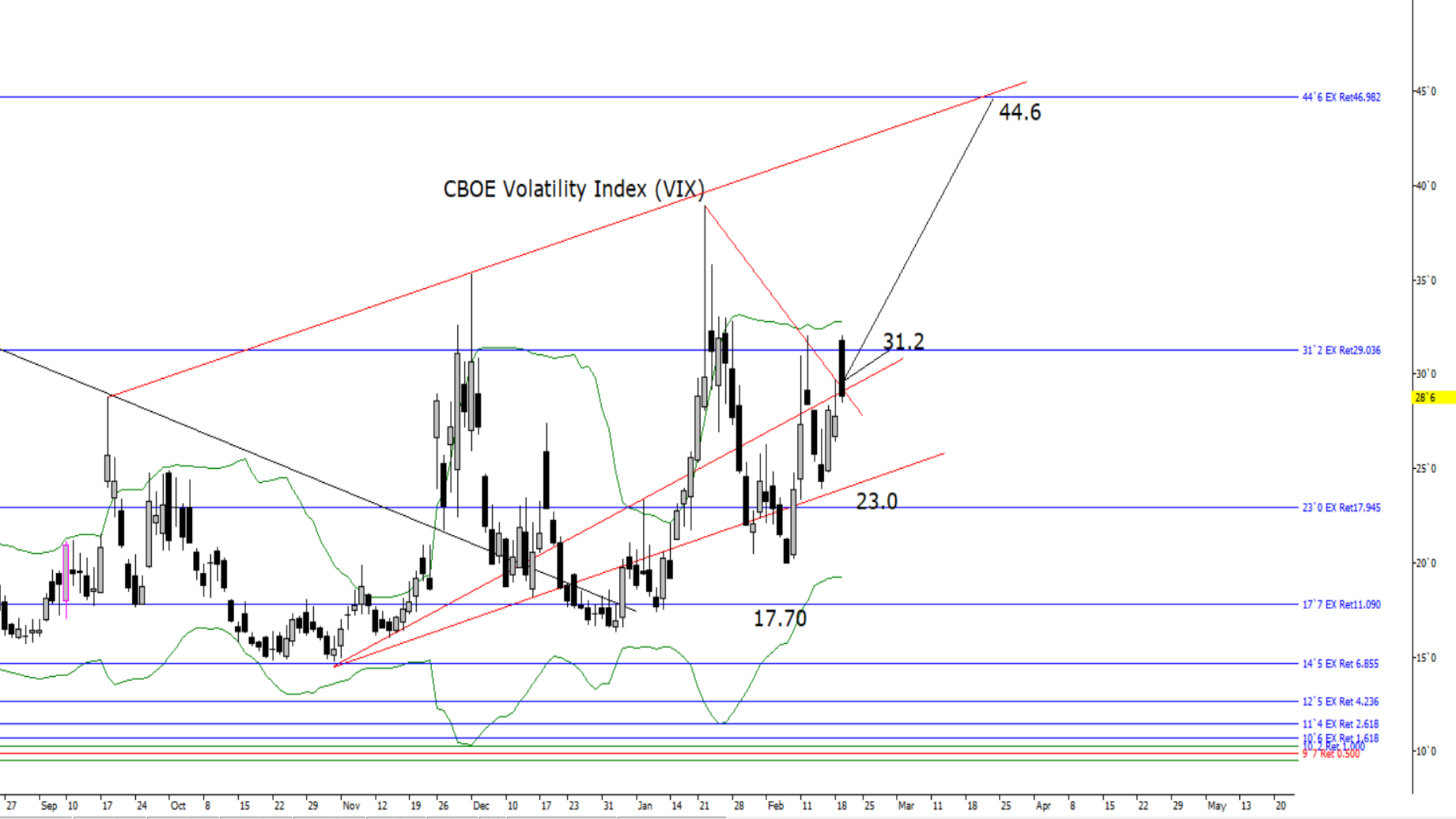
The CBOE Volatility Index (VIX) continues to provide excellent clues to the beginning and end of each market selloff as the market trends lower. Today, the VIX traded above the 31.2 target number and gave a 30-minute buy signal. Closing above 31.2 tomorrow will send the VIX to the 44.0 Fibonacci target number. (Refer to VIX chart)

The Technology sector was fragile today and closed just shy of making fresh 2022 lows. I recommended avoiding tech stocks until I get new industry group buy signals or a sector buy signal.

*The bears are firmly in control of the Russell 2000 and strongly indicate "Risk-Off" in the markets.*

**I continue to recommend caution and high cash levels** until the market gives more sector and industry group buy signals.

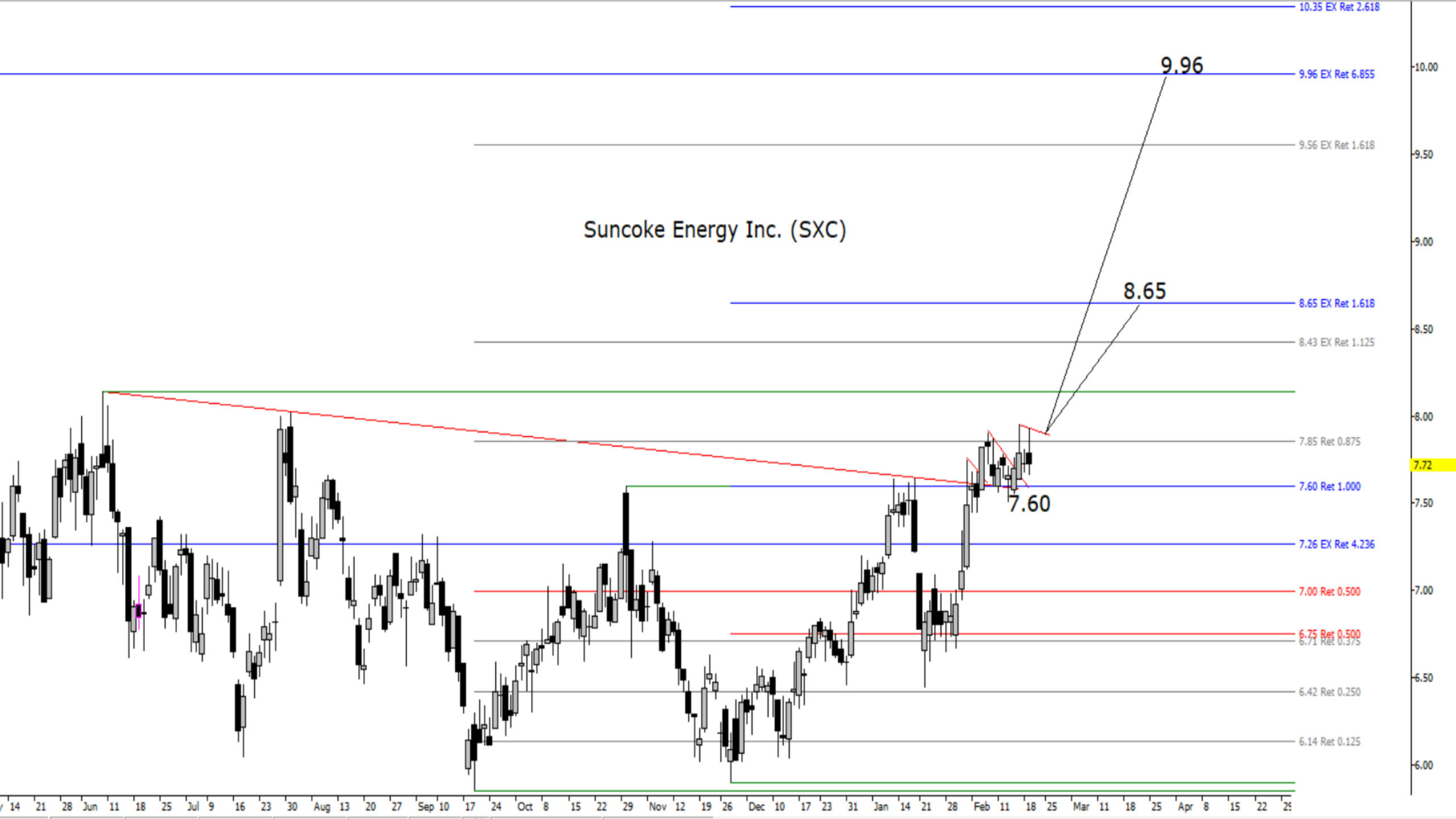
Wait for "Risk On" to get aggressive!



## *Suncoke Energy Inc. (SXC)*

- Industry Group: **Energy Coal**. The group currently ranks as the 2<sup>nd</sup> strongest industry group out of 197 and is up 21.71% YTD. The group gave a 20-day closing high on 01/12/2022 with above-average volume.
- **Suncoke Energy Inc. (SXC)** is a metallurgical coal producer in Virginia and West Virginia. Metallurgical coal is used in the production of steel. Metallurgical coal producers are gaining momentum, and I am expanding my portfolio with another stock in the group.
- Suncoke Energy Inc. (SXC) broke out of its base that started in May 2021.
- Suncoke Energy Inc. (SXC) held steady today as the markets continued to tumble. The Energy Coal industry group continues to show relative strength and institutional accumulation.
- Position is at 2-star(\*\*)
- **Under massive institutional accumulation** with an Up/Down Volume ratio of 1.85.
- *Suncoke Energy Inc. (SXC)* closed at 7.72.
- *Suncoke Energy Inc. (SXC)* VWAP is at 7.42.
- Sell target prices: 1st target is **8.65**; 2nd target is **9.96**
- Stop sell price: Close below **7.42**.

# Suncoke Energy Inc. (SXC)

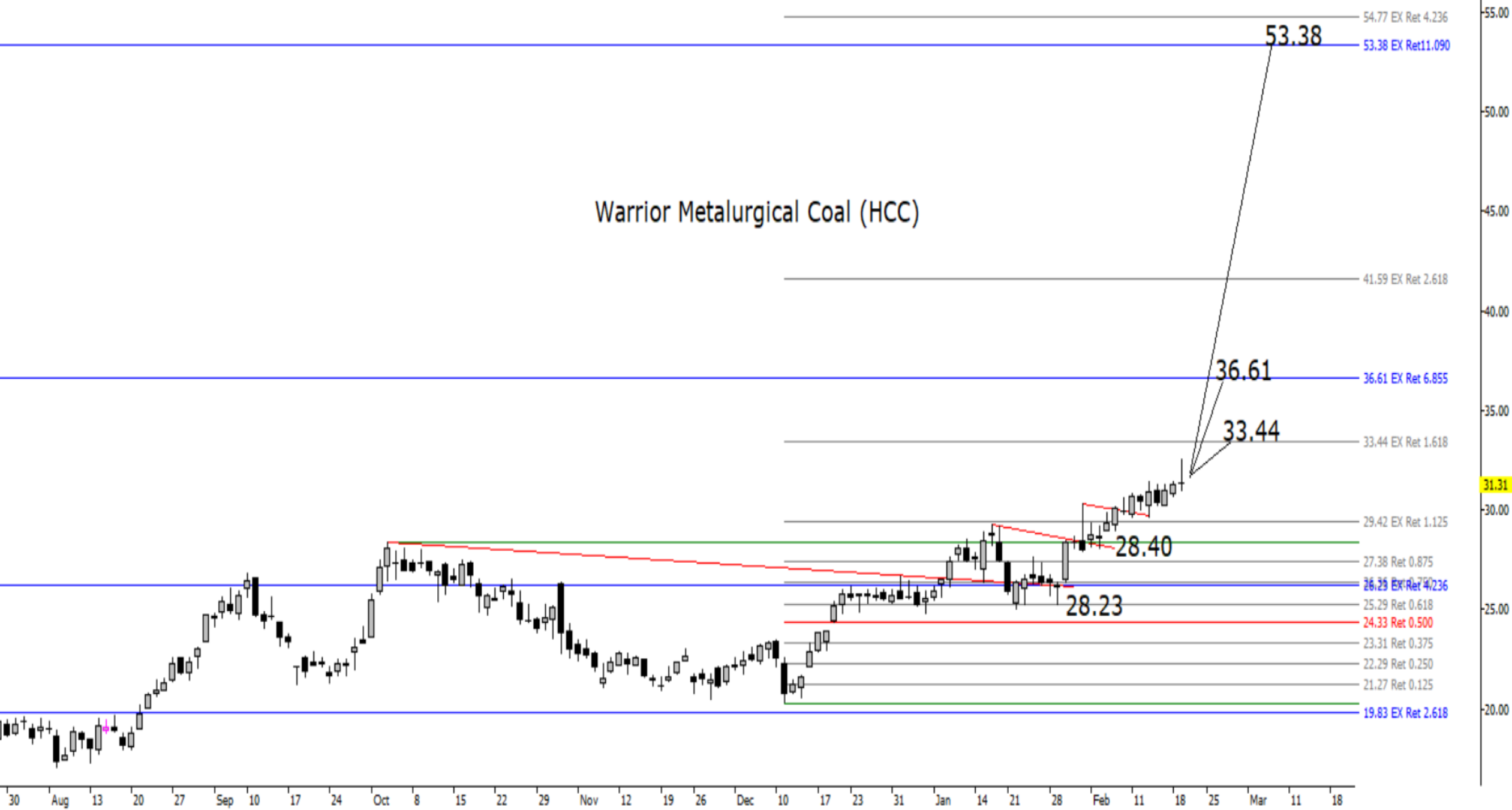


## Warrior Metallurgical Coal Inc. (HCC)

- Industry Group: **Energy Coal**. The group currently ranks as the 2<sup>nd</sup> strongest industry group out of 197 and is up 21.71% YTD. The group gave a 20-day closing high on 01/12/2022 with above-average volume.
- **Warrior Metallurgical Coal Inc. (HCC)** is a producer and exporter of metallurgical coal in Alabama. Metallurgical coal is used in the production of steel.
- Warrior Metallurgical Coal Inc. (HCC) closed higher as the market selloff intensified. Above-average volume pushed the stock even higher in after-hours trading. The Energy Coal industry group is one of the most vital groups in the market.
- Position is at 2-star(\*\*)
- Under massive institutional accumulation with an Up/Down Volume ratio of 1.93.
- **Warrior Metallurgical Coal Inc. (HCC)** closed at 29.33.
- **Warrior Metallurgical Coal Inc. (HCC)** VWAP is at 21.46.
- Sell target prices: 1st target is **33.44**; 2nd target is **36.61**
- Stop sell price: Close below **28.23**.



# Warrior Metalurgical Coal (HCC)

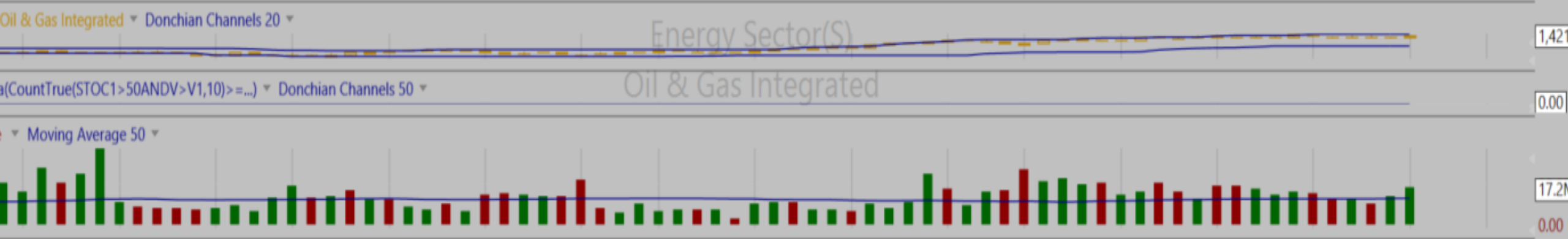
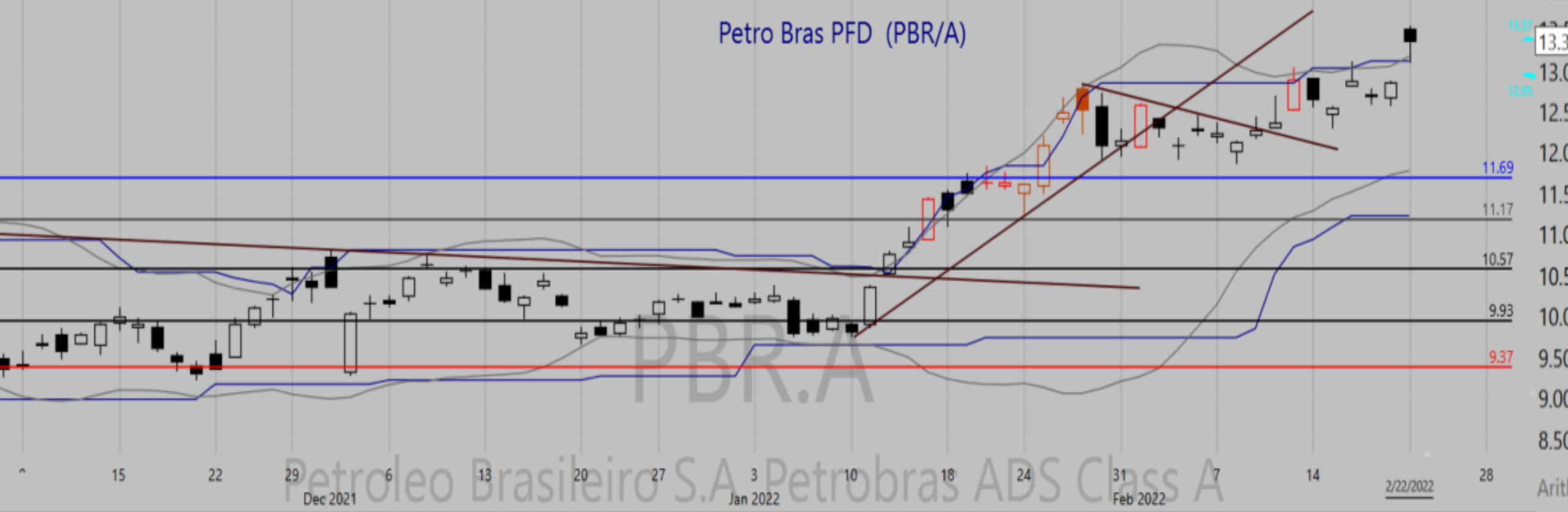


## Petroleo Bras Partners ADR Preferred A(PBR.A)

- **Industry Group: Oil & Gas Integrated.** The group currently ranks as the 7th strongest industry group out of 197 and is up 13.89% YTD. The group gave a 20-day closing high on 01/11/2022 with above-average volume.
- **Petroleo Bras Partners ADR Preferred A (PRB.A)** is a preferred stock with an 18% dividend of a Brazil-based company engaged in the exploration, refining, production, and distribution of oil and gas. The preferred has more institutional accumulation than the common share PBR and pays a higher dividend. The more significant total return potential is why I chose the preferred stock.
- Petroleo Bras Partners ADR Preferred A(PR.B.A) hit a new high today on above-average volume. This position continues to show relative strength and institutional support.
- Position is at 1-star(\*)
- **Under institutional accumulation** with an Up/Down Volume ratio of 1.4.
- Petroleo Bras Partners ADR Preferred A(PR.B.A) closed at 13.36.
- Petroleo Bras Partners ADR Preferred A(PR.B.A) VWAP is at 9.76.
- Sell target prices: 1st target is **17.68**
- Stop sell price: Close below **11.69**.

# Petroleo Brasileiro SA Petrobras ADS Preferred A

## Petro Bras PFD (PBR/A)



## *Chevron Corp. (CVX)*

- **Industry Group: Oil & Gas Integrated.** The group currently ranks as the 7<sup>th</sup> strongest industry group out of 197 and is up 13.89% YTD. The group gave a 20-day closing high buy signal with above-average volume on January 4, 2022.

- At its current price, Chevron offers a 4.3% dividend that goes ex-dividend on February 15. The quick dividend we picked up on February 15, 2022, will increase our overall “total return” potential for the year. We get paid to wait while the stock moves to our “capital appreciation” Fibonacci target number.

- **Chevron (CVX)** threw back into its long-term trendline today on the Oil & Gas Integrated group sold off. This selloff may offer a second chance to accumulate more shares with a 30-minute buy signal.

- Position is at 2-star(\*\*)

- **Under institutional accumulation** with an Up/Down Volume ratio of 1.55.

- **Chevron Corp. (CVX)** closed at 132.41.

- **Chevron Corp. (CVX)** VWAP is at 104.99.

- Target prices: 1st target is **144.80**; 2<sup>nd</sup> target is **176.90**; 3<sup>rd</sup> target is **197.69**

- Stop sell price: Close below **125.14**.

# Chevron Corp. (CVX)



## Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO)

- Market: 10-year US Treasury Bond. This trade is designed to move 3x the inverse move of the iShares Barclays 7–10-year US treasury Bond ETF (IEF).
- Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) is seeking the performance corresponding to three times the inverse of the 7–10-year US Treasury Bond Exchange Traded Fund (IEF).
- 7–10-year US Treasury Bond Exchange Traded Fund (IEF) closed below the handle of the inverse cup-with-handle base that started April 1, 2021. The top of the base is Fibonacci 50% resistance at 118.10, and the handle of the more extensive cup-with-handle base began March 13, 2020. (Refer to Chart)
- **The Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) closed lower the past few days as we experienced a flight to safety on a Russian invasion. Yields will continue higher as the flight to safety subsides.**
- The 7–10-year US Treasury Bond Exchange Traded Fund (IEF) is **under institutional distribution** with an Up/Down Volume ratio of 0.7.
- Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) closed at 9.28.
- Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO) VWAP is at 10.37.
- Sell target price: 1st target is **10.66**
- Stop sell price: Close below **8.78**.

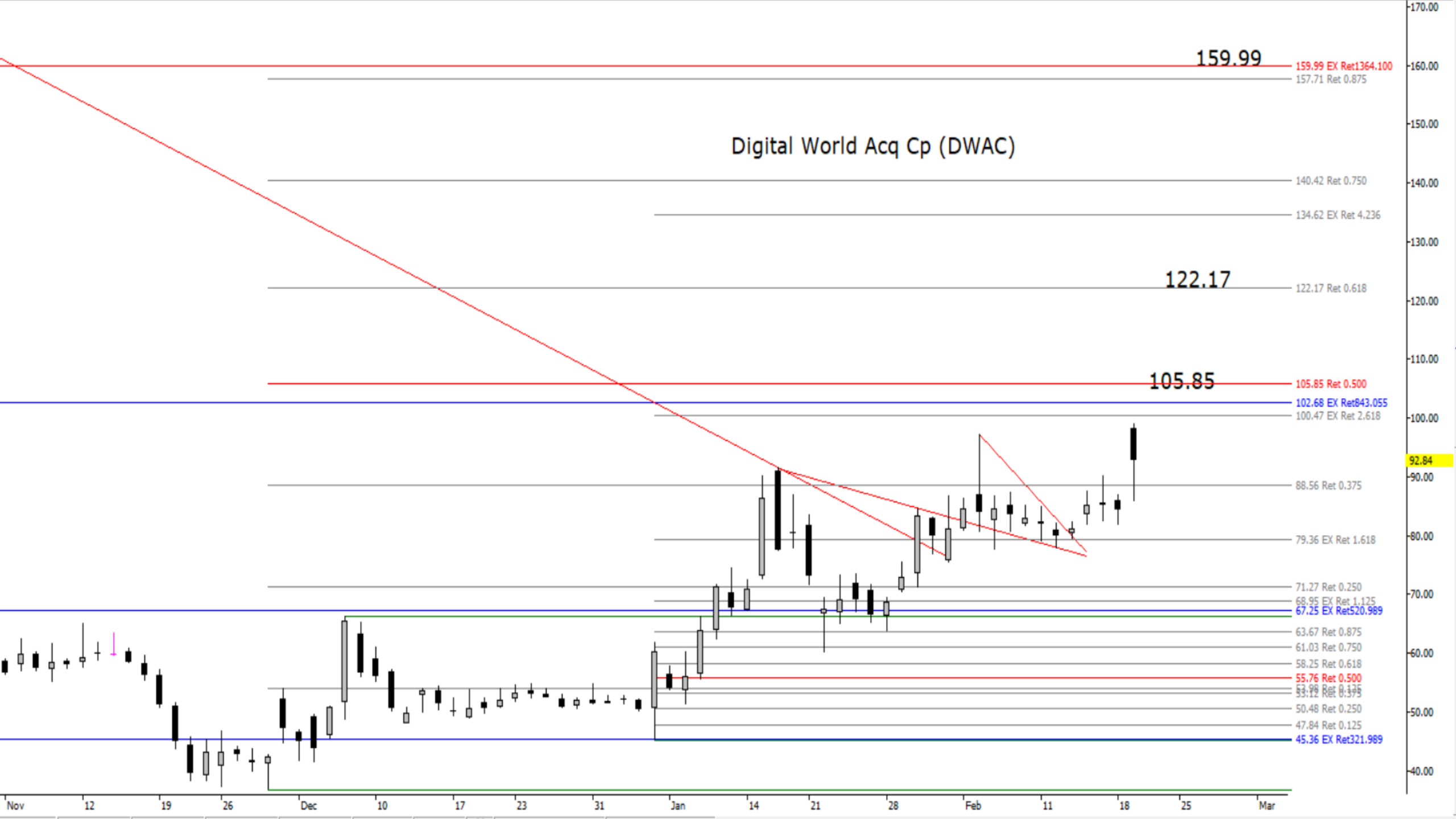
# Direxion 7-10 Year Treasury bear 3x Bond ETF (TYO)



## *Digital World Acquisition Corp. (DWAC)*

- Industry Group: **Internet Content**. Once Digital World Acquisition Corp. (DWAC) merges with Trump Media and Technology Group (TMTG), it will join the Internet Content group. The group currently ranks as the 108th strongest industry group out of 197 and is down -4.02% YTD. The group came close to a 20-day closing high buy signal with above-average volume this past week on Alphabet Inc. (GOOG) earnings news.
- Digital World Acquisition Corp. (DWAC) announced the merger with Trump Media and Technology Group (TMTG) on October 20, 2021. Two days after the announcement, the stock was up a staggering 1643%. A good indication of SPAC's future performance is how they come out of the gate. No other SPAC has ever rewarded investors like this.
- Digital World Acquisition Corp. (DWAC) shot up this morning on news of Truth Social launch on Apple store. In my attempt to sign up I discovered the long wait list to get activated. It is the most popular App in the Apple store.
- *Digital World Acquisition Corp. (DWAC) rallied in premarket trading and went beyond the 105.85 sell target. This prompted the sell of a partial position today. If the stock pulls back and sets up again, we will take that opportunity to buy the shares back.*
- Backed off to a half star Position today (1/2\*)
- **Under massive accumulation** with an Up/Down Volume ratio of 1.62.
- *Digital World Acquisition Corp. (DWAC)* closed at 92.90.
- *Digital World Acquisition Corp. (DWAC)* VWAP is at 59.14.
- Target prices: 1st target is **92.47**; 2<sup>nd</sup> target is **102.68-105.85**; 3<sup>rd</sup> target is **159.99**
- Stop sell price: Close below **77.37**.





## Sprott Physical Gold Trust (PHYS)

- Follows the Price of physical Gold bullion. Gold is up 3.34% YTD.

- **Sprott Physical Gold Trust (PHYS)** is an Exchange-Traded Fund that invests and holds its assets in physical gold bullion and provides a liquid alternative to physical gold bullion.

- The current net asset value of **Sprott Physical Gold Trust (PHYS)** is 15.12. With today's closing price of 14.93, it is currently trading at a 1.2% discount to NAV.

- Last week, **Sprott Physical Gold Trust (PHYS)** gave a buy signal breaking the downward sloping trendline of a 19-month handle of an eleven-year cup-with-handle base and closing above 14.87 Fibonacci resistance. This is a breakout of a massive base with significant volume. The next hurdle for PHYS is at 15.05 Fibonacci resistance. A close above 15.05 will send shares higher to the following targets at 16.86 and 19.00.

- **Sprott Physical Gold Trust (PHYS)** confirmed a buy at **14.94**.

- Position is at 2-star(\*\*)

- Under massive institutional accumulation with an Up/Down Volume ratio of 2.42.

- **Sprott Physical Gold Trust (PHYS)** closed at 14.93.

- **Sprott Physical Gold Trust (PHYS)** VWAP is at 12.94

- Sell target prices: 1st target is **16.86**; 2nd target is 19.00; 3<sup>rd</sup> target is 21.96

- Stop sell price: Close below **14.80**.

# Sprott Physical Gold (PHYS) Daily chart of handle





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<sup>1</sup>The results are not (or may not be) representative of the performance of all selections made by Trading Floor Research (TFR) newsletter.

We look for investment resources and inform you of these resources, which you may choose to use in making your own investment decisions. TFR is providing information on this resource to you subject to the TFR "Terms and Conditions of Service" disclaimer.

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