



TFR

# Trading Floor Research

Welcome to the  
— Trading Floor —

05/24/26

**This Trading Floor Research report contains:**

S&P 500 Update

Market Sector Update

PolyPid (PYPD)

IREN (IREN)

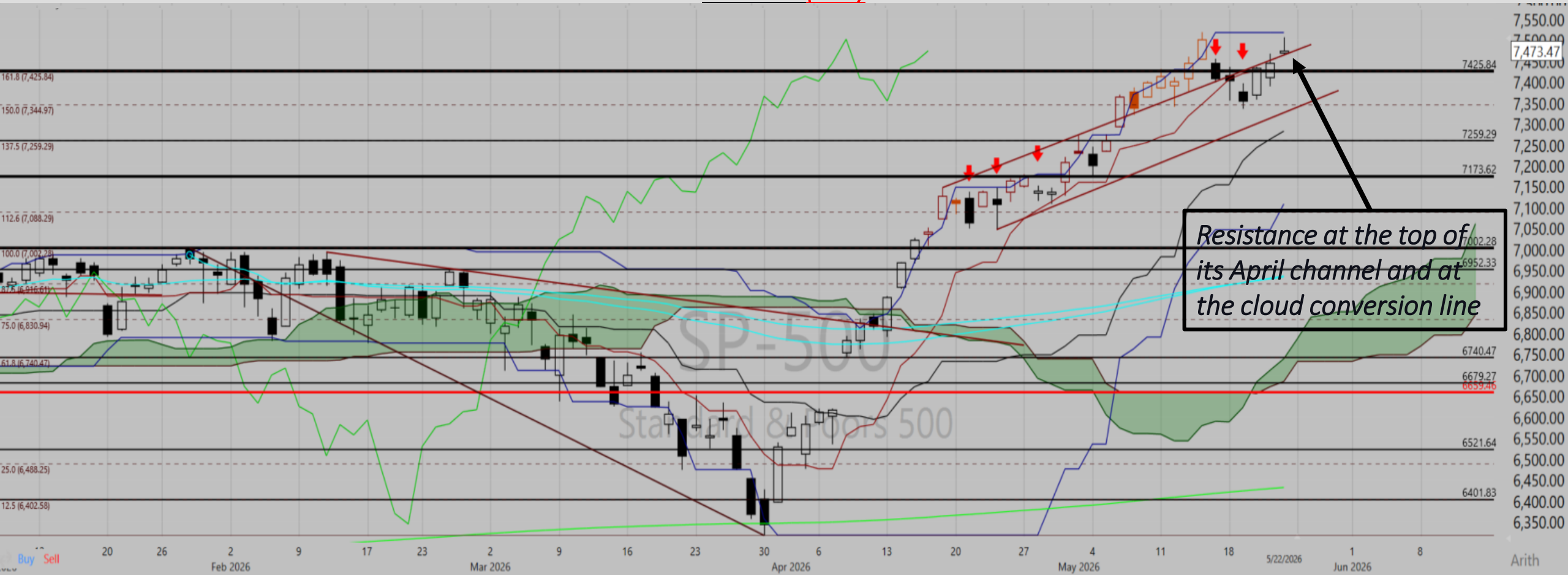
## S&P 500 Update

*The S&P 500 (SPX) has closed above the significant Fibonacci resistance at the 1.618 expansion of 7,425.84 for three consecutive sessions, but all on below-average, decelerating volume. Given the importance of this level, I am continuing to hold my **Direxion S&P 500 Bear 3x (SPXS)** until either a successful retest of 7,425.84 or a close below my SPXS stop.*

*Earlier this month, on May 13 and 14, the S&P 500 also closed above 7,425.84 for two sessions on low volume, only to gap back below the 1.618 expansion on heavy distribution. It's not uncommon for strong trends to temporarily pierce the 1.618 expansion as bulls attempt to extend a rally, but volume is the key differentiator in determining whether the move can be sustained to the next Fibonacci expansion (2.618). Additionally, the SPX recently found resistance at the top of its April channel and at the cloud conversion line on Friday. A retest of the 1.618 expansion at 7,425.84 is probable.*

*If volume were above average and accelerating, I would exit my position immediately. However, with weak accumulation pushing prices higher, the current move is suspect and requires volume confirmation. Since mid-April, the RSI has shown a negative divergence from the SPX price advance, further calling the move into question. Should we see a successful retest of 7,425.84 on strong volume, the next upside target would be 8,111.21. Conversely, a close below 7,425.84 on increased volume will likely send prices considerably lower.*

# S&P 500 (SPX)



*Resistance at the top of its April channel and at the cloud conversion line*

*RSI has shown a negative divergence from the SPX price advance*

## Market Sector Update

As of Tuesday, **basic materials** and **industrials** both triggered new sell signals, bringing the total to six out of eleven sectors now in confirmed sell status: basic materials, industrials, utilities, consumer cyclicals, communication services, and real estate. Financial services narrowly avoided a confirmed sell signal again last week, but its persistently weak price action highlights that underlying weakness is continuing to broaden across the market.

The only notable strength from last week's trading was in **technology, consumer staples, healthcare, and energy**.

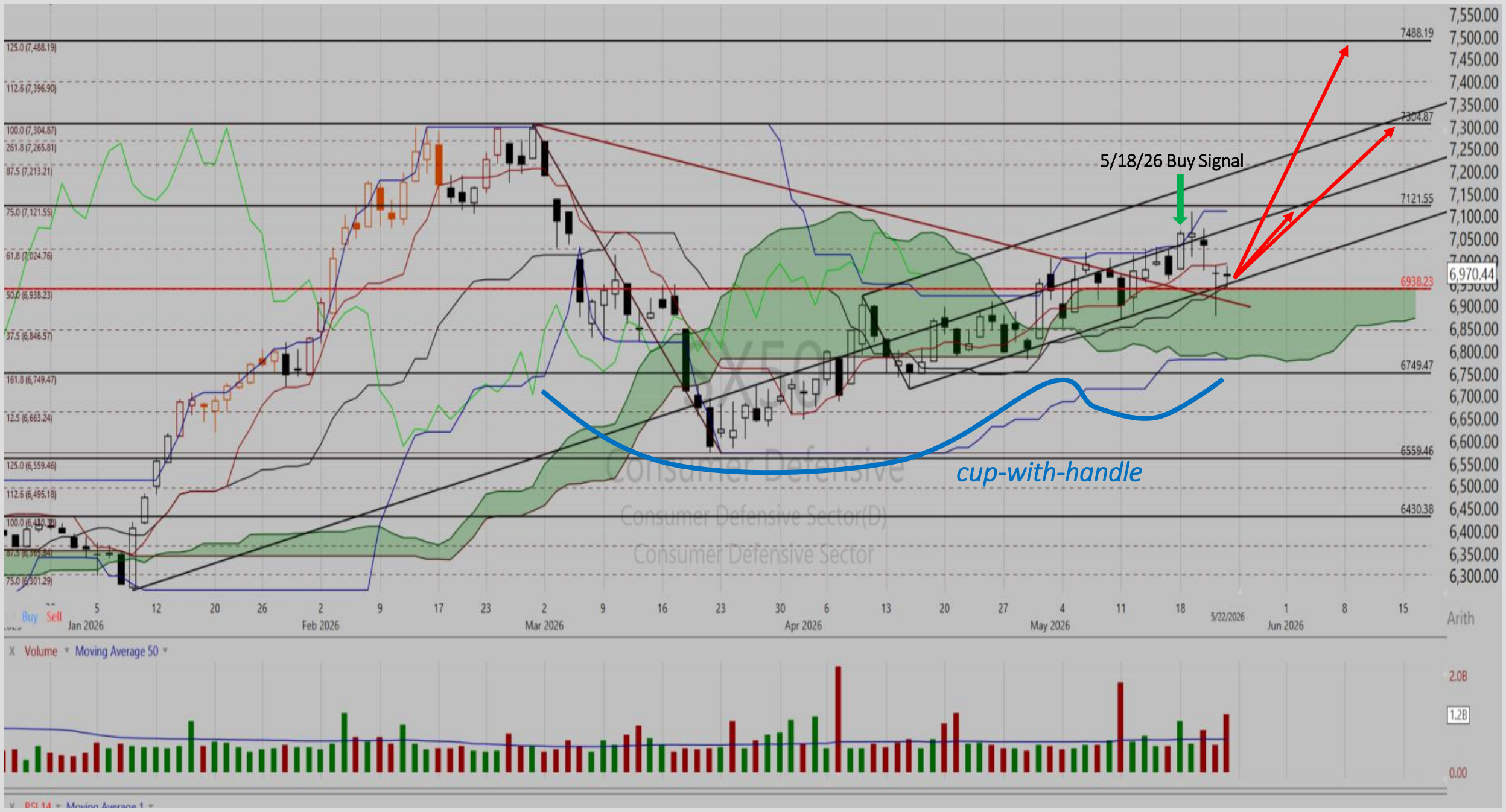
The **technology sector** is extremely extended but continues to see strong accumulation. However, buying is concentrated in a narrow group of stocks, primarily in **AI-related segments** and **semiconductor groups**, which indicates heightened risk due to a lack of broad participation.

**Consumer staples** saw a confirmed buy on Monday after forming a four-month cup-with-handle base, reinforcing their role as a likely source of new market leadership as investors seek a safe haven.

**Healthcare** validated its April 17 buy signal with a new confirmation on Friday, as a surge in accumulation accompanied a breakout from a cup-with-handle base that began on February 27. Both the **biotechnology** and **healthcare plans industry groups** continue to lead the sector higher and should provide new emerging leaders in the coming weeks.

**Energy** also broke out of a three-month cup-with-handle base, confirming its next leg higher. Many leading stocks are positioning for further gains in the strong energy sector, making it another key area of focus for potential leadership.

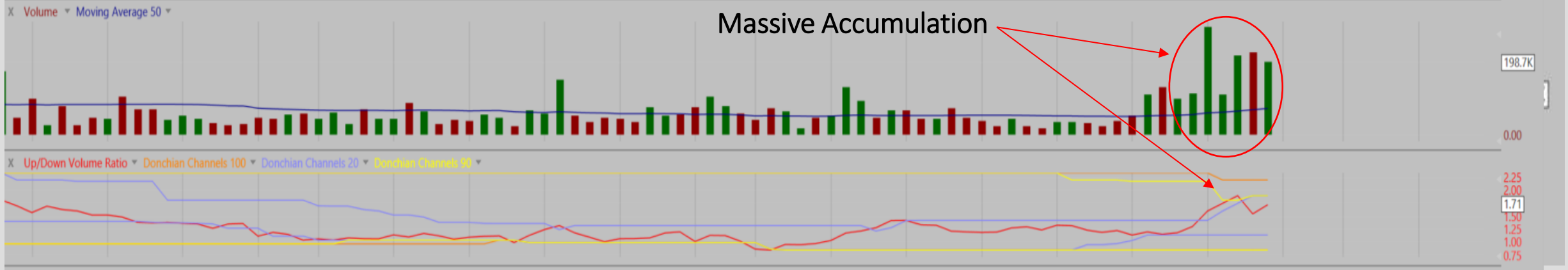
# Consumer staples



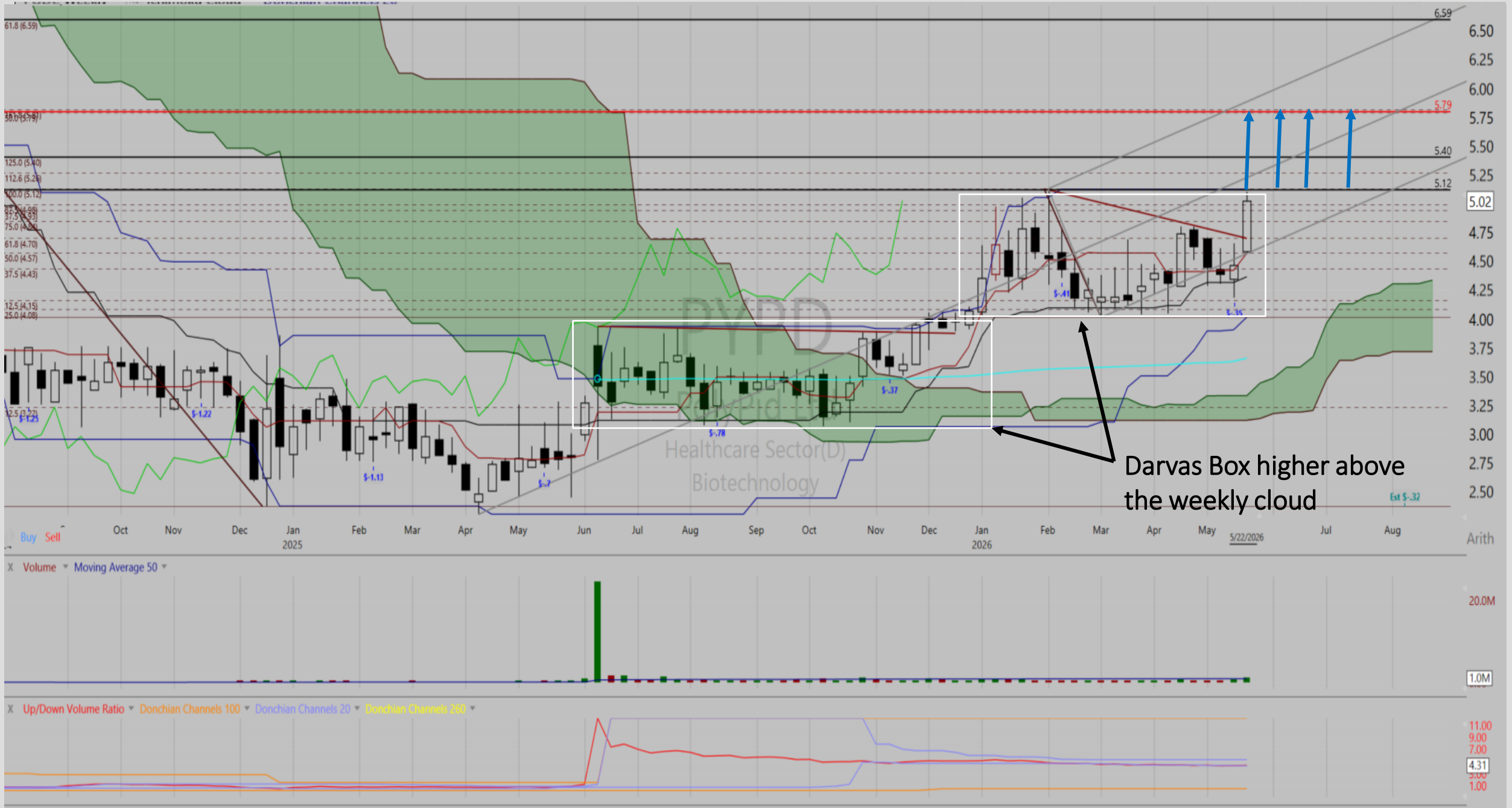
## Confirmed Buy: PolyPid (PYPD)

- **Industry Group: Biotechnology.** The **healthcare sector** reconfirmed its buy signal on April 17 and is now one of just five sectors still in a confirmed buy. Within healthcare, biotechnology remains the leading group, with biotech stocks leading the sector higher by 3.12% on Wednesday. Notably, the group's accumulation continues to outpace the rest of the sector, recently testing 100-day highs.
- **PolyPid (PYPD)** is a clinical-stage biopharma developing targeted, locally delivered therapeutics. Its proprietary PLEX technology enables long-acting medicines that release treatment directly at the site of care.
- *Capitalizing on this biotech strength, I purchased **PolyPid (PYPD)** after it confirmed its next move higher. Since its February 3 high, PYPD had been forming a coiled spring, which just released as it closed above its descending trendline from the February high, confirming the breakout. This week's advance came on significant volume, pushing accumulation to 90-day highs. PYPD has been trading above the weekly cloud since October—the first time it has done so since going public in July 2020. This powerful accumulation, as PYPD breaks out from a coiled spring above the weekly cloud sets the stage for a significant advance. Further underscoring the move's potential, PYPD recently completed a powerful quadruple-top breakout on the point & figure chart, following confirmation at 4.80, suggesting a considerable uptrend.*
- The **PolyPid (PYPD)** position was started at 1/2-star.
- **PolyPid (PYPD) was purchased at 4.80.**
- **PolyPid (PYPD) is undergoing significant accumulation, hitting 90-day highs.**
- **PolyPid (PYPD) closed at 5.04.**
- **PolyPid (PYPD) has an anchored VWAP of 10.45.**
- **The Fibonacci sell targets: 1<sup>st</sup> target 5.40; 2<sup>nd</sup> target 5.81; 3<sup>rd</sup> target is 6.92.**
- **Stop price: Close below 4.43.**

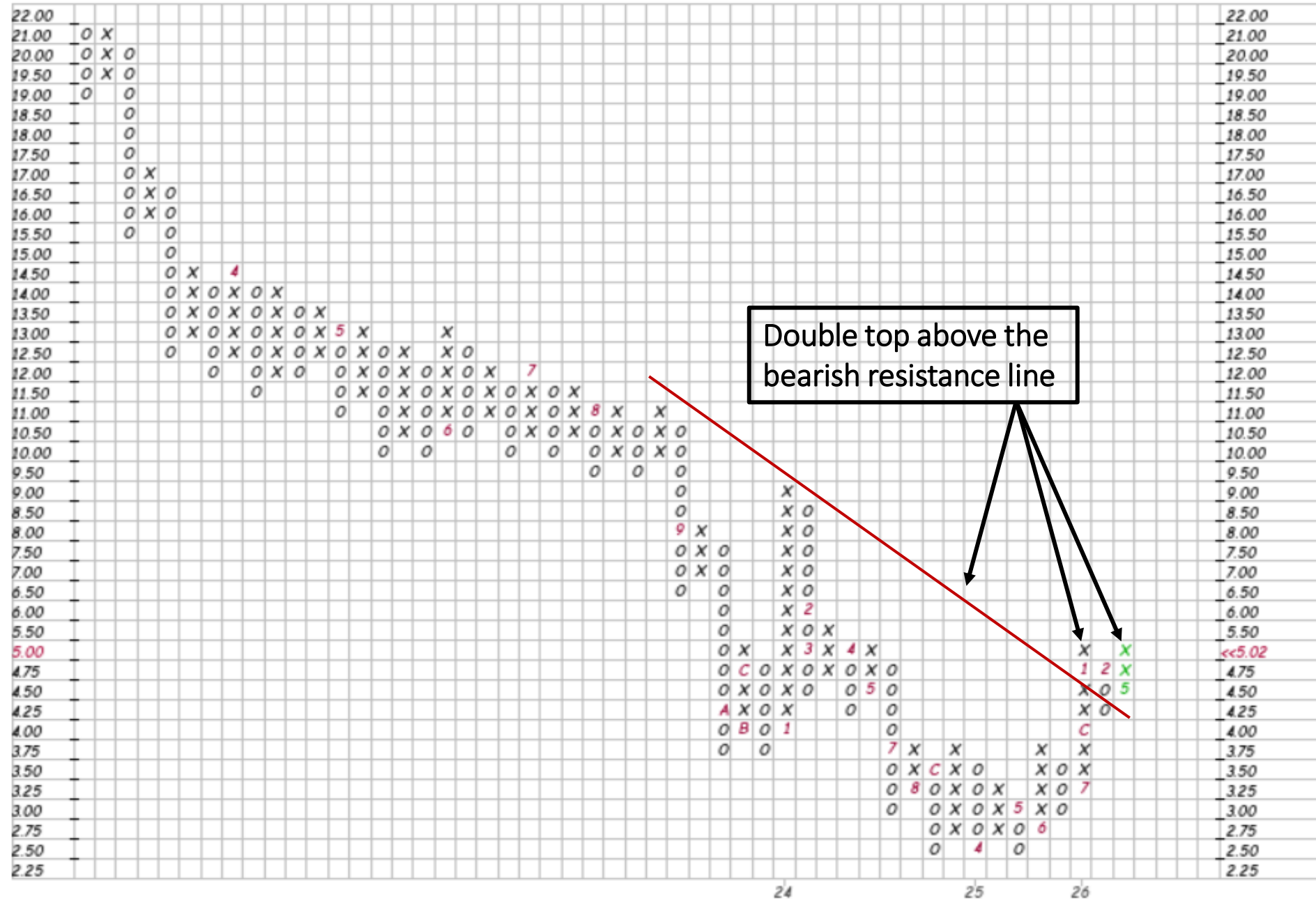
# PolyPid (PYPD)



# PolyPid (PYPD) (Weekly Chart)



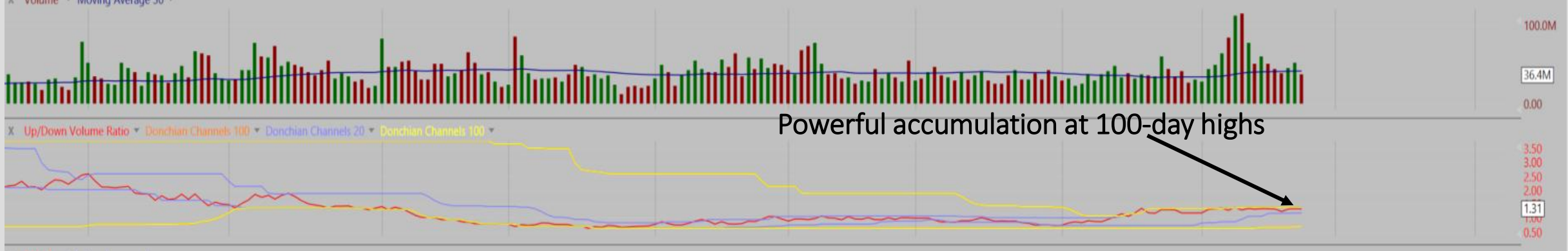
# PolyPid (PYPD)



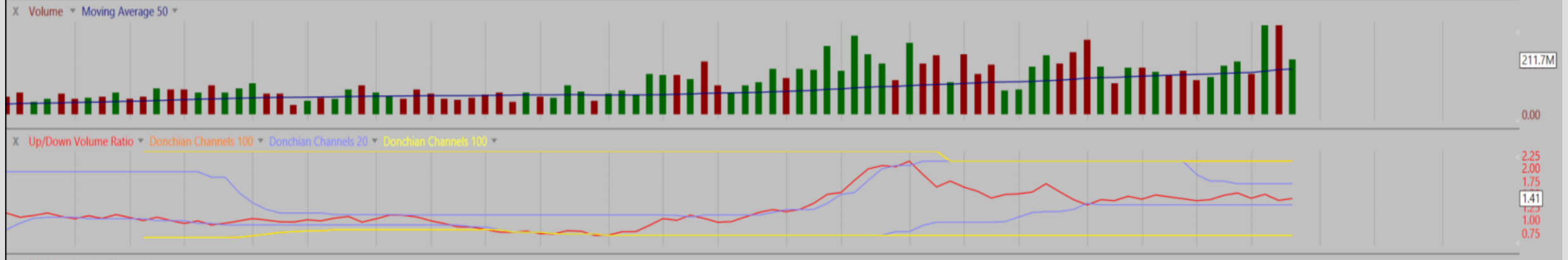
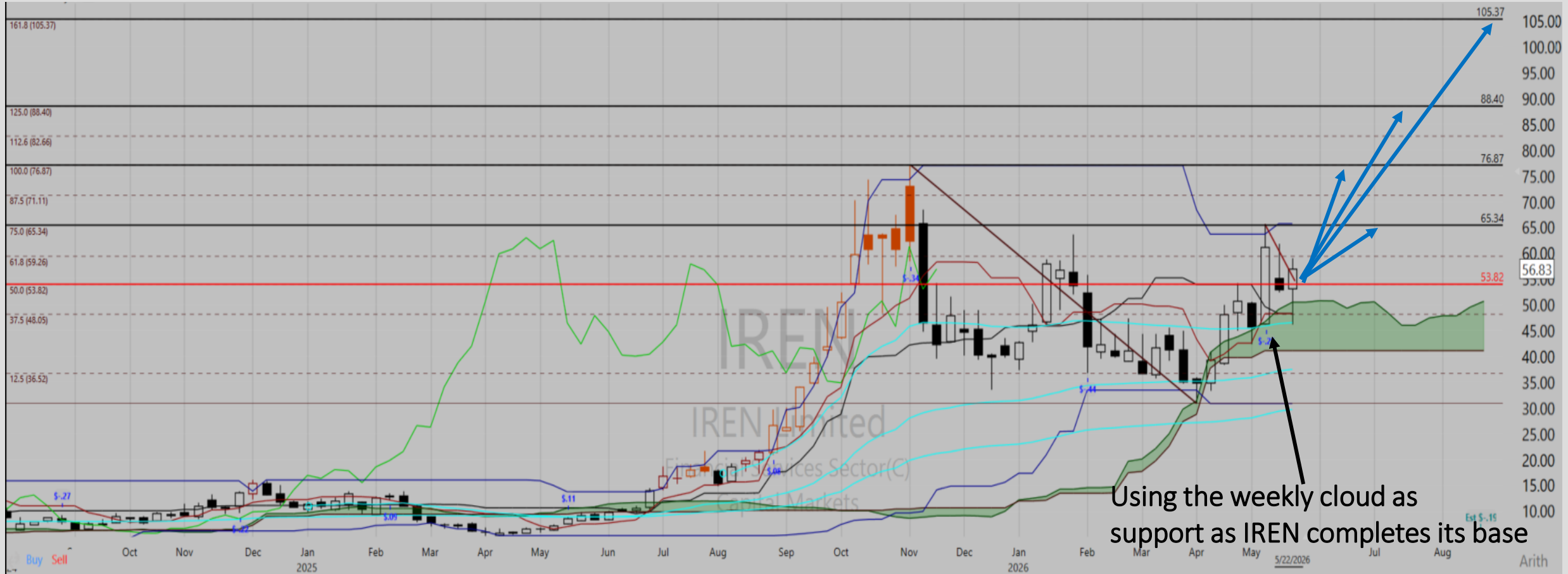
## **Confirmed Buy: IREN (IREN)**

- **Industry Group: Capital Markets.** IREN is benefiting not only from its technical strength but also from momentum across two important market themes: the **AI buildout stocks subgroup** and the **capital markets group**. The AI buildout theme continues to attract capital as investors seek exposure to companies poised to benefit from the ongoing expansion of artificial intelligence infrastructure. Simultaneously, strength in capital markets stocks is providing additional tailwinds, as this group remains a leadership area in the current market environment. Thursday's completion of IREN's six-month base suggests it will begin to ride the wave of strength seen in both segments. The technical breakout, strong accumulation, and alignment with leading market themes all support a sustained advance, positioning IREN as a high-potential candidate for further upside as these trends continue to develop.
- **IREN (IREN)**, headquartered in Sydney, Australia, is a vertically integrated, renewable energy-powered data center operator. The company generates revenue from Bitcoin mining and high-performance AI cloud services, developing and running large-scale computing infrastructure.
- *On Thursday, I purchased **IREN (IREN)** after confirming its next move higher from the handle of a double-bottom base that began in November. The six-month base is finding support at both the midpoint of the range and the weekly cloud—two key technical areas that suggest buyers are defending the stock at important levels. Powerful weekly accumulation continues to build, reinforcing the potential for significantly higher prices as institutional participation remains evident. The handle of the base spent three days below the Fibonacci half number, signaling a brief period of weakness. However, Thursday's gap back above the 50% Fibonacci level on above-average volume was a strong indication that bulls have regained control. This decisive move, coupled with sustained accumulation since IREN's first major breakout last July, points to strong underlying demand.*
- The **IREN (IREN)** position was started at 1/2-star.
- **IREN (IREN) was purchased at 55.25.**
- **IREN (IREN) is undergoing significant accumulation, hitting 100-day highs.**
- **IREN (IREN) closed at 56.83.**
- **IREN (IREN) has an anchored VWAP of 30.03.**
- **The Fibonacci sell targets: 1<sup>st</sup> target 59.26; 2<sup>nd</sup> target 65.34; 3<sup>rd</sup> target is 76.87; 4<sup>th</sup> target is 88.40; 5<sup>th</sup> target is 105.37.**
- **Stop price: Close below 48.05.**

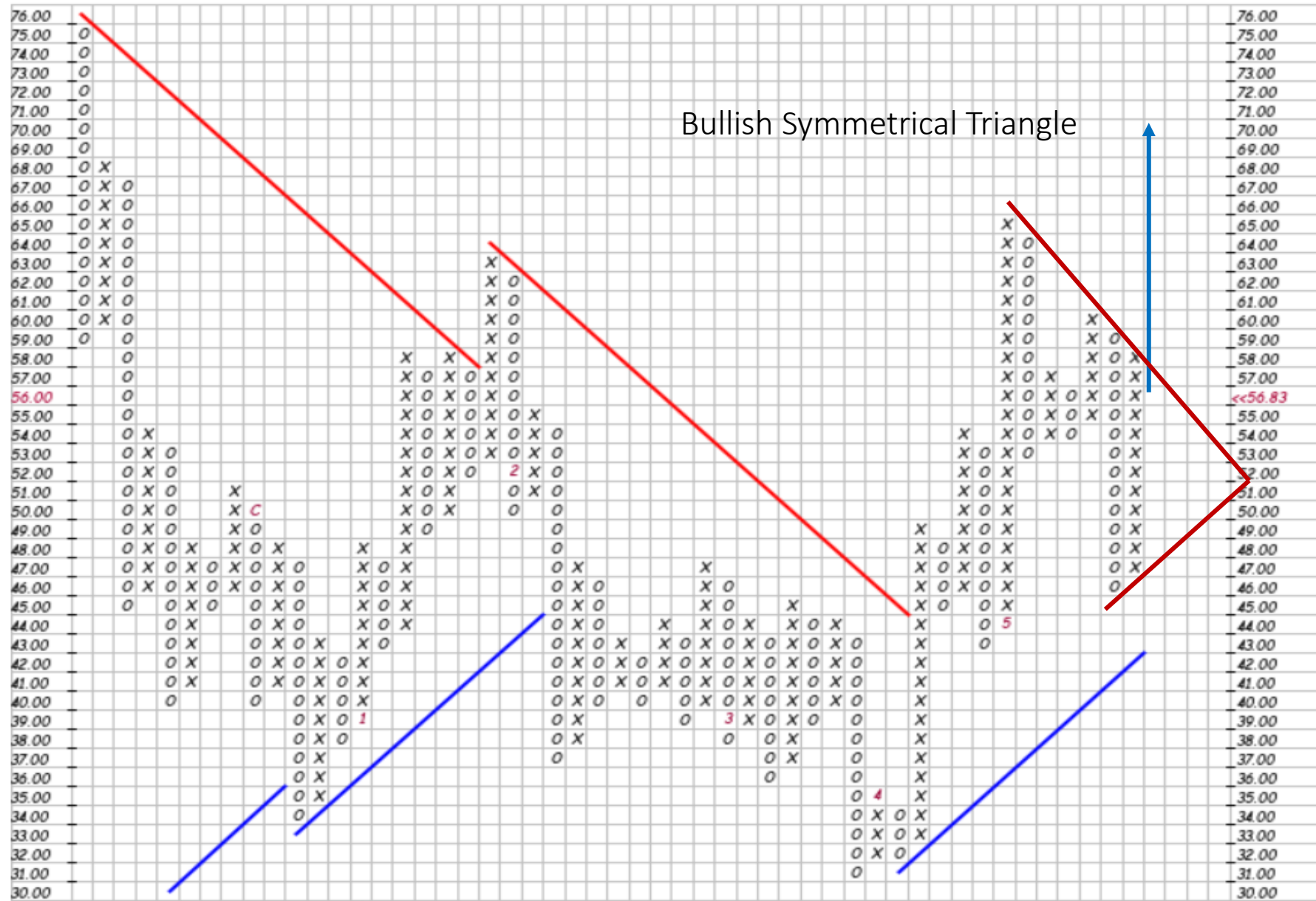
# IREN (IREN)



# IREN (IREN) (Weekly Chart)



# IREN (IREN)



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