



TFR

Trading Floor Research

Welcome to the
—— Trading Floor ——

04/14/24



This Trading Floor Research report contains:

NASDAQ 100 and Sector Update

Tuttle Capital Daily 2x Inverse Regional Bank ETF (SKRE)

Direxion Financial Bear 3x (FAZ)

Mexco Energy Corp (MXC)

NASDAQ 100 (QQQ) & S&P 500 Update

*For the first time in many months, selling in the **S&P 500** left the index relatively weaker than the **NASDAQ 100**.*

By Friday's close, neither index had confirmed a sell signal, but both were within range.

The S&P 500 distribution hit a critical level as the UP/Down Volume ratio approached 100-day lows. The NASDAQ 100 has been hitting 100-day lows for the past three weeks. Both indexes point to massive distribution, which often leads to a significant move lower.

As distribution points lower, the QQQs have been unable to close above the critical Fibonacci resistance of 447.28. Thursday's attempt came short on lower volume, and both Wednesday's and Friday's selloffs came with massive volume. The QQQs continue to exemplify classic distribution.

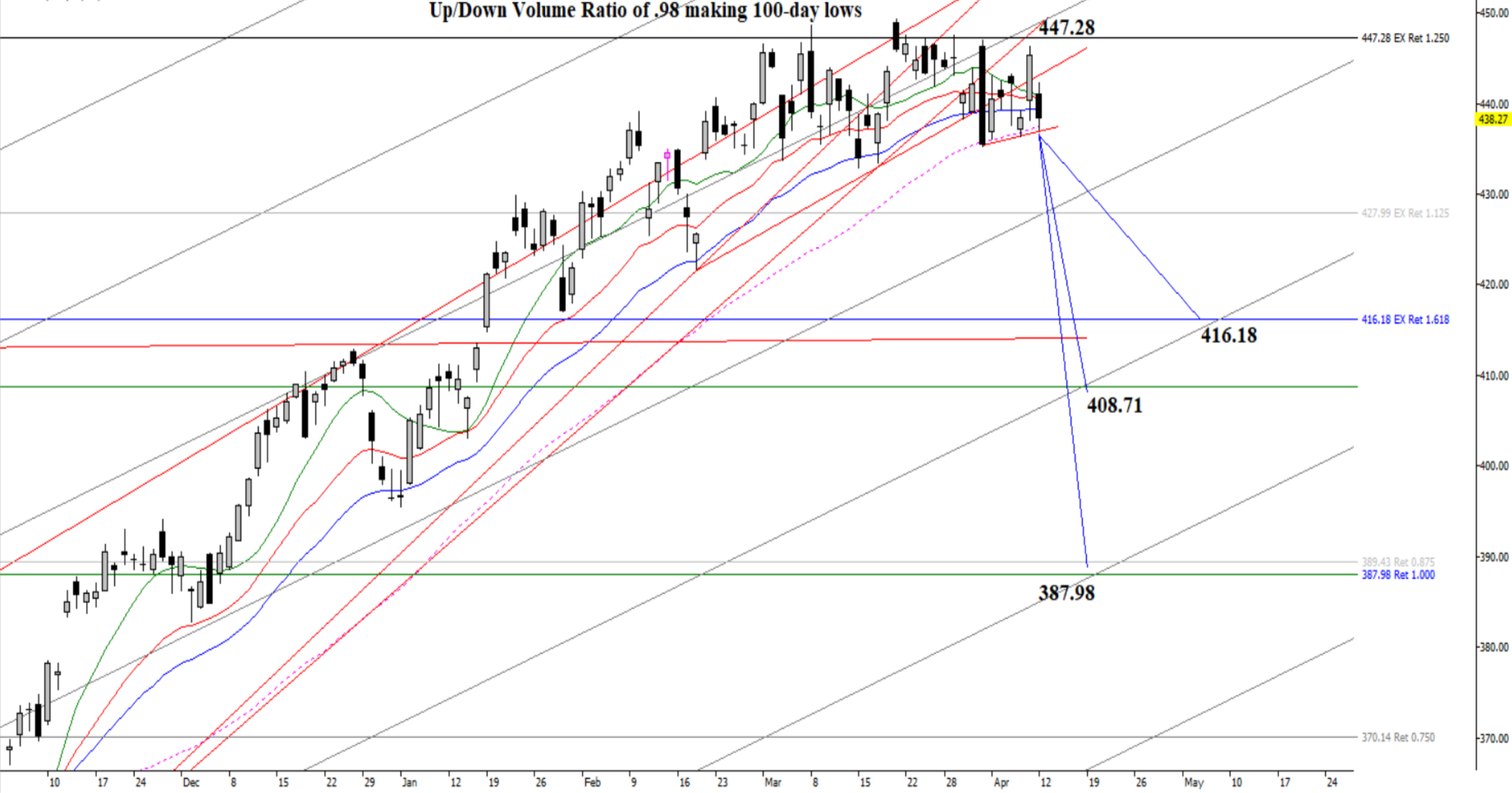
Topping is a process.

*The QQQs are quickly approaching a sell signal. Once I get confirmation, I intend to purchase the **ProShares UltraPro Short (SQQQ)** to capitalize on the next move lower.*

MA1:30,Exp,HL,Shift0 = 439.41
MA2:20,Exp,HL,Shift0 = 440.70
MA3:10,Simple,HL,Shift0 = 440.78
MA4:50,Simple,HL,Shift0 = 437.52

NASDAQ 100 (QQQ)

Up/Down Volume Ratio of .98 making 100-day lows



Sector Update

Friday demonstrated widespread sector breakdown as the **Financial Services** sector confirmed a new sell signal, and many other sectors showed increased distribution.

Financial Services joined **Real Estate**, which gave a sell signal earlier in the week. **Healthcare**, **Consumer Defensive**, and **Communication Services** had given previous sell signals and continued to break down on massive volume.

Market rotation continued last week as insurance stocks experienced a significant beating. The **insurance industry groups** have been the primary source of strength in the Financial services sector. Last week's thrashing helped create the Financial Services sell signal. All five insurance groups finished the week in a confirmed sell.

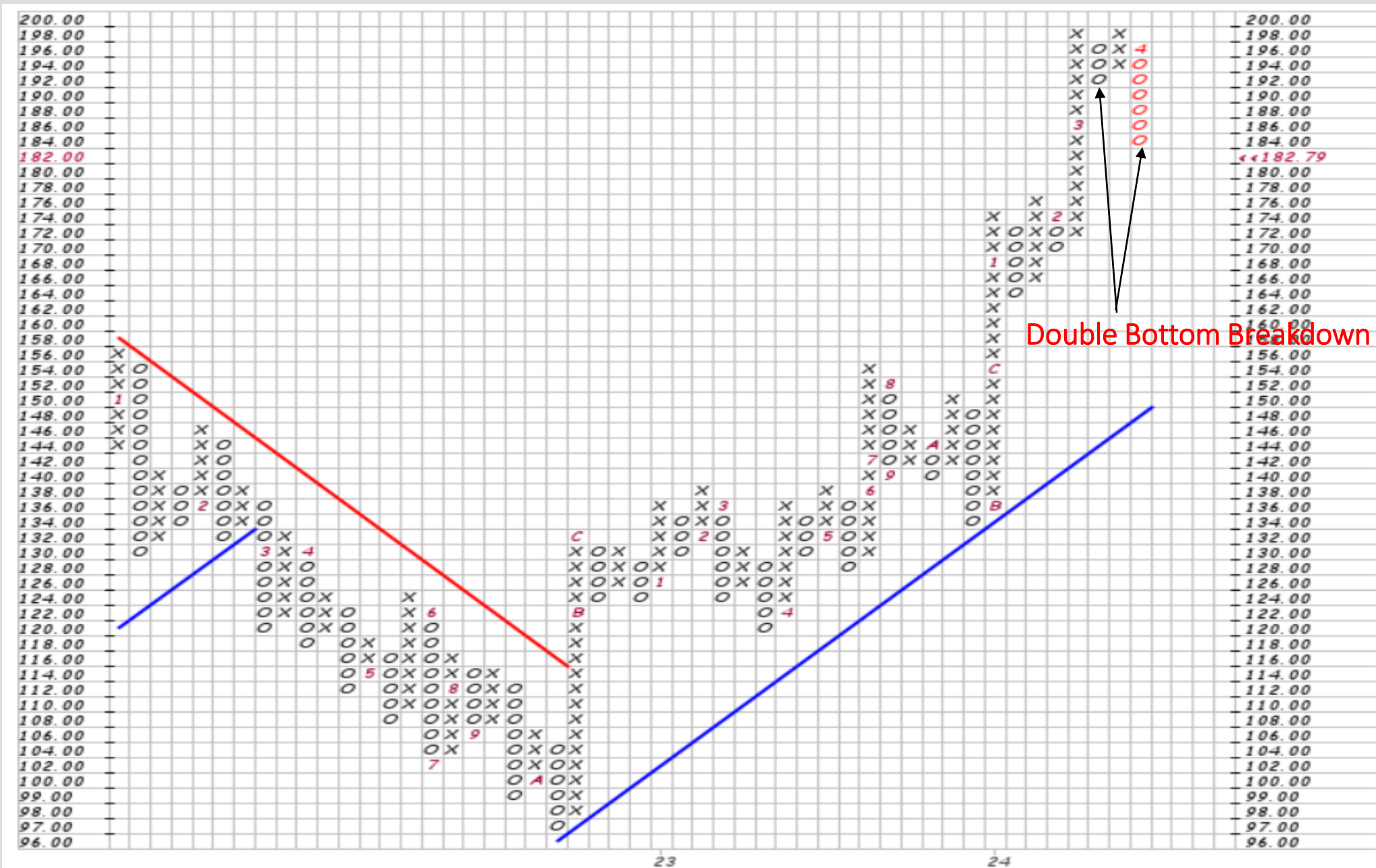
The **money center banks** completed the job after being slapped down on earnings. **JP Morgan's (JPM)** -6.41% drop on its Friday morning earnings release led the way. By Friday's close, JPM confirmed a sell signal on massive volume, and the Financial Service sector followed.

Financial Services industry group sell signals included components like **Financial Data & Stock Exchanges**, which should put a drag on market leaders like **Coinbase (COIN)** and **NASDAQ Inc. (NDAQ)**.

Regional Banks are the weakest component of the Financial Services sector as they gave a fresh sell signal. This week, I am focused on purchasing the **Tuttle Capital Daily 2x Inverse Regional Bank ETF (SKRE)**, which should benefit from the sector's continued weakness. It is featured in this report.

With a sell signal in the sector, I will purchase the **Direxion Financial Bear 3x (FAZ)** once I get confirmation and capitalize on the move. FAZ is highlighted in today's newsletter.

JP Morgan Chase & Co (JPM)



Sector Update Summary

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Small Caps indicate RISK OFF!

The market is not broadening; it is rotating.

*Price and volume indicate that investors are not broadening their exposure to financials; they are distributing shares. The beneficiaries of market rotation are **Basic Materials** and **Energy**, and I continue to hold positions in **gold, copper, and energy**.*

*On Friday, I took profits on my **MicroSectors Gold 3x (SHNY)** shares at their third Fibonacci target of 40.81, with a 35.7% gain, and left a minimal amount on. I intend to repurchase the position with a pullback to Fibonacci support.*

*The **Russell 2000 (IWM)** confirmed a sell signal on Friday. Any long trades should be taken with small position sizes. The market has moved to "RISK OFF."*

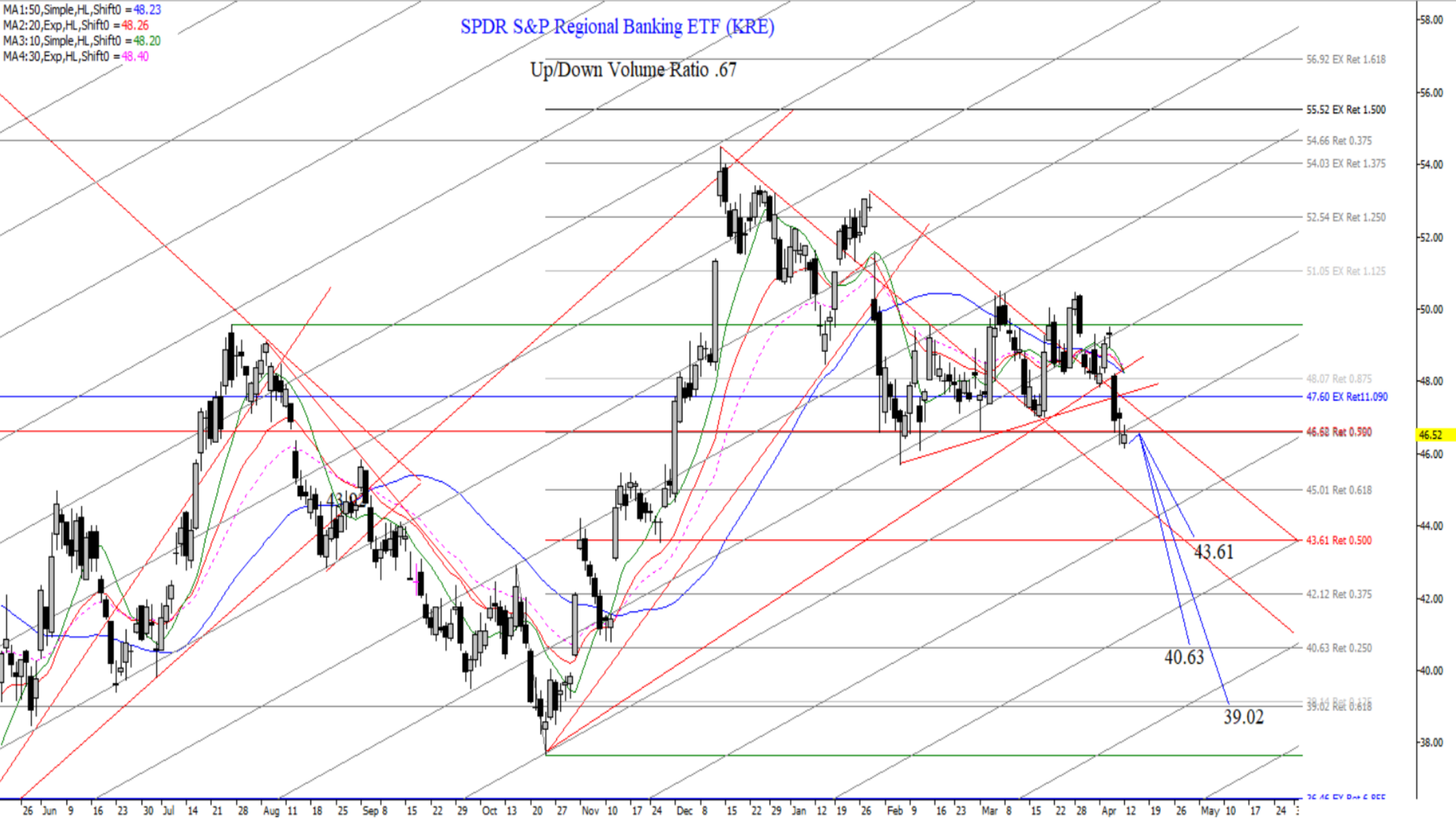
Buy candidate: Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE)

- *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.*
- *The SPDR S&P Regional Banking ETF (KRE) gave a sell signal on Wednesday and closed the week below the Fibonacci ½ number of 46.62, which represents 50% of the range from the 2009 lows to the 2022 highs.*
- *When the SPDR S&P Regional Banking ETF (KRE) hits 46, it will complete a Double-bottom breakdown pattern below the bullish support line on the point & figure chart. Once complete, I will look to short KRE with the Tuttle Capital Daily 2x Inverse Regional Bank ETF (SKRE).*
- *Wait for text confirmation!*
- *Start position at 1-star(*).*
- *Up/Down Volume Ratio on SPDR S&P Regional Banking ETF (KRE) is making 100-day lows with a bearish reading of .67, indicating massive distribution and lower prices*
- *Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE) closed at 27.30.*
- *Tuttle Capital Daily 2X Inverse Regional Banks ETF (SKRE) Anchored VWAP is at 27.37.*
- *SPDR S&P Regional Banking ETF (KRE) Sell target price: 1st target is 28.76; 2nd target is 30.35; 3rd target is 31.94; 4th target is 34.27*
- *Stop sell price: Close below 27.18.*

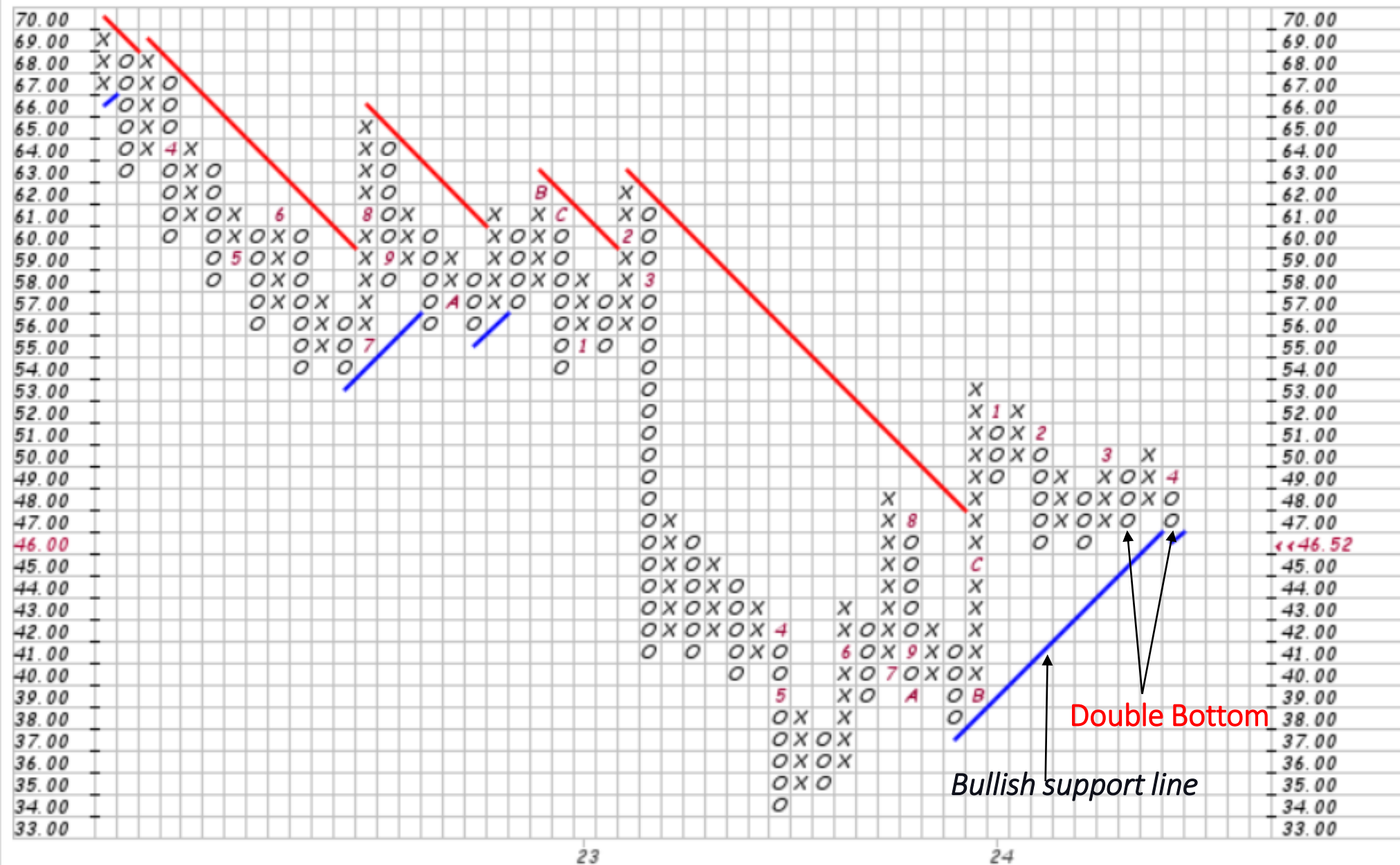
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MA2:20,Exp,HL,Shift0 = 26.34
MA3:10,Simple,HL,Shift0 = 26.28
MA4:49,Simple,HL,Shift0 = 26.81

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





SPDR S&P Regional Banking ETF (KRE)

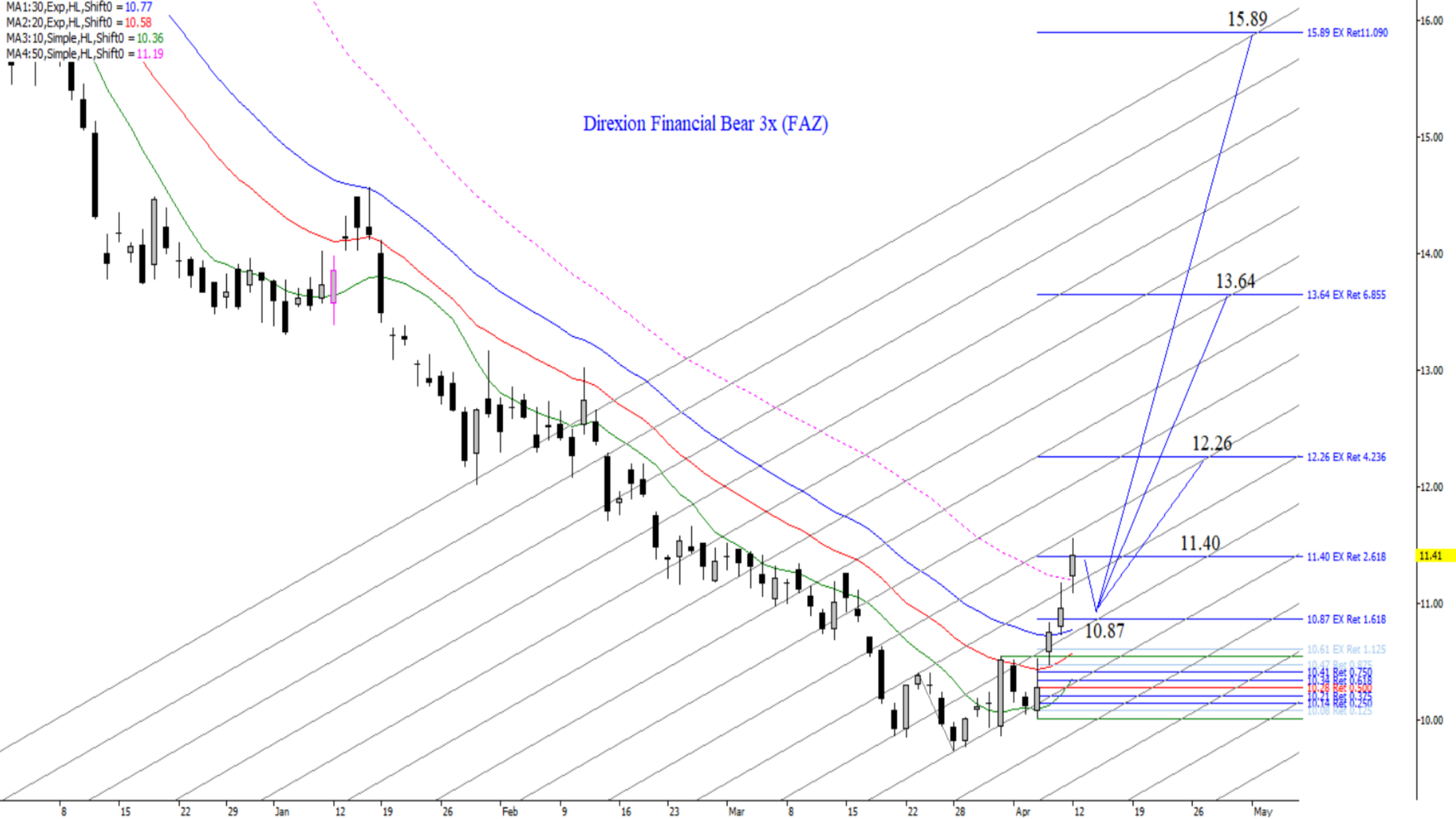


Buy candidate: Direxion Financial Bear 3x (FAZ)

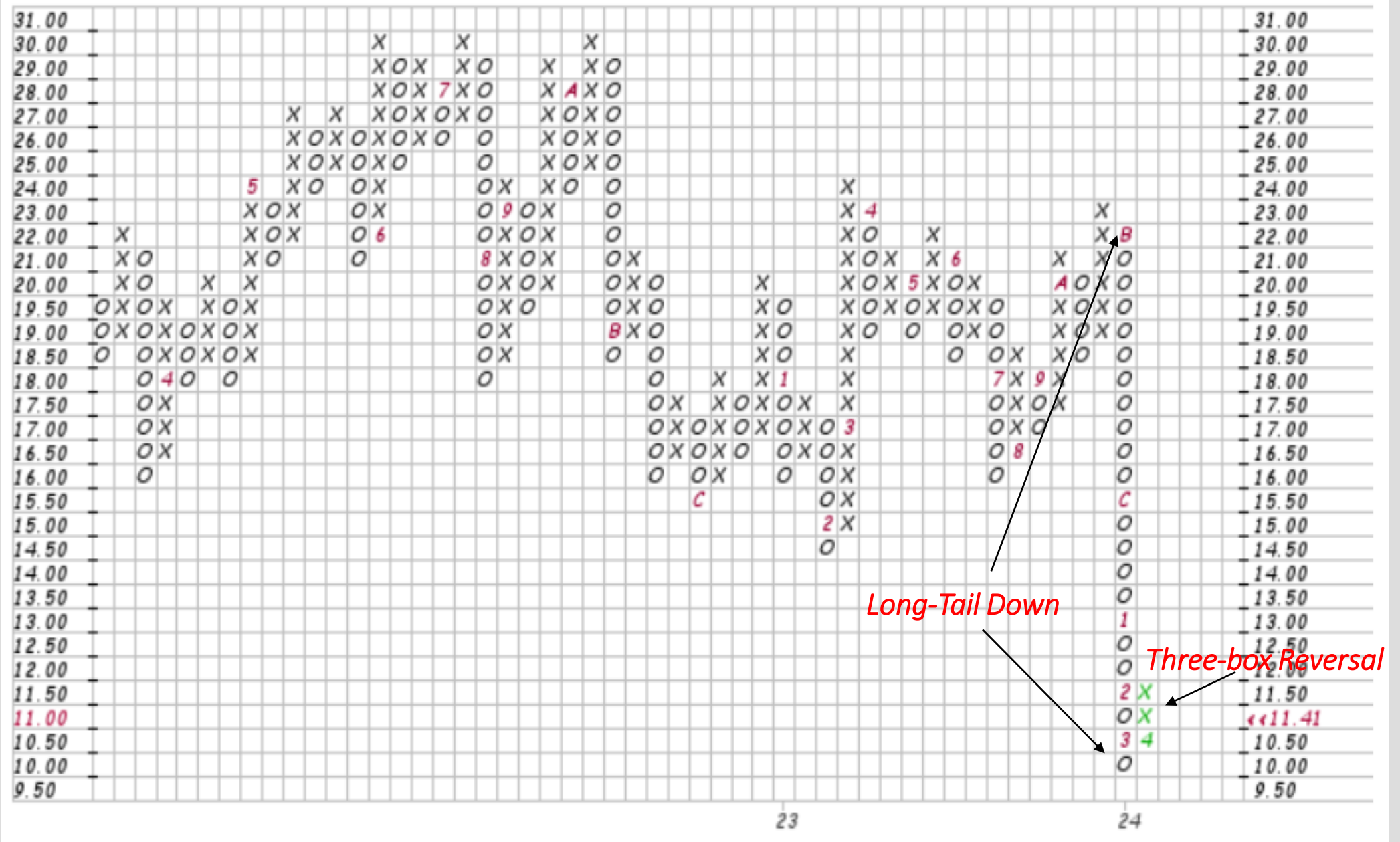
- *Portfolio: Short Financial Services Sector. This trade is designed to move three times the inverse of the daily performance of S&P's Financial Services Sector.*
- The **Financial Services Sector** gave a sell signal on Friday as the Up/Down volume ratio hit 20-day lows. A combination of significant distribution and sell signal indicates that financial services stocks could move materially lower.
- *Direxion Financial Bear 3x (FAZ) trade is designed to take advantage of the next potential move lower in the Financial Services Sector.*
- *Direxion Financial Bear 3x (FAZ) completed a three-box reversal of a long-tail down pattern on the point & figure chart, which indicates significantly higher prices. Shares rallied to Fibonacci resistance at 11.40 and could pull back to Fibonacci support at 10.87 before moving higher.*
- *Wait for text confirmation!*
- *Start position at 1-star(*).*
- *The Up/Down Volume Ratio on the XLF hit 20-day lows at 1.26.*
- *Direxion Financial Bear 3x (FAZ) closed at 11.41.*
- *Direxion Financial Bear 3x (FAZ) VWAP is at 33.55*
- *Fibonacci sell target price on Direxion Financial Bear 3x (FAZ) 1st target is 12.26 2nd target is 13.64; 3rd target is 15.89.*
- *Stop sell price: Close below 10.87.*

MA1:30,Exp,HL,Shift0 = 10.77
MA2:20,Exp,HL,Shift0 = 10.58
MA3:10,Simple,HL,Shift0 = 10.36
MA4:50,Simple,HL,Shift0 = 11.19

Direxion Financial Bear 3x (FAZ)



Direxion Financial Bear 3x (FAZ)



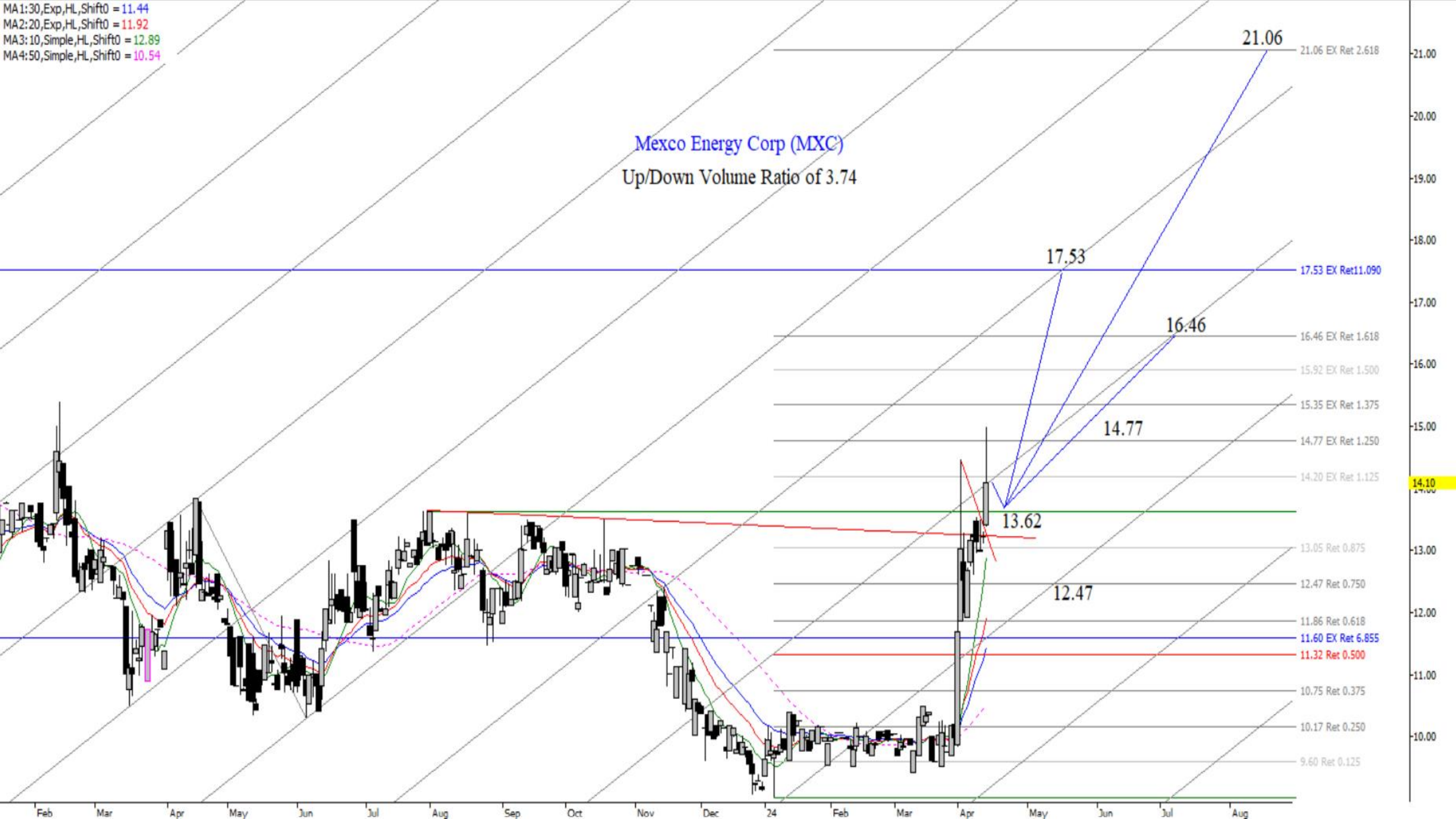
Buy candidate: Mexco Energy Corp (MXC)

- Sector: **Energy**. The **Oil & Gas US Exploration & Production** industry group ranks 123rd of 197, up +14.88% YTD, and gave a buy signal on March 01.
- **Mexco Energy Corp (MXC)** is based in Midland, TX, and is involved in the acquisition, exploration, and development of oil and gas properties in the US.
- **Mexco Energy Corp (MXC) completed a point-and-figure bullish catapult formation on Friday above the bearish resistance line.** The powerful pattern could lead to significantly higher prices. At the same time, MXC broke out of a cup-with-handle based on massive volume as the market was crumbling. The stock demonstrated incredible relative strength in a strong sector and industry group.
- Wait for text confirmation!
- Start position at 1-star(*)
- **Mexco Energy Corp (MXC) is undergoing massive accumulation, with an Up/Down Volume Ratio of 3.74, and has made 100-day highs.**
- Mexco Energy Corp (MXC) closed at 14.10.
- Mexco Energy Corp (MXC) Anchored VWAP is at 11.54.
- **Fibonacci target prices:** Resistance at 14.77; 1st target at 16.47; 2nd target at 17.53; 3rd target is 21.06.
- **Stop price:** Close below 12.47.

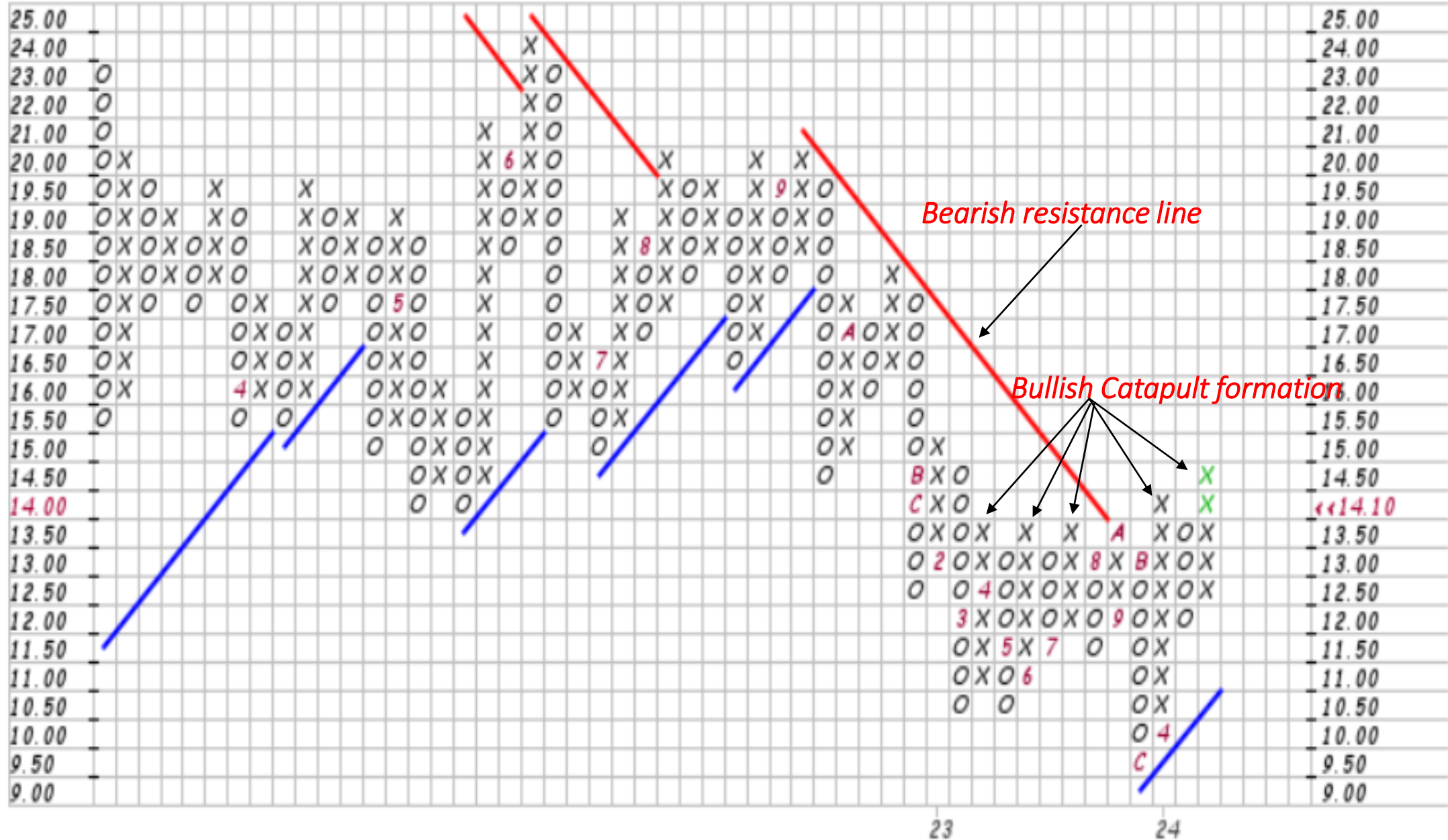
MA1:30,Exp,HL,Shift0 = 11.44
MA2:20,Exp,HL,Shift0 = 11.92
MA3:10,Simple,HL,Shift0 = 12.89
MA4:50,Simple,HL,Shift0 = 10.54

Mexco Energy Corp (MXC)

Up/Down Volume Ratio of 3.74



Mexco Energy Corp (MXC)





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