

Swing Trade Analysis: Delek US Holdings (DK)

Horizon: 2–14 days



Trend & Technical Structure

- **Short-term:** Uptrend from the April low (~\$10.71) remains intact, but price has retraced hard from the ~\$27.7 swing high and is now rebasing under near-term resistance.
- **Intermediate:** Still above a rising 200-DMA (~\$18.16), so the bigger trend is constructive, but the last leg was steep/extended.
- **MAs (from your chart):** 8-EMA ≈ \$22.9, 20-SMA ≈ \$22.8, 50-SMA ≈ \$24.3, 200-SMA ≈ \$18.2. Short MAs are flattening after the pullback.
- **Bias:** Neutral → cautiously bullish (trend intact, but recent rejection + flows temper it).

Support & Resistance (only your marked levels)

- **Support:** \$20.01 (horizontal line on your chart).

- **Resistance:** \$25.64 (near-term), \$27.71 (swing high), \$31.40 (major ceiling).
- *Note:* Your rising trendline provides dynamic support; I'll respect it for scenario triggers but won't add new levels.

Volume & Price Action

- Daily volume on the down-leg was elevated relative to the bounce days → **mild distribution** tone.
- Candles show swift rejection near the upper band of your resistance stack (\$25.64–\$27.71), followed by a test of the rising trendline.

Momentum Indicators

- **RSI(14):** ~69 → **near overbought**; room for one more push, but vulnerable to mean reversion if resistance holds.
- **MACD (12,26,9):** **Bullish crossover** with histogram expanding → momentum is **re-accelerating up** after the pullback.
- **ATR(20):** ~1.3–1.4 → daily swing ~6–7% of price; use wider, volatility-aware stops.

Options Flow & Sentiment (using your order-flow as proxy)

- **Net flow (today):** Inflow \$3.35M vs outflow \$5.32M → **-\$1.97M net outflow**.
- **By size:** Large inflow \$1.48M (17.1%) vs large outflow \$2.23M (25.7%) → **institutions net selling**.
- **Large orders, last 5 days:** **-\$2.07M net** (-0.29, -1.69, +0.23, +0.43, -0.75) → distribution bias persists.
- **Read:** Short-term sentiment **leans bearish** despite improving momentum.

Short Interest & Institutional Positioning (your charts)

- **Short interest:** Trending **down** from ~9–10M earlier in 2025 to roughly **~6.8–7.0M** by mid-Aug.
- **Days-to-cover:** Fell from ~9–10 at peaks to roughly **~3.5–4.0** most recently.
- **Read:** Less squeeze fuel now → **reduces the odds of a violent upside squeeze**, modestly bearish for “squeeze-beta,” but also lowers downside crash-risk from forced covering.

Catalysts & Events

- No near-term company-specific events on the immediate 2-week horizon; sector (refining & marketing) remains sensitive to crude spreads and crack margins (background driver).

Trade Scenarios (2–14 Days)

Bullish

- **Entry:** \$21.96 (assumed).
- **Stop:** ~\$20.40 ($\approx 1.2 \times$ ATR below entry) or just below **\$20.01** support if you prefer level-based risk.
- **Targets: T1 \$25.64, T2 \$27.71** (your marked resistances).
- **Validation:** Hold the rising trendline + RSI stays >55 with MACD histogram still expanding. A decisive push/close above **\$25.64** is the breakout trigger toward **\$27.71**.

Bearish

- **Entry:** \$21.96 (assumed).
- **Stop:** ~\$23.30 ($\approx 1 \times$ ATR above entry) to avoid getting squeezed by a routine bounce.
- **Targets: T1 \$20.01, T2 ~\$18.20** (200-DMA as dynamic support).
- **Validation:** Lose the rising trendline on expanding volume; RSI rolls under 50 and MACD histogram flips negative.

Probability Ranges (Weighted Model)

Factor	Weight	Bullish	Bearish	Notes
Trend & Technical	25%	14%	11%	Uptrend intact but off a rejection
Support/Resistance (yours)	15%	7%	8%	Thick overhead at 25.64/27.71
Volume & Price Action	25%	9%	16%	Distribution skew on recent leg
Momentum (RSI/MACD/ATR)	10%	5%	5%	RSI ~69 (toppy) vs MACD up
Order-Flow Sentiment (proxy)	10%	4%	6%	Net outflow; large lots selling
Short Interest / DTC	5%	2%	3%	Falling SI/DTC \rightarrow less squeeze fuel
Catalysts	5%	2%	3%	No near catalyst
Total	100%	43%	52%	Leaning bearish

Strategic Notes

- The **chart/momentum** say “bounce possible,” but **order-flow and overhead levels** say “respect resistance.”
- Best **long** is a momentum continuation only **after** a close $>$ **\$25.64** (flows would need to turn).
- Best **short/avoid** is on a **trendline break** with flows staying negative, aiming for **\$20.01**.

Probability Summary

- **Bullish: 43%** 
- **Bearish: 52%** 