



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



Trading Lessons from the Intraday Frame (1-min)



Major Companies Reporting Earnings

Delta Airlines (DAL)

Major Economic Reports for Tomorrow...

US PPI (8:30am)

Quotes from Last Night's Planning

We're off the rails - we're off the track. Still. Let's see what happens at 2,750 - plan your trades from the DEPARTURE away from 2,750.

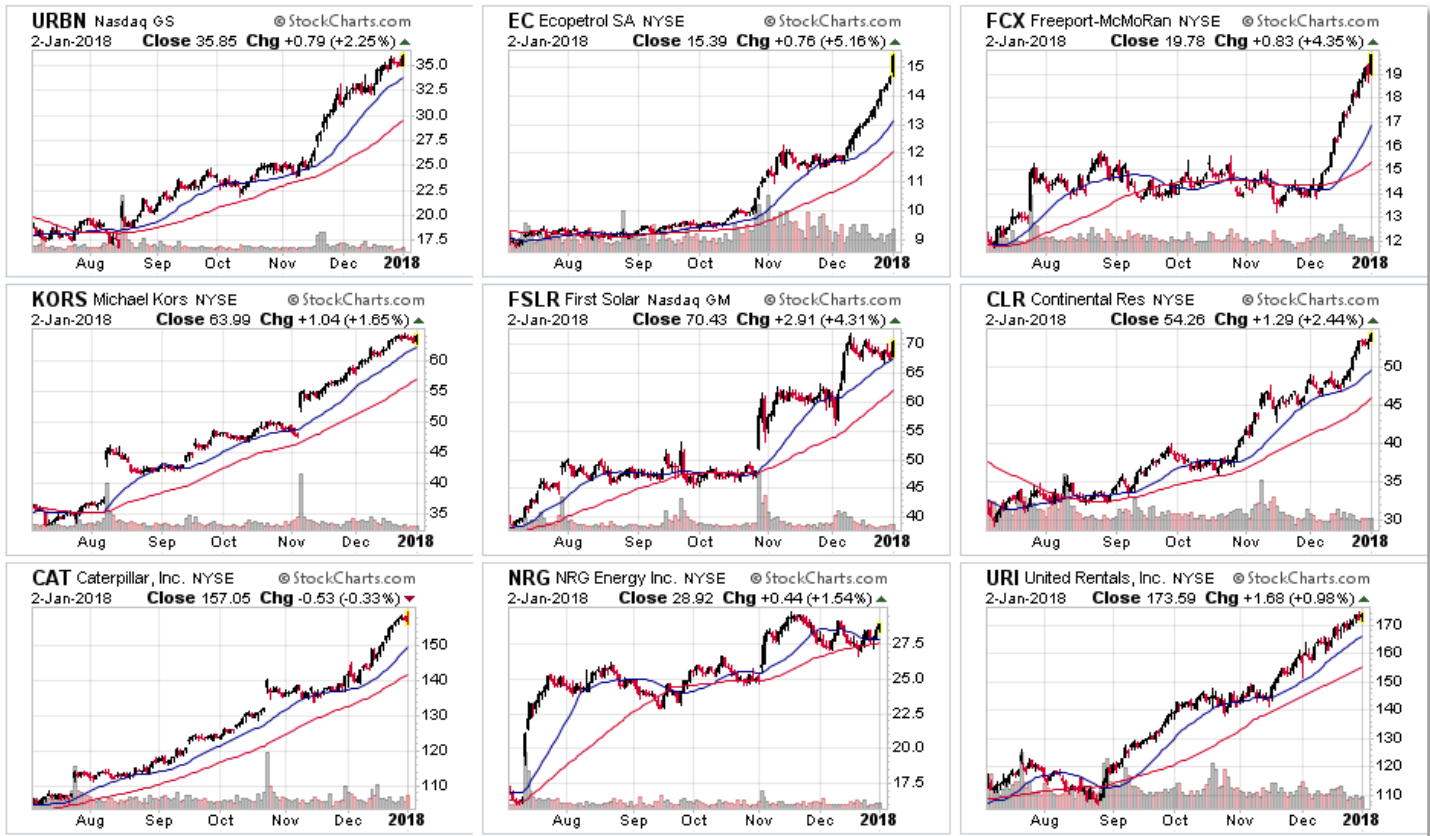
With today's end-of-day retracement and Daily Chart DOJI reversal candle, we'll official label our DOMINANT thesis as a pullback/sell-swing toward the 2,725 (rising 20 day EMA) target and thus the Alternate thesis as the "ignore it all" and play the short-squeeze above 2,750.

Today was certainly different! We expected a SELL SWING to continue and thus looked to trade bearishly on the way down. WE DID get that sell-swing retracement but it almost all came overnight (with a gap).

Thus Trade #1 - a trend day style retracement - failed with a stop-loss. Failed trades often give us information that one side of the market - bulls here - are stronger than the price shows.

As such, Trade #2 was a successful breakout or first reaction/retracement event though price ultimately consolidated into the close, rallying up off the morning's V-Spike Reversal low.

January 8 Power Trenders Strong Stock Scan



We're seeing the NEW top twelve relative strength leaders (via algorithm) in trending markets and the general expectation is to buy retracements or breakouts in these strongly trending names. The logic is that what is strong tends to get stronger (stocks attracting money flow tend to continue attracting additional money flow). Right now these would be the names and thus candidates above for you to do additional research and add these to your stock-scan list for possible inclusion into a swing trading portfolio on pullbacks or outright breakouts.

HOW WE USE THESE STOCKS:

I write the Power-Trending Stock Section for Swing Traders looking for candidates that complex stock scans will likely miss. The scan targets strongly trending stocks and the expectation is that price will continue trending higher, though of course additional analysis is required rather than just buying these names collectively. To participate in these stocks, we typically wait for a pullback/retracement to a rising moving average or Fibonacci/Trendline level to put on a buy/retracement where the stop is trailed under the average. These would be similar to how I describe intraday 'flag' retracements on a developing Trend Day.

FinViz "S&P 500 Performance" View



This chart and sector comparisons are useful two ways:

First, we get a broader sense of what's going on beneath the market subdivided into sectors.

Second, if you trade beyond the S&P 500 or futures/ETFs, you can pinpoint bearish/weak stocks by starting with bearish/weak sectors. The idea is outperform the market via short-selling a weak stock(s) in weak/bearish sectors on a down trend day (or vice versa).

Planning the 30-min Intraday @ES Futures Chart

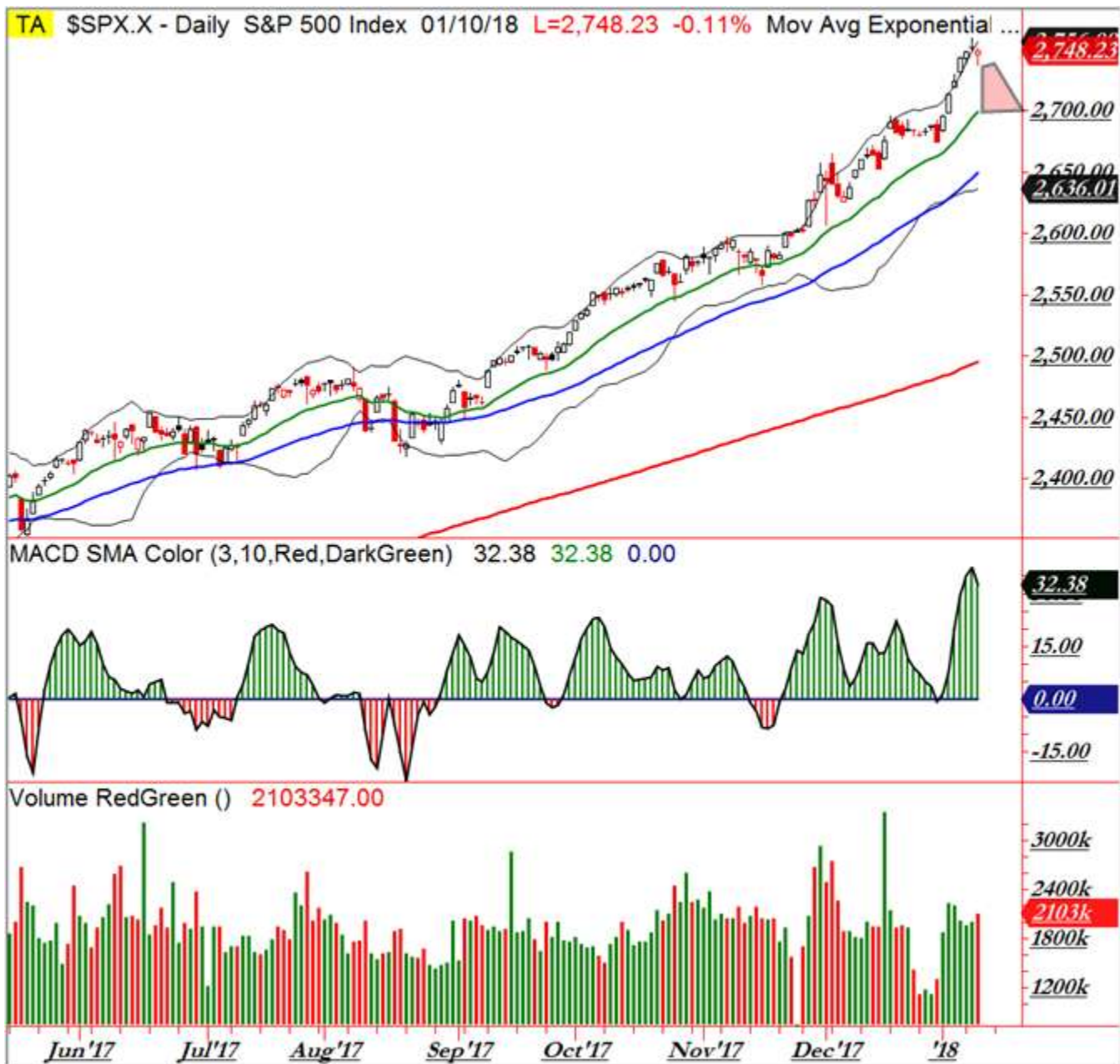


Is this it? Is this all we get in the form of a logical and expected retracement?

Watch the 2,740 level as your Thursday PIVOT, playing bullishly above it or bearishly beneath it as seen on the Daily Chart.

We'll continue our daily chart dominant "bearish" or sell-swing thesis until proven otherwise with a sudden breakout above 2,760.

Planning the Next Day (Daily S&P 500 Cash Index)



We'll continue to label our DOMINANT thesis the PULLBACK or RETRACEMENT toward the rising 20 day EMA nearing 2,725 (when it continues rising) or 2,700 on a steeper pullback.

Yesterday was a doji as was today with a close once again near the 2,750 level.

Without much change from today's activity, we'll continue playing the DEPARTURE away from 2,750 which could indeed be an alternate thesis short-squeeze higher.