



## Daily "Idealized Trades" Report

### Trading Lessons from the Intraday Frame (study)



# Trading Lessons from the Intraday Frame (1-min)



## Major Companies Reporting Earnings Thursday...

NONE

## Major Economic Reports for Tomorrow...

PMI (10:00am)

Crude Oil (10:30am)

## Quotes from Last Night's Planning

*Price trended back toward the prior high but REVERSED shy of our retest target. A NEW short-term TRADING RANGE has developed at the high as we keep a similar game-plan.*

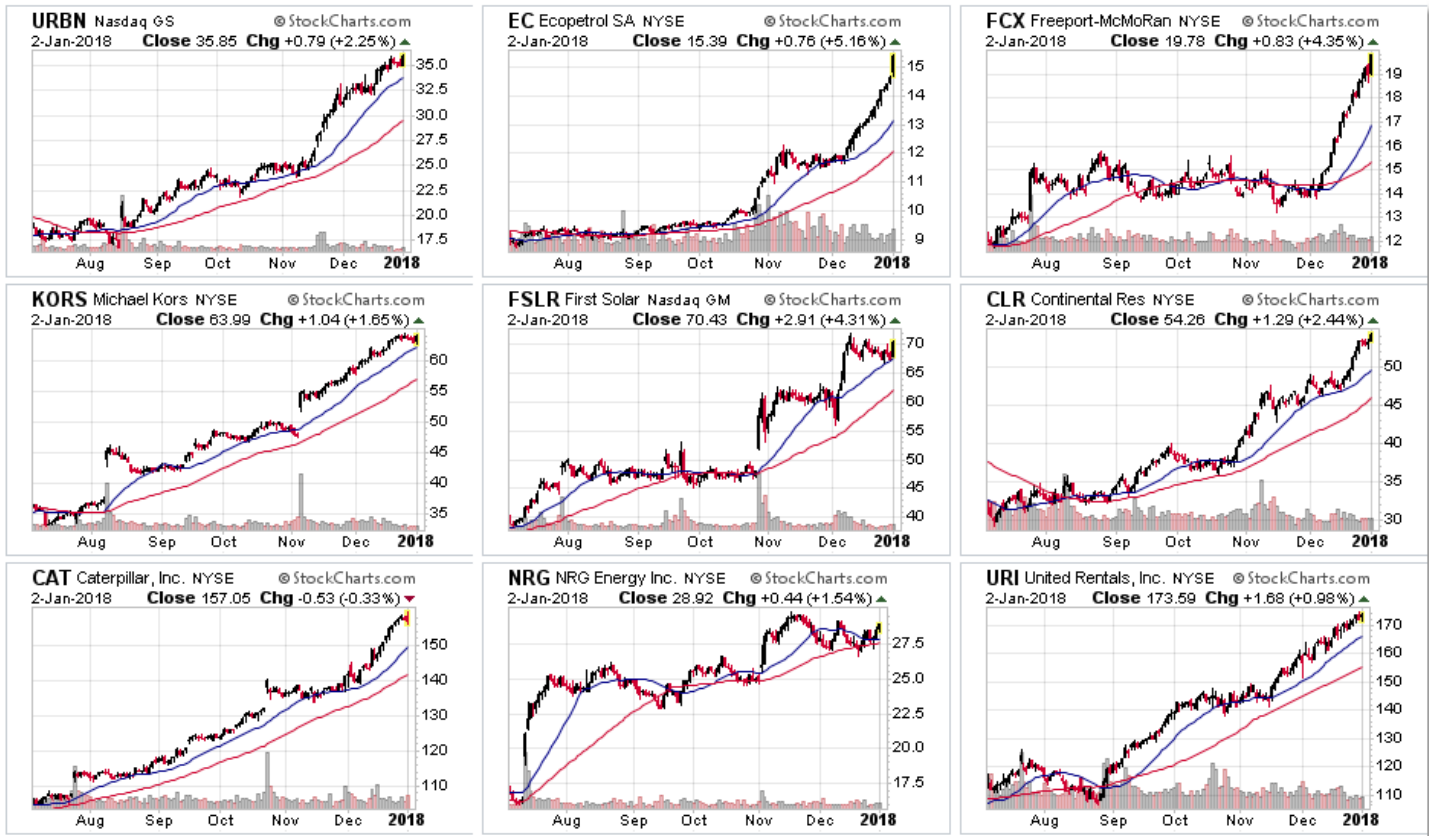
*Note that price is BETWEEN the 2,680 and 2,700 pivot/target levels and we'll use those as our reference levels.*

After we correctly expected a LOW VOLATILITY, LOW VOLUME, and thus LOW OPPORTUNITY/PROFIT range for the final week of 2017, the first trading day of 2018 was also an expected HIGH volatility breakout session... but it developed perhaps in the opposite direction most traders were expecting!

Using our Trend Day Model and retracement trading logic (staying away from trading the first or last 30-min), only two bullish retracement trades developed today.

ALL SHORT SALE TRADES were illegal because we do NOT fight or fade a trend day, and VERY aggressive traders had a final breakout play into the close (not for new traders).

# January 2 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.





## Planning the 30-min Intraday @ES Futures Chart



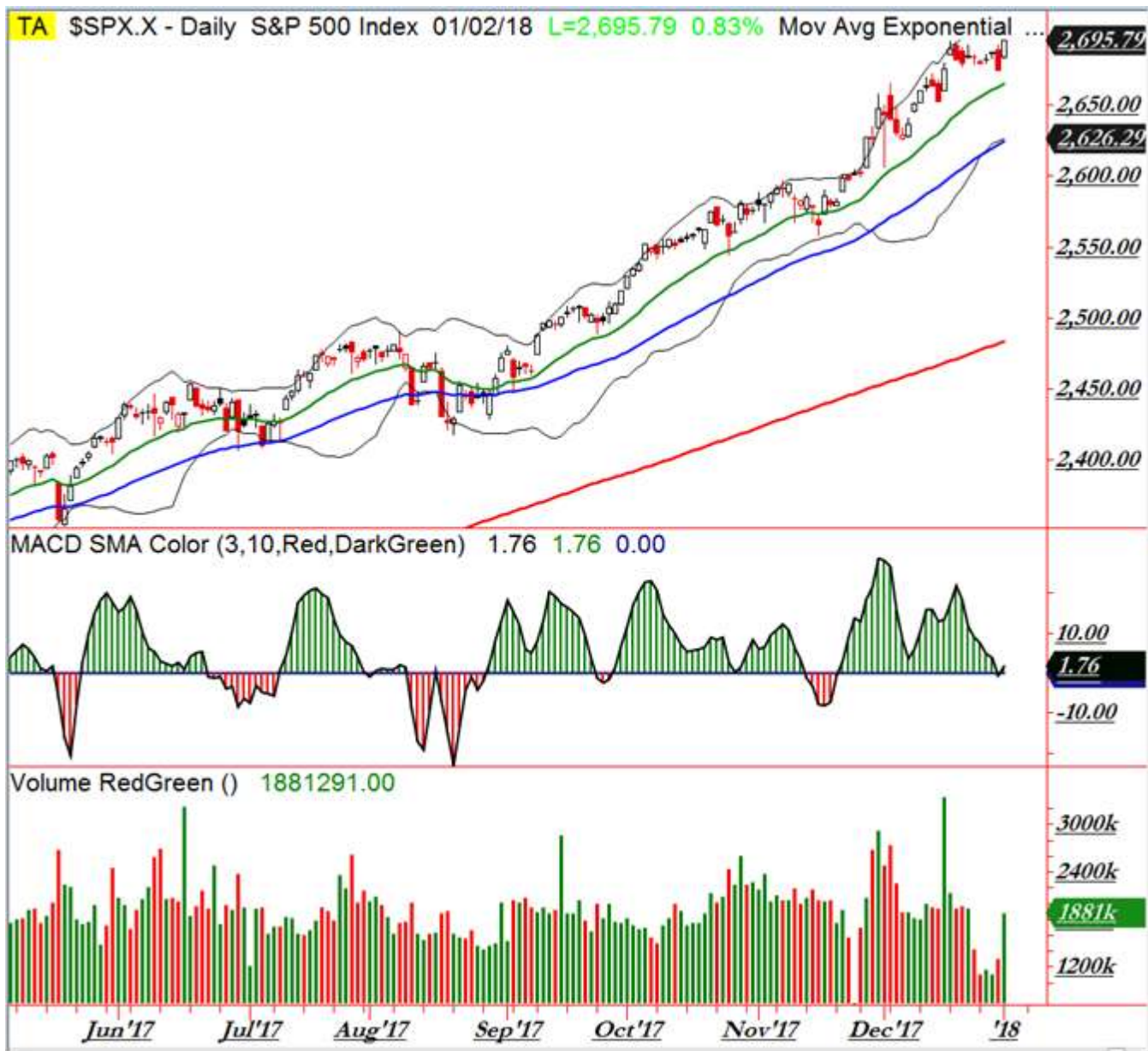
Well, it would have been logical to expect additional downside/follow-through action from Friday's close but the market had other plans.

After a three-day holiday weekend, news/money flow shifted to result in a gap UP back within the triangle range and then a BREAKOUT above it, triggering a bullish (successful so far) play.

We're bullish until proven otherwise as the market held the 2,680 level and now plays firmly toward/above 2,700 as the dominant thesis.

We won't get bearish - except for intraday range trades - unless this market plays DOWN AWAY FROM 2,700 or else BENEATH 2,680.

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



The impossible uptrend continues with ANOTHER bullish intraday breakout/trend day session (on higher volume than last week's holiday environment) as price pushes toward 2,700.

All we can do is remain bullish in our positions or play the intraday activity/trades that develop in real-time within this non-stop bullish environment. Like it, love it, or hate it, it's the hand we're dealt at the moment and we'll keep playing within this reality until something else happens - like a breakdown beneath rising trendlines or daily moving averages. Until those factors develop, this market remains in an 'impossible yet real' bullish uptrend.