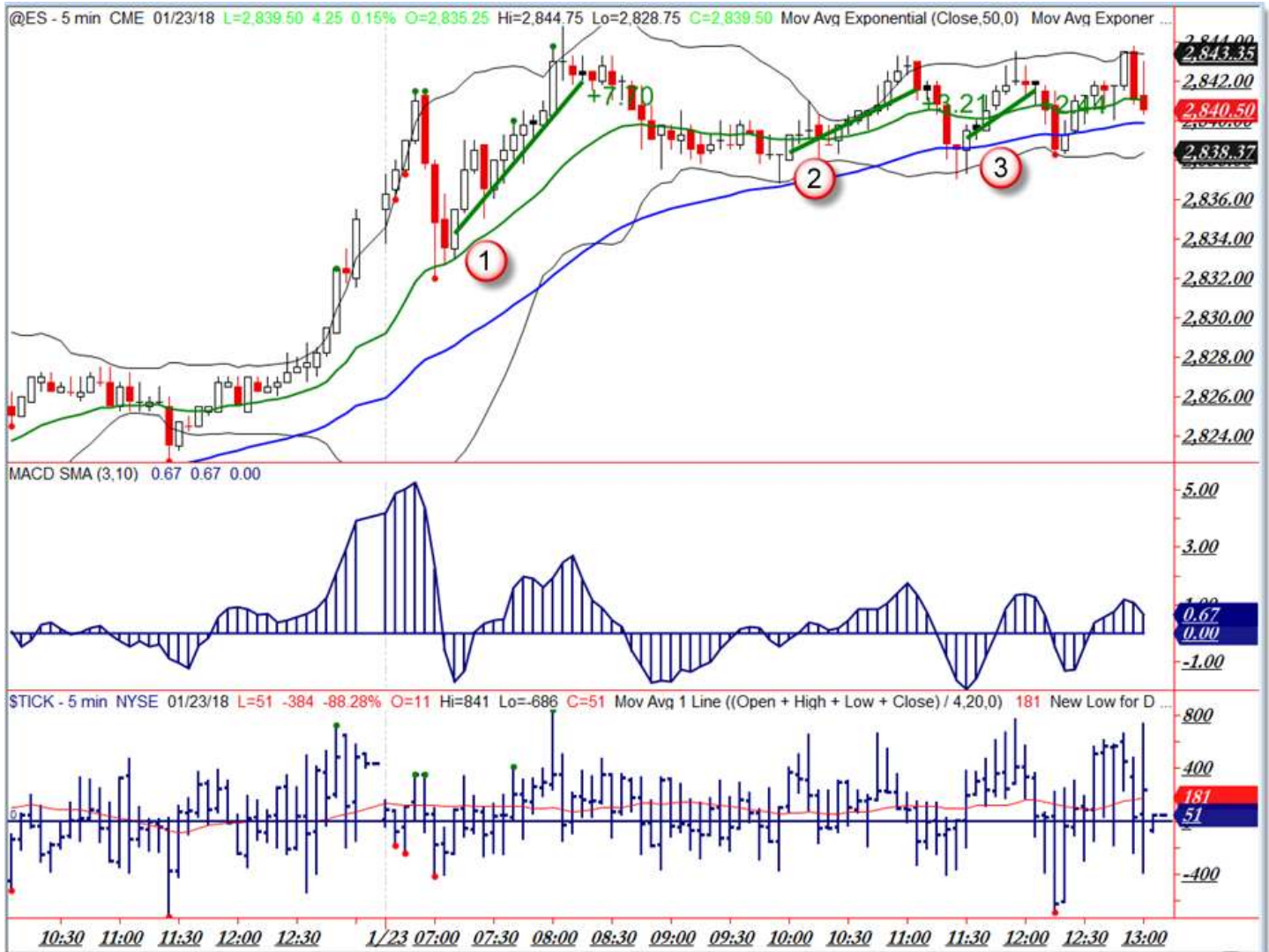




Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



Trading Lessons from the Intraday Frame (1-min)



Major Companies Reporting Earnings

Ford (F), General Electric (GE)

Major Economic Reports for Tomorrow...

US Housing Sales (9:00am)

Crude Oil Inventories (10:30am)

Quotes from Last Night's Planning

While we remain in an IGNORE IT ALL (literally, ignore everything bearish) uptrend, we're going to tilt just a tiny bit cautiously because of the ending diagonal or bearish rising wedge pattern with negative divergences.

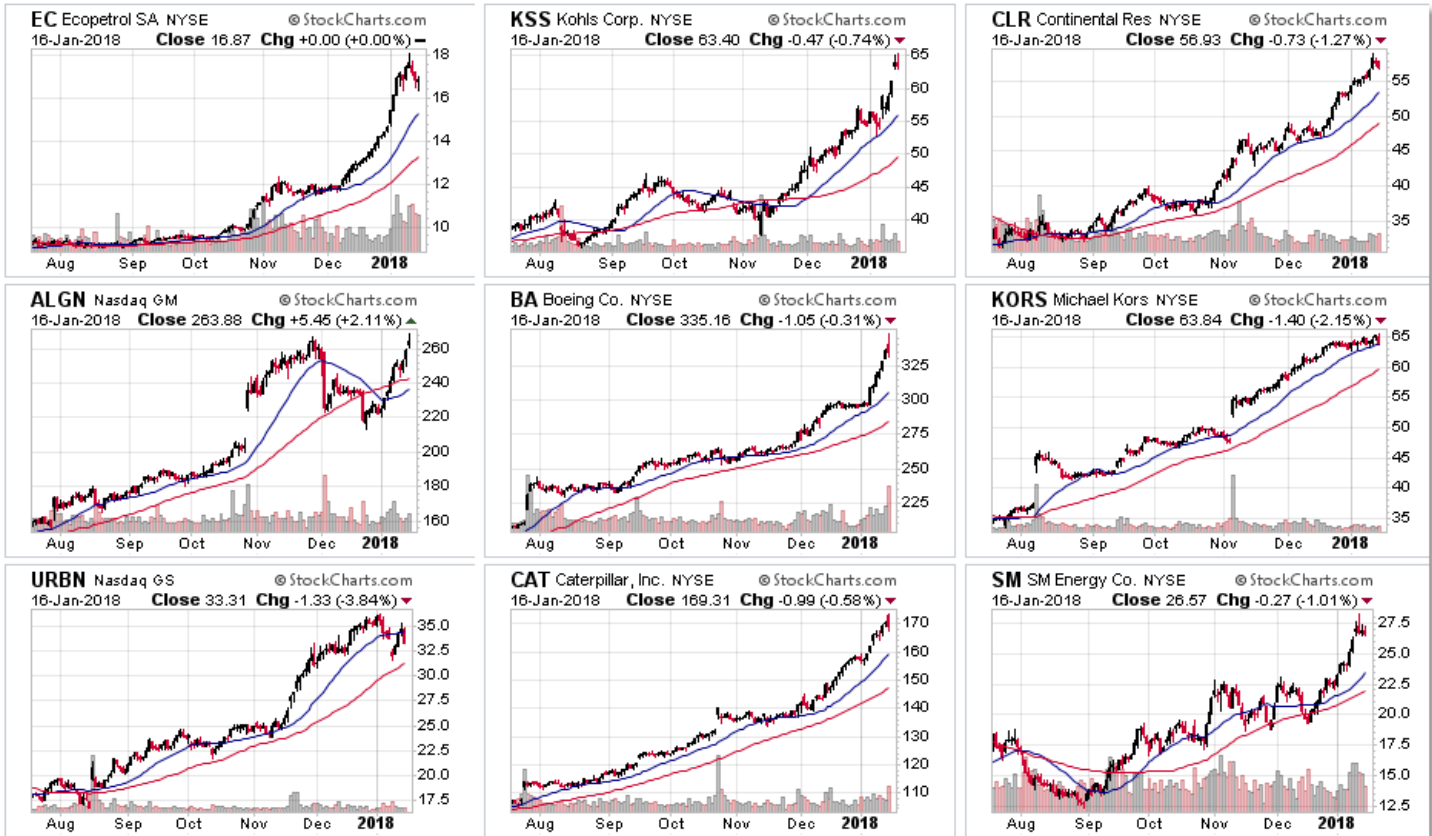
Nothing else seems to matter - not even a government shutdown. Trade with the bulls or stay out of their way until this situation reverses/ends.

Today was ultimately a RANGE DAY at the highs with our ongoing BULLISH TILT to the market.

I'm treating today more like a TREND DAY with ONLY bullish pullback/support positions, but you had permission to sell-short at the resistance highs (with divergences) today for the potential for additional profit (you CANNOT do this on a developing trend day).

Note that the market didn't gap today and thus set the stage NOT for a Trend Day (but for a weaker trend day or rising range). We're still in the impossible bull market so bullish trades are favored until this situation changes.

January 16 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 out outperform the market via short-selling a weak stock(s) in weak/bearish sectors on a down trend day (or vice versa).

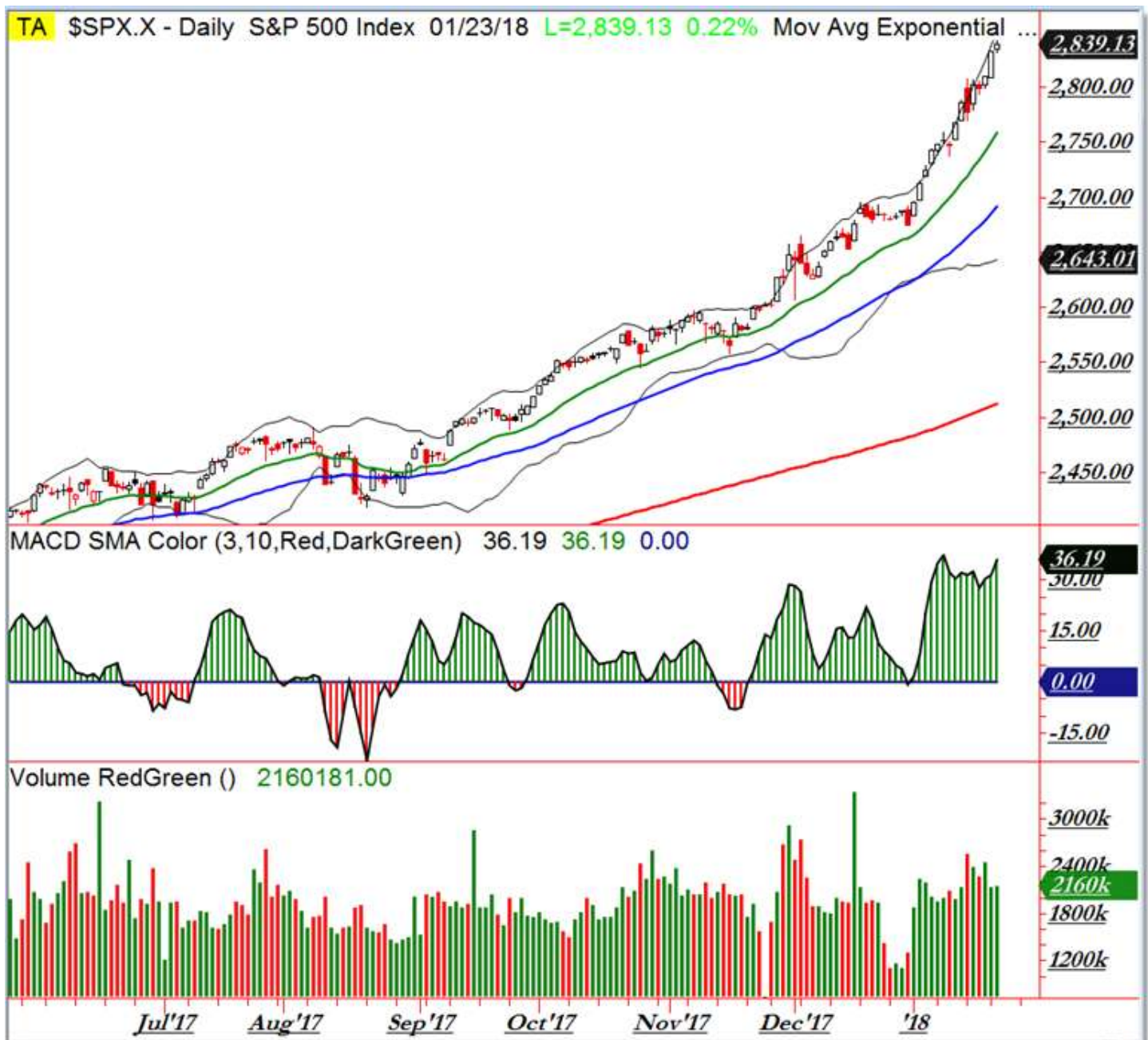
Planning the 30-min Intraday @ES Futures Chart



You know the drill - our DOMINANT thesis is the pullback/sell-swing pathway lower away from 2,840 (with reversal candles and divergences) while the stable ALTERNATE thesis calls for continued bullish expansion in the "opposite" direction via "Popped Stops" higher.

Plan your trades tomorrow in terms of the DEPARTURE (bearish side favored short-term) away from 2,840. Play toward 2,850 if above 2,840 early tomorrow.

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



The uptrend continues - it's really as simple as that. Today's a spinning top reversal candle though.

It's a rare, black swan situation and one day it will stop, but it hasn't yet and therefore we adapt to the market by trading the lowest timeframe we can (5-min or 1-min).

To do anything else so far has resulted in significant financial losses - which is why the market keeps trading higher (stop-losses of the bears/sellers). Use 2,840 as your trade pivot now.