



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



Trading Lessons from the Intraday Frame (1-min)



Major Companies Reporting Earnings

Honeywell (HON)

Major Economic Reports for Tomorrow...

Durable Goods(8:30am)

Quotes from Last Night's Planning

Once again, use 2,840 (as we did today) as your departure point, playing BULLISHLY (via the uptrend) if above it and BEARISHLY/CAUTIOUSLY if beneath it (Targeting 2,820).

Keep it simple and trade the lowest timeframe you can.

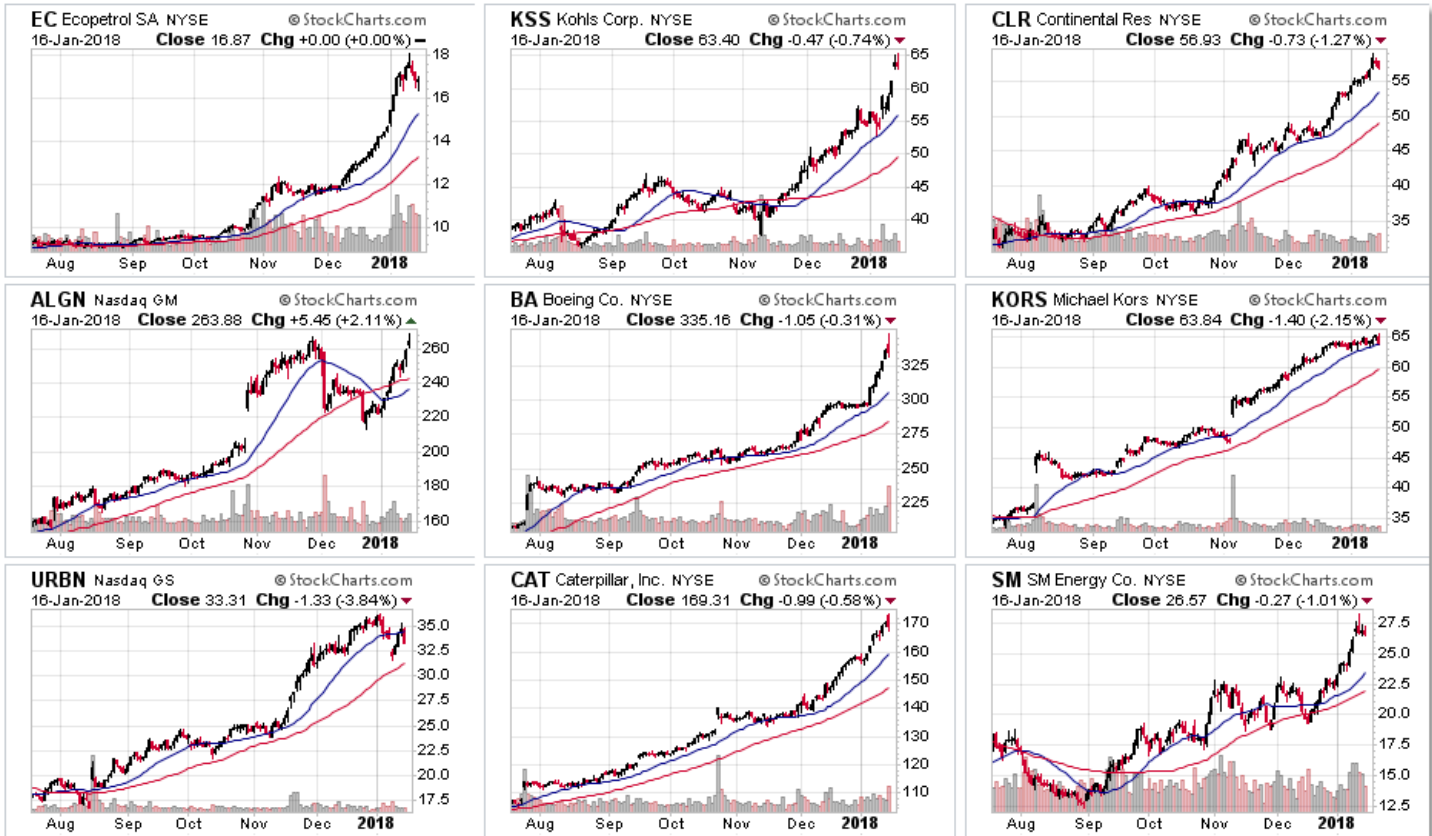
With that in mind, follow your intraday chart and trade the lowest frame you can, being prepared to play bullishly on a short-squeezed breakout above 2,840 toward/above 2,850.

We had another RANGE (style) DAY and semi-repeat of yesterday.

We allowed the market to set up in the morning and confirm a range pattern and THEN played bearishly first and bullishly off 2,840.

The remainder of the sessions did confirm to a range style event with higher volatility in the afternoon (opportunities for aggressive traders).

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

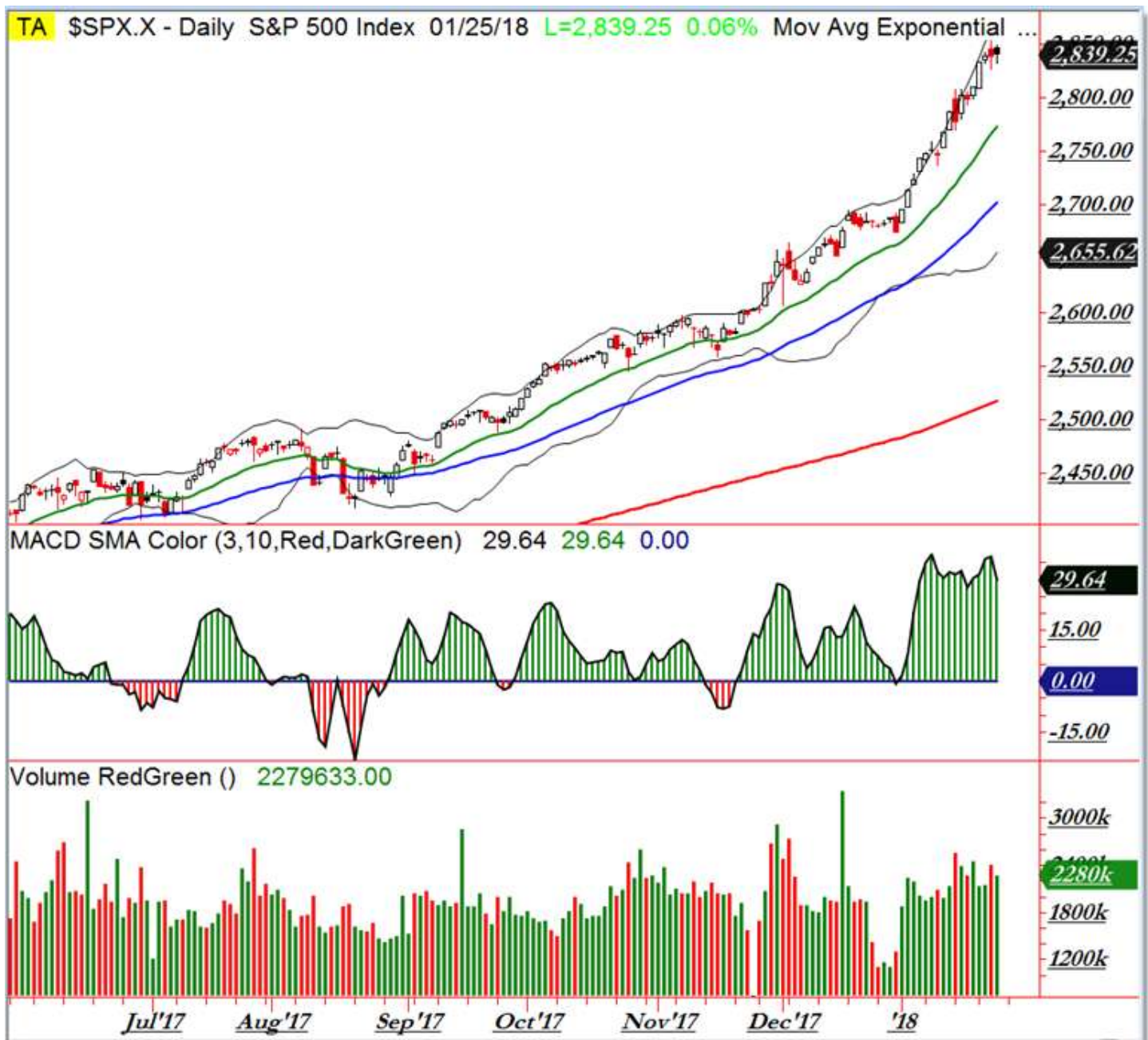
Planning the 30-min Intraday @ES Futures Chart



A third pullback or consolidation is occurring after the January 2018 breakout.

Note what happened during the last two consolidations (pullbacks toward the 50 EMA above) and frame your short-term trading plan in terms of the "pullback and history repeats" thesis (making us bullish above 2,840 toward 2,850 and higher) or else "this time it's FINALLY different" which is logical and triggers beneath 2,825/2,830 for a fall back toward 2,800 for you to trade.

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



In ANY normal market or normal environment, THREE reversal candles at the upper Bollinger Band in an extended market would call for aggressive short-selling or 'fading' tactics, playing bearishly down toward the rising 20 day EMA or the 2,800 level.

We'll use that as the dominant/logical/historical thesis but will resign ourselves to keep playing bullishly and making money (preventing losses) in the alternate thesis event the trend resumes, buyers buy the dip, and the market remains trading up away from 2,840.