



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



Trading Lessons from the Intraday Frame (1-min)



On T3 Trend Days, it's often BEST to turn off ALL indicators except for the moving averages and just trade the pullbacks/flags that occur as the day develops (the trend extends).

Major Companies Reporting Earnings Thursday...

NONE

Major Economic Reports for Tomorrow...

ADP Employment (8:15)

Initial Jobless Claims (8:15)

PMI Services (9:45)

Quotes from Last Night's Planning

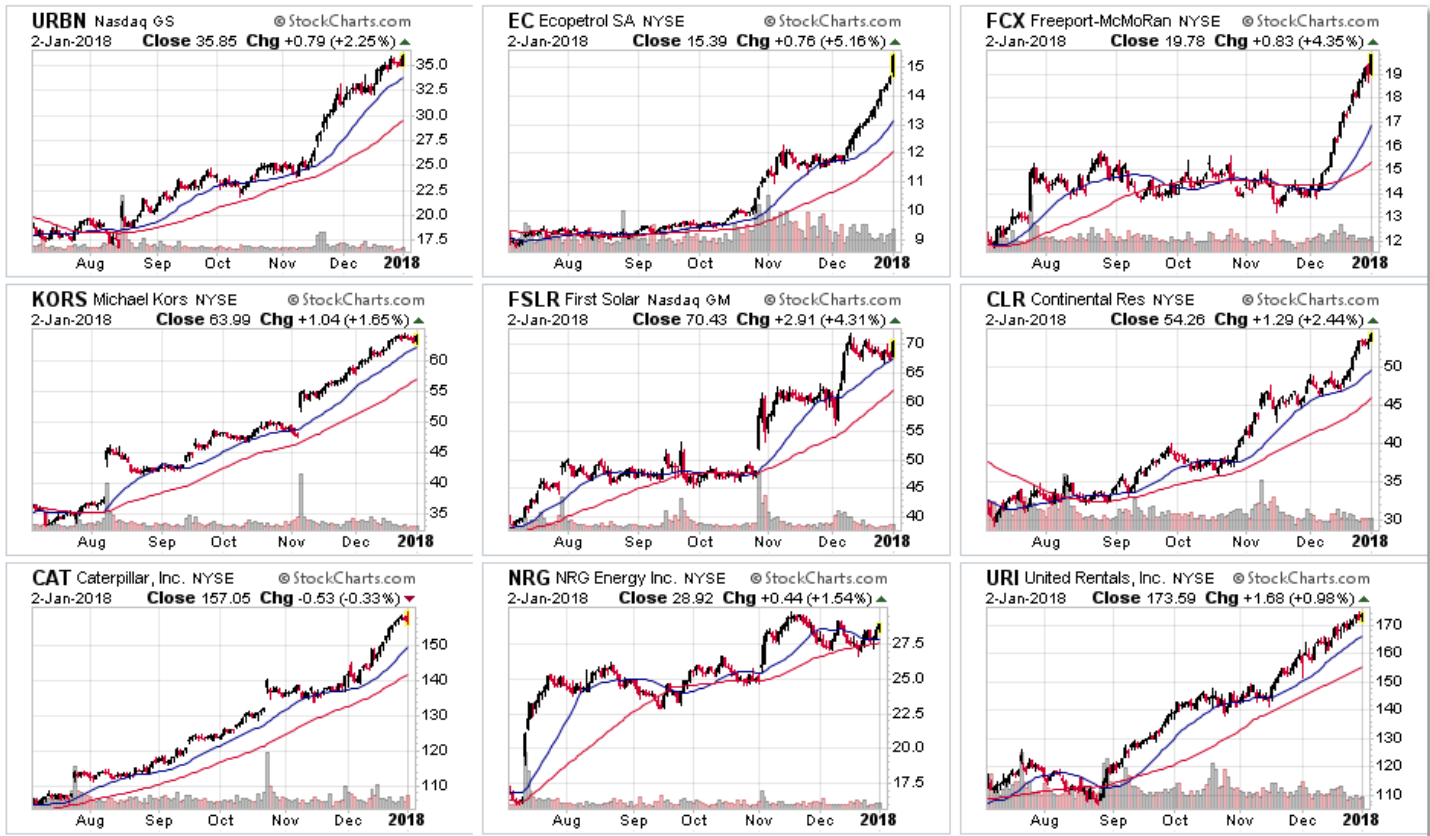
After a three-day holiday weekend, news/money flow shifted to result in a gap UP back within the triangle range and then a BREAKOUT above it, triggering a bullish (successful so far) play.

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.

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. Until those factors develop, this market remains in an 'impossible yet real' bullish uptrend.

We ultimately had a REPEAT DAY of yesterday's big T3 Trend Day session. Study the lessons from yesterday - and all examples in your member archive - for Trend Day tactics. We're in a simple range expansion mode after a full week of range contraction. We trade the pullbacks.

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.

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



We've had two days of RANGE EXPANSION or BULLISH price action as the "impossible yet real" uptrend continues. We were looking for a breakout move and we're getting it - the only question is how to profit from it!

Typically we like to trade intraday pullbacks but aggressive traders could have held swing positions long (bullish) toward the current 2,700 target.

For Thursday and Friday, watch the 2,700 level closely, be ready to keep trading bullishly, and otherwise prepare for an intraday stall (range contraction) or even pullback down away from 2,700's target.

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



Price achieved then easily exceeded the 2,700 level, cresting and closing at 2,713.

Look at this chart. You can clearly see plenty of examples where price broke a prior resistance swing high and then EXTENDED for multiple sessions higher, squeezing the shorts and forcing the bulls/buyers to enter aggressively (or miss the move).

That's the environment we're in and it's one we've been experiencing since the 2016 low. There's no reason at the moment to expect/ trade anything differently until proven otherwise.