



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



Trading Lessons from the Intraday Frame (1-min)



Major Companies Reporting Earnings

Facebook (FB), EBAY, Microsoft (MSFT), Qualcomm (QCOM), PayPal (PYPL)

Major Economic Reports for Tomorrow...

ADP Non-farm Payrolls (8:15am)

FED DAY!!!!

Quotes from Last Night's Planning

We're now seeing a logical pullback/retracement after another non-stop bullish surge.

Price remains grossly overextended above the rising 20 day EMA, a typical pullback/retracement (mean reversion) target in overbought markets.

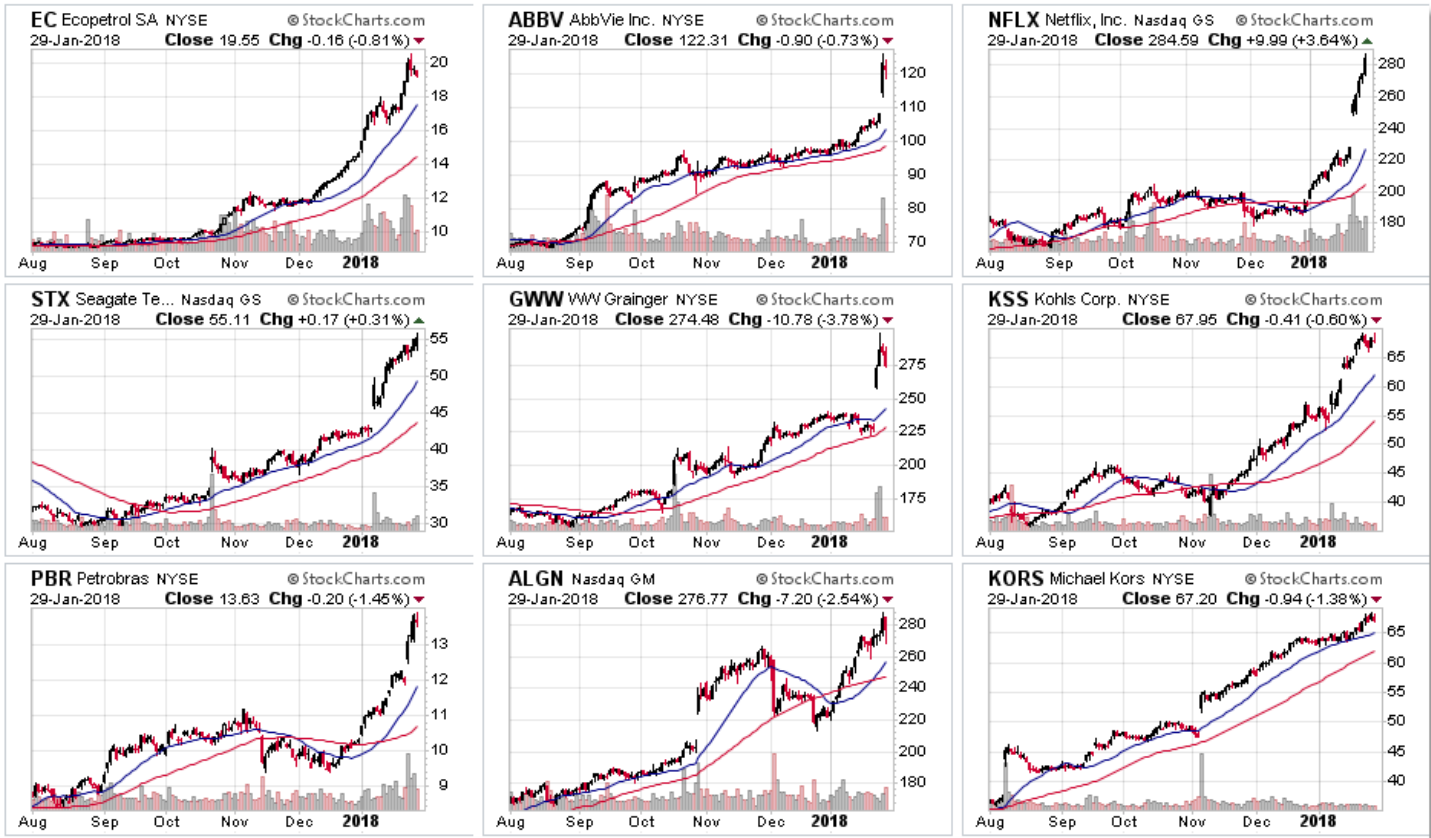
This is our new reality and we continue to balance the logical/historical pullback outcome (bearish toward 2,800) against this short-term/temporary "new reality" of the non-stop bullishness. Use your intraday chart levels and trade the lowest timeframe you can here.

We had a pullback finally in the market! It was actually our first T3 Trend Day DOWN in 2018 and there were at least two valid/profitable sell-short retracement trades as detailed.

Tomorrow will be a FED DAY so be sure to review the Fed Day model in the archives.

Until proven otherwise, there is a BULLISH bias to tomorrow's session.

January 29 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).

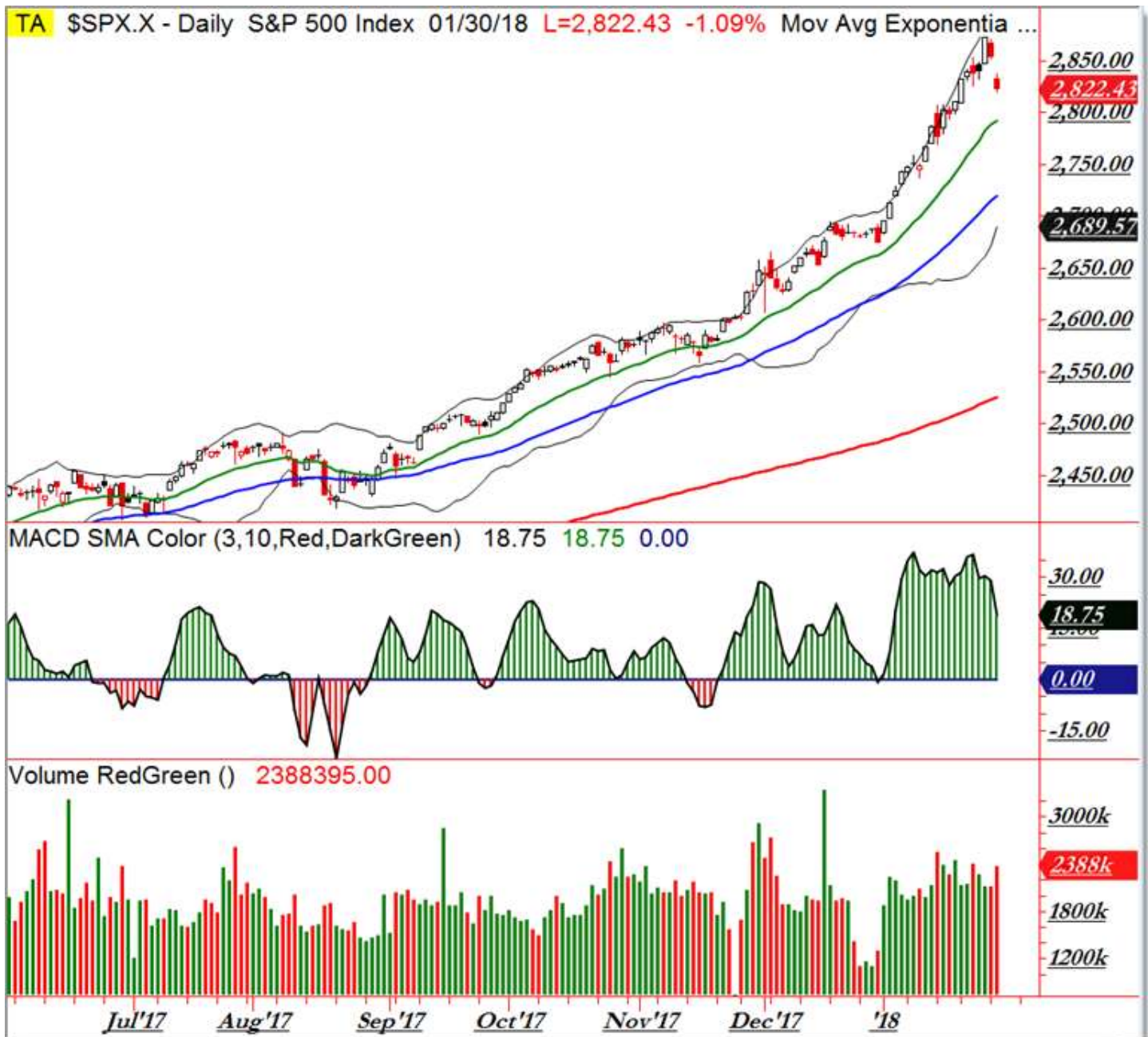
Planning the 30-min Intraday @ES Futures Chart



Price fell shy of 2,900 (for now) and collapsed lower beneath 2,860 toward 2,822.

We'll use 2,820 as a pivot tomorrow - a Fed Day - making any new swing low a likely trigger-target toward 2,800 (yellow highlight and 20 day EMA) or else we will play a DOMINANT thesis bullish BOUNCE up away from the 2,820 level toward/above 2,840.

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



Is it really happening?! Is the market actually pulling back as it should?!

Today was an exciting and different day given the straight-up bullish action we've seen so far in 2018. A market that is grossly overextended tends to "snap back" like this violently toward the rising 20 day EMA target which is currently overlapping the 2,800 target.

Look for any additional selling to trade down toward 2,800 but until then, focus on the intraday chart and note the potential bounce for tomorrow, a FED DAY with big earnings.