



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

NONE

Major Economic Reports for Tomorrow...

JOBS REPORT * * * (8:30am)

New Home Sales (10:00am)

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.

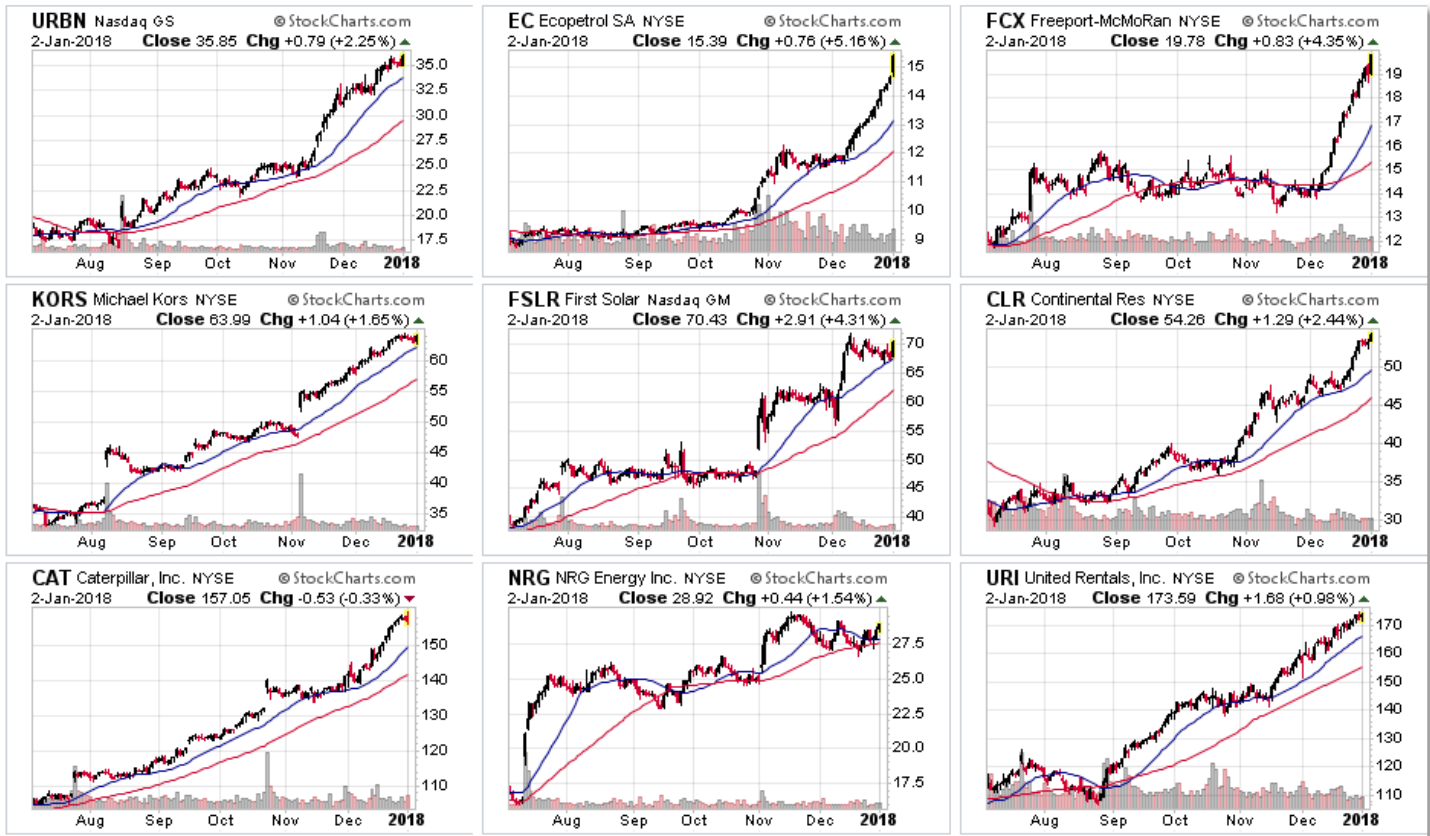
We're bullish until proven otherwise as the market held the 2,680 level and now plays firmly toward/above 2,700 as the dominant thesis.

For Thursday and Friday, watch the 2,700 level closely, be ready to keep trading bullishly.

We had our THIRD Trend Day in a row and the tactics/strategies are the same each event.

Friday could result in another Trend Day due to the JOBS REPORT data but if there are no surprises, we'll likely see a range consolidation or even pullback/retracement given the position of the daily and intraday chart expectations.

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 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



Our Range Expansion or Breakout Move may be complete - we had three days of expected "range expansion" or trend activity to the upside.

NOW we're going to expect a bit of range contraction or even a pullback against the 2,725 level.

We'll let the market "shake out" tomorrow morning as we'll have the monthly Jobs Report at 8:30am EST and will be on guard for any surprises or gap-activity that may occur (and if so, will remain bullish above 2,725).

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



Price continued the uptrend, departing UP AWAY FROM our 2,700 level.

With price at 2,725, we'll use it as our simple focal point, expecting a stall/pullback (consolidation) as the logical thesis but will "ignore it all" and play bullishly for more range expansion/trending activity if price trades firmly above 2,725 tomorrow.

Either way, frame your trades in terms of the immediate departure from 2,725.