



## Daily "Idealized Trades" Report

### Trading Lessons from the Intraday Frame (study)



# Trading Lessons from the Intraday Frame (1-mi)



## Major Companies Reporting Earnings

Exxon-Mobil (XOM), Chevron (CVX), Merck (MRK), Sprint (S)

## Major Economic Reports for Tomorrow...

JOBS REPORT (8:30am)

New MFG Orders (10:00am)

Consumer Sentiment (10:00am)

## Quotes from Last Night's Planning

*Today's session didn't change the game plan as price hovers ABOVE the rising 20 day EMA overlap with 2,800 - a dominant thesis sell-swing target in a normal environment.*

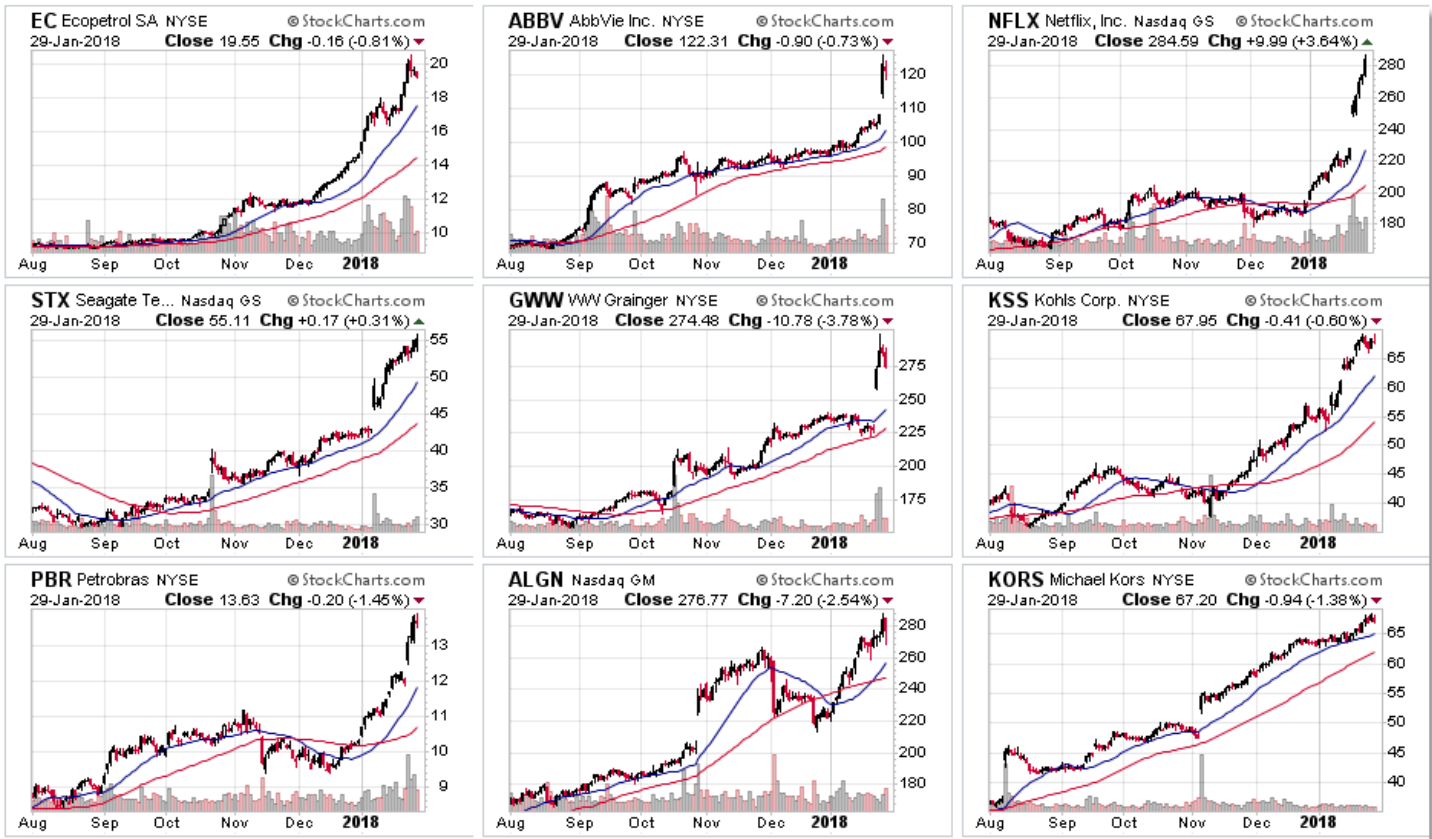
*We're NOT in a normal environment so be prepared to trade the lower frames and focus on the hourly chart plan to play any bounce off support or the logical continuation of the late retracement toward 2,800. Either way, trade the immediate departure from 2,820.*

We had an interesting day today!

It was a semi-RANGE DAY that played off our 2,820 level and then just shy of our 2,840 target.

A TRIANGLE breakout trade triggered (#1) and negative divergences formed into our resistance target. If you chose NOT to play the sell-swing down away from 2,840, then your best bet to enter the bearish action was on the BEAR FLAG or first reaction play for Trade #2.

## 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).

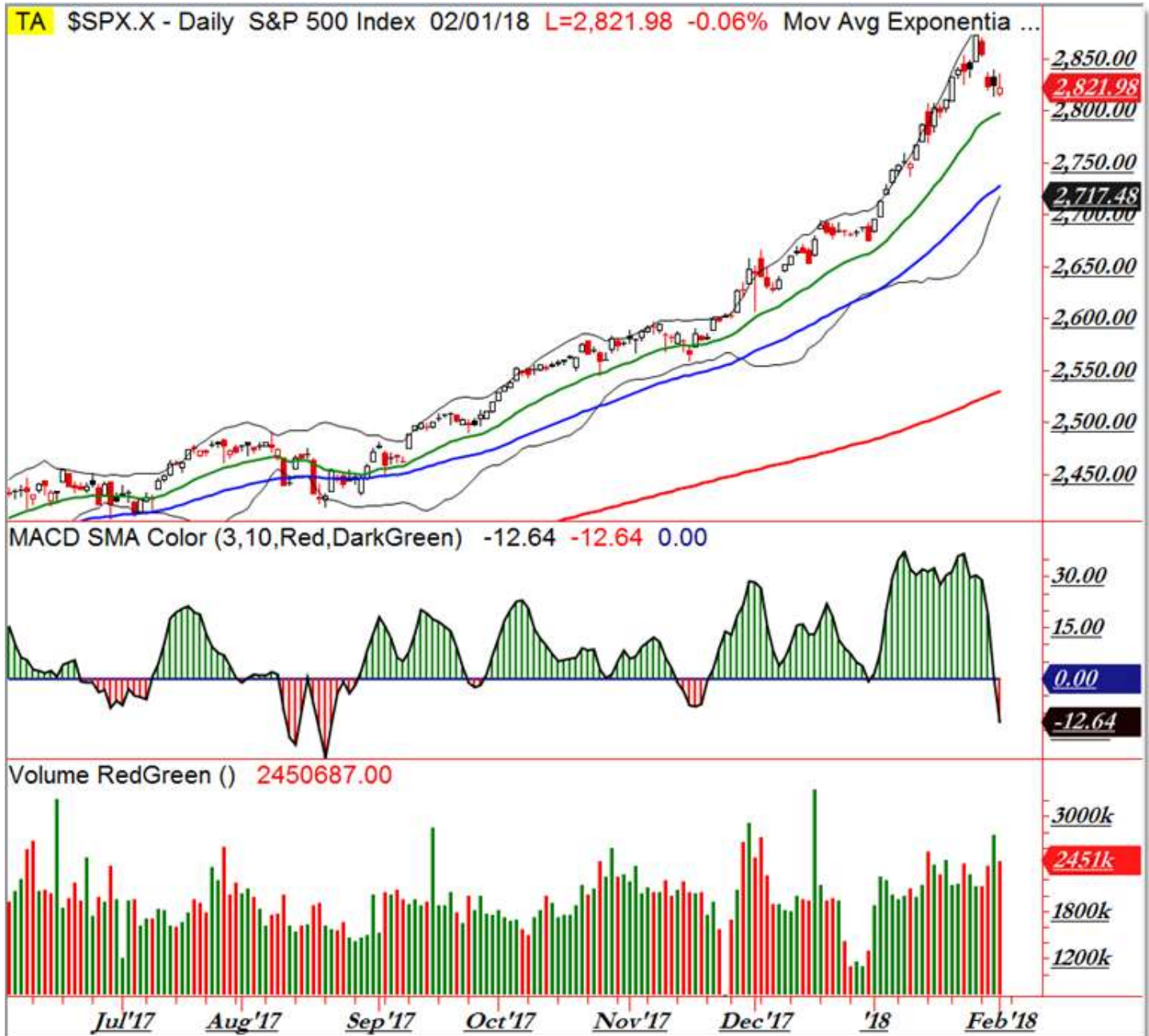
## Planning the 30-min Intraday @ES Futures Chart



We're in a similar spot as yesterday as price NOW has formed a clear short-term trading range with boundaries at 2,820 (support) and 2,840 (resistance).

For the simple game plan, remain NEUTRAL (bullish going into tomorrow's open) between this level and bullish for a breakout swing toward new all-time highs IF above 2,840. However, play a bearish break under 2,820 toward 2,800 without being VERY bearish unless/until we get a clean breakdown beneath the major 2,800 target. If so, a collapse is likely.

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



The lower frame chart has a clearer Game Plan for us on the short-term so use it closely.

The Daily Chart simply shows us the logical - overdue - pullback or retracement toward the rising 20 day EMA near 2,800 with price pausing just above our full retracement target.

Use this as your pivot in this wildly bullish market (until proven otherwise with breakdowns).