



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



Trading Lessons from the Intraday Frame (1-mi)



Major Companies Reporting Earnings

CSCO, Groupon (GRPN)

Major Economic Reports for Tomorrow...

CPI (8:30am)

Retail Sales (8:30am)

Quotes from Last Night's Planning

We have our levels on the DAILY chart below, but for now focus on the 2,660 level as the 38.2% Fibonacci Retracement of the entire sell-swing event. Simply use it as your pivot/departure point tomorrow, playing bearishly beneath 2,650 and bullishly above 2,660 toward 2,700.

Despite price "collapsing" and volatility surging, the market is behaving relatively orderly in terms of how "crashes" develop (with violent reactions in both directions until volatility contracts when price finds equilibrium).

Today, price found equilibrium after the week of volatility as buyers and sellers balanced each other between our critical pivot levels near 2,650 and 2,660.

If you didn't trade the back-and-forth of the morning RANGE development, your only trade of the day was the afternoon BREAKOUT event - a triangle breakout - that pushed price higher toward our full 2,700 target.

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



Today gave us a tight consolidation or compression ahead of tomorrow's CPI economic data. We'll be watching it for any signs of increased/higher-than-expected INFLATION pressure, and if so, it could trigger another sell-off in the market because it would suggest the Fed would raise interest rates sooner or more aggressively.

But since price consolidated in a narrow range today, our plan from yesterday is the same:

We have our levels on the DAILY chart below, but for now focus on the 2,660 level as the 38.2% Fibonacci Retracement of the entire sell-swing event. Simply use it as your pivot/departure point tomorrow, playing bearishly beneath 2,650 and bullishly above 2,660 toward 2,700.

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



Similarly, we are still seeing the movement UP AWAY FROM our 2,550 pivot of the 200 day SMA as price travels a bullish pathway - so far - toward 2,700. We'll similarly repeat the comment:

Today continues the Violent Reversal UP away from the fully-achieved 200 day SMA target near 2,550 which makes the level at 2,700 in play - it's the 50 day EMA and underside test of this level. Look for a retest of 2,700 but put tomorrow's session in context of the 60-min level.