



## Daily "Idealized Trades" Report

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



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



## Major Companies Reporting Earnings

NONE

## Major Economic Reports for Tomorrow...

NONE

## Quotes from Last Night's Planning

*For Thursday, note once again the 2,700 critical (obvious) pivot and frame your trades once again in terms of the departure from this level, noting a target play toward 2,645 then 2,600 again to the downside.*

*Interestingly enough, price traded up through the 2,700 and 38.2% overlap exactly into our 50% Fibonacci or "halfway point" of the collapse. As negative divergences formed, it was acceptable to take a counter-trend or sell-swing opportunity that developed.*

*For Thursday, note once again 2,700 and be eager to continue playing the DEPARTURE away from this critical pivot just like today's session.*

And there we go - the expected or dominant thesis "Dead Cat Bounce" (or "Expired Feline Recoil" if you - like me - do not like that chart pattern term) took us FROM the 2,700 level TOWARD 2,600 in a single session.

Multiple pullback/retracement trades were available for us to trade, along with holding a "core" intraday position all the way to the close.

Note how the higher frame game plan set in motion the sell-swing and the retest of the low - and the bearish trades that developed along our expected/logical (retest) pathway.

Anything else cost you money - and possibly a significant amount of money fighting the trend.

## 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.





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



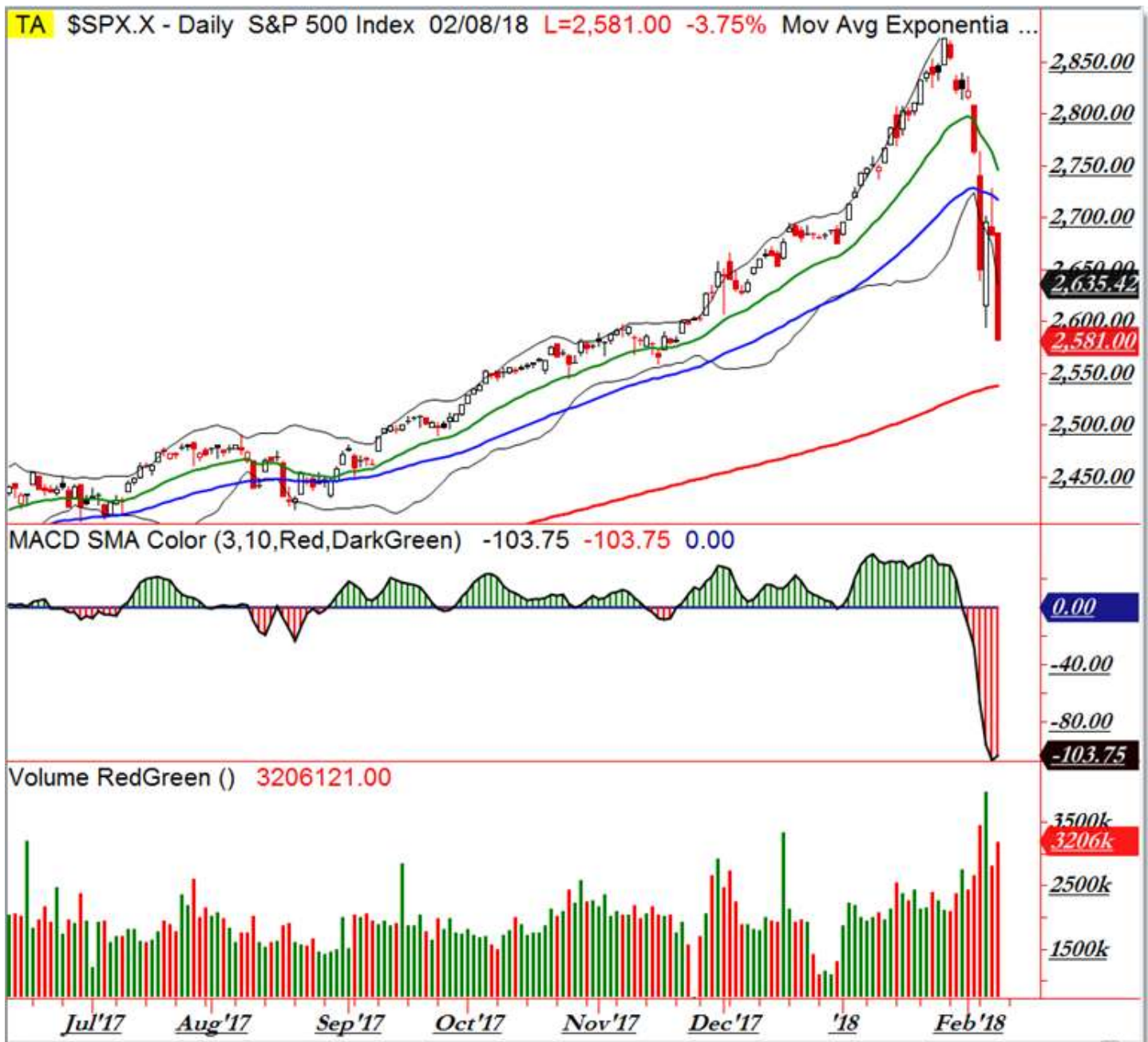
Well this is it! It's exciting for some and terrifying/confusing for other traders.

At this point, we traded DOWN away from the 50% Fibonacci and 2,700 overlap (confluence) level back TOWARD the 2,600 target. That pathway and forecast is complete and successful.

From here, the pathway isn't as clear and we will be more cautious and trade the immediate DEPARTURE from our 2,600 level.

Follow your DAILY chart levels because the intraday chart above is of little help to us now.

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



Price collapsed after an impossible rally and gross overextension in January; we're negative for the year and one week of price action eradicated a whole month's activity.

Now, we have the SPX at the 2,600 pivot and likely to fall further at least to test (touch) the rising 200 day SMA toward 2,550. If this happens, play down toward this level but if we achieve this level quickly Friday, be ready for a possible aggressive reversal UP away from our pivot. Otherwise, play the departure or bounce above 2,600 should that event occur instead.