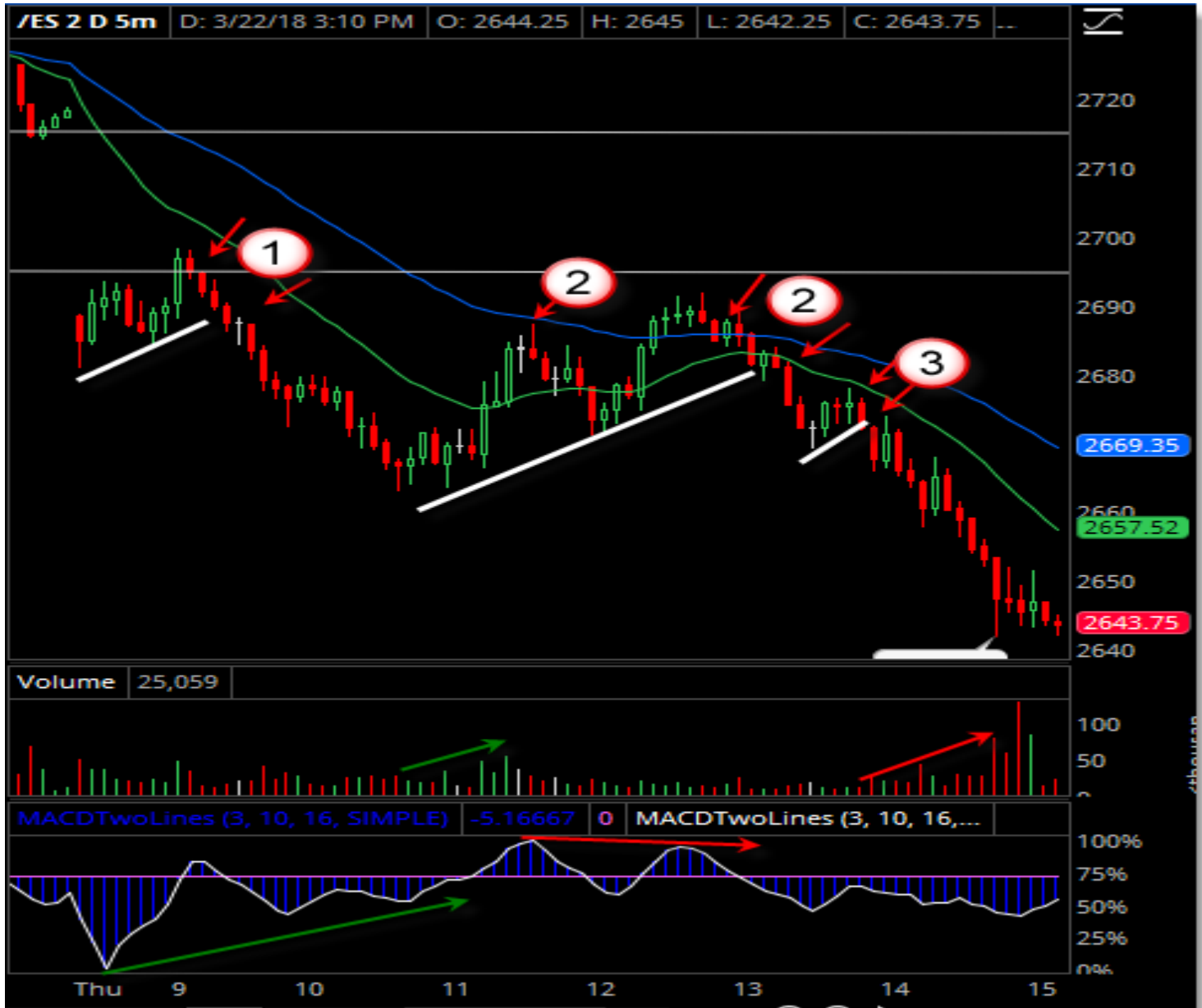


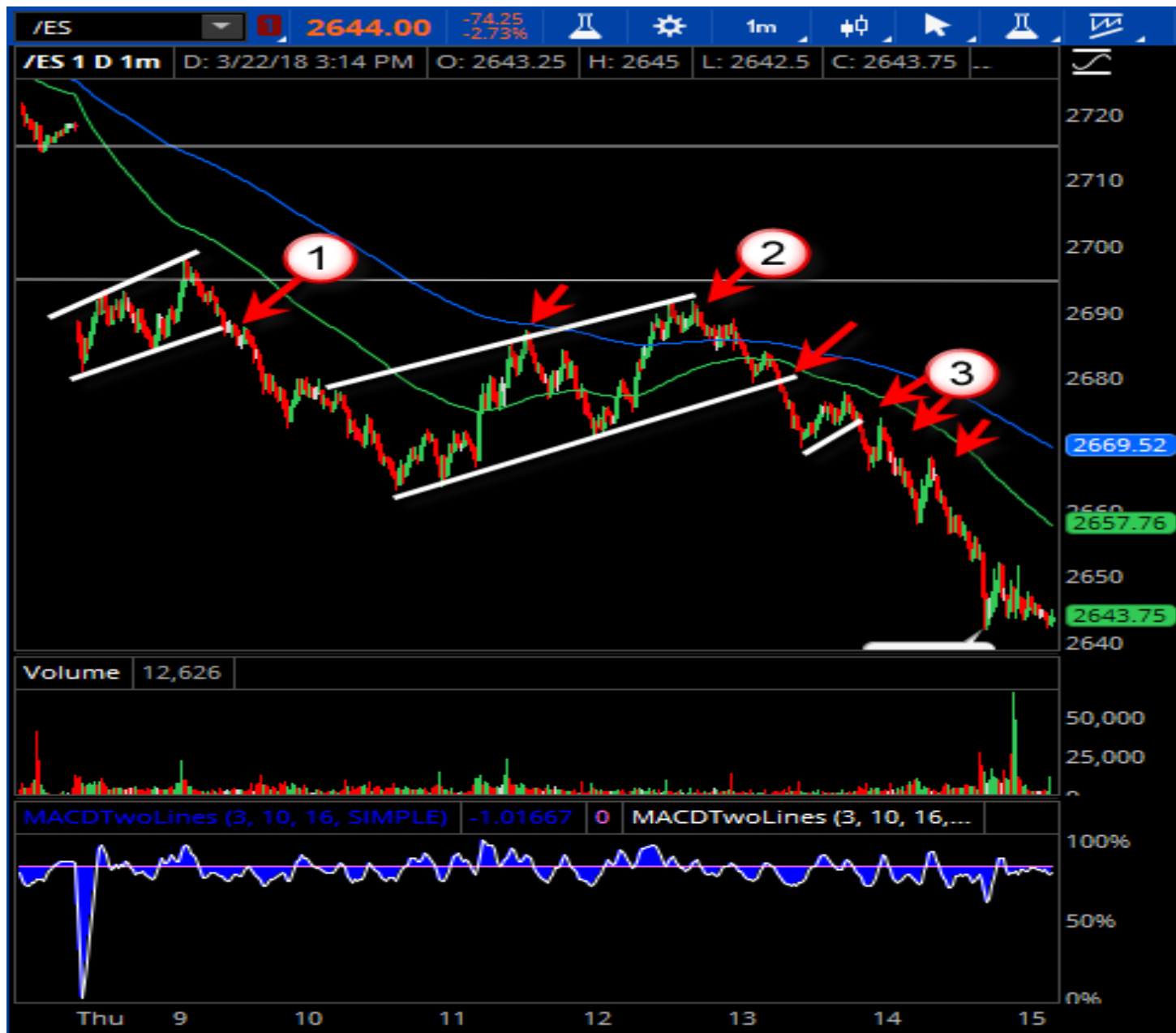


Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



Trading Lessons from the Intraday Frame (1-mi)



Major Companies Reporting Earnings

Micron (MU), Nike (NKE)

Major Economic Reports for Tomorrow...

Durable Goods (8:30am)

New Home Sales (10:00am)

Quotes from Last Night's Planning

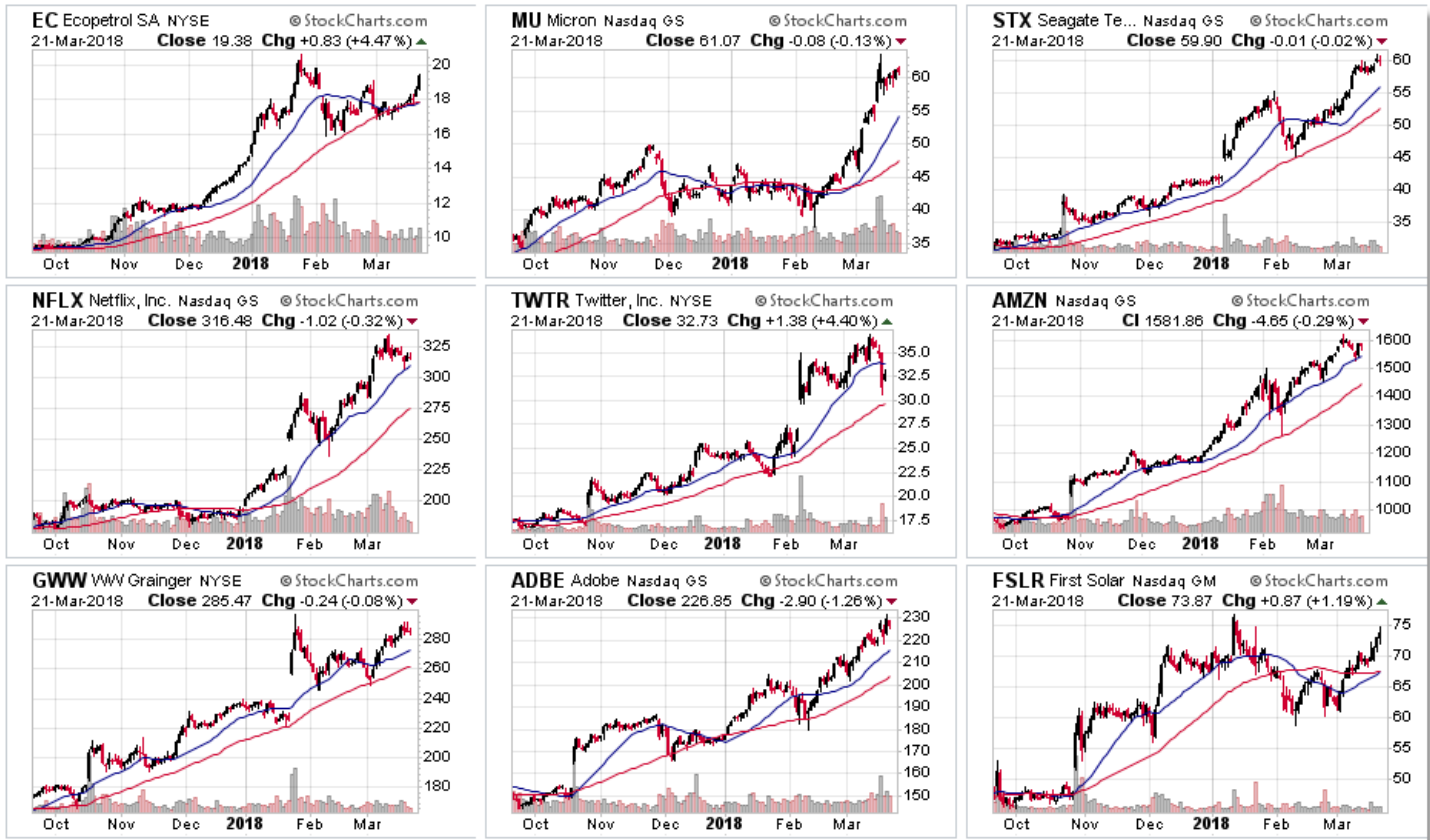
As such, we'll reference our smaller rectangle range boundaries between 2,700 and 2,738 (highlights).

We'll continue playing the range or bounces between these levels but will be prepared and ready for a breakout beyond 2,740 (bullish pathway back toward 2,800) or else bearish on a future break beneath 2,700 (bearish down toward 2,660).

We did get a HIGH volatility BREAKOUT session that triggered straight at the market open with a break beneath our 2,720 then 2,700 KEY PIVOT prices. As such, the unfilled gap down beneath 2,700 set in motion a TREND DAY down toward our 2,660 target and then ultimately beneath it.

Though there was a strong mid-day retracement, I'm highlighting the various RETRACEMENT opportunities (intraday trades) that developed as price moved (broke) DOWN away from 2,700 toward our 2,660 target. It's much easier to trade WITH a trend day than against it.

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.

"S&P 500 Sector Performance" View





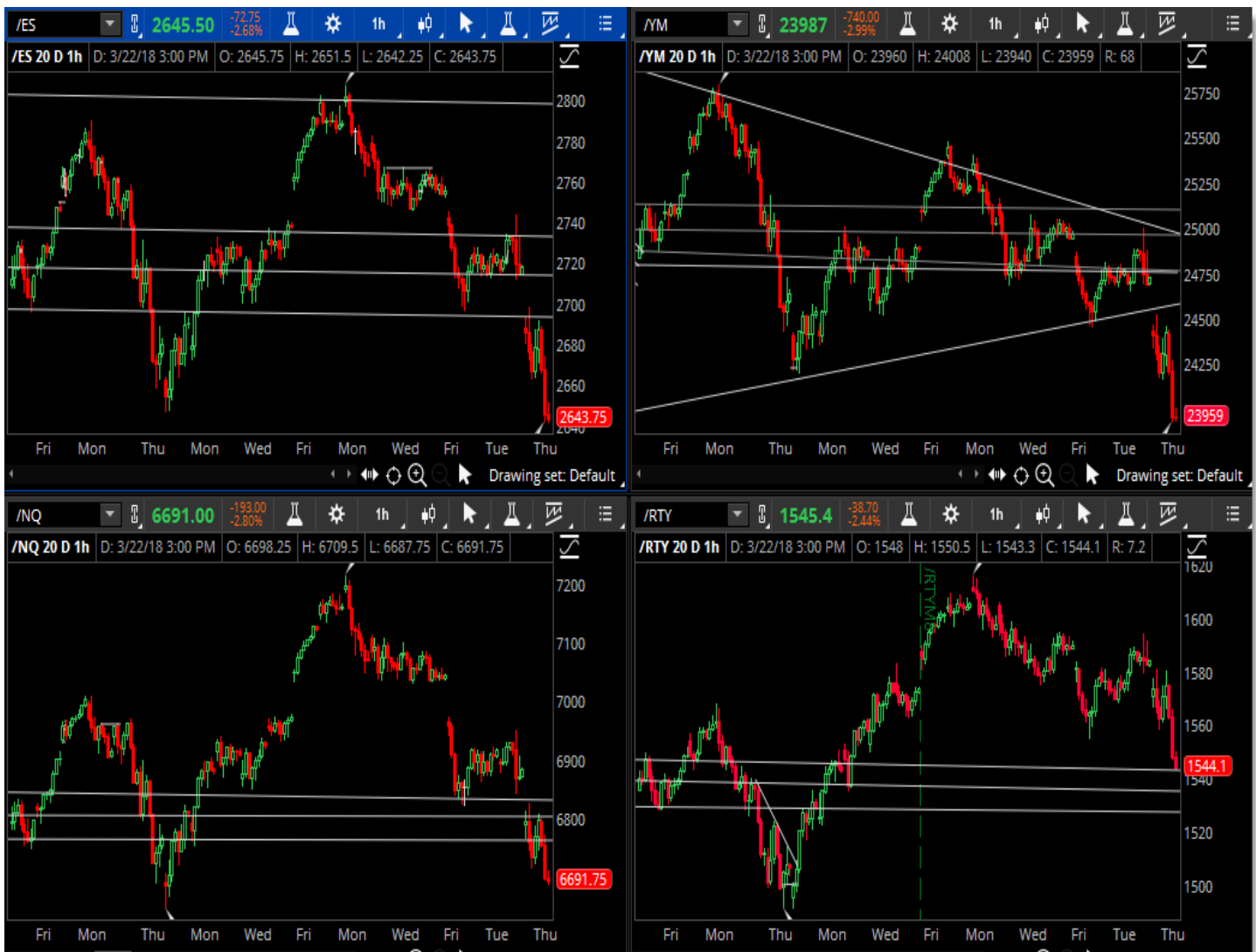
This chart and sector comparisons are useful two ways:

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



Here we see our quad-index grid showing BREAKOUTS from our consolidation levels.

Still, the /ES and /YM remain in sideways TRADING RANGES on the hourly chart as does the /NQ (in a wider range). The /RTY fell toward our rectangle target, near 1,545.

For Friday, we'd expect a lower volatility session - not another trend day - and a possible bounce or consolidation (at least) off our newly achieved (and exceeded) targets.

Do be ready to play a larger breakdown - alternate thesis - should it trigger with another violent sell-swing at the opening.

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



We're continuing the "Grand Rectangle" or sideways trading range (it also looks like a large triangle) that has developed between 2,650 and 2,800.

With price now AT the 2,650 level (actually, beneath it near 2,645), we'll be looking for a possible bounce or relief rally up away from our newly achieved range rectangle target.

HOWEVER, be prepared (we plan, not predict) for an alternate thesis BREAKOUT/BREAKDOWN event firmly beneath 2,640 that could open a quick sell-swing toward 2,600 or slightly lower. Use the same logic in the other equity indexes and trade the intraday movement that occurs.