

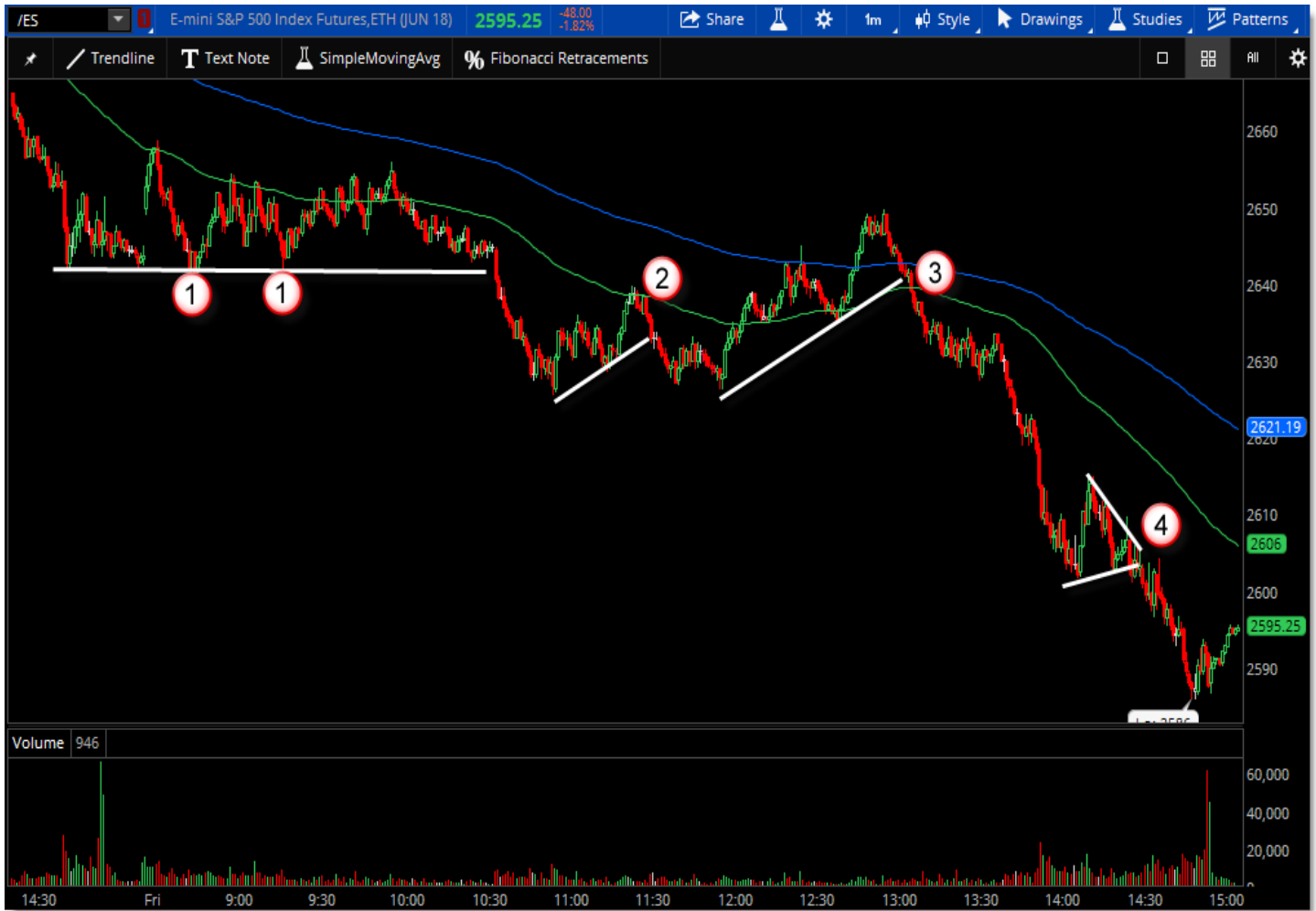


Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



Trading Lessons from the Intraday Frame (1-mi)



Major Companies Reporting Earnings

Red Hat (RHT)

Major Economic Reports for Tomorrow...

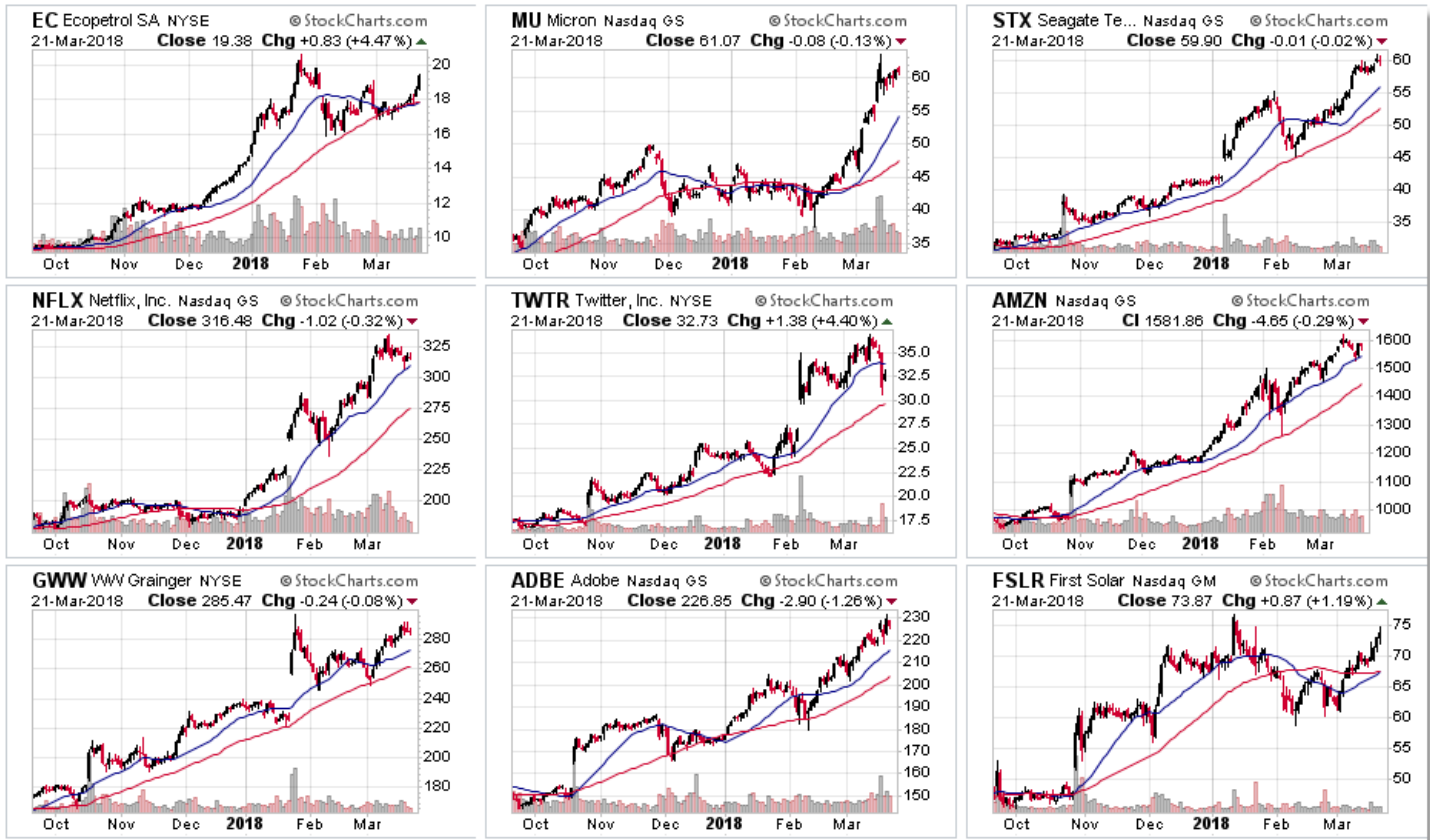
NONE

Quotes from Last Night's Planning

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.

Our ALTERNATE thesis played out perfectly today and we even had a bit of the dominant thesis sideways action at the market open. The "expect a consolidation/bounce" thesis set the stage for the first trade which was a support-bounce "fade" play but the afternoon breakdown on high volume - and the pullbacks to the FALLING moving averages (5-min) - along with the bear flag opportunities gave rise to more short-sell trend style trades when the ALTERNATE breakdown thesis triggered. We indeed did get a "QUICK SELL SWING" beneath 2,640 that collapsed the market toward - then under - 2,600 which gave rise to more sell-short intraday trades in line with our game plan.

Power Trenders Strong Stock Scan

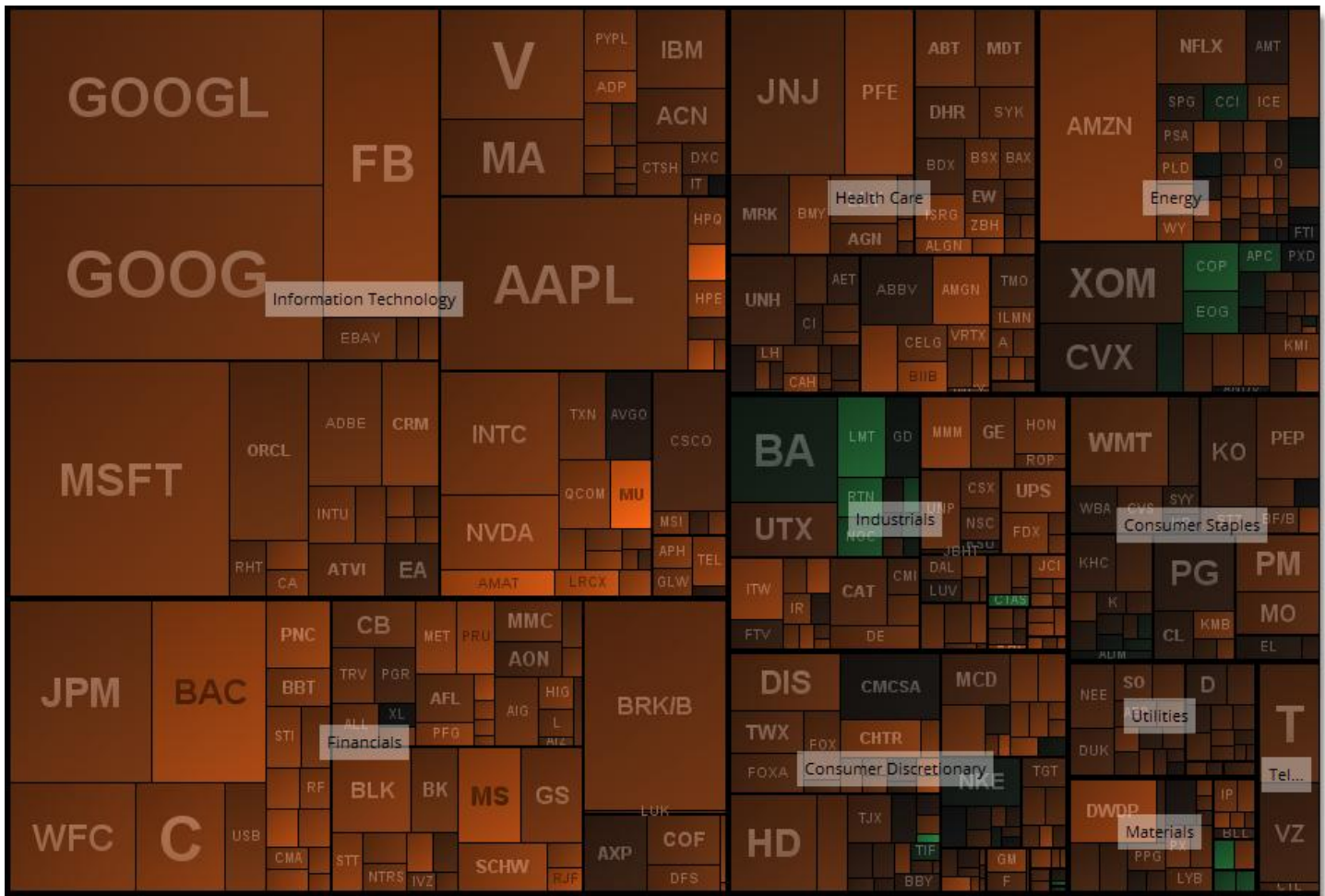


We're seeing the NEW top twelve relative strength leaders (via algorithm) in trending markets and the general expectation is to buy retracements or breakouts in these strongly trending names. The logic is that what is strong tends to get stronger (stocks attracting money flow tend to continue attracting 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).

A Look at the FANGs



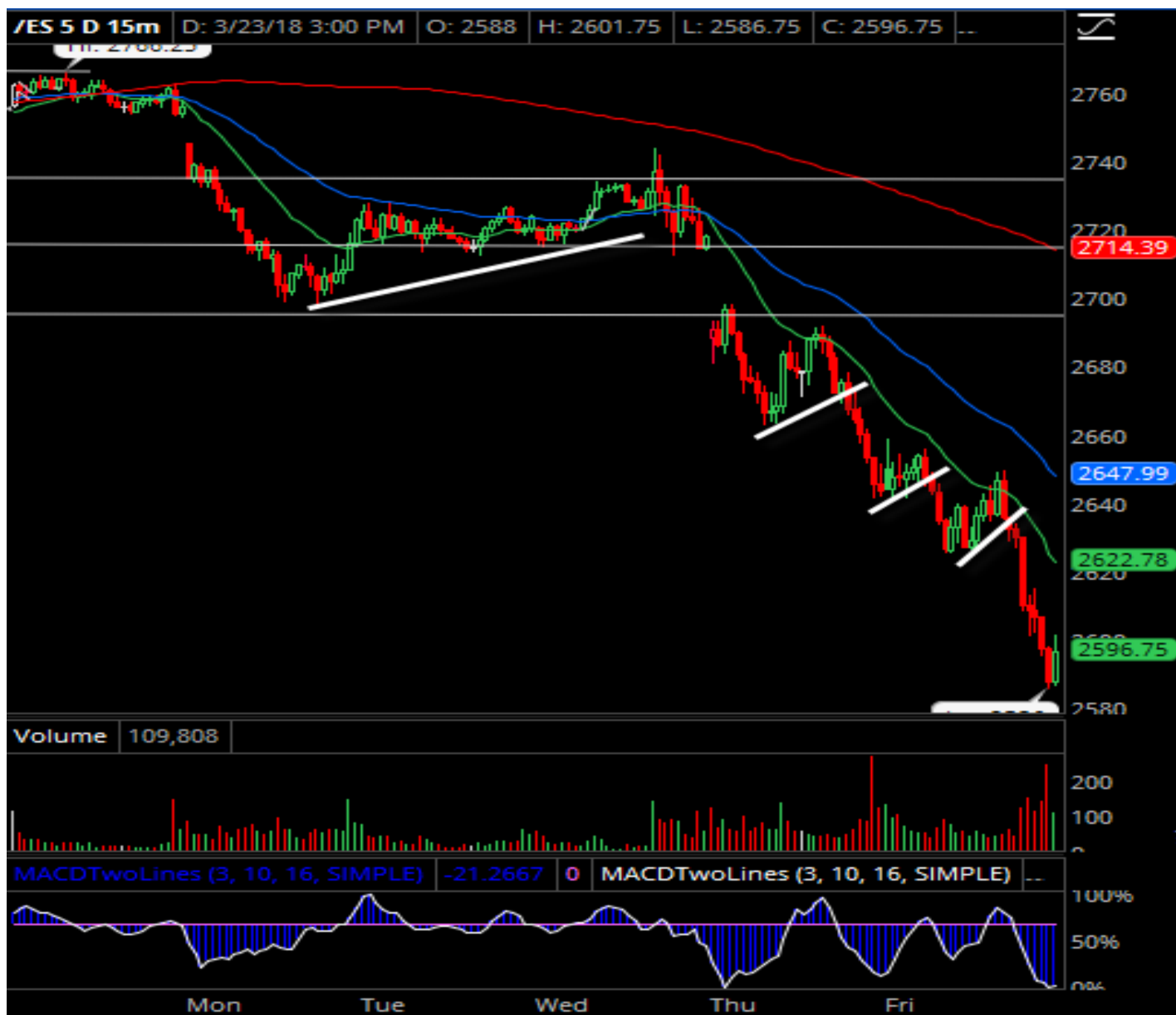
We see a quick glance at the DAILY charts of our FANG stocks (minus Apple) which highlight a larger DISTRIBUTION at work in Facebook (FB) and a stepper pullback in Google (GOOGL).

However, Amazon (AMZN) and Netflix (NFLX) only are giving us short-term retracements or pullbacks in ongoing uptrends (for now).

Note your reference levels - the trendlines - and price pivots as targets in the context of these high-volatility stocks.

Planning the 30-min Intraday @ES Futures Chart

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There's nothing to guide us on the 30-min chart due to the persistent intraday downtrend and breakdown to new higher timeframe low targets (such as 2,600).

Reference the DAILY chart for your plan to begin next week.

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



The "Grand Rectangle" broke lower with an initial test (this morning) and then FAILURE or ALTERNATE THESIS breakdown/breakdown mid-day beneath our 2,650 pivot.

The breakdown gave us an extended or surprise trend day - bigger move to the downside - which took us to our predetermined target of the 2,600 "Roundie" aligning with the February 2018 low and the 200 day SMA.

What's the plan here? With price AT our inflection (pivot) target, look for a dominant thesis bounce or an alternate thesis extended collapse, which is similar to our plan for Thursday night.