



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



@ES's 1-min Intraday Chart (Additional Trades)



ALL TRADES:

RANGE DAY FADE TRADES - playing off divergences at the Bollinger Band Extremes.

The two examples above were worth about 2 to 3 points or \$200 to \$300 (2 contracts)

Major Companies Reporting Earnings Tomorrow...

IBM, Bank of America (BAC), Goldman Sachs (GS), Johnson & Johnson (JNJ)

Economic Reports for Tomorrow...

Housing Market Index (10:00am)

Quotes from Last Night's Planning

We'll remain bullish on a pathway toward - then perhaps above 2,450

***BULLISH** for a breakout above 2,430 for a bullish rally back toward the highs*

*We got that **BULLISH BREAKOUT** above 2,430, setting the stage for today's T3 Trend Day and the potential for additional upside action through our "Open Air Pocket" toward - and perhaps above - 2,450 again.*

After a couple bullish trend days, it was natural/normal to expect at least a Range Day or consolidation action. That's what we got today with the tight range in a low volatility session.

There weren't many great plays, and I'm highlighting the two mid-day "Range Day Fade Trades" for your educational lesson for the day.

Note how we trade from Bollinger to Bollinger and use the 1-min chart to confirm/highlight divergences for us.

July 17 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 can see our Daily Chart FLAG trendline breakout and the intraday chart ARC trendline breakout continue the (expected) bullish pathway higher above 2,450.

I'm showing you MARKET INTERNALS on the breakout (high/confirmation) and the peel-off or negative divergence setting in right now via Market Internals.

We'll remain BULLISH if above 2,460 and otherwise cautious if beneath the rising trendline above the 2,455 pivot - remain neutral between 2,455 and 2,460.

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



There's no major revelation or plan we can have right now other than to note the series of bullish up-days in a row that extended toward 2,460 and the upper Bollinger Band.

We'll be - for the sake of defining our plan - bearish/cautious DOMINANT thesis (short-term) ahead of a possible pullback/consolidation down away from 2,460 or else "ignore it all" short-squeezed alternate thesis "the market isn't stopping" bullish above 2,460.