



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...

Microsoft (MSFT) EBAY, Visa (V), Intuitive Surgical (ISRG)

Economic Reports for Tomorrow...

Initial Jobless Claims (8:30am)

Philly Fed (8:30am)

Leading Indicators (10:00am)

Quotes from Last Night's Planning

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.

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

T3 Trend Day!! We had ANOTHER bullish breakout to fresh new all-time highs as another Positive Feedback Loop – and short-squeeze – propelled the market steadily higher.

Our goal on days like this is to trade PULLBACKS or retracements (small 'flags') along the way as indicated in the educational chart above. Buy on the touch of the rising 20 or 50 trendline (5-min) and hold as long as possible, exiting on a break beneath a rising trendline or 5-min reversal candle low.

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

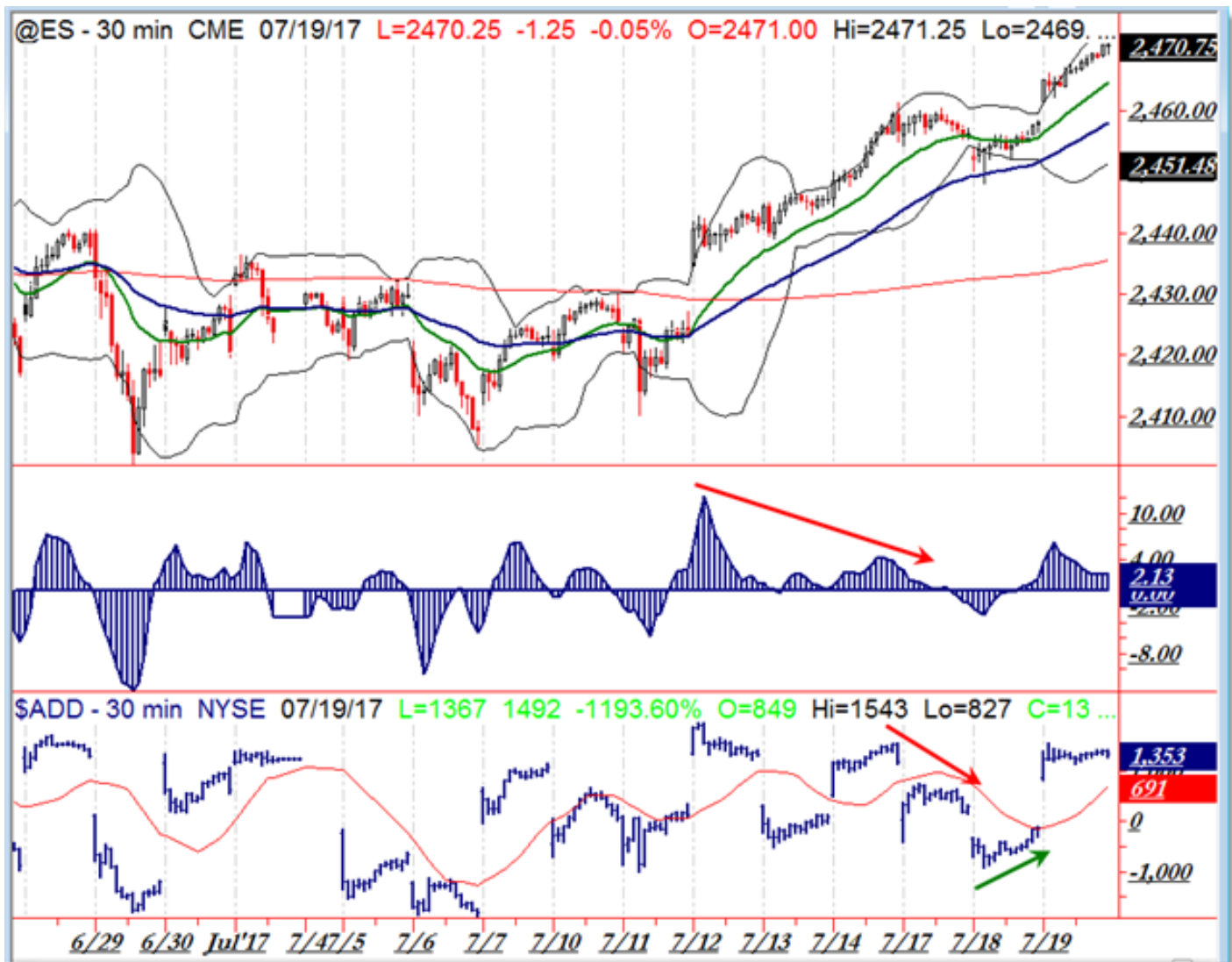


This chart and sector comparisons are useful two ways:

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

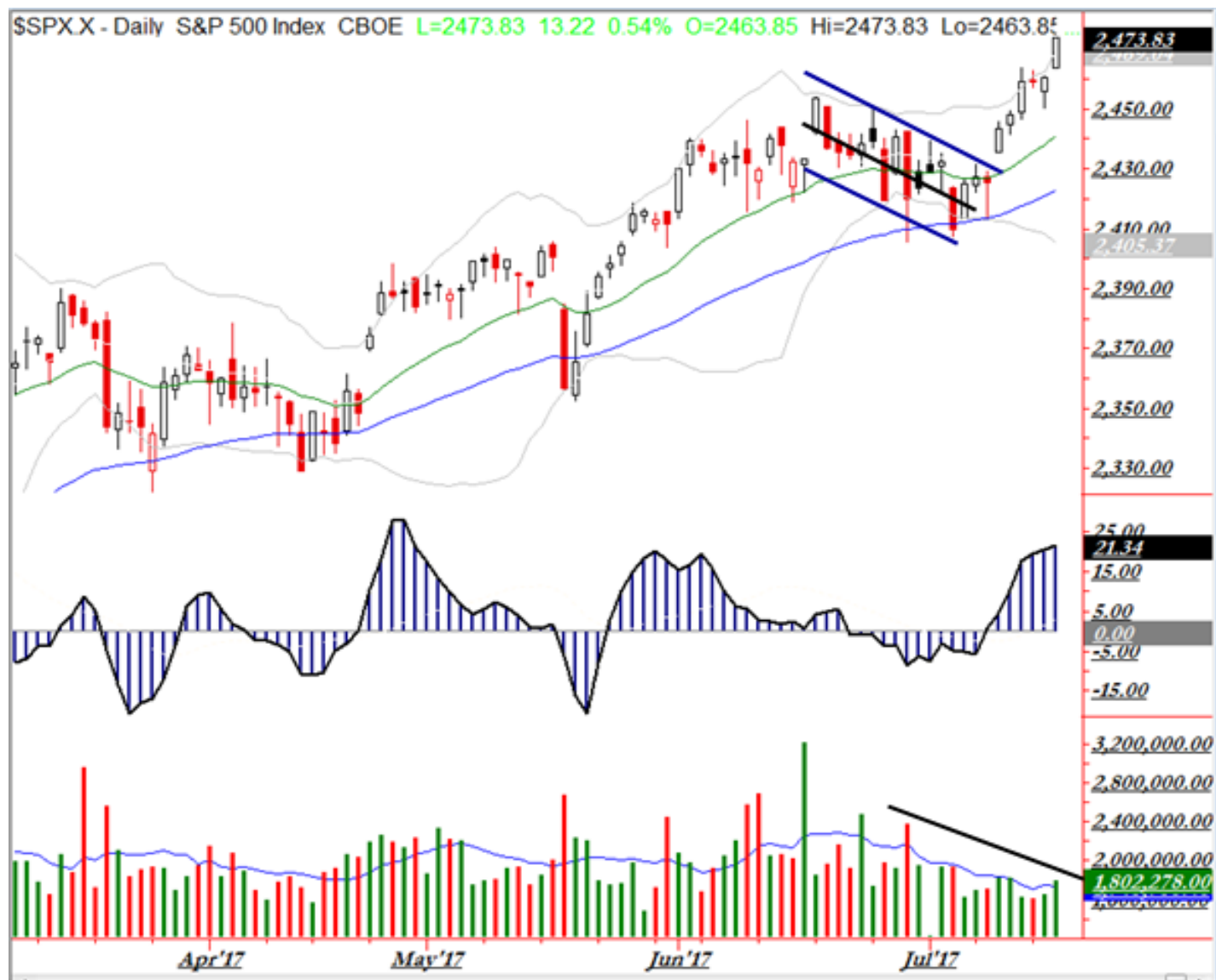


As I showed you in the powerpoint slide recently, a POSITIVE FEEDBACK LOOP occurs (and expands) when a breakout happens as buyers buy the breakout and short-sellers BUY to cover their losing positions via stop-losses. The result is often a steady upward rise that confounds many traders who aren't used to this break-away and 'creeper trend' environment.

There's not many reference levels to guide our decision-making process, and thus we remain bullish until proven otherwise as this TRIPLE TIMEFRAME BULL MARKET quite simply continues.

Use your lower frame chart for any bearish activity and in the absence of it, remain bullish no matter how 'wrong' it feels.

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 the market toward 2,500. Let 2,500 sink in. We're likely headed there.

We were correct short-term yesterday in highlighting negative internals forecasting at least a pause or pullback (yesterday's session only) though today continued the bullish breakout to new all-time highs. The positive feedback loop and short-squeeze continued, giving us today's "creeper" T3 Trend Day.

We'll have a lot of economic news/data and earnings Thursday so be careful and trade off your lower timeframe charts in the context of this non-stop triple timeframe bull market.