



## Daily "Idealized Trades" Report

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



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



### ALL TRADES:

**Bear Flag T3 Trend Day Retracement Trades worth up to 18 to 20 points (\$1,800 to \$2,000 per 2 contracts)**

## Major Companies Reporting Earnings Tomorrow...

JC Penney (JCP)

## Economic Reports for Tomorrow...

CPI (8:30am)

## Quotes from Last Night's Planning

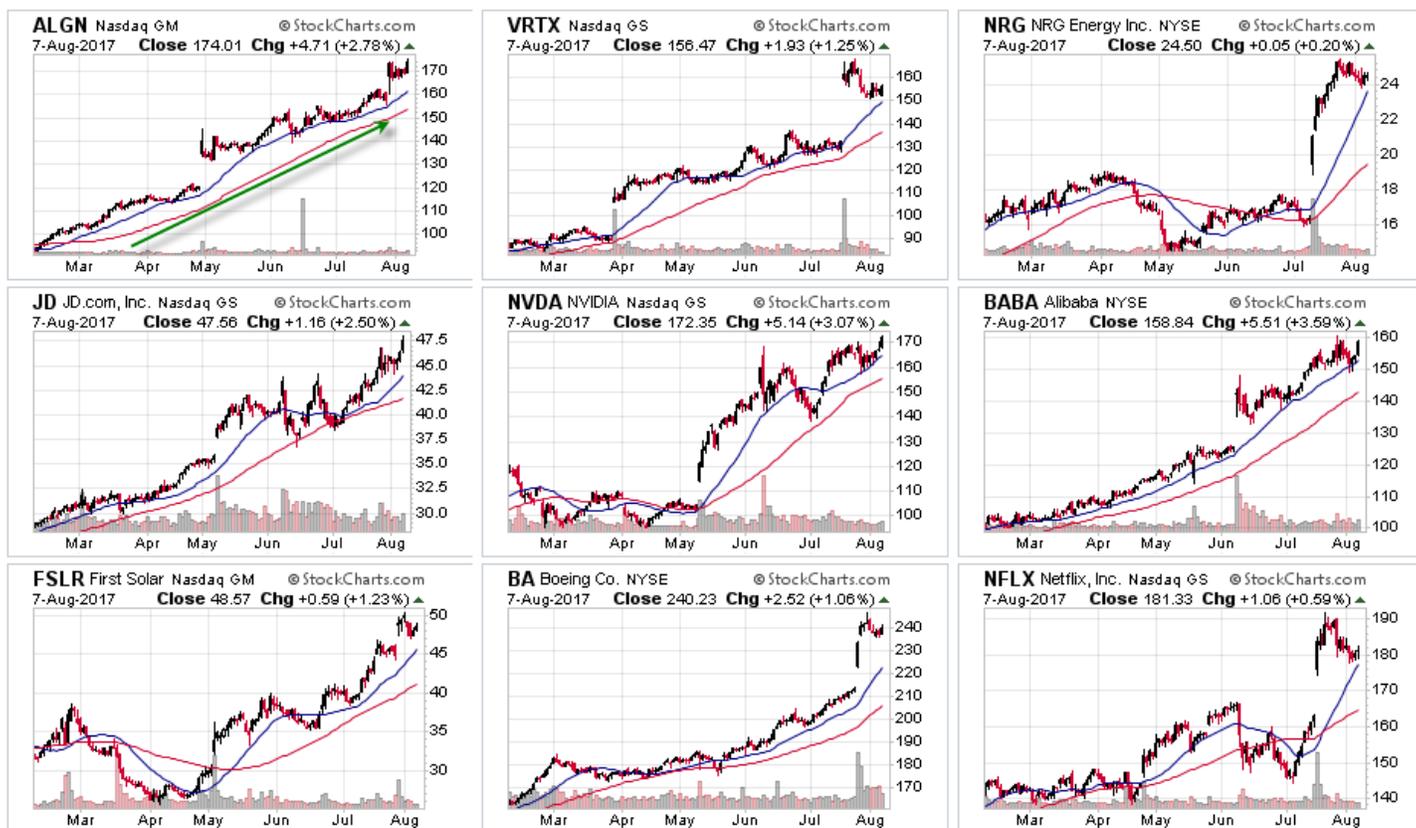
*Let's continue to keep it simple - logic/probability still favors a pullback (note the three prior examples) toward the 50 day EMA near 2,450 so trade it if it occurs.*

Ok! Let's get started discussing what happened today. In the purest sense, it was a typical T3 Trend Day that began from a low volatility environment with a strong (big) downside opening gap that was NOT filled in the first hour. That is your template for Trend Day Trading Tactics.

In simplest terms, we aggressively short-sold all pullbacks to the falling 20 or 50 EMA on the 5-min chart. However, the bigger picture kicked in - that of our OVERWHELMING odds of a steeper pullback/retracement and a BREAKOUT from our tight trading range.

It finally happened and aggressive traders had their shot to make a LOT of money in today's session and likely into Friday. It was absolutely 100% certain that price would emerge (break out) into a volatile period after such tight range compression... and here we are with a big bearish liquidation session toward and beneath daily chart targets we'll see in a moment.

## August 7 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.



## Swing Trader's Zone



After falling through the \$180 level - 20 day EMA - Netflix (NFLX) shares face a critical "triple support" bounce challenge here.

VERY aggressive traders can play for a support bounce off the 50 day EMA, 50% Fibonacci, and Prior Price high. Take your stops if price falls beneath the \$167 level.

Netflix would be a breakdown short-sale (also aggressive) candidate beneath \$167.

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



I told you to be patient and not give up hope in the prior boring range-bound market!

If so, you were rewarded with a breakout/failure bull trap session and then more volatility on the expected and overdue slide toward - now under - the Daily support levels.

The hourly level to watch is right here near 2,439/2,440 which is the "final Fib" at the 61.8% level. Beneath this pivot the market likely falls further - but we'll trade bullishly on a bounce above 2,440.

Look to the Daily Chart for a 'repeat pattern' and guidance here.

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



I've made this comparison before but look closely at the May 2017 period - a stellar UP rally, a tight 'waving' consolidation, a tiny new high at 2,400, and a one-day COLLAPSE. That pattern is repeating into 2,500 as price just cracked - in one day - beneath the 50 day EMA target.

Using May as your guide, the next phase was a bullish rally back toward the highs. If THAT repeats, then there is your bullish "bounce" thesis. However, if "this time is different," then we have a target toward 2,420 then 2,410 on the Daily Chart if price is beneath 2,440 which will be your specific Bull/Bear pivot for Friday. Stay safe and active out there. Have some fun.