

Daily "Idealized Trades" ReportTrading Lessons from the Intraday Frame (study)



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



On T3 Trend Days - especially those springing from the DOMINANT THESIS - we ignore/turn-off indicators and seek to buy pullbacks to the rising 20 EMA (5-min) when price is clearly rising ABOVE the rising 20 EMA (and the 20 EMA is above the 50 EMA) especially after an opening gap. NO SELL TRADES are allowed under this condition.

Up to 10 or more @ES points were possible (\$1,000/2 contracts) in today's four bullish pullbacks.

Major Companies Reporting Earnings Tomorrow...

Hewlett-Packard (HPQ)

Economic Reports for Tomorrow...

PMI Flash (9:45am)

New Home Sales (10:00)

Quotes from Last Night's Planning

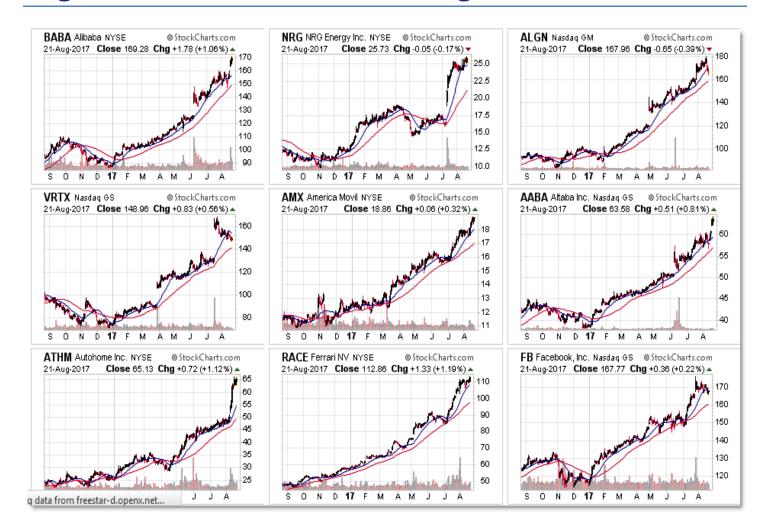
It appears the market is prone to BEAR TRAPS in our Fibonacci Grid and a little Bull Trap above 2,470. Once again, we'll go into Tuesday as we did today with a NEUTRAL RANGE bias (ping-pong) between 2,420 and 2,440 (simple levels). Breakout Bullish above 2,440.

Make or Break BULL! The market is into a critical support-test pivot and "should" be trading higher (dominant thesis) due to the reversal candles at support. The market "should" trade up away from the 2,420 level toward our 2,440 EMA overlap (daily) so play bullishly if we do see intraday rallies here.

I did an extended quote for you to highlight our strong probability from our analysis for a BOUNCE/RALLY play today. Price DID instantly (quicker than expected) trade up toward our 2,440 level, stalled, and then broke through it, triggering our extended bull play.

When price gaps strongly higher off the open, ODDS FAVOR a continuation/trend day in the direction of the gap. When price remains above the 20 EMA (5-min), we buy pullbacks along the way, avoiding any fade trades. We love trend days due to their efficiency (little work, higher potential profits).

August 21 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 out 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



With price logically bouncing - higher than expected in a single session - up away from our 2,420 and then 2,440 pivots, use the current Fibonacci Levels as simple focal points for price to trade TOWARD and (on any pullback) AWAY FROM.

Right now we're between the 2,448 and 2,458 pivot. A break above 2,460 suggests a continued bullish rally toward 2,470 but be cautious short-term if beneath 2,448.

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



We're having ANOTHER repeat play of our break/nip (BEAR TRAP) beneath the rising 50 day EMA and a strong bullish surge. To be clear, we were bullish going into today's session due to the reversal candles at the critical support pivot of 2,420.

For Wednesday's session, note the falling trendline and the successfully achieved target of the underside of the 20 day EMA at the 2,450 level. Use this as your BREAKOUT BULLISH (toward the highs) pivot and otherwise "cautious" bearish/pause/consolidation should price stall or even trade slightly beneath this pivot. It's helpful to remember that we remain in a triple-timeframe BULL MARKET at the moment (the trend hasn't reversed yet on the daily chart).