



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



The series of Bullish Trades - see our quote from last night and bullish-off-2,428-support thesis - today allowed for numerous bullish pullback trades on the bounce, worth a total of 10 to 13 @ES points or \$1,000 to \$1,300 per 2 contracts.

Major Companies Reporting Earnings Tomorrow...

NONE

Economic Reports for Tomorrow...

GDP 8:30am

Quotes from Last Night's Planning

As I mentioned earlier, as I'm writing this the @ES Futures instantly gapped DOWN to the 2,423 level - the 78.6% Fibonacci Pivot in our Grid - on more news from North Korea.

Nevertheless, assuming the market returns to the range, we have our 2,438 to 2,448 @ES range as highlighted ahead of an imminent BREAKOUT.

We may have already seen a big part of the breakout toward our lower 2,424 target and could play bullishly up away from it Tuesday

Look carefully at the quote and plan above - namely the "we may have already seen [the] breakdown toward our lower 2,424 target and could play bullishly up away from it Tuesday."

If that was your thesis and you reacted in real time - buying the 5-min retracements along the way - then you probably did well today. This is a perfect example of how we plan and implement the plan during real time, classifying each session as a Range or Trend Day.

August 28 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



Even after the overnight range breakout we called, price RETURNED BACK INSIDE our established Fibonacci Trading Range. We REMAIN with a NEUTRAL/RANGE bias between our overhead resistance into 2,448 and lower support near 2,438. Note even missile launches from North Korea can break this market beyond this Fibonacci Boundary.

That's where we'll start Wednesday - with the same logic we've had all week.

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



I'm not sure what if anything can bring this market lower; the buyers/bulls are unwilling to let it fall and are too active buying the dips.

Price did trade lower away from our resistance cluster at 2,450 but buyers thrust it right back between the 20 and 50 day EMA. REMOVE YOUR BIAS if any and be equally ready to trade the RANGE EXPANSION breakout above 2,455 (if so, trade toward 2,500) or the logical bearish sell-swing which doesn't seem to be occurring yet (or it's being thwarted by strong buyers).