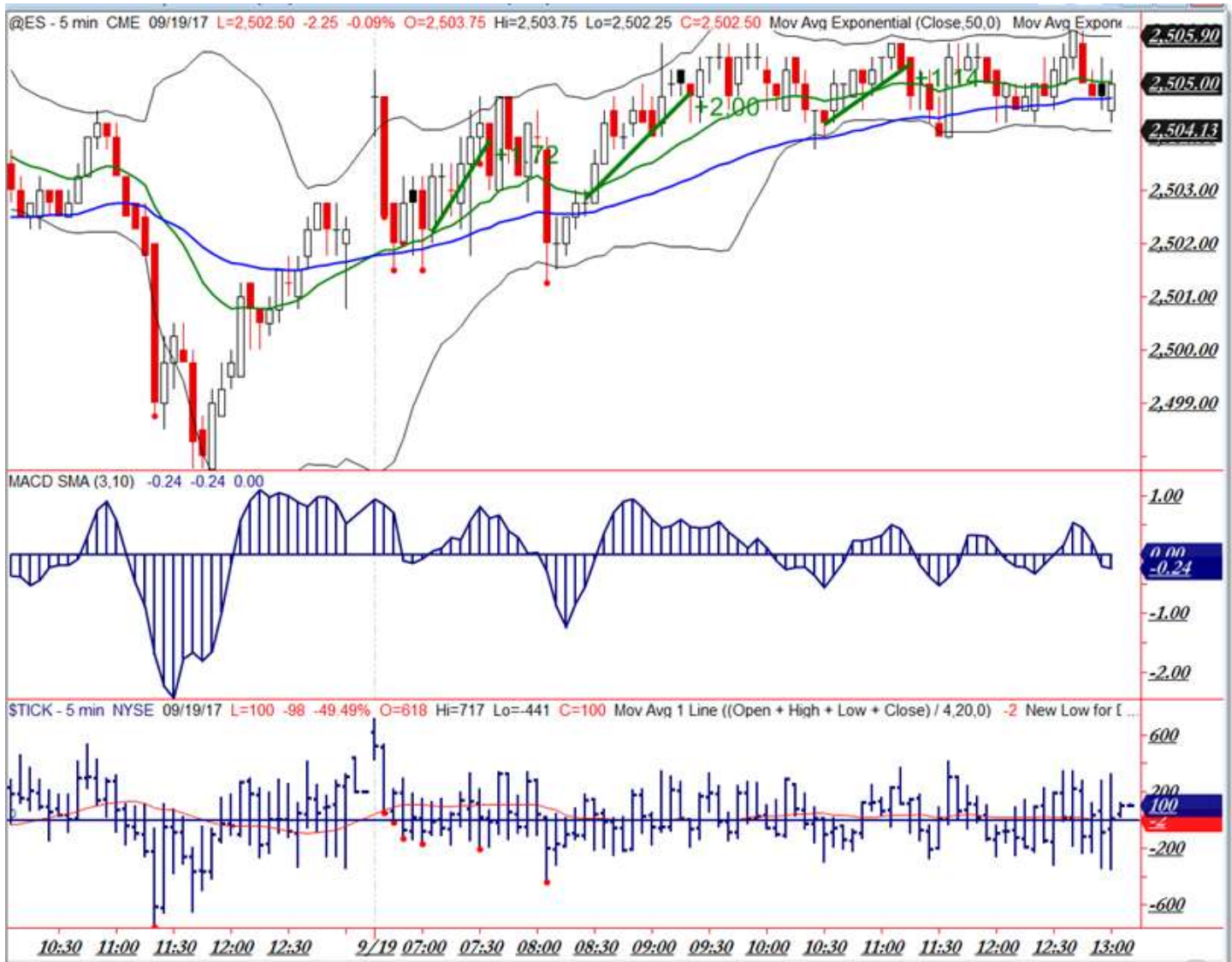




Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



We kept playing bullish while price was above 2,500 and with (at least) three trades, up to 5 @ES Points (\$500/2 contracts) were possible in this never-ending bull market.

Major Companies Reporting Earnings Tomorrow...

NONE

Economic Reports for Tomorrow...

Existing Home Sales (10:00am)

FED MEETING 2:00pm FED DAY!!!

Quotes from Last Night's Planning

However, WHILE the market is above 2,500, AVOID ALL SHORT-SALES, knowing that a quick impulse (short-squeeze) higher may quickly occur (and cause financial losses to short-sellers).

Know that Wednesday is a Fed Day and thus Tuesday could be a contraction session.

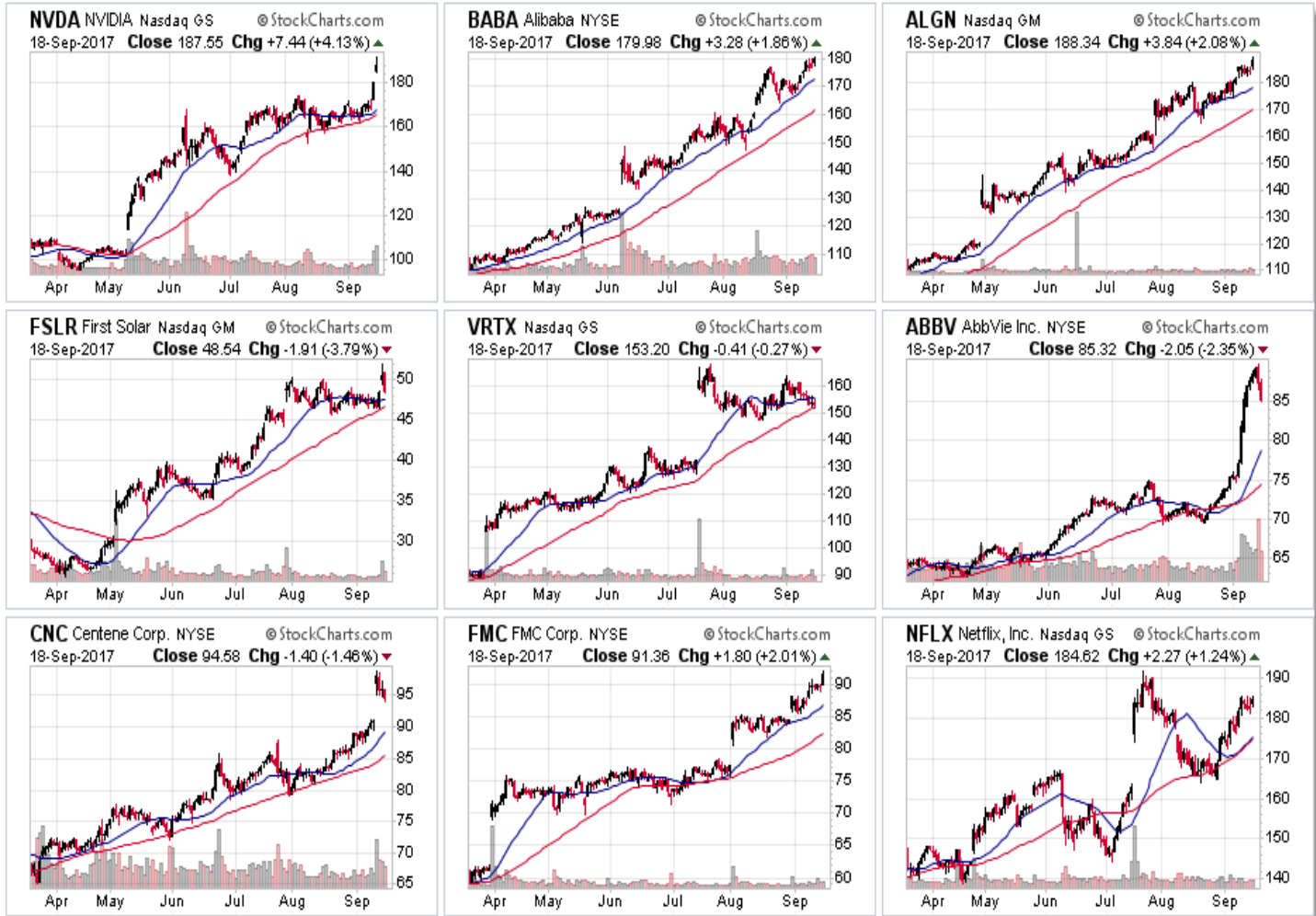
And Tuesday ABSOLUTELY was a contraction session.

And we should have ABSOLUTELY avoided ALL SHORT SALES above 2,500.

If you did those two simple things from our overnight strategy planning, you were probably in a better position than most traders in the market who likely either expected a collapse today or otherwise chose to sell-short this stimulus-manipulated bull market.

But you didn't! And even though there wasn't much chance for profit within the low volatility range, at least three to five simple bullish pullback/support-bounce trades triggered today.

September 18 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

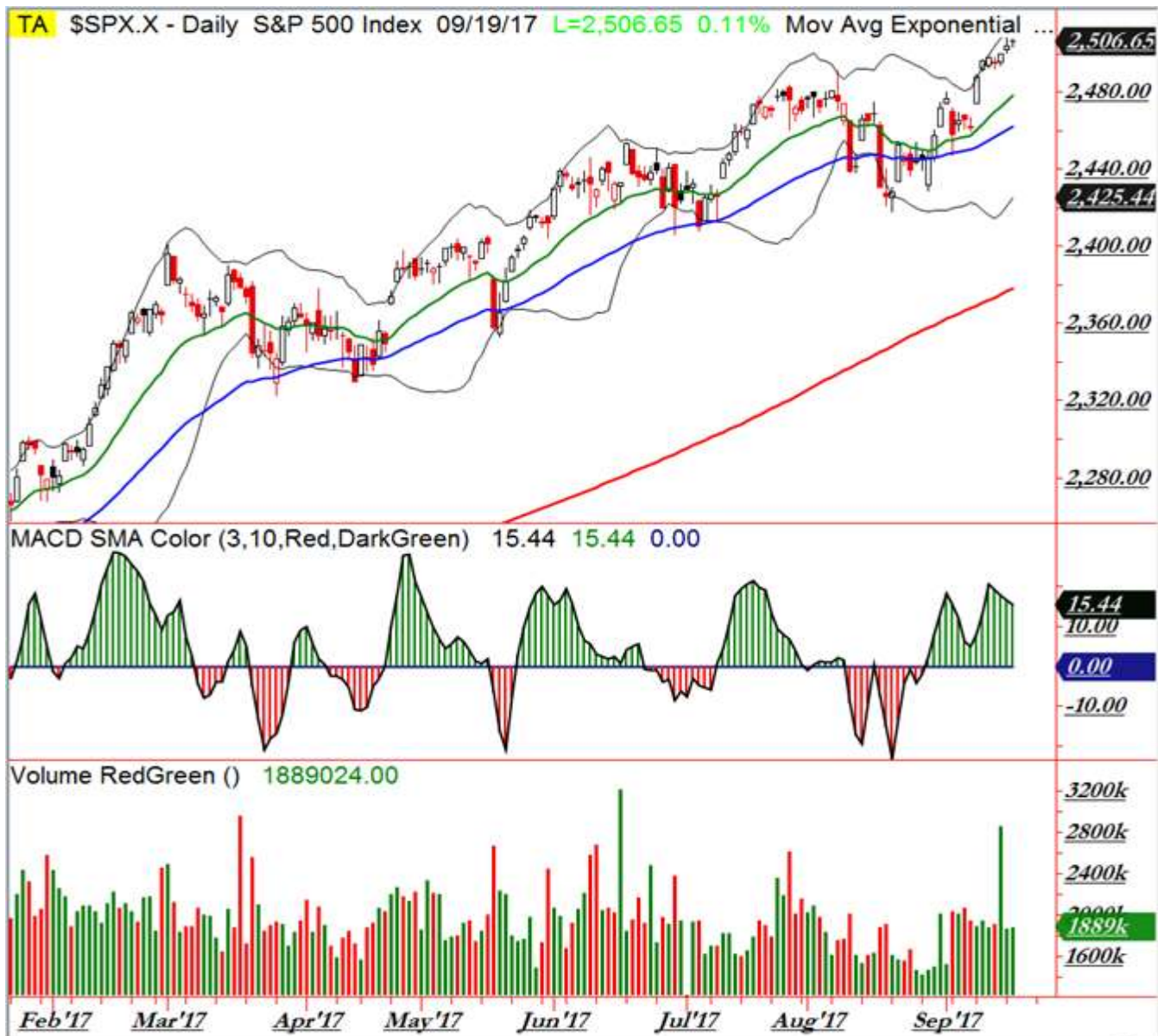


Our initial breakout event resulted in a quick snap-back to retest the 2,500 which is common in breakouts - often if you miss the initial breakout, you get a chance to play the "first retest" of the breakout level (2,500). Price "held the highs" or defended the prior high today.

We'll have a FED DAY tomorrow and thus will turn to our Fed Day trading tactics (view the member archives) for our tactics.

We usually get one or two trades in the morning, a FLAT no-trade (low volatility) range ahead of the announcement, and then an ABC (up/down/up or down/up/down) movement that aggressive traders can play.

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



There's still no major change in the strategy or plan. We're ready for Wednesday's FED DAY!

We're aiming to play the immediate DEPARTURE away from the 2,500 level now that price fully achieved it. We're grossly overextended, so it would be MORE LOGICAL to expect/see a pullback down away from this level but if that doesn't happen, your only option would be to trade WITH the buyers as a short-squeeze propels the market higher (on an "alternate thesis/failure to retrace" outcome).

Just look at all those reversal candles into the upper Bollinger Band! Caution is key unless above 2,510 at which point you should probably forget everything contrary and just be bullish.