



## Daily "Idealized Trades" Report

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



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



*If you traded BEFORE the FED, one to two trades were possible worth about 2 @ES points.*

*Playing the breakdown - OR the reversal rally off support - was worth about 6 points in either direction.*

## *Major Companies Reporting Earnings Tomorrow...*

NONE

## *Economic Reports for Tomorrow...*

Initial Jobless Claims (8:30am)

Philly Fed (8:30am)

House Price Index (9:00am)

Leading Indicators (10:00am)

## *Quotes from Last Night's Planning*

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

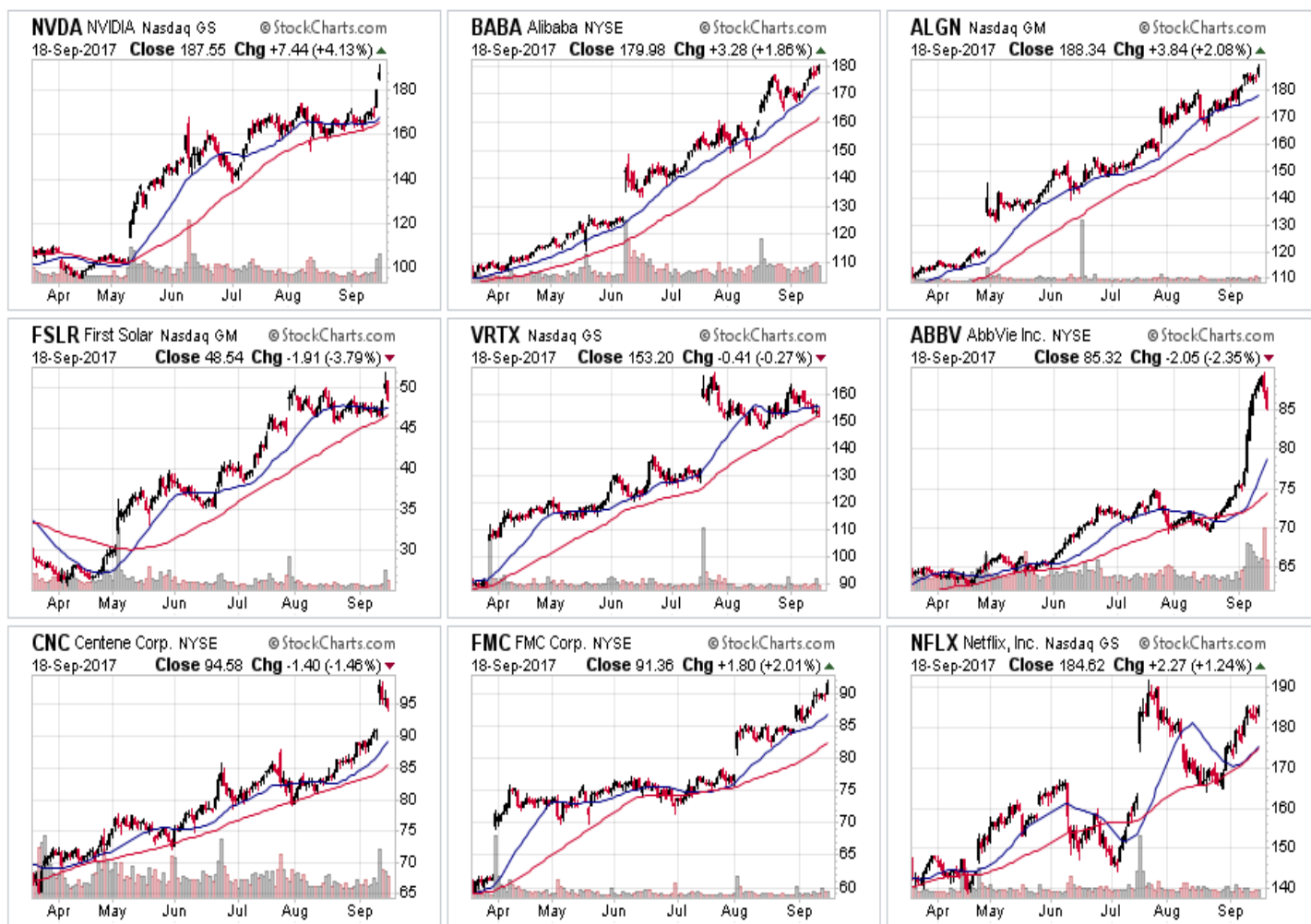
*We usually get one or two trades in the morning, a FLAT no-trade (low volatility) range ahead of the announcement, and then an ABC (up/down/up or down/up/down) movement that aggressive traders can play.*

FED DAY!!!

Fed Days have unique characters - they're neither Trend nor Range Days - so treat them as unique events.

You get one or two trades in the morning and then most traders avoid the high volatility environment after the Fed announcement. If you traded it, you had a chance to profit down and up... or lose money very quickly if you got trapped on the wrong side of the movement.

## 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

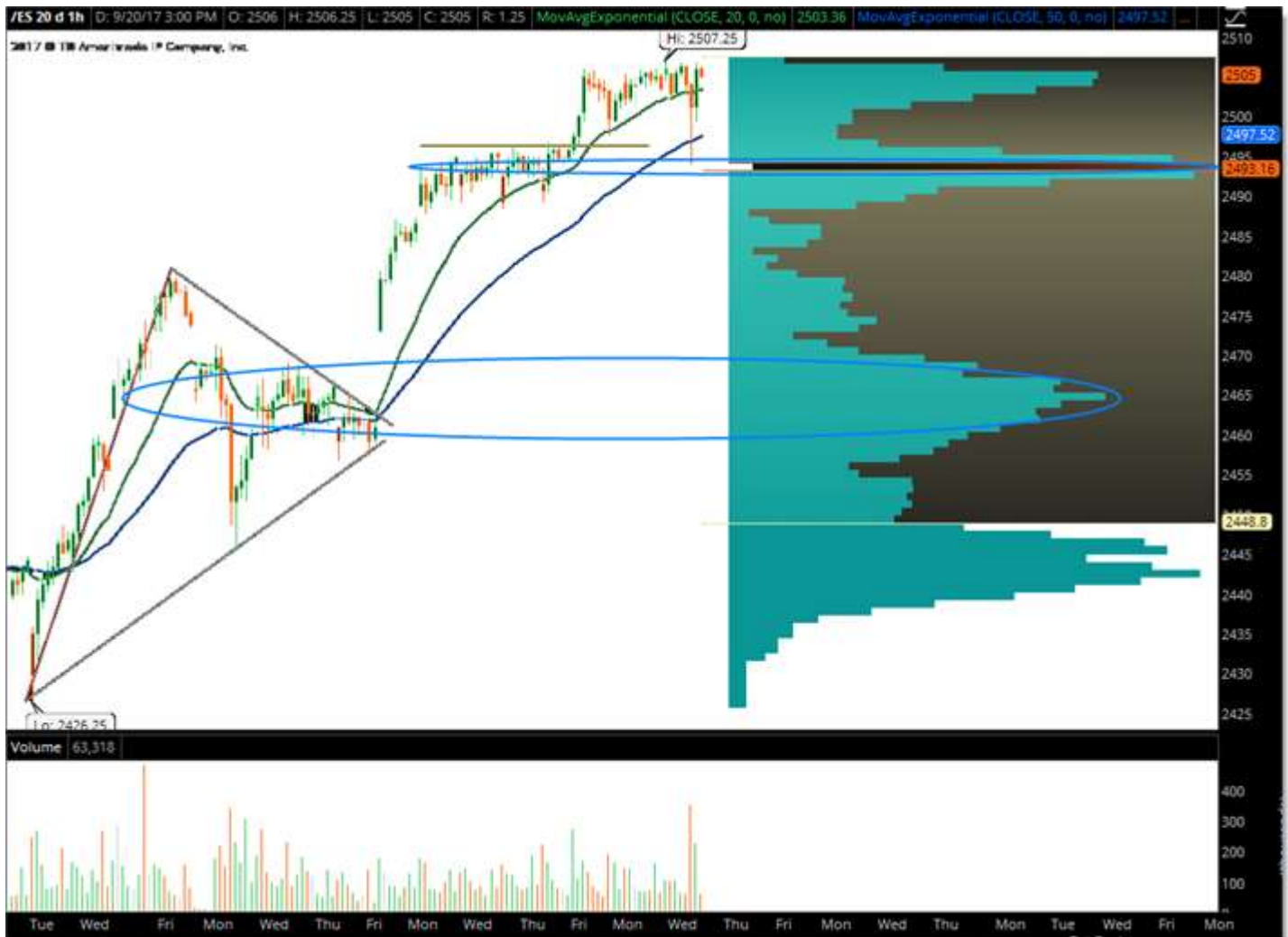


This chart and sector comparisons are useful two ways:

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



In a little departure from the norm - because we can't really use a standard 30 min @ES chart without repeating ourselves each day - let's look at the new Think or Swim's Professional Volume Profile charts I've been showing on the blog.

In simplest terms, the "fattest" or largest parts of the vertical distribution represent the nodes of active volume levels. Simpler terms? They're targets.

Should price depart "up away from" the 2,506 level, then everything I MEAN EVERYTHING goes out the window and we just keep trading long/bullishly through 2,510 and higher.

But if it doesn't - if logic returns to the market - then play toward (and expect bounces AT, just like we saw today) lower volume nodes such as 2,493.

We have an "Open Air Pocket" beneath it toward 2,465 and then beneath that is 2,443.

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



Even after the FED DAY there's still no major change in the strategy or plan

We're still 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 (note the reversal candles) 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). Caution is key unless above 2,510 at which point you should probably forget everything and just be bullish no matter how strange.