



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



The Volume Profile Support Level chart was helpful in calling a play DOWN TOWARD our pivot and then UP AWAY FROM it.

Two "Trend Day Style" trades developed, worth about 2 points each or 4 points total (\$400 per 2 contracts).

Major Companies Reporting Earnings Tomorrow...

Red Hat (RHT)

Economic Reports for Tomorrow...

NONE

Quotes from Last Night's Planning

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

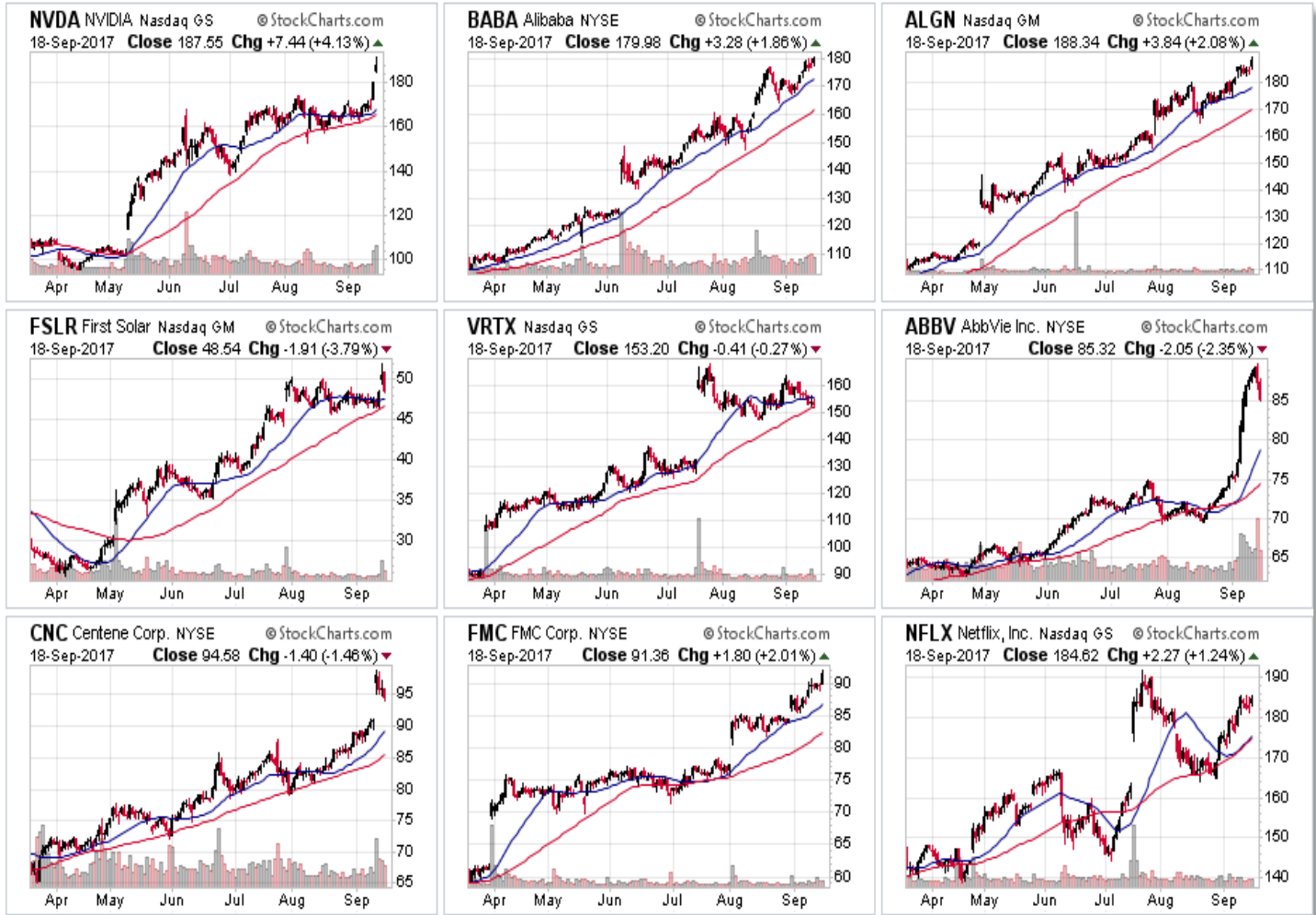
We're still aiming to play the immediate DEPARTURE away from the 2,500 level now that price fully achieved it. We're grossly overextended, so it's still MORE LOGICAL to expect/see a pullback down away from this level.

It started out as a Trend Day, and thus the easiest lessons of the day include the little pullbacks along the development.

However, TICK (internals) was strong and eventually the positive divergence with momentum (5-min) set the stage for another end-of-day rally and a bounce UP AWAY FROM our volume chart support target near 2,394.

We'll start next week roughly at the same levels in the consolidation range.

September 18 Power Trenders Strong Stock Scan

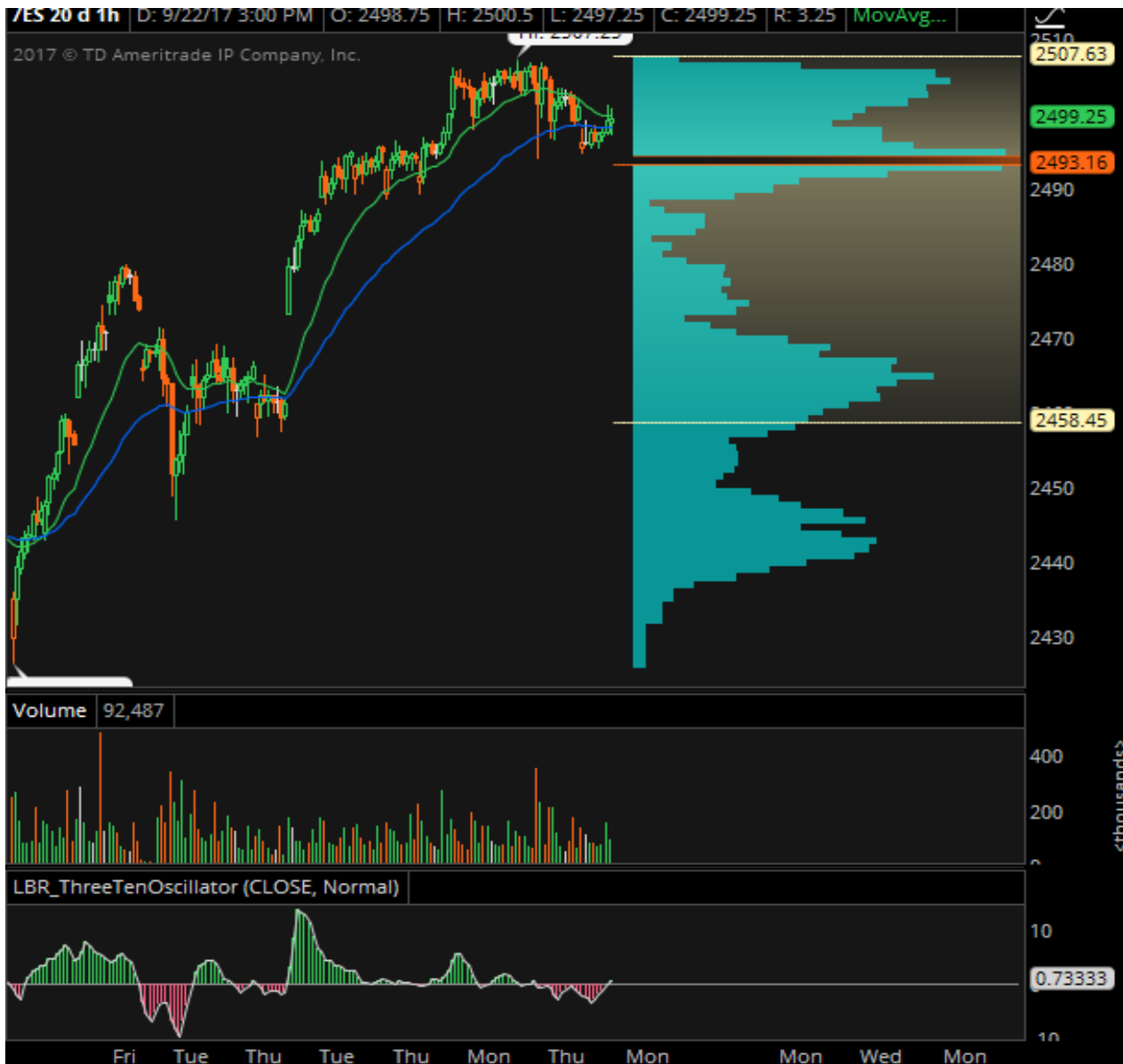


We're seeing the NEW top twelve relative strength leaders (via algorithm) in trending markets and the general expectation is to buy retracements or breakouts in these strongly trending names. The logic is that what is strong tends to get stronger (stocks attracting money flow tend to continue attracting 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.

Planning the 30-min Intraday @ES Futures Chart



Nothing changed in our tiny range - in fact it got even tighter. Note how the tails (bars) are clearly 'fattening' at current levels (2,393 and 2,505).

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

But if it doesn't - if logic returns to the market - then play toward (and expect bounces AT, just like we saw again with today's reversal) lower volume nodes such as 2,494.

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)



We're seeing another day move us lower within the expected PULLBACK from the upper Bollinger Band with reversal candles in the overbought trend. We're grossly overextended, so it's still 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 it feels or how many indicators suggest a pullback is likely (and they do). Note that the short-term target is the 20 day EMA near 2,490.