



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



Treating today like a bearish session, three retracement trades developed.

With these trades, up to 8 - 10 points were possible (\$800 - \$1,000 per 2 contracts)

Major Companies Reporting Earnings Tomorrow...

Micron (MU), Nike (NKE)

Economic Reports for Tomorrow...

New Home Sales (10:00am)

Consumer Confidence (10:00am)

Quotes from Last Night's Planning

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 that the short-term target is the 20 day EMA near 2,490.

We had a bearish plan for today's session and took the first two bearish opportunities that developed for us.

We were looking for a T3 Trend Day down though price did achieve our target of the rising 20 day EMA just beneath 2,490 at which point a REVERSAL occurred.

Note the pullbacks toward falling moving averages and the natural trailed-stop strategy that develops when price is trending lower as expected.

September 25 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 side-by-side view shows the "COLLAPSE" zone for price beneath the 2,490 pivot (officially 2,493) as price retraced UP off the 38.2% Fibonacci Retracement as drawn.

As price pulls back, we CAN use our new short-term Fibonacci Grid above for guidance as price trades toward - and like the reversal today - away from these pivot point levels.

Note the volume support node (target) at 2,465 in the event sellers do collapse this market beneath today's low.

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



You may be surprised that price actually did what it was supposed to do - it was supposed to pull back (retrace) down away from the upper Bollinger Band with reversal candles TOWARD the rising 20 day EMA for a minimum target. Price achieved this target and buyers rushed in to buy the dip/touch of the 20 EMA right on target.

For Tuesday, note the bullish reversal that developed today and the potential for an extended run back toward the highs (or beyond now that the retracement can be considered "complete" into the 20 EMA). However, a break beneath today's low opens a sell toward 2,465