



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...

Durable Goods (8:30am)

Pending Home Sales (10:00am)

Quotes from Last Night's Planning

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.

For Tuesday, note the bullish reversal that developed today and the potential for an extended run back toward the highs

And bounce we did! Price moved UP AWAY FROM our pivot point levels including the 20 day EMA (key target) and 38.2% Fibonacci as drawn.

Though it wasn't a perfect Trend Day session - it felt more like a range - we had at least two rough pullback opportunities as detailed above. Remember to incorporate your Dominant Thesis (quoted above) into the real time price action - that's what this section is for.

We can learn specific lessons that we can apply directly to future sessions (and to make sure we're getting our game plan correct).

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

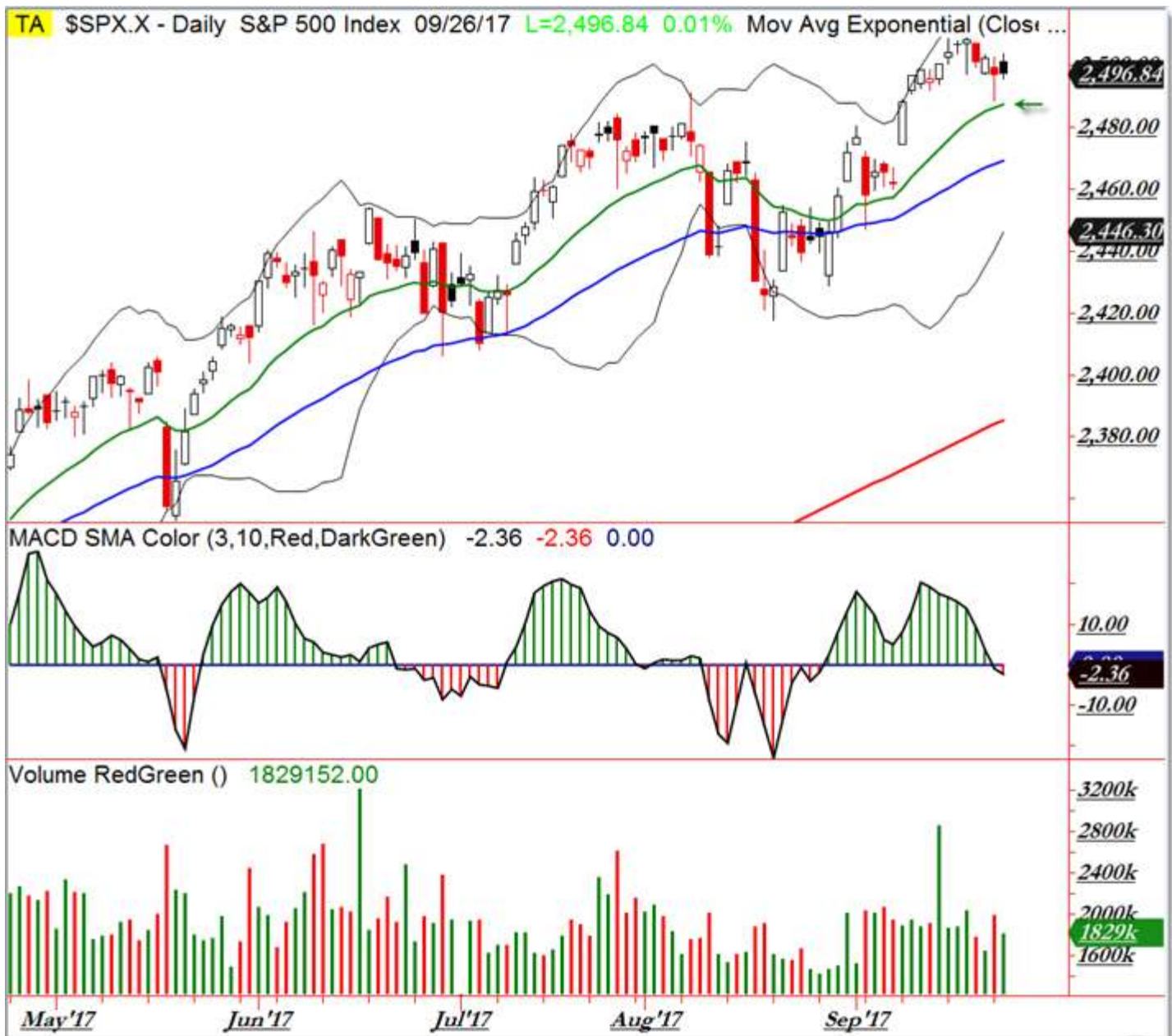


I wanted to highlight the two Fibonacci Grids (larger and shorter term) in the 30-min regular @ES chart. Here we see the 2,490 level as our key price and Fibonacci Pivot - note how we expected a rally and indeed price gave us one today.

NOW we're seeing a consolidation or triangle trendline taking place just beneath 2,500 and the 2,490 (2,495) level making us cautious going into Wednesday's session.

Use these levels and trade the breakout from the triangle.

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



There's no major update from Tuesday's planning as price DID INDEED depart (travel) up away from the rising 20 day EMA (and intraday price levels).

We're back at the 2,500 simple magnet so we don't have an official play when price is AT a magnet/target level. We look to play movement TOWARD and AWAY FROM targets so try to remain without a directional bias as we play the immediate breakout and movement away from 2,500 tomorrow (should it occur).