



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



Additional trades presented themselves - especially if you are an aggressive trader trading UP AWAY FROM the 2,448 target.

With the two pro-trend (down) retracement trades, up to 14 @ES points or \$1,400 for each 2 contracts you traded was possible.

Major Companies Reporting Earnings Tomorrow...

NONE

Economic Reports for Tomorrow...

Fed's BEIGE BOOK (2:00pm EST)

Quotes from Last Night's Planning

Be cautious if beneath 2,480 (@ES)

Focus on 2,480 Tuesday (simple round-number pivot) while you remain bullish above or cautious beneath (as your short-term pivot) 2,480.

Simplicity!

With all the North Korea and political news over the weekend, the market retraced lower, selling DOWN AWAY FROM our 2,480 simple target TOWARD our 2,448 Fibonacci Target.

We have valuable lessons to study today - namely the (at least) two bearish retracement opportunities on the way DOWN AWAY FROM 2,480.

Aggressive traders could play the positive divergences then kick-off reversal signals that triggered ON our 2,448 Fibonacci Target, allowing for more profit by taking on the risk of a failed reversal. new traders shouldn't fight/fade trends in motion as our last few days reveal.

August 28 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



Stocks stalled violently at our 2,480 price level, collapsing lower toward our 50% or "Midpoint" Fibonacci Pivot at 2,448 which was roughly today's low (note the divergences and kick-off signals at this pivot).

For Wednesday, we'll have the Fed's Beige Book information.

In terms of objective trading levels, use 2,458 as your bullish-if-above high and 2,448 as your bearish-if-beneath low. Simply play the range or "ping-pong" movement that may occur BETWEEN these short-term Fibonacci and price pivot levels.

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



The holiday weekend set the stage for a sell-off today on a move - from a reversal candle - down away from our 2,480 index pivot.

We've achieved the downside test of both the rising 20 and 50 day EMAs, making this a FLOOR OF SUPPORT at the 2,455 level until proven otherwise.

Tilt bullishly given the support confluence and intraday reversal off today's low (2,455) and otherwise shift cautiously/bearishly on a sudden breakdown beneath 2,450. We're still in a broad trading range between 2,480 and 2,420.