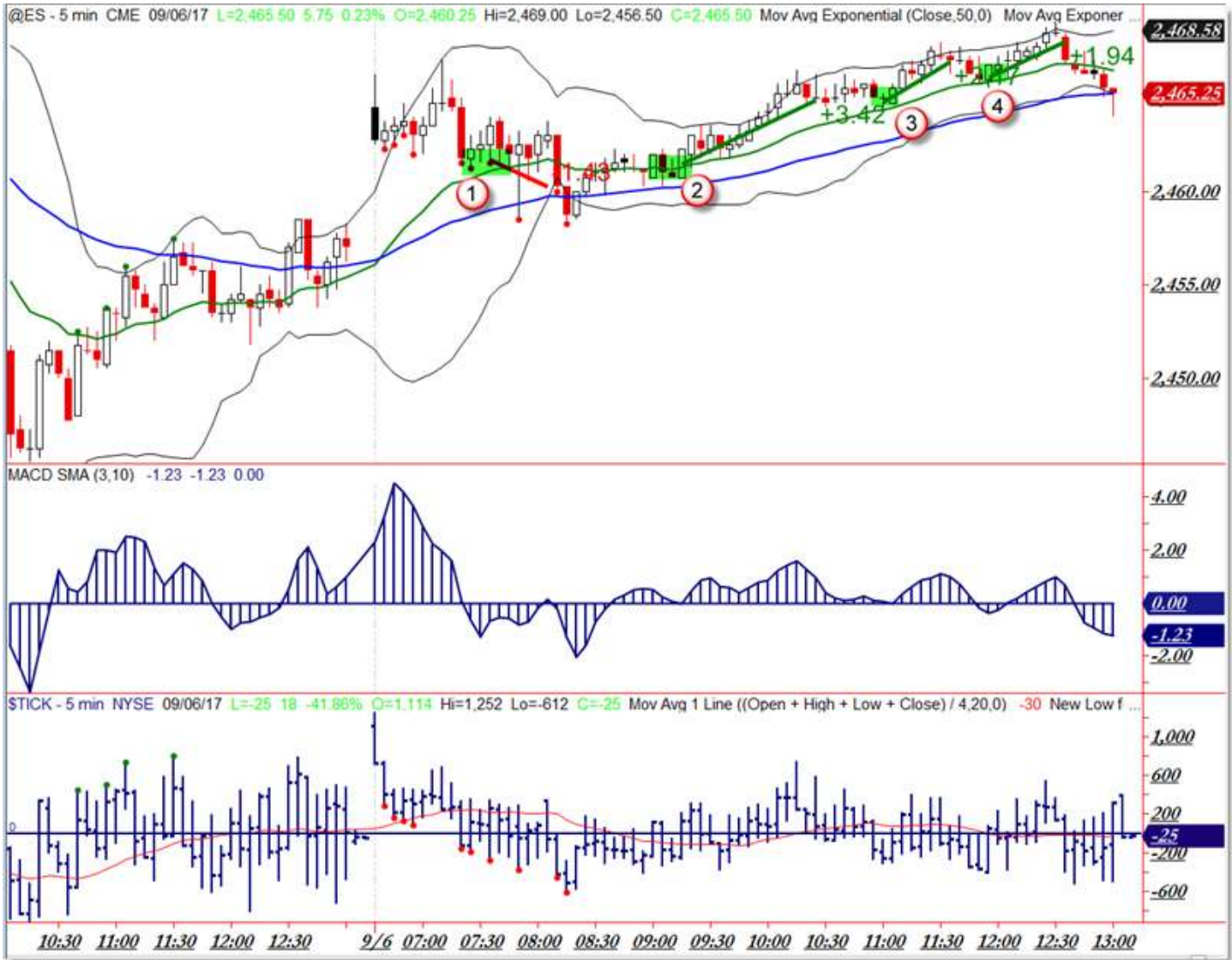




Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



We had a losing trade to document today! We learn lessons from stop-losses, though the logic of the trade - a bullish bounce - was ultimately correct.

From there, we DID see our bullish bounce and reversal UP AWAY FROM our 2,448 target, giving rise to three successful trades worth over 6 points total (\$600 per 2 contracts).

Major Companies Reporting Earnings Tomorrow...

NONE

Economic Reports for Tomorrow...

Initial Jobless Claims (8:30am)

Productivity and Costs (8:30am)

Quotes from Last Night's Planning

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.

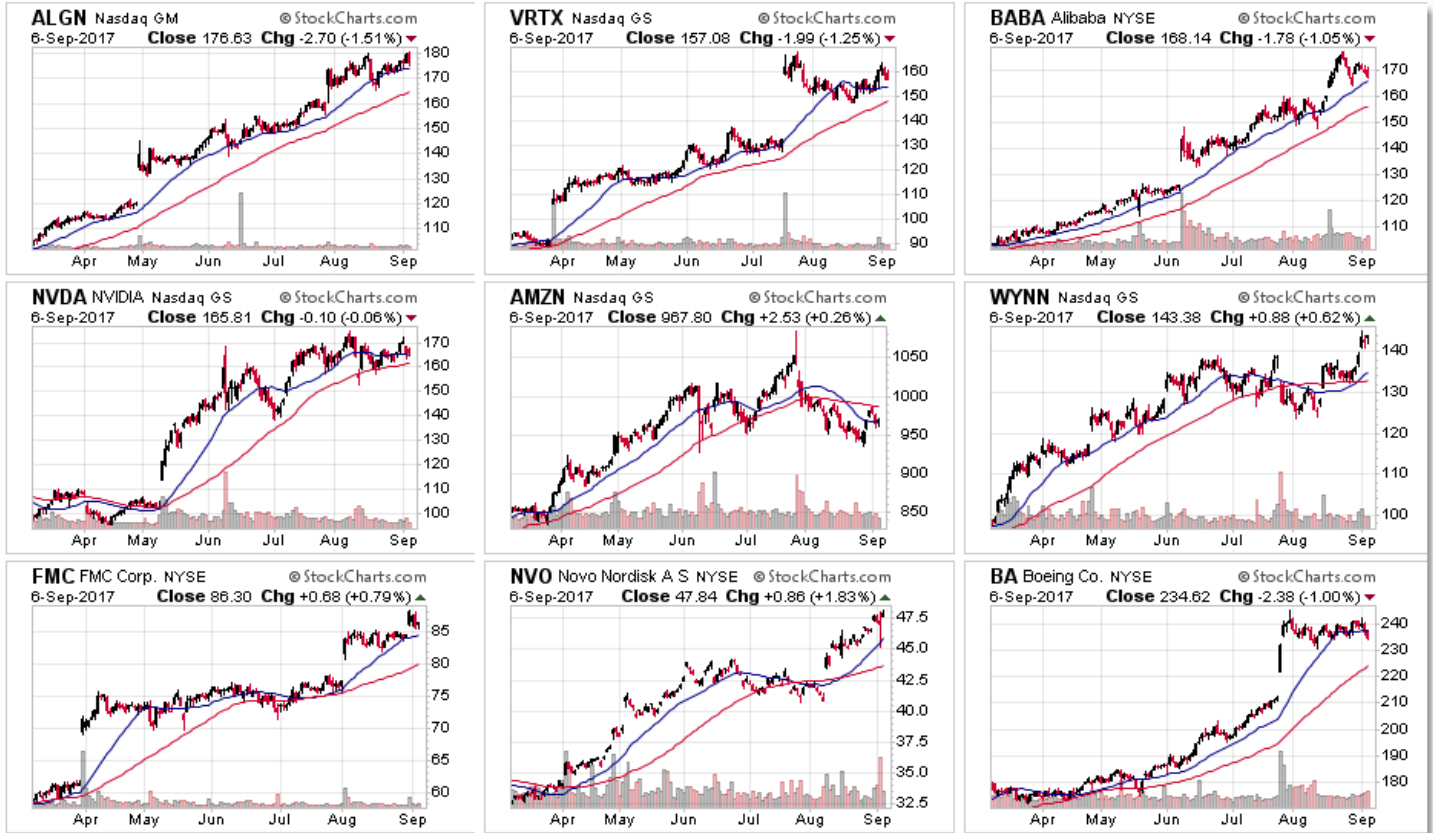
Tilt bullish given the support confluence and intraday reversal off today's low

In simplest terms, price traded initially DOWN TOWARD our 2,458 pivot and then reversed violently - a V-Spike Reversal - UP AWAY FROM it. The three easy retracement trades came within our "play the range/ping-pong movement between these pivot" plan.

I did want to highlight the first trade which attempted to play a retracement trade into a likely trend day - which ultimately happened. We like to enter pullback/retracement trades on the touch of rising moving averages or above falling 'flag' trendlines. We place stops ideally beneath the 50 EMA (5-min) or conservatively beneath the 20 EMA. Notice how a tight stop here resulted in a stop-out while a wider stop kept you in what would turn into a winning retracement.

When/if stopped out of a trade, it's acceptable/encouraged to re-enter the trade (a new one) if price triggers a new entry, as was the case for our Trade Lesson #2 today.

September 6 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



Today's session was best traded via our RANGE BOUNDARIES in the Fibonacci Grid above, as was our plan. Namely price reversed UP AWAY FROM our 2,458 level after gapping higher and then price reversed DOWN AWAY FROM our 2,470 pivot.

Simply stated - with no fancy analysis - we'll remain CAUTIOUS and play the bounces like this between 2,458 and 2,470 while in this range or else a potential trend day style breakout above 2,470 (toward 2,480 or higher) or beneath 2,458 (target 2,448).

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



Today's session didn't change the plan at all - as price remained within yesterday's range.

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. Today, price rallied off that floor.

Tilt toward neutrality given the support confluence and intraday reversal off today's low (2,458) 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.