



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



Unlike yesterday where we just played the bullish opportunities, we had at least FOUR Range Day Fade Trades as noted - playing from one Bollinger Band extreme to the other.

Each "fade" trade was worth about 2 @ES points each or 8 combined for \$800 per 2 contracts.

You could have played an aggressive BOUNCE right off the open and been successful for the most profitable single trade of the day (aggressive traders only).

Major Companies Reporting Earnings Tomorrow...

NONE

Economic Reports for Tomorrow...

NONE

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.

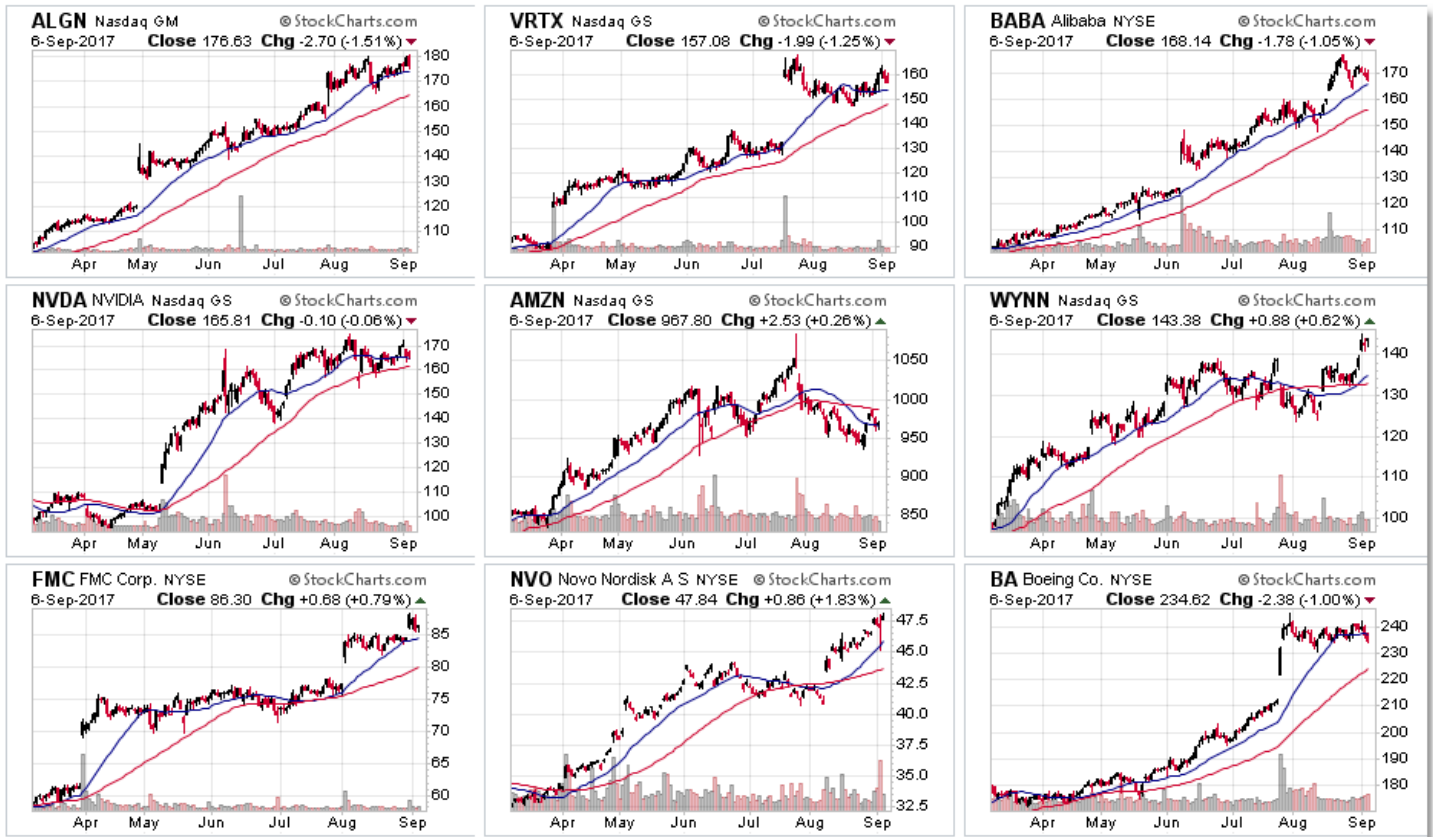
Simply stated - with no fancy analysis - we'll remain CAUTIOUS and play the bounces like this between 2,458 and 2,470 while in this range

Keep trading WITHIN this tiny range UNTIL we get a breakout away from it

A Textbook Range Day!

The best trades - from an educational standpoint - of today were the four RANGE DAY FADE TRADES that triggered off the 5-min Bollinger Bands and contained 1-min divergences and/or 5-min reversal candles. We enter on the touch of the Bollinger or on a break beyond a 5-min reversal candle or trendline and play (target) the opposite Bollinger. If conditions favor, we can play a "flip/reverse" outcome where our exit becomes our new trade initiation. If you like trading Range Days, today was a bonus for you and if you don't, WE WILL get a breakout next week - it's 100% guaranteed.

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 to 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



Like yesterday, not surprisingly 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 trading BACK TOWARD IT with a gap-down earlier this morning.

It should also be no surprise that our analysis and plan is the SAME as it was yesterday and the day before that. Keep trading WITHIN this tiny range UNTIL we get a breakout away from it - and we will.

Keep it simple and keep doing what works - until we get our inevitable and tradable breakout.

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



Today's session didn't change the plan at all - as price remained AGAIN within the range of the last two trading sessions, highlighting an extremely compressed volatility environment.

Tilt toward neutrality - expecting a breakout Monday or Tuesday - given the support confluence and yet another 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.

Hurricane Irma will track through Florida this weekend and it will be a major news event to start next week.