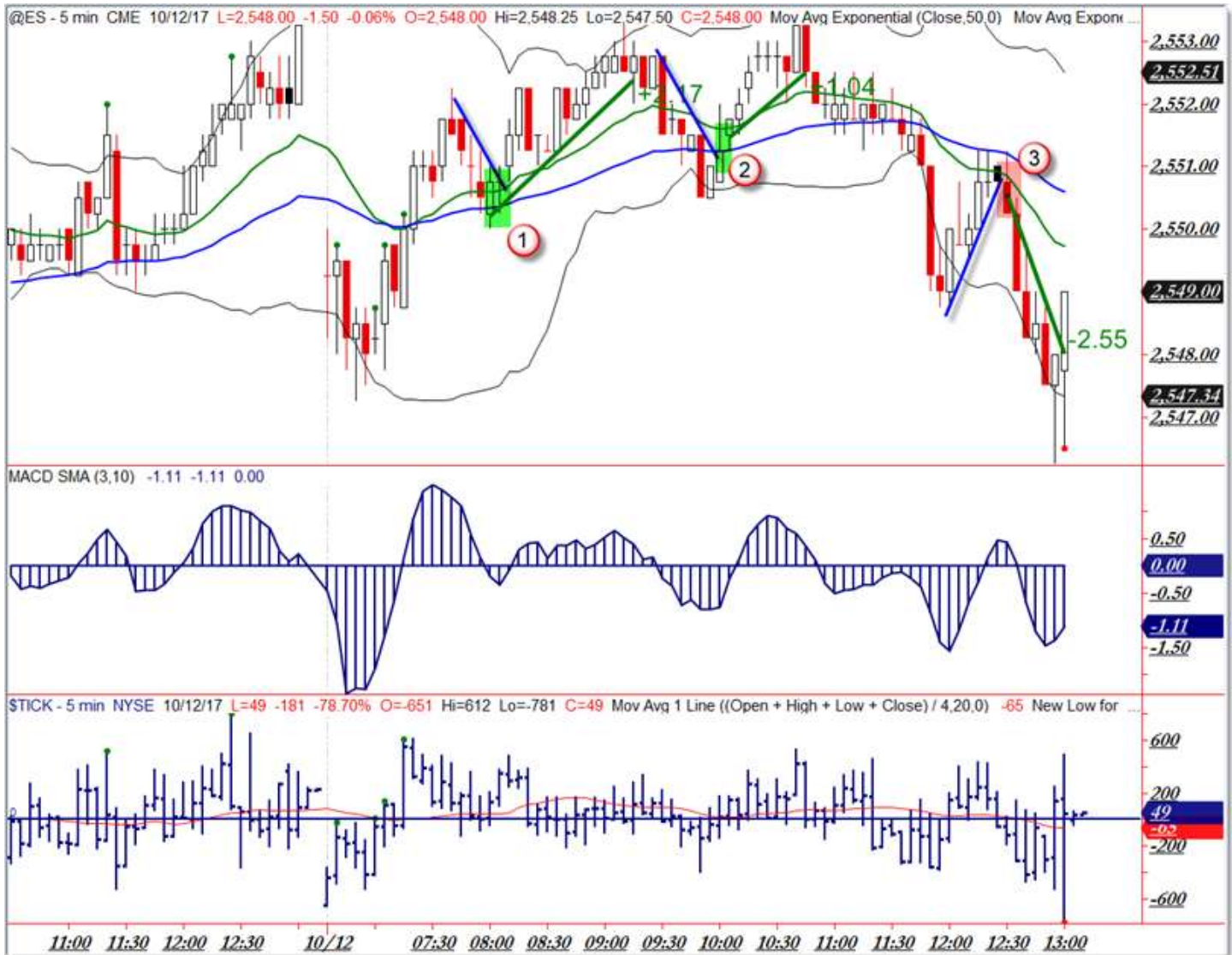




## Daily "Idealized Trades" Report

### Trading Lessons from the Intraday Frame (study)



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



**We had two small bullish pullbacks (#1 and #2) along with an aggressive "Cradle" Sell into the close worth up to 2.50.**

**With the three trades, up to 5 points (\$500 per 2 contracts) were possible**

## ***Major Companies Reporting Earnings Tomorrow...***

Bank of America (BAC) Wells Fargo (WFC)

## ***Economic Reports for Tomorrow...***

CPI (8:30am)

Retail Sales (8:30am)

Consumer Sentiment (10:00am)

## ***Quotes from Last Night's Planning***

*There's still no major change - especially on the Daily Chart - when price continues to form reversal candles at the extended high - right now at 2,550. KEEP THIS SIMPLE. Keep making money from this situation - when so many traders are losing money - while it lasts.*

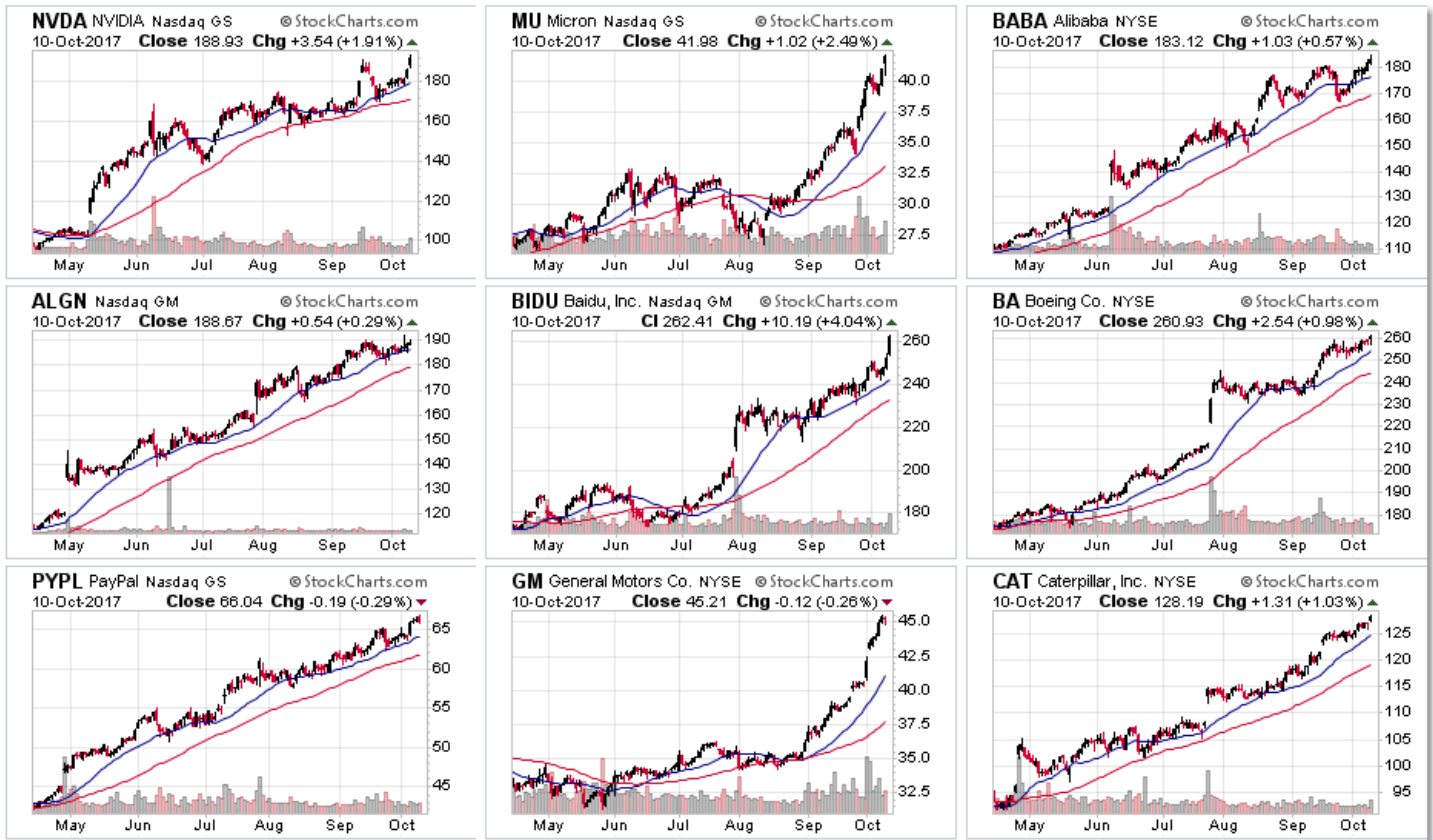
***SIMPLIFY YOUR CHART.***

*Follow the rising moving averages and price and continue bullish activities intraday until we get breaks beneath these rising moving averages or trendlines.*

We had the continued BULLISH UPWARD DRIFT which set the stage for the two bullish pullback/flag trades in the morning. However, price ACTUALLY broke lower, breaking trendlines and moving averages to trigger a "Cradle Sell" set-up into the close.

It was aggressive and depending on your mindset - "I can't wait to get short!" OR "I refuse to short this stimulus manipulated market," - you either took or avoided this final bearish opportunity of the day.

## October 10 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



***"Trends, once established, have greater odds of continuing than of reversing."***

There's still no major change - especially on the Daily Chart - when price continues to form reversal candles at the extended high - right now at 2,550. Today does tilt the price action MORE BEARISH but we've yet to see that breakdown YET.

Follow the rising moving averages and price and continue bullish activities intraday until we get breaks beneath these rising moving averages or trendlines.

When the market changes, our forecast/strategy will change but not until then.

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



As has been our ongoing accurate plan, expect a pullback in the overbought market but KEEP TRADING THE alternate "bigger move to the upside" thesis in our continued short-squeezed market. We're still seeing reversal candles that aren't resulting in the expected pullback. Enjoy it while it lasts because I can guarantee you this won't last forever!

Extended runs like this take place because sellers are painfully exiting the market while buyers/bulls either are also painfully entering the market (removing the pain of missing out) or buying without emotion (which seems unlikely). Either way, this situation will continue until the supply/demand dynamic shifts and price breaks trendlines, at which point bears will enter aggressively and buyers will lock in profits.