



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



We're still having a "market crash" to the upside.

With today's "crash/collapse" (in reverse) actions, two simple T3 Trend Day retracement trades presented themselves and were worth up to 7 points or \$700 per 2 @ES contracts.

Major Companies Reporting Earnings Tomorrow...

Halliburton (HAL)

Economic Reports for Tomorrow...

NONE

Quotes from Last Night's Planning

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

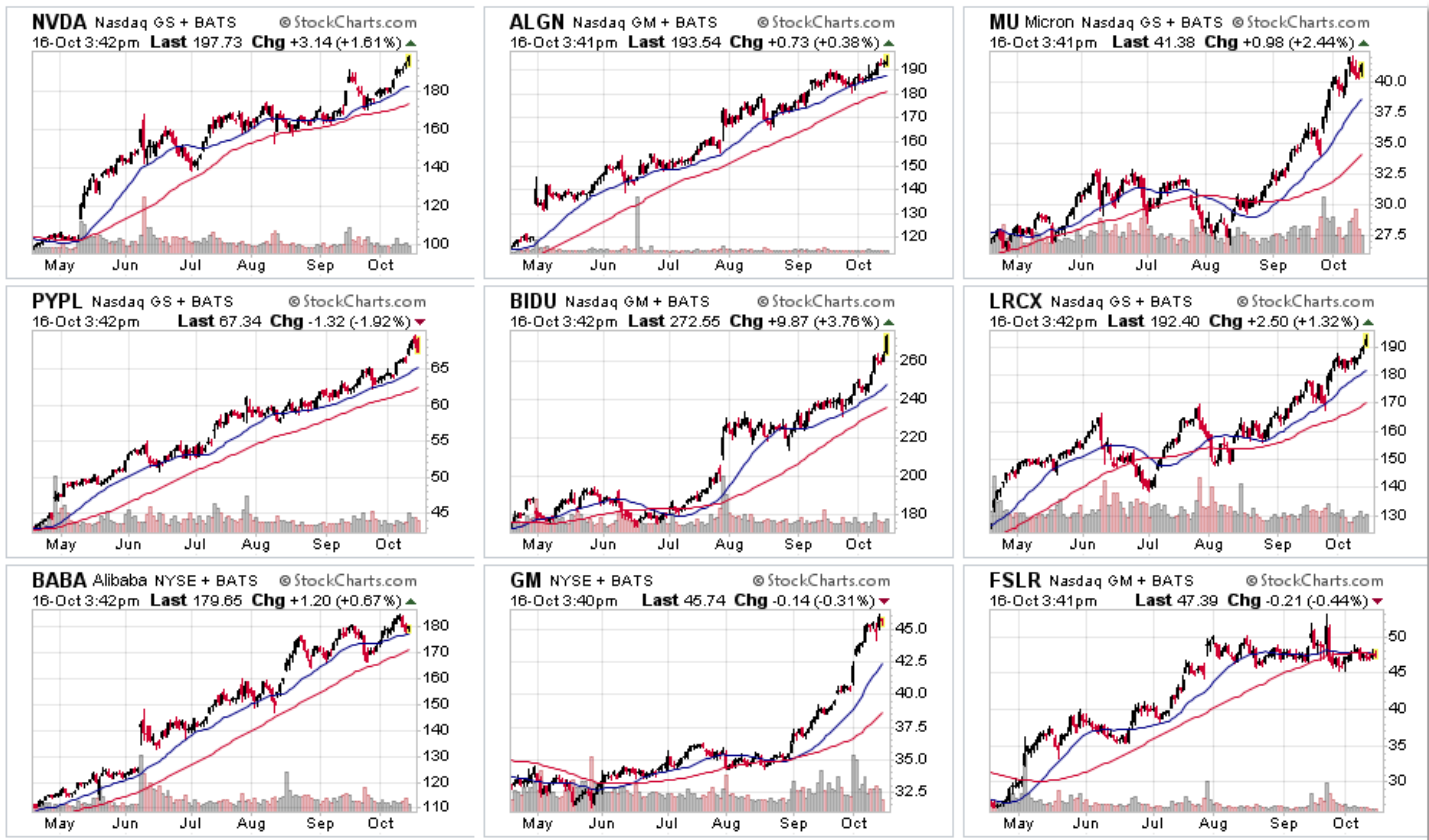
Keep focusing on your charts and applying the "bullish until proven otherwise" plan.

We're back to the Bullish Outcomes and non-stop bull market and our successful-but-stressful "Bullish Until Proven Otherwise" plan.

With the large upside (unfilled) opening gap, the market set the stage for a T3 Trend Day and that's exactly what happened. The ALTERNATE (breakout/short-squeeze) thesis continues as price "collapses" the positions of the bears in a new breakout to all-time highs and a trend day.

At least two retracement/flag trades developed as indicated above. We can ONLY trade WITH the direction of the Trend Day after an opening gap (unfilled) and rising moving averages as we had today where price remains all day above the 20 EMA (5-min).

October 16 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



We're still within our ongoing "Market Crash" as I indicate ('crash' as in it is destructive to the bears with the one-sided, non-retracing action). Please understand what this means - a "crash" means all typical rules don't apply as one side of the market dominates the other; in part, this market is driven higher by forced stop-losses of the bears/short-sellers.

And we keep it up. With price surging higher, we either trade WITH the bullish action as we suspend human nature (to fight/fade trends) or we stand aside in protection because the market is in a powerful, upward movement.

Keep playing what's working until it doesn't work anymore (which is to remain bullish).

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



At the end of the day, logic and probabilities take a back seat to reality - to the reality that bulls/buyers dominate sellers and sellers are helping drive the market higher with their financial losses.

Price retraced toward 2,550 then surged up away from it as the S&P 500 now travels toward 2,600 and above. As I have indicated, we're likely seeing a THIRD WAVE activity of a larger/primary Fifth Wave in motion and this type of bullish action actually confirms the third wave environment we've been seeing (and stating). Trade with it until price reverses.