



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



And just like that, the high volatility session became a lower volatility RANGE DAY event.

We only traded from the BULLISH side given the upward price action and support but it's fine if you short-sold one or more "fades" into the upper Bollinger Band.

With these three bullish bounce trades, up to 7 points (\$700) was possible (2 contracts).

Major Companies Reporting Earnings Tomorrow...

Exxon-Mobil (XOM), Chevron (CVX)

Major Economic Reports for Tomorrow...

US GDP (8:30am)

Quotes from Last Night's Planning

For Thursday's session, we'll have A LOT of major companies reporting earnings so watch your price action closely and be on guard for surprises. Trade the departure from 2,560 again.

Again, Thursday gives us many major companies reporting earnings and we'll remain attentive the whole day, monitoring open positions carefully for any surprise volatility.

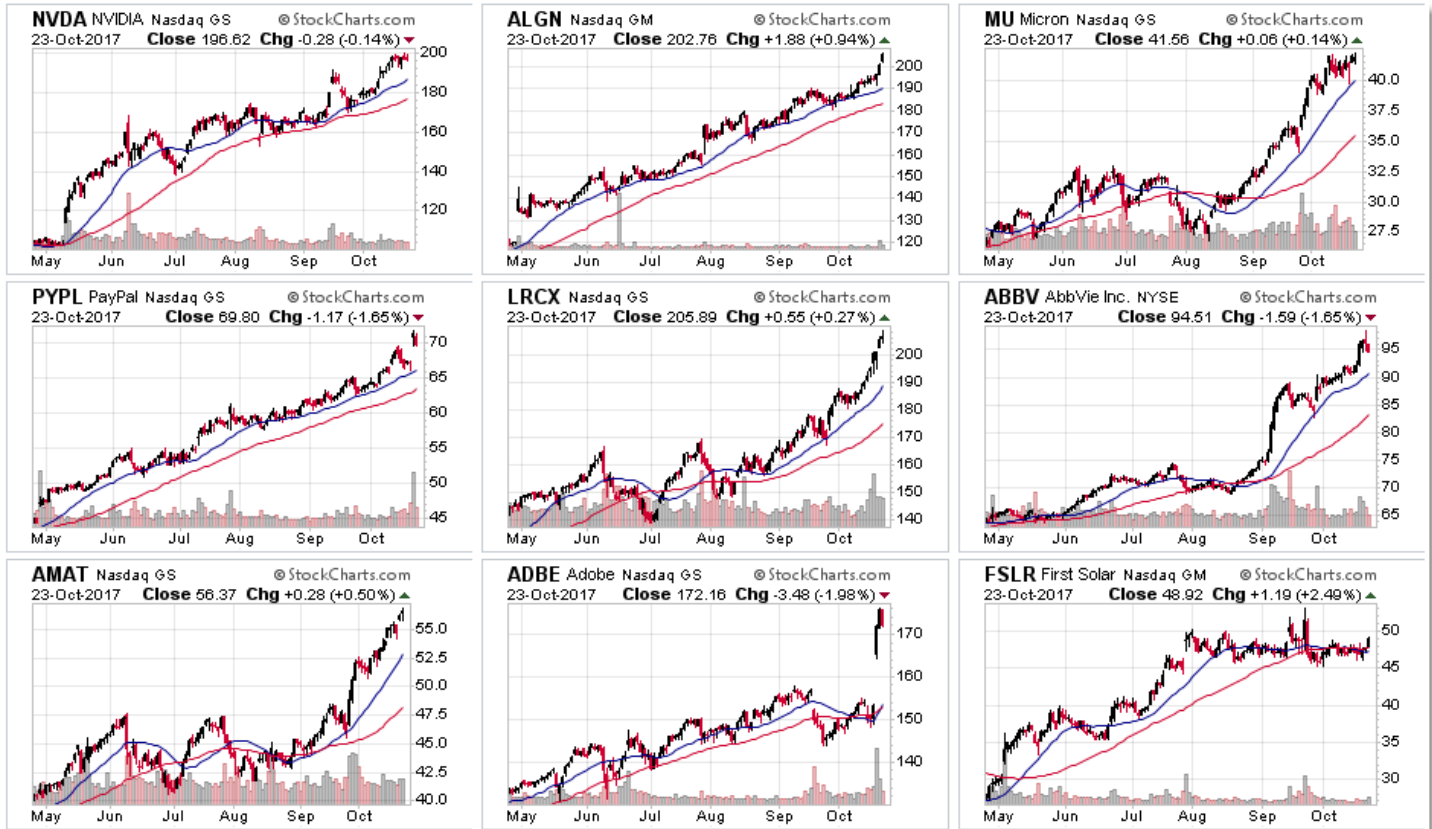
Frame your trades in terms of the departure - which right now is bullish - away from the 2,550 pivot noting the bullish pathway above it and bearish (toward 2,520) beneath it.

We were correct again that today would likely result in a "departure - which now is bullish - away from the 2,550 pivot" within the bullish pathway discussed last night.

Of that, at least three bullish BOUNCE or support trades developed within the context of a RISING RANGE DAY as noted.

This is a great example of putting the game-plan to work in real time with the price data and day structure as it develops.

October 23 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 out outperform the market via short-selling a weak stock(s) in weak/bearish sectors on a down trend day (or vice versa).

Friday's Gappers



We had major companies report earnings after the close today and I'm showing you four of them.

Unless something changes between now and Friday's open, we're looking at a possible \$70.00 gap UP in Amazon (AMZN) which will be the big news of the day.

Facebook is up \$3.00 while Google jumped \$30 but may be stabilizing.

Also Microsoft is up strongly from the close - all on earnings calls.

Again, we'll see how things shake out between now and the open but it could set the stage for a very bullish Friday if these price gaps hold (they're likely to retrace at least a bit).

Planning the 30-min Intraday @ES Futures Chart



We have the information that some of our major tech companies are gapping UP in the immediate post-market hours and this could set the stage for a very bullish Friday.

Our bullish thesis triggers above the 2,563/2,565 pivot which makes us "breakout bullish" toward 2,575 and beyond IF price holds above our trendline high.

It may seem impossible with the gap-action we're seeing now but a downswing from 2,560 suggests another retest (target) toward the 2,540 level. Stay alert and watch the pre-market activity before trading.

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



Tomorrow's session does take a bullish tilt to it given the earnings and the successful pullback to the rising 20 day EMA target (with reversal candle or V-Spike Intraday reversal yesterday).

Trade the departure from 2,560 again in the context of this bullish uptrend and bullish post-market activity.

If the bullish action continues through the open, look to the bullish side. Otherwise, any departure down away from 2,560 suggests another retest of the 20 day EMA near 2,545 again (use your hourly chart for effective planning for Friday).