



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



The market is "broken" to the upside and with this bullish action, we're ONLY allowed to take bullish trades.

At least three developed worth up to 5 points in the stimulus-manipulated market or \$500 per 2 @ES contracts.

Major Companies Reporting Earnings Tomorrow...

NONE

Economic Reports for Tomorrow...

PMI Services (9:45am)

ISM Non-MFG (10:00am)

Quotes from Last Night's Planning

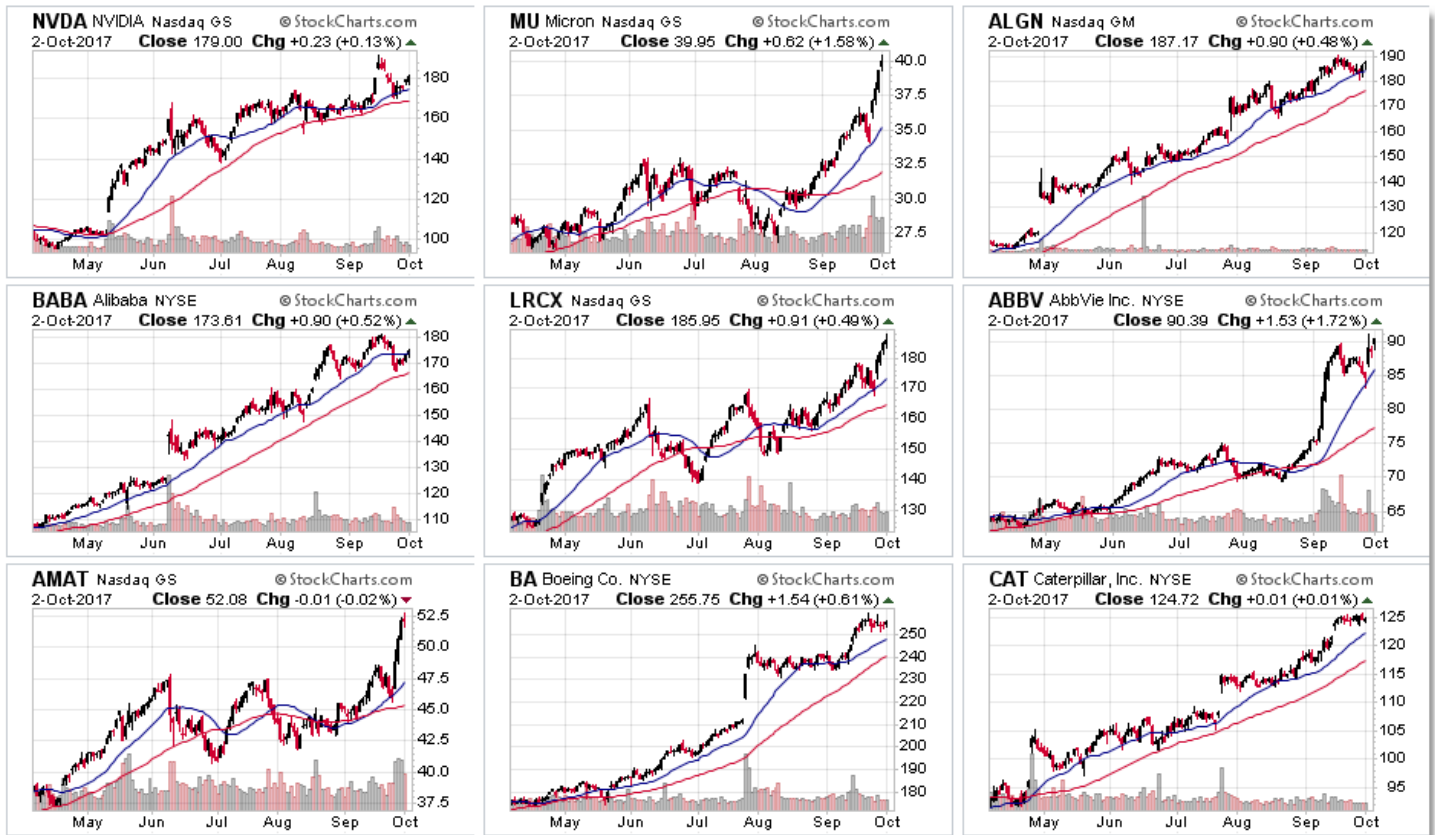
It sure seems like this market may never really pull back. That's fine - we will keep playing the "bigger moves to the upside" because the majority of traders logical seem very bearish on this overbought market.

There's not many boundaries - except price itself - to guide our intraday trading decisions in run-away markets like these. Don't short just because it's overbought - that's a horrid strategy.

It truly was a "horrid strategy" today to short-sell the bullish market breaking out to new all-time highs once again today. If you did so, please review our strategies on Trend Days along with our recent reports. We only trade with the trend on days like this (especially when the 5-min rising moving average structure is as bullish as it was today).

While it was a horrid strategy to short-sell today and yesterday, price still didn't give us many perfect opportunities to profit from the non-stop never-pulling-back bullish price action. I'm noting the three small best trades of the day - pullback retracement opportunities during the movement higher in our creeping short-squeezed overbought yet still bullishly trending market.

October 2 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.

Planning the 30-min Intraday @ES Futures Chart



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

That's our first of our three core price principles and it's probably the only thing keeping us on the right/correct side of this market in this rare extended run. I suspect many traders are losing money fighting this market or are frustrated because they can't bring themselves to buy it.

We had a target toward 2,530 if price held above 2,500 and we're actually above that target now. In momentum or run-away (extended run) markets like these, the SIMPLER tactics work best - everything else will have you doubting and thus shorting this market.

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



Follow your intraday and short-term charts in this momentum market that is simply continuing a triple timeframe alignment. As we've stated, the market is doing **exactly** what it should (what is logical) from the perspective of "expect a pullback to the rising 20 day EMA and then expect a continued rally/bounce up away from this level." I'm showing you a PURE PRICE CHART with all indicators removed to highlight the persistence of the ongoing trend. If indicators are causing you to miss the move, look at the bull market without them like this.

We're now into a key target and overextended above the rising trendline channel which increases the risk and probability for a pullback. Expect it but KEEP TRADING THE alternate "bigger move to the upside" thesis in our continued short-squeezed market. Enjoy it while it lasts because I can guarantee you this won't last forever!