



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



Major Companies Reporting Earnings Thursday...

NONE

Major Economic Reports for Tomorrow...

MONTHLY JOBS REPORT (& Unemployment) 8:30am EST

Quotes from Last Night's Planning

For Wednesday, we'll take a standard "bullish until proven otherwise" stance with the market given today's positive divergences at a critical target. Use the 2,625 level as your bull/bear pivot, playing aggressively bullish on a swing UP AWAY FROM it or else bearishly on a break under 2,620 toward the 2,600 target.

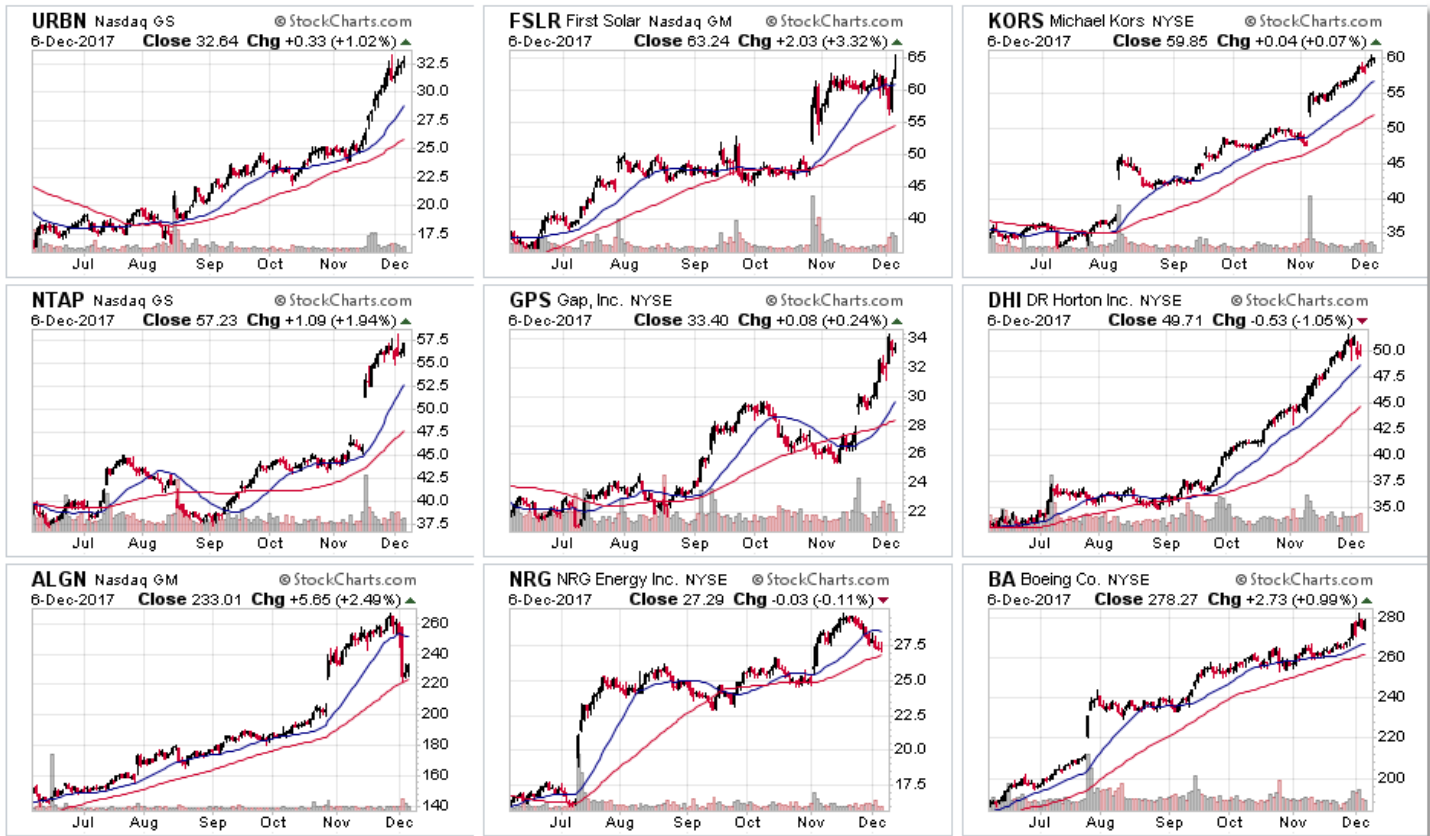
We remain bullish above 2,630.

We got our upward bullish drift and "BULLISH UNTIL PROVEN OTHERWISE" successful game plan again today due to the positive divergences at our support level.

While AGGRESSIVE traders could have entered on the breakout above 2,636, most of us probably put on our first buy position on the FLAG pullback for Trade #1 and the second pullback - with a smaller upside swing - for our Trade #2.

Price stalled with divergences into resistance, giving a possible breakdown event (#3) but the short/bearish side of the market wasn't as successful as price reversed and rallied up into the close.

December 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.

Planning the 30-min Intraday @ES Futures Chart



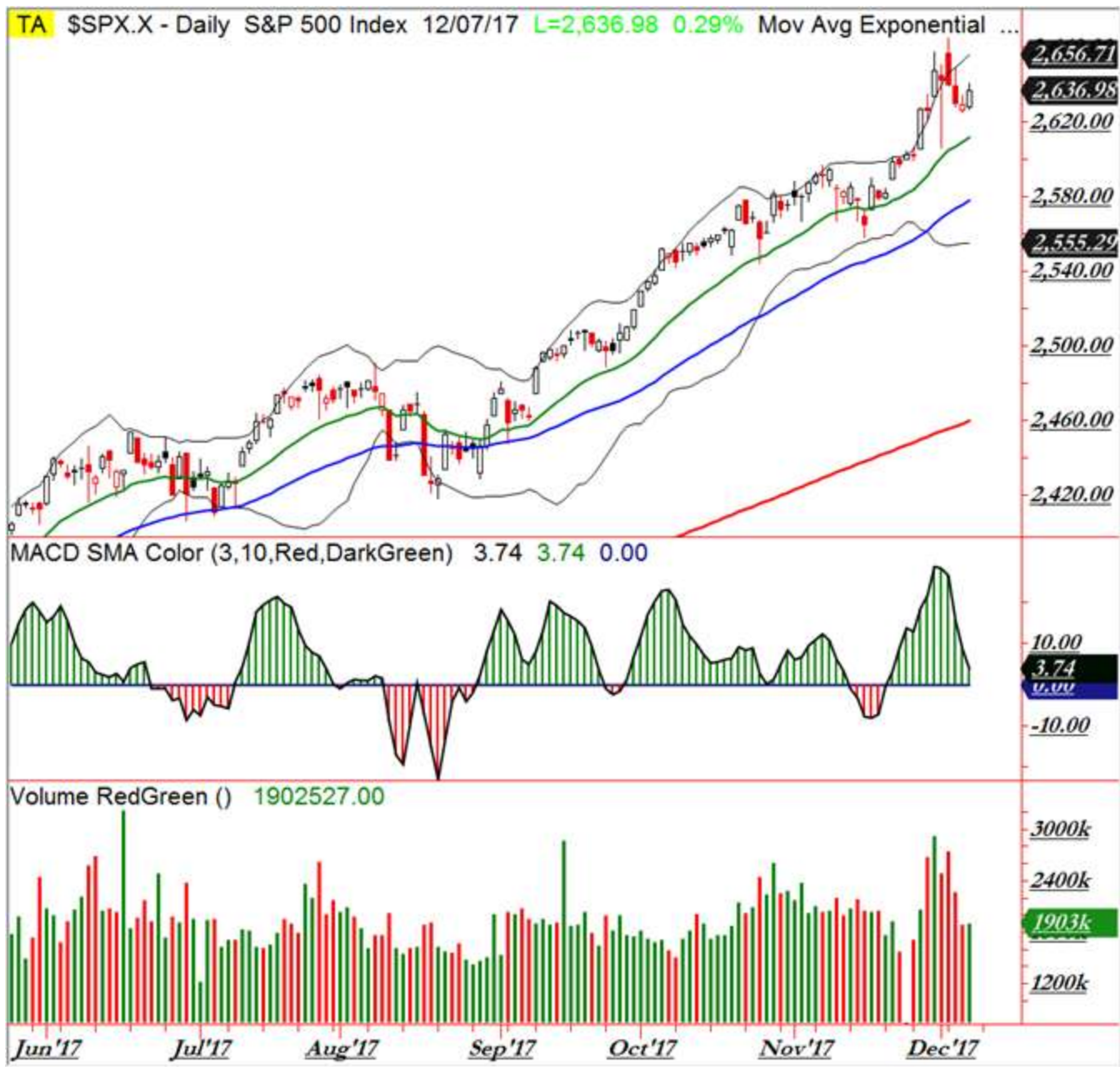
Ultimately price retraced all the way back to the known 38.2% Fibonacci Retracement I highlighted for you Monday and then found support with a rounded (bullish) reversal off this critical pivot - 2,625 - for the last two trading sessions.

WE REMAIN BULLISH (short-term) and will play bullishly on a breakout or continuation swing above today's high (and close) near 2,642. We'll target 2,652 and then 2,665 as potential upside targets and will assess internals and momentum in real time at those pivots.

If however price retraces down away from 2,640, remain cautious (range) toward 2,630.

Take on a bearish stance ONLY if beneath 2,630 for a play toward 2,615 then 2,600.

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



After temporarily surprising us with an "alternate thesis" bullish (WAY bigger than expected) breakout, price is normalizing and behaving reasonably with a retracement DOWN AWAY FROM the 2,650 pivot TOWARD the 2,625 known pivot.

With the initial pullback complete and price rallying back up today as expected, use the intraday chart and 2,625 with today's 2,642 (high) price as your bull/bear pivot, knowing that a break beneath 2,625 sets in motion a logical full retracement toward 2,600 (the 20 day EMA and 61.8% Fibonacci Level). The bullish side worked for us so far and we'll continue that play.