



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



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



Major Companies Reporting Earnings Thursday...

JC Penney (JCP)

Major Economic Reports for Tomorrow...

NONE

Quotes from Last Night's Planning

For Thursday's session, we'll use 2,590 as our simple bull/bear pivot and will aim to play within this narrowing trendline channel (ping-pong) and will be fully aware that a BREAKOUT event will bias us short/bearish beneath 2,583.

The higher frame - daily chart - does show a creeping/rising uptrend in a triple timeframe bull market that is overbought at the highs and 'due' for a pullback toward the rising 20 day EMA again.

Follow your intraday chart and trade the immediate departure from 2,590.

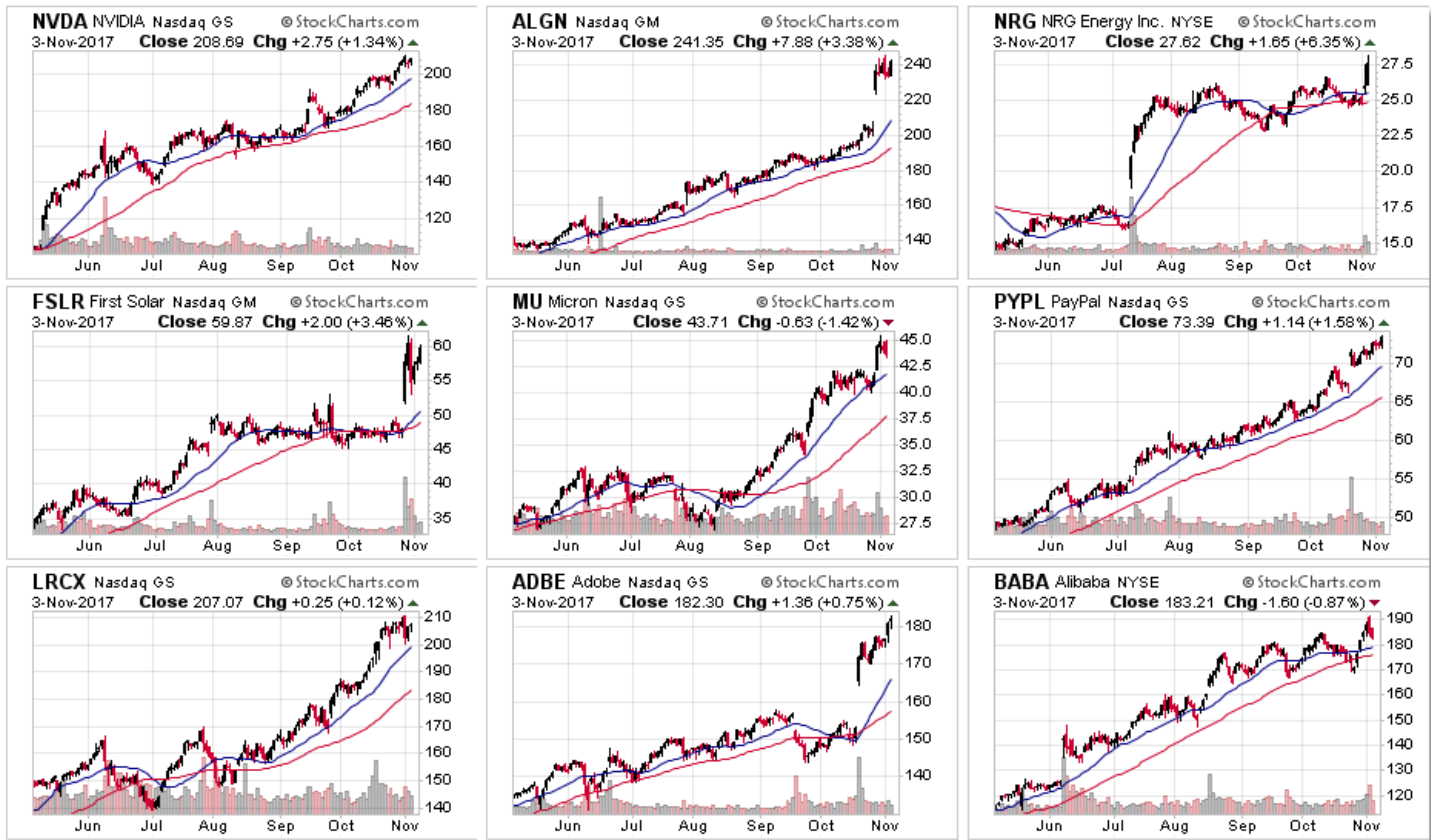
I knew our patience in this low volatility environment would be rewarded!

After the large opening gap, odds favored ADDITIONAL downside action via our breakout of our bearish rising wedge pattern and overextended market above the 20 day EMA target.

The first trade - with various entries - triggered on the pullback and was good for 14 @ES points in a single trade (\$1,400 per 2 contracts), a large sum in a single day trade.

The remaining two trades - assuming you didn't aggressively trade the reversal - were the breakout and first reaction two-step trade opportunity worth an additional 5 to 6 points (\$500 to \$600) making today (without an aggressive reversal) worth a possible \$2,000 per two contracts!!!

November 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.

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



This morning's big bearish breakdown is EXACTLY what was supposed to happen via the negative divergences and Bearish Rising Wedge Pattern, but it sure feels strange when the market actually DOES give us a bearish swing as opposed to the traps and short-squeezes.

Nevertheless, here we are BACK at the breakout level after a successful sell-swing that lasted exactly half a trading day.

Should price break above 2,585 tomorrow, continue trading it higher toward 2,592. Otherwise, we'd expect a range to develop within today's wide range bar.

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



Stay simple - avoid being fancy with your plans and your trades.

Focus your attention on the LOWER FRAME levels discussed above.

We did see a successful sell swing toward the rising 20 day EMA and yet another - now four - violent V-Spike Reversal event up away from it.

Note the resolution of the prior events as the Bull Market continued after a one-day pullback. Stay safe and keep watching your intraday grid as trade guidance in this bullish environment.