



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...

NONE

Quotes from Last Night's Planning

saying keep monitoring/trading the expected/dominant thesis sell-swing until either price achieves a full target retest near 2,630 or lower... or unless price rallies and strongly breaks above 2,660's price and EMA resistance.

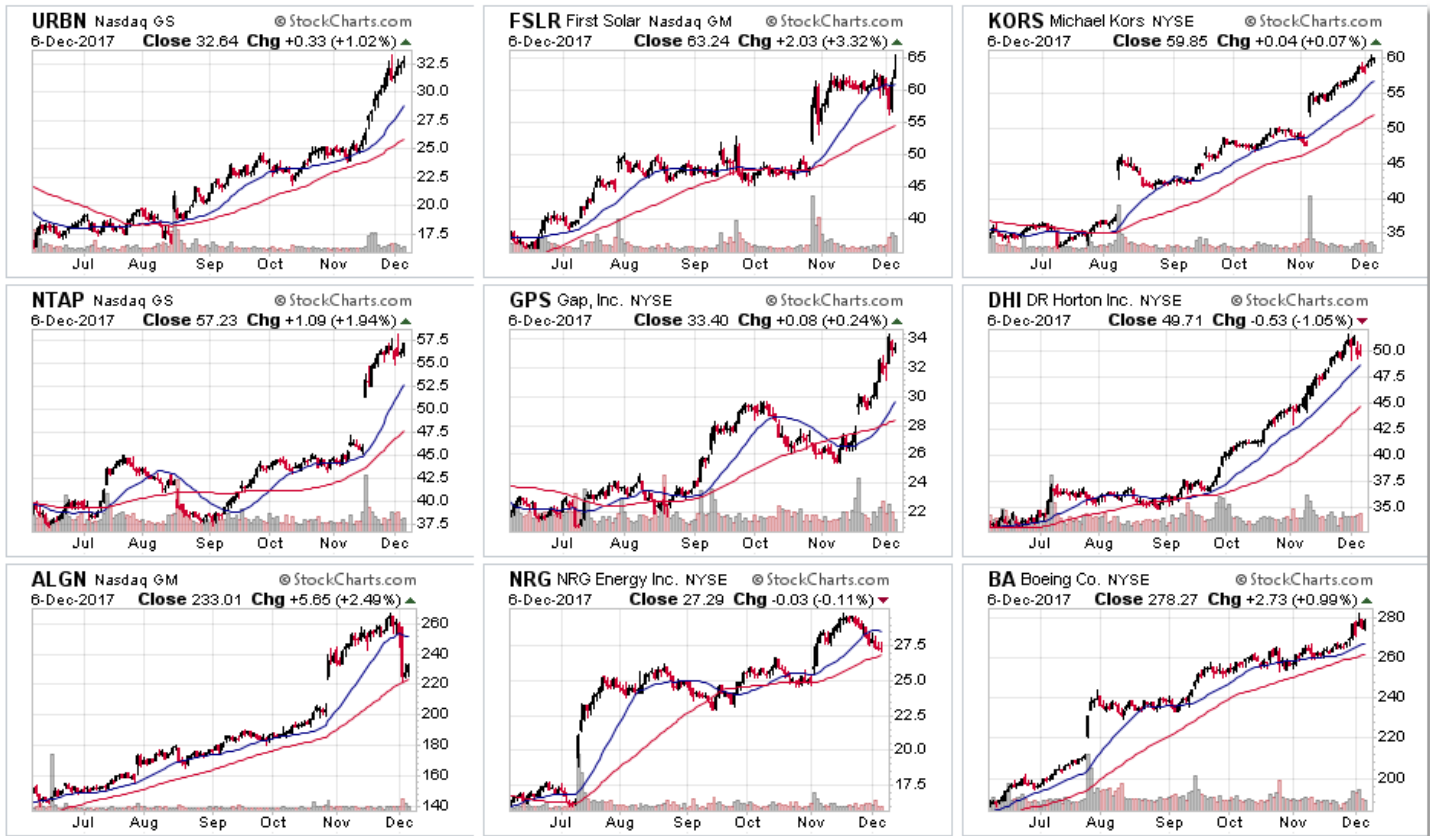
Don't make this complicated - while price may not trade straight down there, odds favor a continuation of the sell-swing/retracement in motion.

If it doesn't - and price suddenly rallies up away from 2,650 strongly - then stay out or remain defensive/cautious until price breaks a new high and triggers an alternate thesis short-squeezed breakout bullish rally. Plan but react in real-time to new information.

Today's lesson is Real-Time Adaptation (to new information!). While price was steadily traveling our sell-swing lower on schedule, a big bullish upside opening gap got in the way and triggered our ALTERNATE THESIS bullish short-squeezed rally as planned.

The result - as per our unexpected/alternate thesis play - triggered a trend day with at least three simple/efficient bullish pullback/retracement opportunities - great lessons.

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.

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

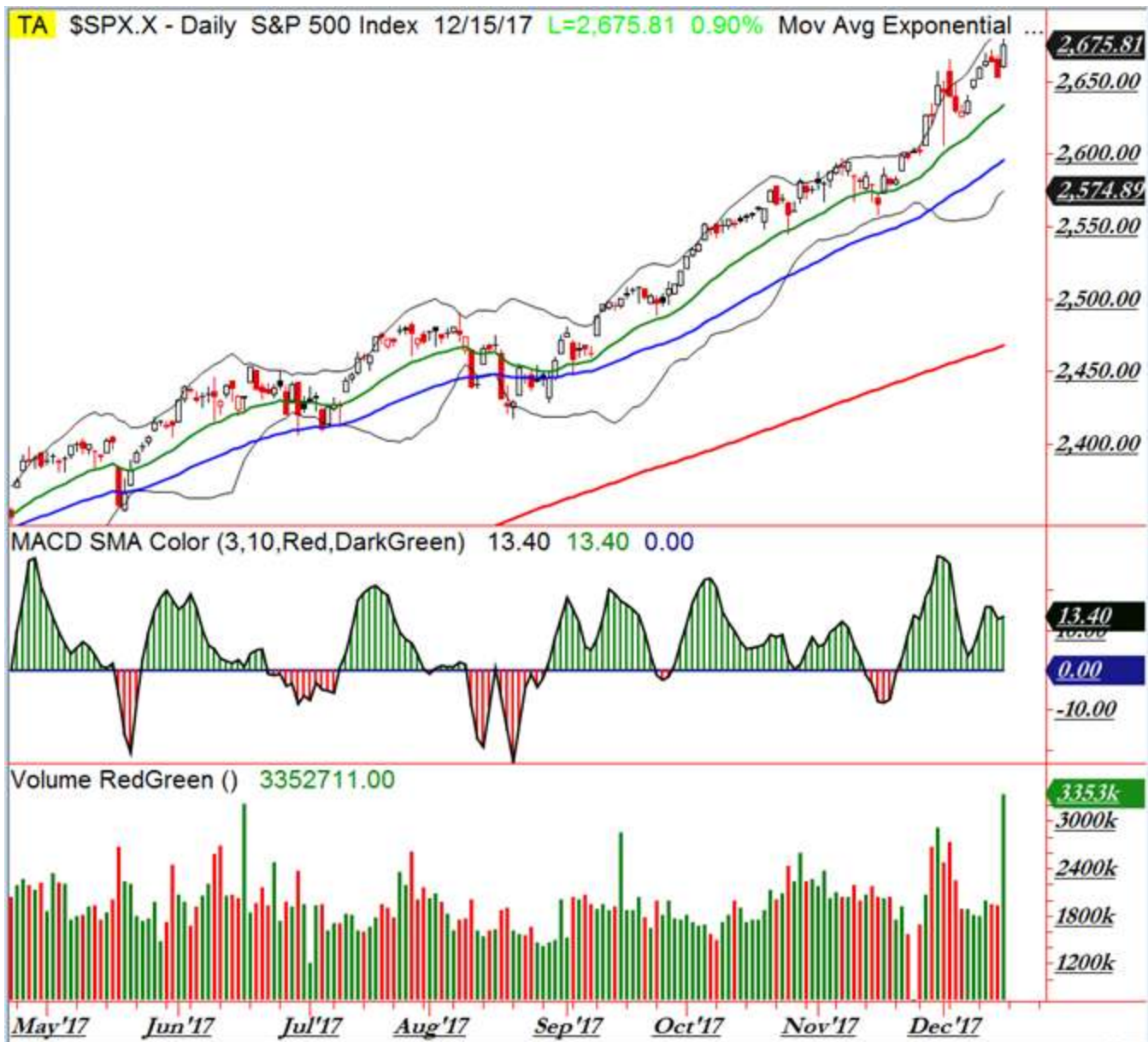


Price achieved a minimum/small target at 2,650 and then bullishly surged up away from it in a powerful T3 Trend Day event.

While we have clear trading lessons today, we know that a lot of news/political information could happen over the weekend and will come into trade Monday's session prepared.

If we keep it simple, keep trading bullishly/long (short-squeeze) above today's high (ignore everything) or else be prepared to trade a retracement or departure (logically) down away from 2,680.

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



If two days of a pullback is all we get - and we're glad for that - then this market is far more resilient than it looks. With the tax cut plan all-but-certain to be approved (as of right now!), stocks boosted higher to close a strongly bullish week.

Look back at the recent price action on the bullish breakout and short-squeeze event from late November and keep playing this bullish (impossible though it may seem) rally as long as it lasts.

It won't last forever and we'll be cautious/on guard Monday, but it's what we have right now.