



## Daily "Idealized Trades" Report

### Trading Lessons from the Intraday Frame (study)



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



## ***Major Companies Reporting Earnings Thursday...***

Micron (MU), Red Hat (RHT)

## ***Major Economic Reports for Tomorrow...***

US Housing (8:30am)

## ***Quotes from Last Night's Planning***

*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.*

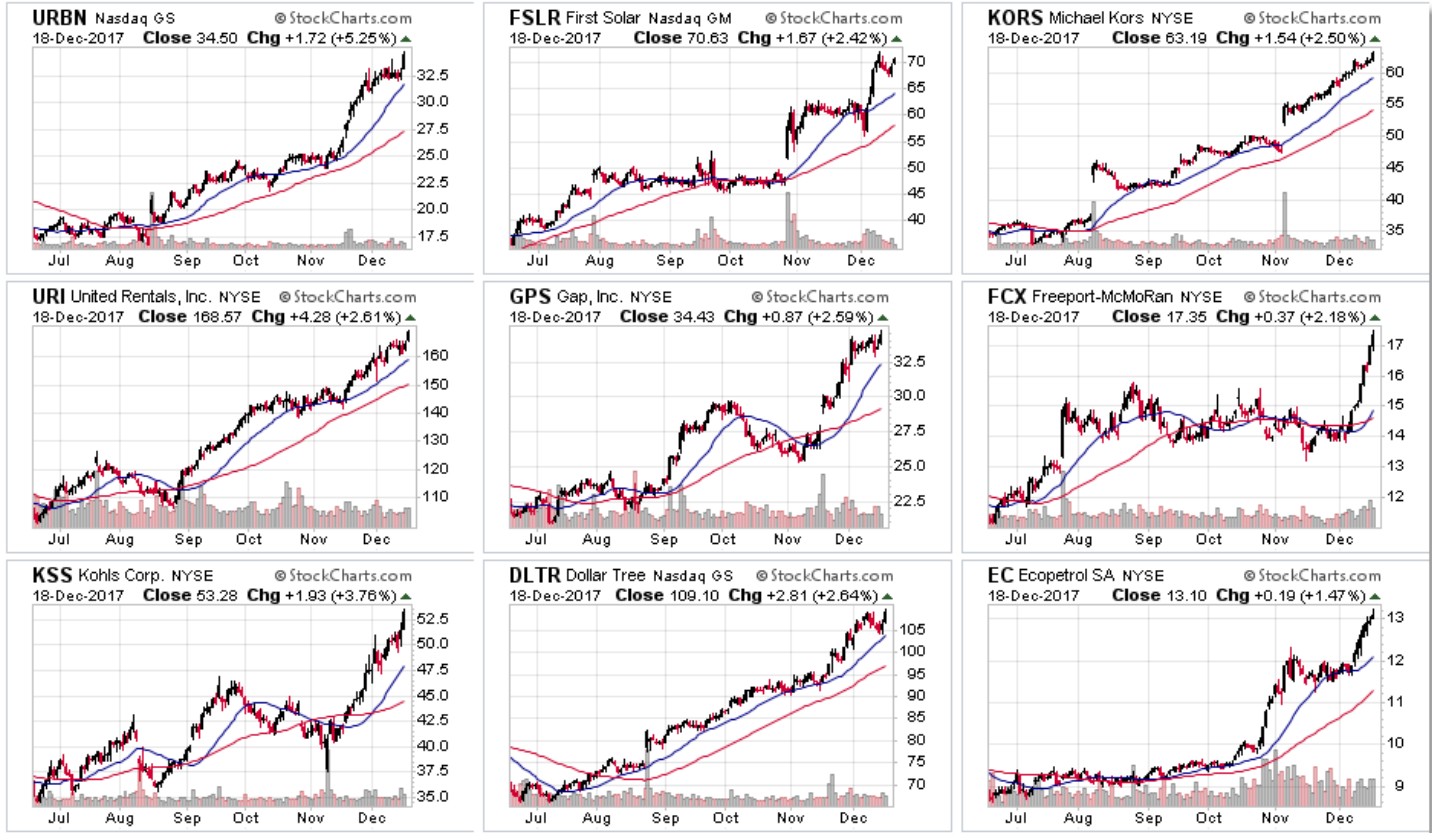
*If we keep it simple, keep trading bullish/long (short-squeeze) above today's high (ignore everything).*

*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.*

All restraints and guard rails are off as the market keeps up the December end-of-year bullish historical pattern. Today we followed the plan calmly and confidently, playing the "bullish breakout and short-squeeze event - impossible though it may seem - as long as the rally lasts.

While there weren't great profits today, the ONLY major/efficient money was made from the LONG/BULLISH side as was our plan - mainly in the two simple retracements to the 5-min moving averages - zoomed in above for you - or 1-min flags.

## December 18 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 our 2,700 upper target - believe it or not - and now we form our simple game-plan based on trading the immediate DEPARTURE from the 2,70 pivot.

It's likely to see ROTATION or RANGE DAY action at this level - similar to what we saw after the big upside opening gap - as this week continues.

Still, take all the fancy analysis away at the moment - just for now - while this non-stop bull market extends higher.

## 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 this week (as of stocks boosted higher to begin a new week higher.

Note the futures are a little higher in value than the cash index, so we'll use 2,690 as our "departure" point as the cash index plays higher toward 2,700.

Do keep it simple - as I remind weekly members, we're still (likely) in a THIRD wave of a primary fifth wave so it's not all that surprising - in that context - that we extend even higher.