



Daily "Idealized Trades" Report

Trading Lessons from the Intraday Frame (study)



Major Companies Reporting Earnings Thursday...

NONE

Major Economic Reports for Tomorrow...

NONE

Quotes from Last Night's Planning

Price trended back toward the prior high but REVERSED shy of our retest target. A NEW short-term TRADING RANGE has developed at the high as we keep a similar game-plan:

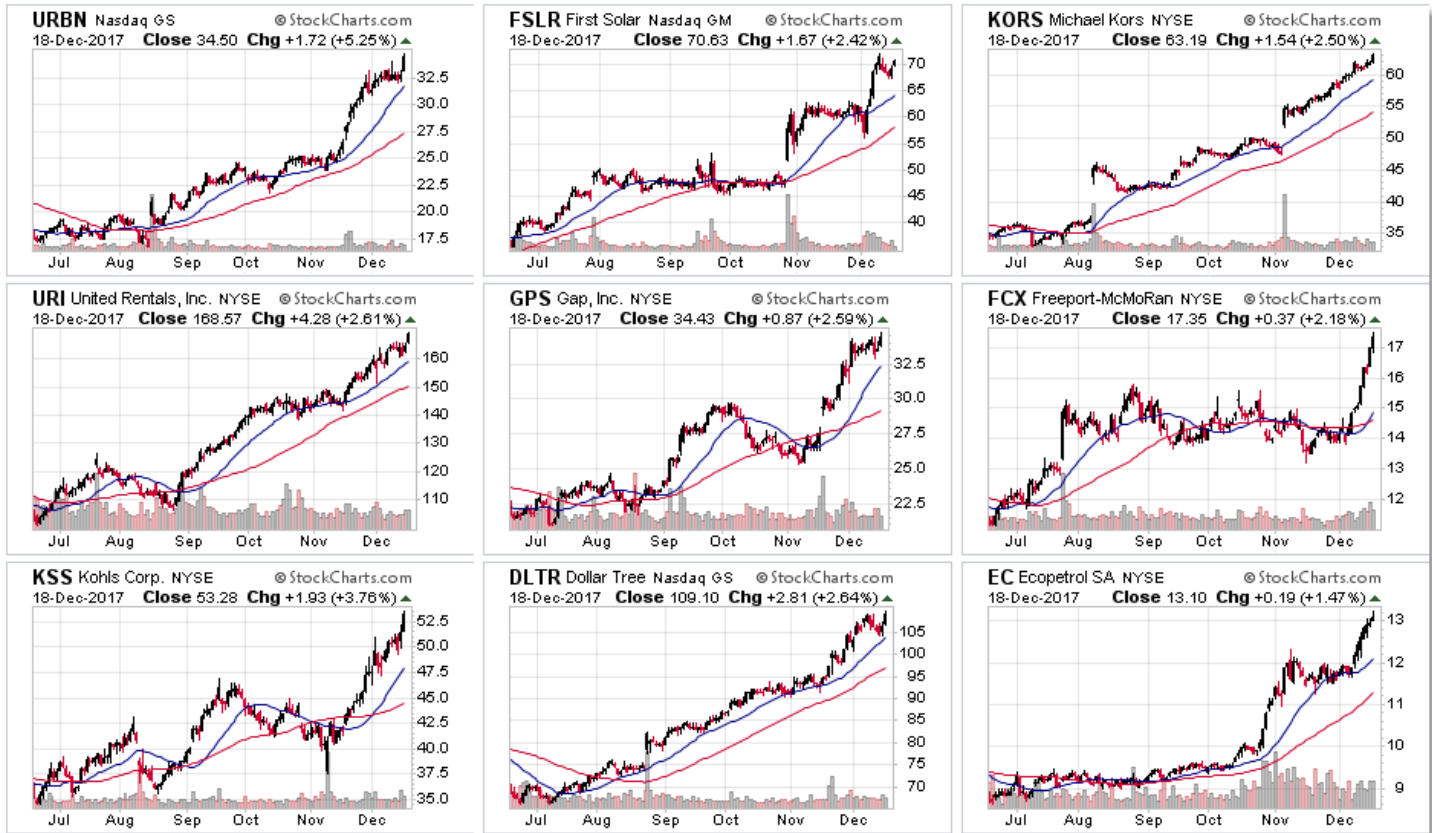
Note that price is BETWEEN the 2,680 and 2,700 pivot/target levels and we'll use those as our reference levels.

Friday could be a low volatility, low volatility RANGE style session within our boundaries before Monday's holiday so plan any short-term trades WITHIN these boundaries.

When we have something major happen, we'll report and trade it. Today we're just updating charts because nothing happened - and no trades triggered - today (as is normal this week).

We have our typical LOW VOLUME, LOW VOLATILITY and thus LOW OPPORTUNITY intraday action. Other markets like Gold and Oil are moving but you can't make trades happen in a tight holiday range. The only good trade was an aggressive short (fade) or breakdown/reversal from the highs into 2,691 as indicated with the yellow highlight (and divergences).

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.

Planning the 30-min Intraday @ES Futures Chart



With Monday being the Christmas Day holiday, our plan has been the same/similar all week long. We'll pick up more analysis as more information come in each day but for now, know that price is in a short-term trading range just beneath 2,700 and has slightly better odds of trading DOWN away from it toward 2,665.

Play bearishly beneath 2,680 but remember the bullish holiday drift that may keep this market at the highs.

As we traded Tuesday's and now today's session, nothing has changed as the market tightened the range. Get prepared to trade that upcoming breakout!

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



Similarly, we have a natural bearish RETRACEMENT or sell-swing pathway lower for price given divergences at the upper Bollinger Band shy of the 2,700 target.

That will be our clear 'pullback' dominant thesis (toward 2,650) but we will be equally ready to play this ongoing bullish holiday price drift OR an actual breakout/short-squeeze rally that triggers above 2,700.

Focus on the narrow intraday range and GET READY to trade the future breakout.