

Date: 12/07/2017

Market: ES mini

Timeframe(s): Intraday - 5m,15m,60m,3500T

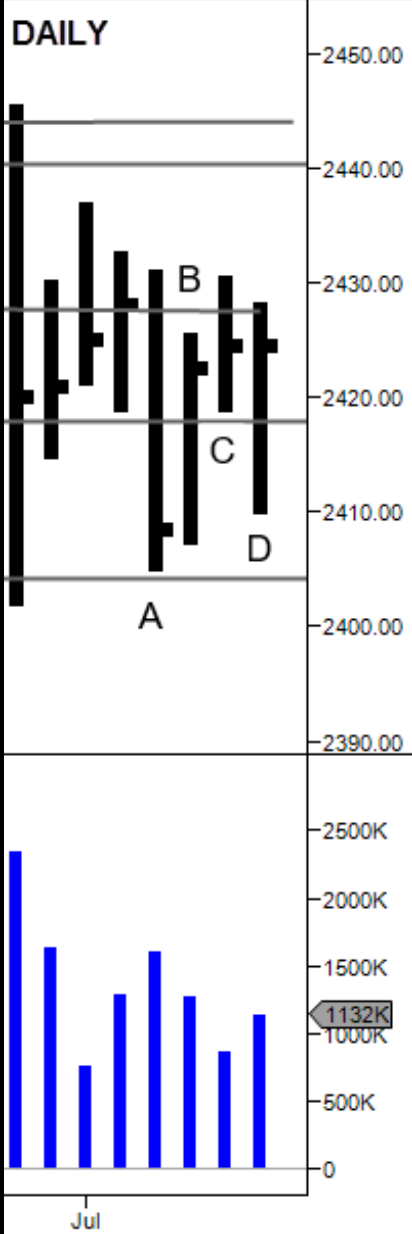
News:

Yesterday: HIGH: 2430.00

LOW: 2419.25

CLOSE: 2424.50

Other levels: res:2451.50, res:2443.50, res:2440.00, res:2439.00, res:2428.00 sup:2403.75, sup:2417.00, sup:2475.50



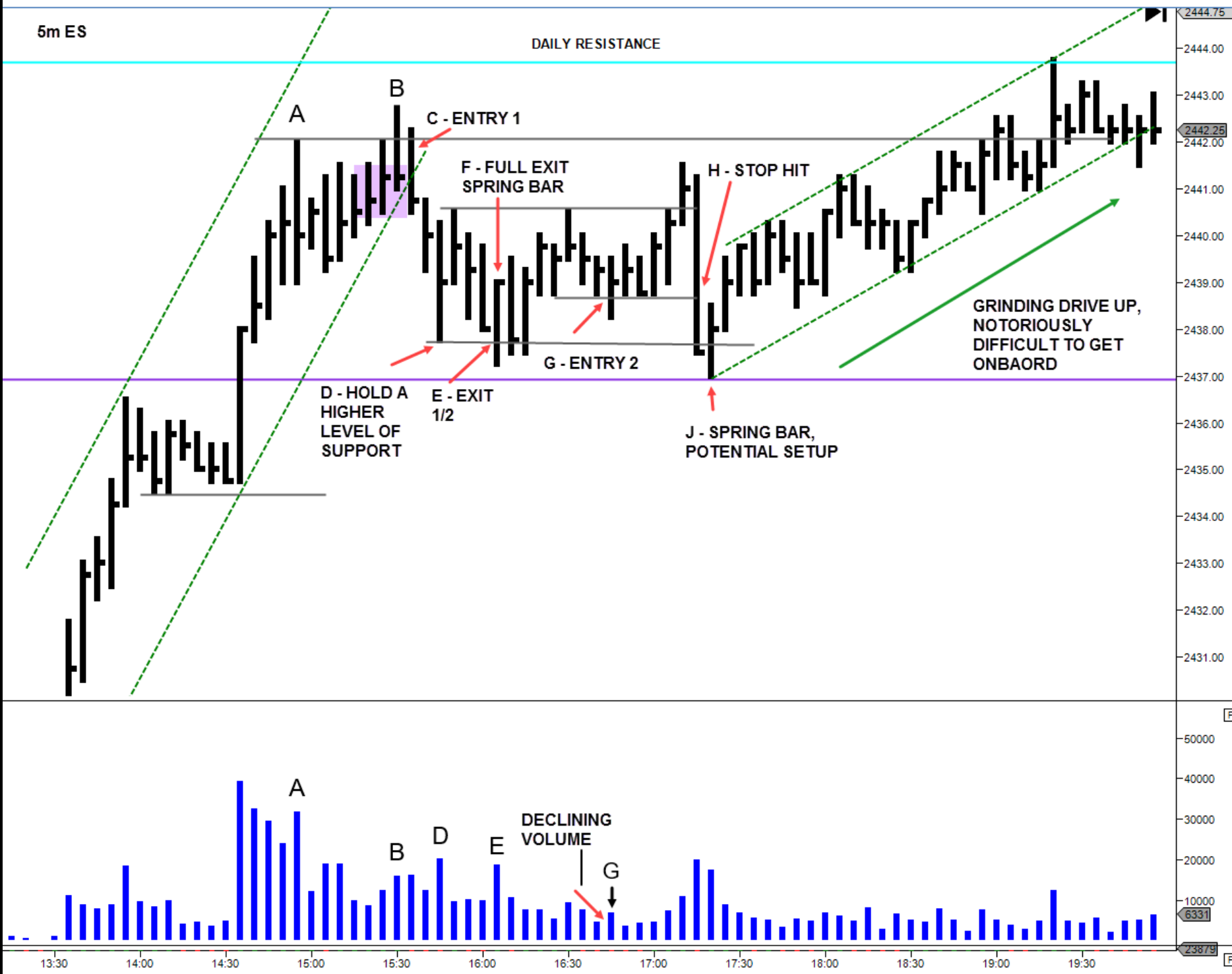
Via yesterdays analysis we did react back into the demand area, where buying emerged once again. The market provided a selling climax and the process of accumulation (on a 5m timeframe) we must remember that accumulation on a 5m chart does not undo the negativity/weakness we have seen via the daily. However for the immediate future we would expect higher prices. Bar D holds a higher low with a firm close and average volume, higher prices are on the cards, nothing to suggest otherwise. No need for other timeframes as yesterday's Chronicle has provided everything we need to know

**Game plan:** Scenario 1 - highs made first; unable to break resistance (2428.00) or if we break slightly buyers unable to sustain price. Look for weak demand and supply to emerge. First target being 2417.00

Scenario 2 - highs made first, break resistance decisively (2428.00), wait for weak pullback to newly formed support and apply bullish setups, target area 2440.00 to 2443.50

Scenario 3 - lows made first; tests support at 2417.00, look for weak supply and demand to emerge, given the average true range of the daily we would expect the market to halt around 2440.00 to 2443.50

Scenario 4 - lows made first, break 2417.00 back into the demand area, we would look to apply bullish setups of sorts - this would be a very tricky scenario we have a line in the sand being 2403.75. If we break this level look for short opportunities or perhaps a spring



During the overnight we rallied 14 points, US opens and the market drives a further six.

Bar A – we have evidence of supply, volume spikes, close is weak and under previous bars close. We continue sideways for 45 mins slowly grinding up, until the upthrust at bar B - we can trade this, however on this occasion I wanted to see a break of the demand line for added confirmation, after all we are in an uptrend. NOTE – the clustering of closes the market is finding it hard push up

Bar C – entry 1, this trade is counter trend and MUST be aware of its limitations; first target would be the axis line at 2337.00. Bar D – we hold a higher level of support, unable to reach first target, stop moved to breakeven. Exit 1/2 at E (+2.75 points), full exit at F; we have a spring bar with a spike in volume (+ 1.75 points)

Bar G – entry 2, why? In an uptrend, we hold a higher level of support at D (close is mid bar showing demand), F is a spring (demand) we hold a higher local level of support (bullish), as we react from resistance supply declines (bullish).

Bar G a mini spring with a slight pop in volume, as we rally volume increases a healthy sign (although we must be aware of supply to the left bars A & B), bar H was the key bar for our trade as it was going to hit our first potential target (resistance) we needed the exact opposite of what occurred. As we reversed down stop was moved to 1 tick above entry (+0.25 points) - this was due to my trading plan, in a previous Chronicle I had explained that any trade that is 2.50 points inside will result in the stop being moved to breakeven. It's unfortunate on this occasion, but has served me well over the longer term, there is always another trade

At this point we don't have a clear read on the market which is fine, we patiently wait. First thoughts for bar H was a shakeout, this was shortly negated as the rally was anaemic. Bar J is a spring with two levels of support underneath, trading this would be extremely difficult due to bar H, completely discretionary of course. The rest of the day is a slow grinding up move, very difficult to jump onboard if not in a position already. Sometimes the overnight produces the best moves of the day, giving the US session little head room for progression; the trading was very tight (literally in a 6 point range for 5hrs) banking almost 3 full points in a single trade considering what the market has offered is a fruitful day. Time to call it a day

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