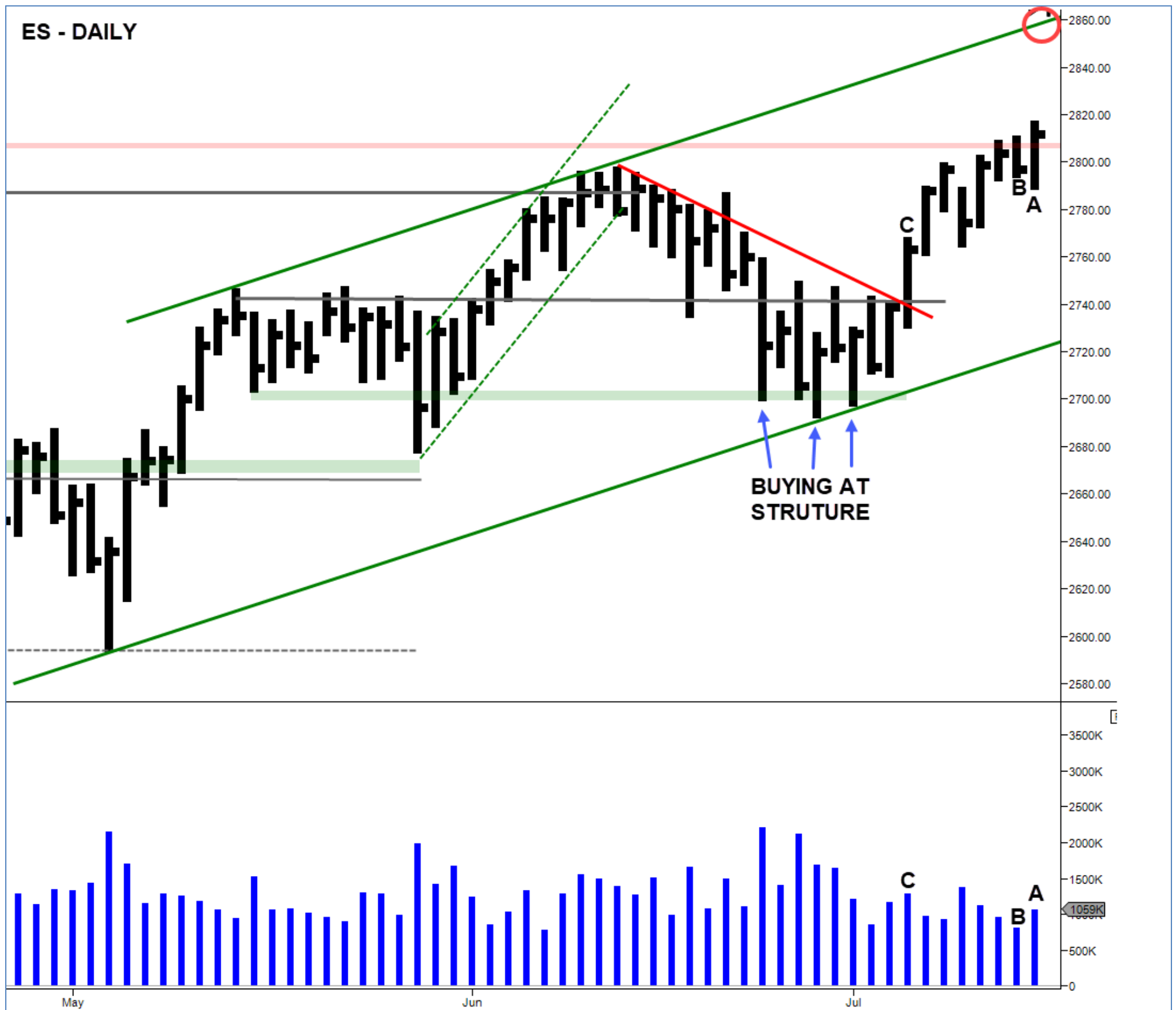


Date: 18/07/18 **Market:** ES mini **Timeframe(s):** Intraday - 5m,15m,60m,3500T

Yesterday: **HIGH:** 2745.50 **LOW:** 2716.75 **CLOSE:** 2721.50

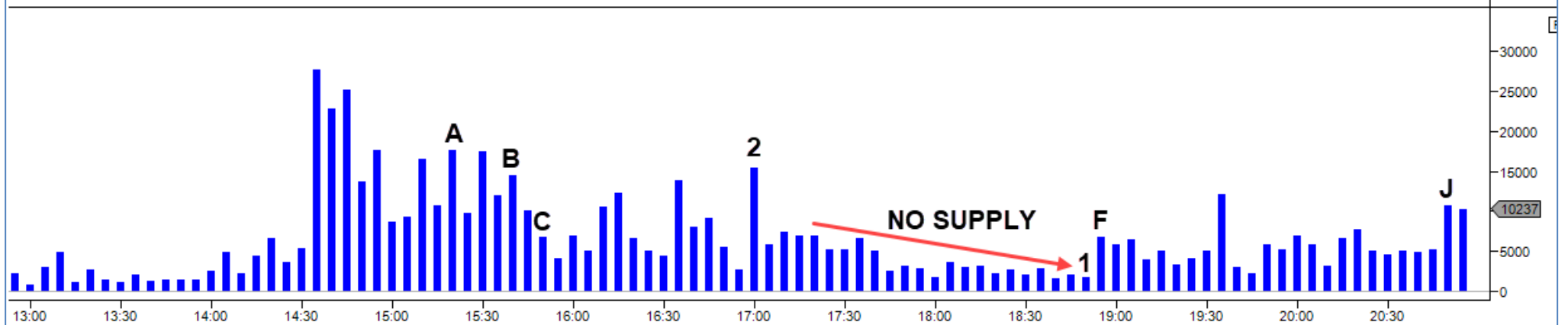
Other levels: res:2860.00, res:2840.25, sup:2745.00, sup:2700.50, sup:2668-70.00, sup:2594.50



The S&P's could not be clearer for its intentions, odds favour higher prices or at least until the market tells us otherwise. From an intermediate macro perspective, we come from strength; there is clear buying at support (as illustrated) price is holding this level. The key bar to our local analysis is C, we break resistance and the supply line (red) with decent price action; spread widens, volume increases with a firm close. From the close of this bar we would expect a test of resistance at 2807.25 (red opaque line). Price does indeed continue north testing resistance. Then Bar B prints, very low volume (more or less the lowest volume bar for months) ask yourself, where are we? At resistance, supply SHOULD emerge. Combine this thought process with the nature of bar A; dips under B to reverse and close firm above B and resistance, resulting in the highest close since the 1st Feb and it achieves this with a spike in volume. Odds highly favour upside progress, in addition we are trading within a valid upside trend channel with much white space above us; if price does continue north this is the area we would expect to encounter supply. Although this may take a couple of sessions, it's always best to plan in advance for potential levels. Anything that may reduce our work load live in the markets is a big plus, as it reduces thought and stress, it pays to be aware, that we way we are never caught off guard.

No need for lower timeframe analysis as the Daily speaks volumes

ES - 5M



Bar C – Entry 1, why? Support is made during the European session, US opens and drops south to test this area; with clear buying at A and B. An aggressive trader may take the play via B, and has the right to do so. C is a test, volume declines, spread narrows – an instant buy

Bar D – Exit 1/3, first resistance (+4.75 points)

Bar E – Exit 1/3, breaks demand line, with potential climatic behaviour via bar 2 (+7.00 points)

Bar F – Stop hit, although bar 1 is a beautiful 'no supply bar' at support (would expect higher prices)

Bar F prints and is a shakeout; doing its job well as the stop was hit (+4.25 points)

Bar G – Entry 2, why? The reaction from the highs (2) is lacklustre; compare the price action and volume from that of the drive to 2 and the pullback to 1 – worlds apart. Price tightens on the decline with decreasing volume; the angle of descent is much lower than the ascent. As stated above, bar 1 is a no supply bar. As F reverses the flow and G break the highs of bar 1, a long play is initiated

Bar H – Exit 1/2, the trade hasn't taken off, getting close to end of day (+3.25 points)

Bar J – Full exit, unable to break the highs with a spike in volume can only mean one thing "supply" (+2.50 points)

Today's trading provided various opportunities being in the form of springs, tests, no supply bars etc. Entry 2 is a high odds trade that never got going, this setup was at the perfect time as it was around 7pm (Wall street getting back from lunch, 2.00pm EST) the market can often produce another strong leg up if we have a trend day on our hands, however the market had other ideas and we grind up slowly, we gain data from this action, the quality of buying has diminished, lower prices on the cards. On that note, time to lock in profits and call it a day