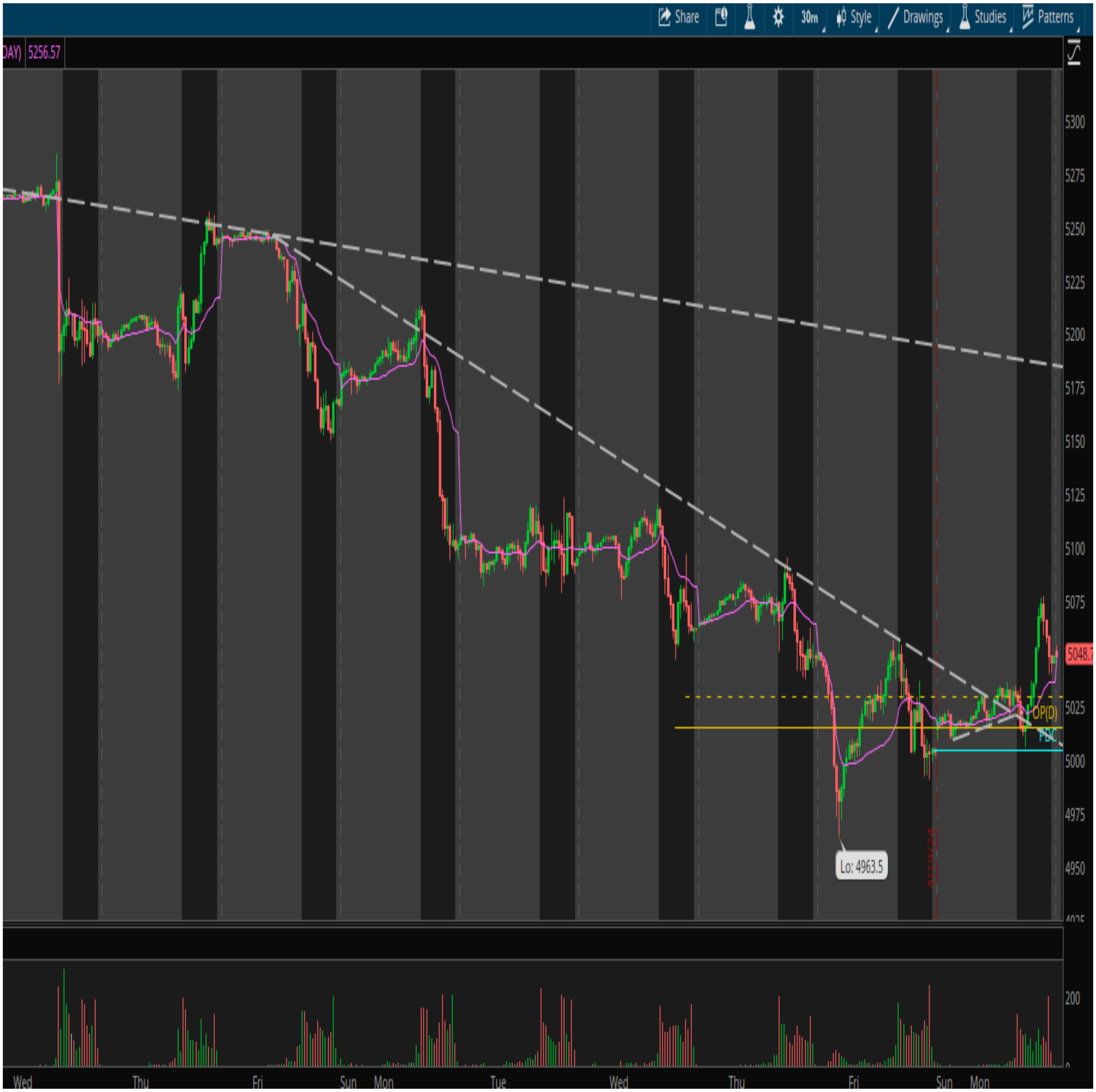
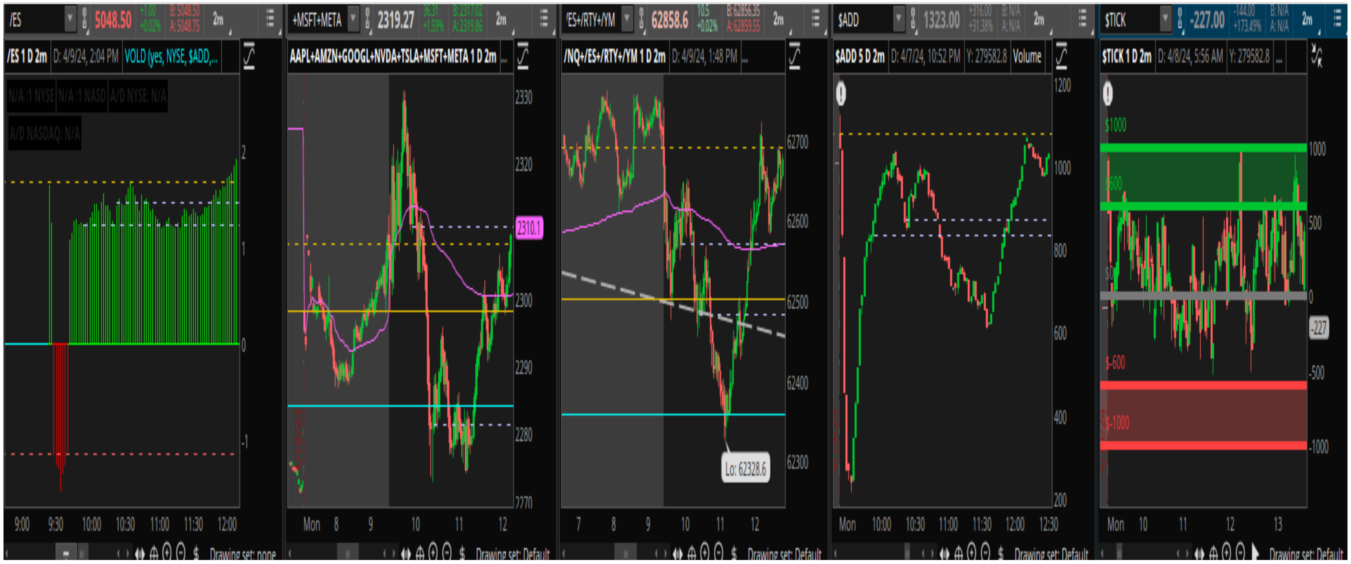
Am I trading this strategy the wrong way?

By disciplined_daytrader · April 22, 2024



Massive trendline break today



Internals 4/4 bearish until 12:00

How to view the day properly:

1. Huge trendline being broken above
    - First test but is it going to just cleanly break with strength on the first attempt? Probably not
    - Usually the first retest of a trendline can either be a tap then big reversal or a break above, long consolidation, breakout or long consolidation, breakdown, then breakout
2. If internals are 4/4 bearish at the open yet the ADD VOLD are not making NLOD over and over while the Tick is above 0. Its possible that this can breakout today but what will be the trigger?
3. If VOLD ADD are both bearish yet climbing higher while mag7 and indices are breaking down with no end in sight what is the right move?
    - the RIGHT move is NO move. Wait longer until things clear up
4. If VOLD and ADD just broke to NHOD and the mag7 and indices had a very aggresive bottom formation is it possible we breakout to a NHOD on ES?
5. Yes very possible, Where do I get in?
6. Mag7 was the leading move lower all day and when the bounce occurred Mag7 bounced wayyyy stronger than the indices did. That may mean that the mag7 can hold us up and rip us higher as it was really the only driving factor for the morning selloff in the first place, Vold add both were not weak at all and Tick was above 0 all day.
7. Once I see the mag7 breakout much stronger than the indices I need to get in on ES as soon as possible and add up to 50 contracts to capture a move for the break of HOD and then hold some size because the Macro trend is still long while the micro trend is short.

This is prime time for a huge move higher because when the micro trend resumes the macro, that day will be extremely violent. Today was still not that day yet but it was pretty damn close and a huge missed opportunity to go long and hold a huge position.

8. First entry (Risk $500)
    - 5MES with intent to add 5 extremely fast if proven correct
    - add 10 more on the break
    - add 10 more on the pullbacks
    - Sell 20 at the HOD break for 10 points ($1k gain)
    - Hold remaining 10 for 30m candle low break which was 40 points later
    - Partial profits = $2k
    - Total Risk= $500

- Total Reward = $3000