

The Swing Trade Report

April 9, 2015

MAJOR INDEX ANALYSIS

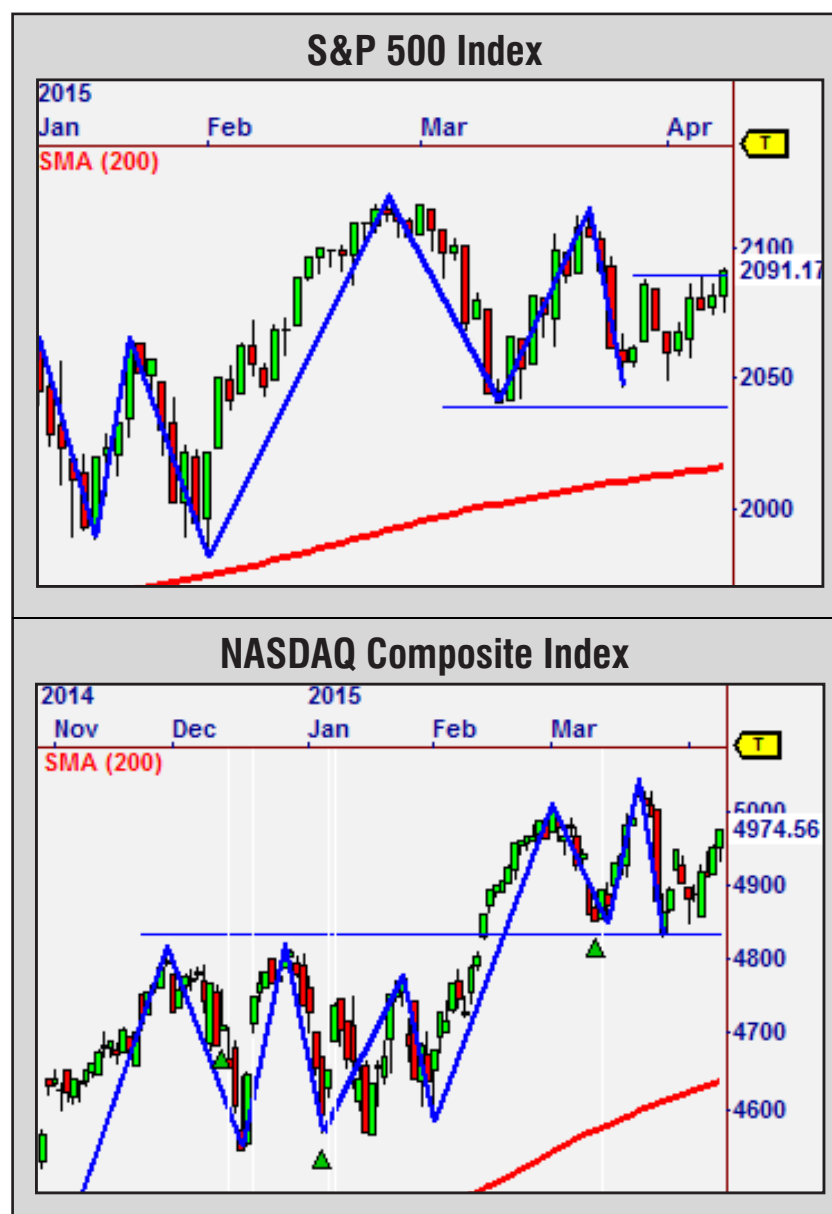
Welcome back to the Swing Trade Report. The S&P 500 continues to coil tighter as we've had three successive days of very low volatility. This could be a precursor to a breakout move in either direction. We'll watch for a major break of the range created over the last two weeks, but for now we'll take advantage of the range and look for swing trades in both directions.

The NASDAQ Composite looks to be finding a bit more strength than the S&P as it made a new two week high today. Again, this index can provide a "tell" at times. Watch the S&P to see if it follows and makes a break to the upside as well.

So the broad market has been fairly uneventful over the last few days (even with a FOMC report yesterday) but longer term we are still in a bullish market. Long trades will be safer bet, but good short opportunities can be found in this type of market as well.

This will be our last Swing Trade Report review. Purchasers of the Ultimate Swing Trading Package will continue to receive the report for the next month. For those of you that have purchased, please let us know if there is anything we can do to improve the report. We appreciate your feedback and we are already making a few changes based on your comments. Feel free to contact me at jeffdrake@nirvsys.com and best of luck in your swing trades!

Jeff Drake





Top Picks Commentary

Since the market has inched up the last few days we don't have as many long signals as we would hope, but these stocks look promising.

SBH has tumbled over two weeks which means it has good upside potential as it is testing potential support.

COTY has retreated to \$23 which was resistance earlier in the month.

RBC has tumbled to major level that represents both potential support and a 38% retracement mark. Good profit potential on this one.

WWD fell hard on Tuesday but it is holding near potential support.

Previous Trade Spotlight

Our picks from Tuesday have worked out pretty well – including a couple of good percentage gainers. Let's look at each trade.

INSY was a one day wonder as we caught a strong intraday run after the gap up. We took the strategies exit and closed with a solid 5.57% gain.

FLWS and PAHC weren't quite as impressive, but they did get a move in our favor and we took the strategy exits for slight gains.

MCRL dipped slightly, but it's still testing potential support and we'll see if we can get a move in our favor in the next day or so.

PAHC made a slight gain yesterday and we took the strategy exit.

Our lone short from Tuesday, ELRC, gave us over 1% in a day and we took the strategy exit. This one still looks like it has more downside potential for those of you that may have chosen to stay with it.

- Jeff Drake

Today's Top Picks

Symbol	Strategy	Signal	Confirmation
SBH	CTX-1	Long	Support Level
Short term support at \$33.			
COTY	CTX-1	Long	Support/Resistance
Looking for support at previous \$23 resistance level.			
RBC	CTX-1	Long	Support/38% Level
Big drop to support and 38% retracement level.			
WWD	CTX-1	Long	Support Level
\$48 has provided support over the last two months.			

Previous Trade Spotlight

Symbol	Trade	Gain/Loss
INSY	Long	+5.57%
CLOSED – Big gain in one day for a great trade.		
FLWS	Long	+0.89%
CLOSED – Nice little move after 50% level bounce.		
MCRL	Long	+0.55%
OPEN - Still trading near potential support.		
ELRC	Short	+1.028%
CLOSED -Nice gain in one day, but still weak.		
PAHC	Long	+.035%
CLOSED – Slight gain - not much upside potential left.		

Quote of the Day

“Economy is half the battle of life; it is not so hard to earn money as to spend it well.”

Charles H. Spurgeon



TRADING TIP OF THE DAY

DETERMINING TREND STRENGTH

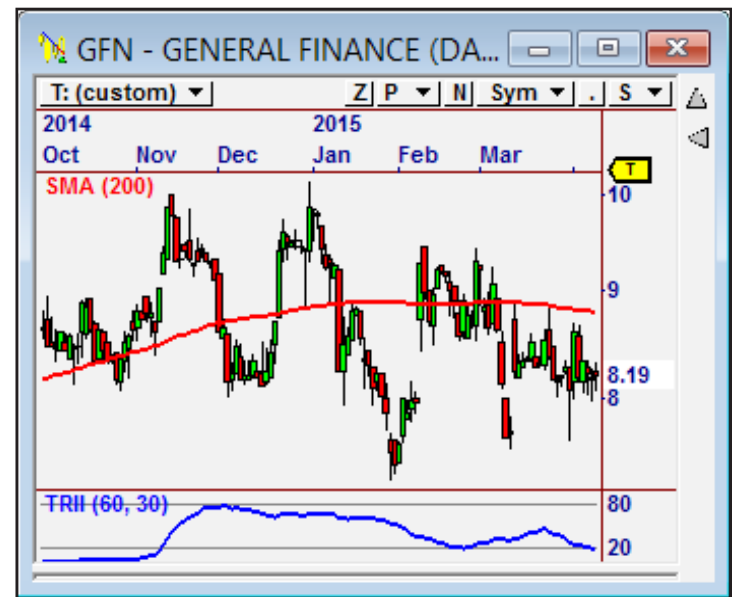
Almost every type of trader looks to determine trend direction. This can be true for the broad market as well as the individual securities they are trading. Of course the moving average is the most popular tool to determine trend direction, and in fact we look at the 200 period moving average just for the fact that it is so closely watched by the market.

But there is another indicator that we use in our strategies because it gives more than just directional information. The Trend Intensity Index (TRII) is a versatile indicator that can be used to determine trend direction AND trend strength.

The Trend Intensity Index uses a moving average, but it looks at price distribution around the moving average to help determine trend strength. The classic interpretation of the indicator is that the trend is considered bullish if its value is above 80, and the trend is considered bearish if the value is less than 20. If the indicator is between these values, then we have a non-directional market.

We can also gain information by looking at the direction of the indicator. For example, if it is decreasing, the bullish trend is considered to be weakening. We can also look for it to move from extremes as an early indication that the current trend could be changing or temporarily pausing. Information like this makes the Trend Intensity Index a multi-faceted tool and a powerful addition to any trader's arsenal.

JD



Price is whipsawing around the moving average, but the TRII tells us that there is not a strong trend in either direction.



The 200 period MA says DISCA is bearish, but the TRII rising above 80 tells us the stock gaining strength.

Upcoming Economic Events

April 14th	8:30 AM EST	Core Retail Sales
April 14th	8:30 AM EST	Producer Price Index (PPI)
April 16th	8:30 AM EST	Building Permits
April 16th	8:30 AM EST	Housing Starts
April 17th	8:30 AM EST	Consumer Price Index (CPI)
April 22nd	10:00 AM EST	Existing Home Sales
April 28th	10:00 AM EST	CB Consumer Confidence