

Another Batch of Trading Setups for the SP500 Are Here

The past few weeks I have been talking about the SP500 forming a top similar to the January top we saw earlier this year. Well the charts below show exactly what I have been waiting for to unfold and I think the time has come for the market to take a healthy breather before continuing this strong bull market which could last another 12 -24 months before really topping out.

SPY – SP500 ETF Trading Chart

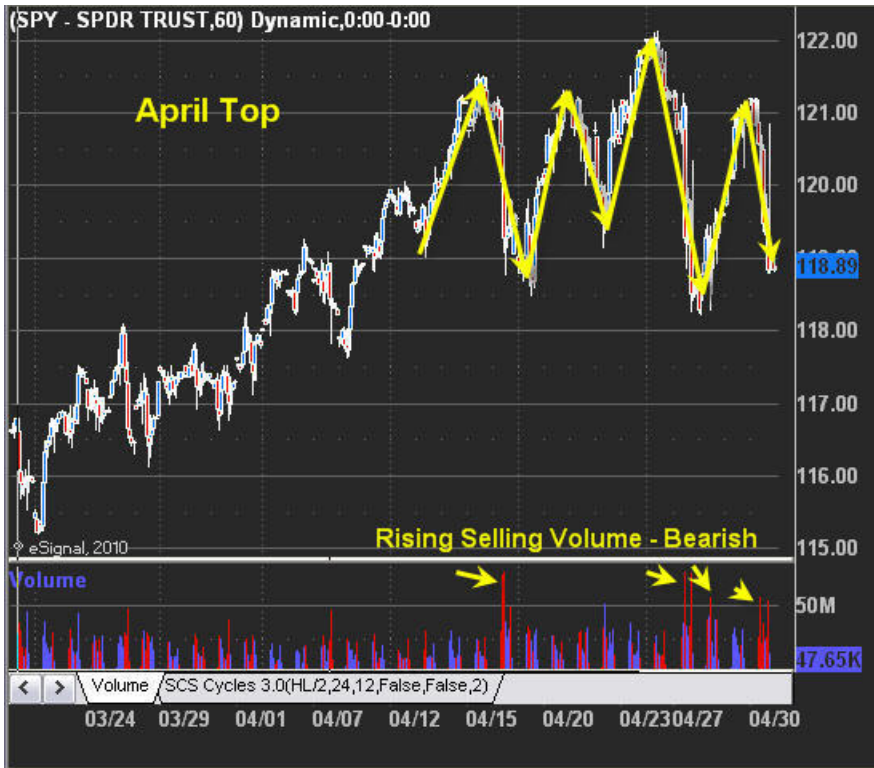
I am showing the SPY etf because that's a fund most people know and trade, but this analysis is the same for trading futures like the ES M0 Mini SP500 contract.

You can see the similar price action which formed in January and what has happened recently. I feel we are about to see a correction which would last several weeks which is very exciting for us traders.



SPY April Top – SP500 ETF Trading 60 Minute Chart

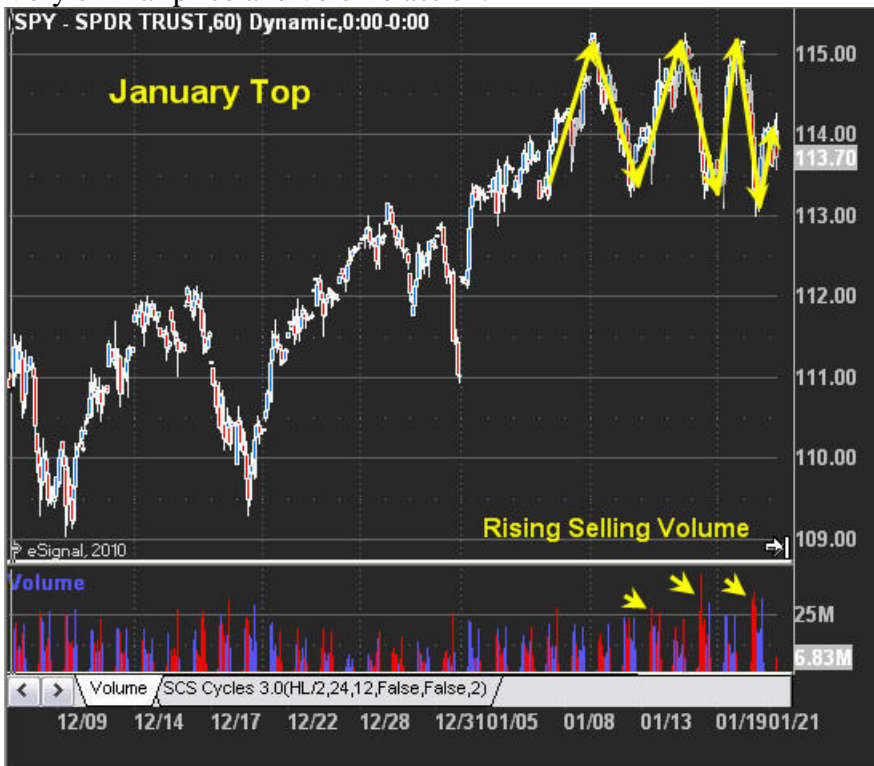
This chart shows the past few weeks of price action with the market becoming more volatile with waves of selling and buying. This indicates exhaustion and generally leads to a market correction or at least some sideways movement to digest the recent rally before continuing higher.



SPY January Top – SP500 ETF Trading 60 Minute Chart

Take a look at this chart of January....

Very similar price and volume action.



SPY January Sell Off – SP500 ETF Trading 60 Minute Chart

This chart shows the sell off last January and the setups I had when the market reached extremes generating trades with the underlying down trend.



SP500 Day Trading & Swing Trading Opportunities:

I hope these charts help you to see how I read the market and what I am looking for in trade setups. While its easy to see these setups in hindsight it requires a lot of research and experience in-order to time these plays in real-time when emotions are flying high and with BNN, Bloomberg, CNBC and other newsletters all saying different things...

Some words from fellow traders:

"I just wanted to let you know how much I've learned from you already. Understanding that you don't always have to be in the market because another Low Risk Setup is just around the corner tops my list. Keep up the good work." Matt Brennan, CA, USA

"Hey, Chris!

I really like the way you think and I'm already learning some useful stuff. I tend to be too aggressive, that's another reason I picked you - I think you have just the medicine I need to learn to be a bit more cautious and to manage risk better. My biggest weakness is jumping the gun. Pretty typical, I guess. Already I can see I will learn to improve from following your lead." George Faison, VA, USA

If you would like stock market training, how to find low risk setups with great potential along with my trading signals then check out my websites below:

Gold and SP500 ETF Swing Trading Signals: www.TheGoldAndOilGuy.com

Intraday, Swing Trades and Trading Strategy: www.FuturesTradingSignals.com

Trade Explosive Stocks: www.ActiveTradingPartners.com

Chris Vermeulen

Disclaimer: I currently do not own gold and SP500 ETFs or Futures contracts.