

Naturus



Daily trading plan for Aug. 15, 2005

1. PIVOTS FOR ESU5

	Daily	Weekly	Biweekly	Monthly	Yearly
R3	1245.58	1263.75	1269.17	1323.25	1428.75
R2	1241.17	1254.50	1258.83	1285.75	1324.25
R1	1236.08	1242.75	1244.92	1261.25	1269.00
PPT	1231.67	1233.50	1234.58	1223.75	1164.50
S1	1226.58	1221.75	1220.67	1199.25	1109.25
S2	1222.17	1212.50	1210.33	1161.75	1004.75
S3	1217.08	1200.75	1196.42	1137.25	949.50

* Blue color number turns into major resistance levels.

* Green color number currently acts as a support level.

2. FOCUS NUMBERS (intra-day Position trading)

Sell levels	Buying levels
1239.75 (First Sell#)	1224.25 (First Buy #)
1243.50 (Second Sell#)	1218.50 (second Buy #)

Trading rules for intra-day position trading:

1. **Dual number** could be used for long position when price trades above it. Also it could be used for short position when price trades below it. Inexperienced traders should not trade this number.
2. For intra-day position traders, you have the potential to capture a big move if you are trading in the right direction. If you get stopped out two times in one direction, especially during a strong trend day. **STOP** trading for rest of the day.
3. If you are a scalping trader, **DON'T** hold your position too long if you trading against the direction of a strong trend.
4. If you are in right direction of the market movement, you can hold your position until price hit opposite major resistance or support level target.

3. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1236.75	1239.50	1241.25	1242.25	1243.50
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Support	1226.75	1224.25	1221.25	1218.50	1210.25
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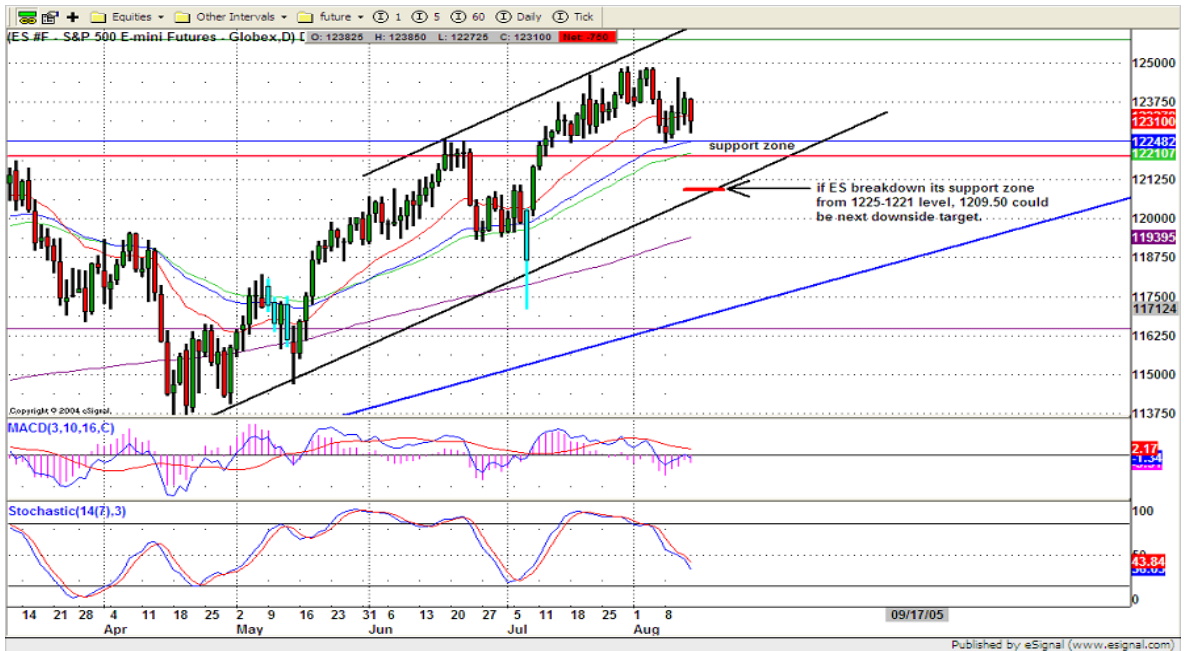
4. COMMENTARY

Last week, market finally woke up and recognized that higher oil price would lead recession. In the last day, market sold off and closed at low level. But if we closely look at S&P 500 (SPX), it still remains its bullish trend. Only it had a minor net loss last week.

Look at ES weekly chart (below), it hasn't broken its uptrend channel. It also trades above its 20 weekly moving average line. ES paused around current level due to it met its major long-term Fibonacci 61% Retracement level. Indicators show ES has overbought situation and needs correction. That is all.



Let us look at ES daily chart (below). Last three days, ES struggled with its support level around 1225-1227. Based on Ellite wave principle, ES is in wave 3 process. It needs to breakdown its support zone to reach 1210 level to complete its down cycle. It could happen in this week or beginning of next week. This week is option expiration week. ES may continue holding itself above 1221.



5. TODAY'S TRADING

On 60min chart, ES formed a triangle pattern. Slow stochastic indicator start to approach oversold level, Breakout 1237 level, price may run up to 1240 to fill last Friday's gap. And breakout 1240 level, higher level should be expected. If ES breakdown 1224 level, price could dip into 1221-1218 level. Option expiration week, volatility will pick up. Trade caution.



6. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=1.95)

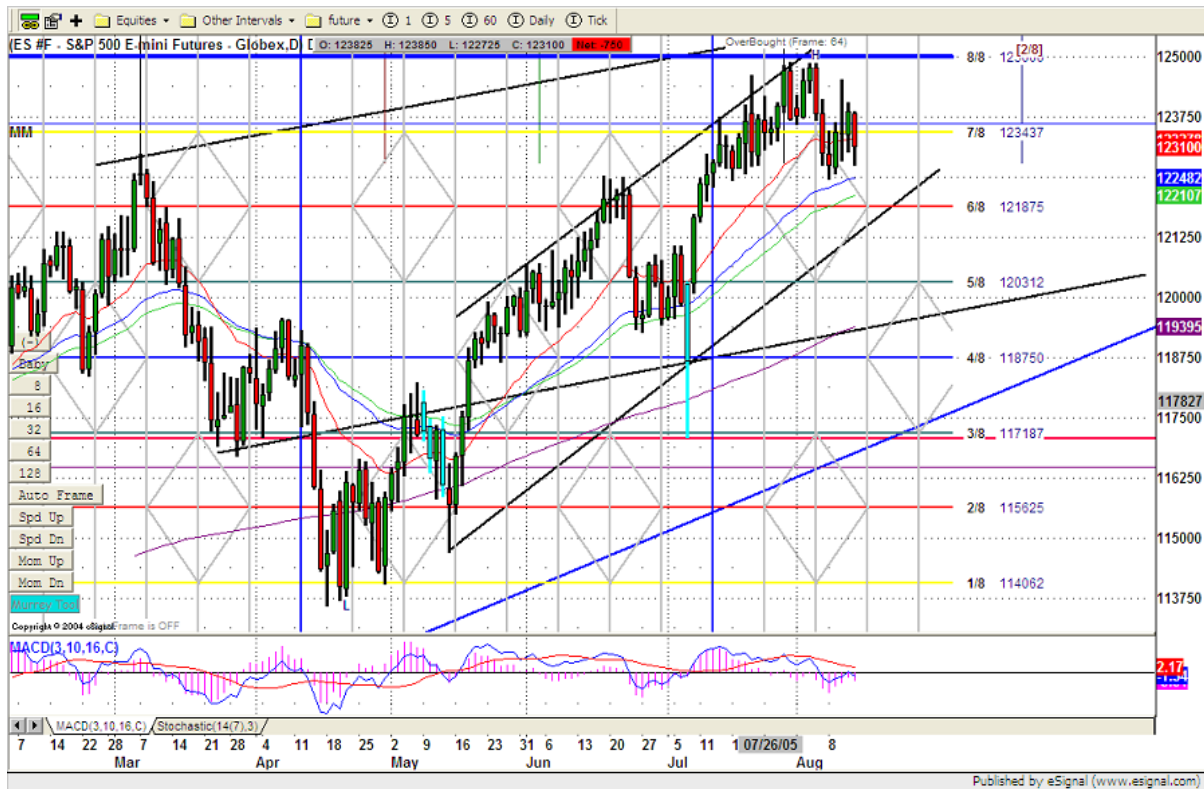
1238.28	+2/8
1236.33	+1/8
1234.38	8/8
1232.42	7/8
1230.47	6/8
1228.52	5/8
1226.56	4/8
1224.61	3/8
1222.66	2/8
1220.70	1/8
1218.75	0/8
1216.80	-1/8
1214.84	-2/8

Up (Interval=1.95)

1253.91	+2/8
1251.95	+1/8
1250.00	8/8
1248.05	7/8
1246.09	6/8
1244.14	5/8
1242.19	4/8
1240.23	3/8
1238.28	2/8
1236.33	1/8
1234.38	0/8
1232.42	-1/8
1230.47	-2/8

Down (Interval=1.95)

1238.28	+2/8
1236.33	+1/8
1234.38	8/8
1232.42	7/8
1230.47	6/8
1228.52	5/8
1226.56	4/8
1224.61	3/8
1222.66	2/8
1220.70	1/8
1218.75	0/8
1216.80	-1/8
1214.84	-2/8



7. OTHER INDICATORS

NatRSI	ATR 5	ATR 10	Waist number
0.24	10.85	9.13	1233
oversold			

- NatRSI >80-90 overbought
 NatRSI >30 or <70 neutral
 NatRSI <20 oversold
- ATR** (Average true range) can be used for predicting intra-day's high and low.
- Waist number** is MMLine number, acting pivot number, can be used for support or resistance. Price trades above its level, market is bullish; price trades below its level, market is bearish.

8. WEEKLY ECONOMIC CALENDAR

Date	ET	Release	For	Actual	Consensus	Prior
Aug 15	08:30	NY Empire State Index	Aug		20.0	23.9
Aug 16	08:30	CPI	Jul		0.4%	0.0%
Aug 16	08:30	Core CPI	Jul		0.2%	0.1%
Aug 16	08:30	Housing Starts	Jul		2023K	2004K
Aug 16	08:30	Building Permits	Jul		2110K	2132K
Aug 16	09:15	Industrial Production	Jul		0.5%	0.9%
Aug 16	09:15	Capacity Utilization	Jul		80.3%	80.0%
Aug 17	08:30	PPI	Jul		0.5%	0.0%
Aug 17	08:30	Core PPI	Jul		0.1%	-0.1%
Aug 18	08:30	Initial Claims	08/13		310K	308K
Aug 18	10:00	Leading Indicators	Jul		0.2%	0.9%
Aug 18	12:00	Philadelphia Fed	Aug		14.5	9.6