

Naturus



Daily trading plan for Aug. 22, 2005

1. PIVOTS FOR ESU5

	Daily	Weekly	Biweekly	Monthly	Yearly
R3	1233.25	1257.00	1268.25	1323.25	1428.75
R2	1230.25	1247.75	1256.75	1285.75	1324.25
R1	1227.00	1235.75	1240.25	1261.25	1269.00
PPT	1224.00	1226.50	1228.75	1223.75	1164.50
S1	1220.75	1214.50	1212.25	1199.25	1109.25
S2	1217.75	1205.25	1200.75	1161.75	1004.75
S3	1214.50	1193.25	1184.25	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
1228.50 (First Sell#)	1219.75 (First Buy #)
1231.25 (Second Sell#)	1216.25 (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	1227.00	1228.50	1230.50	1233.50	1235.50
Support	1220.75	1218.25	1216.25	1214.75	1209.50

4. COMMENTARY

Last week, ES closed in weekly red. Even last Friday ES tried to rebound in the morning, it still lost its upward momentum in the end. A sharp oil rebound price shadowed on the market.

Weekly chart shows that ES still is in correction stage. It could bounce up from its 20 weekly moving average. But this bounce will lead its second leg down again.

MACD histogram is negative and SST indicator has lots of room to fall. If ES bounce, it will give people an opportunity to go short.



Let us look at ES daily chart (below). All indicators show negative and 20 daily moving average line turns into resistance level. Unless ES breaks out that line (1228-1230), it has a chance to bounce up to its previous high level. Otherwise, ES should remain its downtrend, and continue to work on its support level (1218). If ES breaks down 1218, it could dip into 1200 level.



5. TODAY'S TRADING

On 30min chart, 1218-17 line is very important for ES. ES holds itself above that line, Price could bounce up to 1228 level. If it fails, it could dip into 1200, or down further to 1195.

Indicators all point down, small bounce in early morning should be expected.



6. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=0.95)

1228.52	+2/8
1227.54	+1/8
1226.56	8/8
1225.59	7/8
1224.61	6/8
1223.63	5/8
1222.66	4/8
1221.68	3/8
1220.70	2/8
1219.73	1/8
1218.75	0/8
1217.77	-1/8
1216.80	-2/8

Up (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

Down (Interval=3.95)

1226.56	+2/8
1222.66	+1/8
1218.75	8/8
1214.84	7/8
1210.94	6/8
1207.03	5/8
1203.13	4/8
1199.22	3/8
1195.31	2/8
1191.41	1/8
1187.50	0/8
1183.59	-1/8
1179.69	-2/8

7. OTHER INDICATORS

NatRSI	ATR 5	ATR 10	Waist number
0.38	10.20	9.55	1224.50
neutral			

- 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	Consensus	Prior
Aug 23	10:00 am	Existing Home Sales	July	7.25M	7.33M
Aug 24	8:30 am	Durable Orders	July	-1.2%	2.8%
Aug 24	10:00 am	New Home Sales	July	1325K	1374K
Aug 25	8:30 am	Initial Jobless Claims	8/20	314K	316K
Aug 25	10:00 am	Help-Wanted Index	July	38	38
Aug 26	9:45 am	Michigan Sentiment Index	Aug	92.7	92.7