

Naturus



Daily trading plan for Sept. 14, 2005

1. PIVOTS FOR ESZ5

	Daily	Weekly	Biweekly	Monthly	Yearly
R3	1253.92	1284.75	1314.08	1293.17	1428.75
R2	1250.33	1267.50	1282.17	1270.83	1324.25
R1	1244.67	1258.00	1265.33	1246.17	1269.00
PPT	1241.08	1240.75	1233.42	1223.83	1164.50
S1	1235.42	1231.25	1216.58	1199.17	1109.25
S2	1231.83	1214.00	1184.67	1176.83	1004.75
S3	1226.17	1204.50	1167.83	1152.17	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
1245.25-1246.50 (First Sell#)	1239.25 (First Buy #) *dual number
1252.75 (Second Sell#)	1231.50 (second Buy #)
1254.25 (Third Sell #)	1223.75 (Third 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	1245.50	1246.75	1250.50	1252.75	1254.25
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Support	1237.25	1235.75	1232.75	1231.25	1225.25
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4. COMMENTARY

ES did what I said "pullback" yesterday, but that was not easy in the intraday trading. Due to option expiration this week, market tried to squeeze both sides. At the end, ES closed at lower range. MACD histogram decreased, and SST indicator tried to across over, but it hasn't done yet. That means ES still has some strength left to move up. Whether ES can make its double tops or not, it depends today or tomorrow trading. 1235.50 is today key level. If ES can hold itself above it, one more time try to move up still is possible.



5. TODAY'S TRADING

On 60min chart, ES gapped down in early morning yesterday and spike moving up to squeeze shorts in the middle of afternoon, then headed down for closing. That was typical option expiration movement. Based on the below chart, bearish symmetrical pattern and bearish gartley pattern will be completed at 1235.50 level. So 1235.50 becomes a very important level for today. At mean time, watch MACD and SST to turn up to make buy divergence with price movement. If 1235.50 level holds, price could

bounce up in later afternoon. If ES fails to hold 1235.50 level, price could dip into 1231 level to do its 38% retracement from recent high.



6. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=0.95)

1248.05	+2/8
1247.07	+1/8
1246.09	8/8
1245.12	7/8
1244.14	6/8
1243.16	5/8
1242.19	4/8
1241.21	3/8
1240.23	2/8
1239.26	1/8
1238.28	0/8
1237.30	-1/8
1236.33	-2/8

Up (Interval=1.95)

1261.72	+2/8
1259.77	+1/8
1257.81	8/8
1255.86	7/8
1253.91	6/8
1251.95	5/8
1250.00	4/8
1248.05	3/8
1246.09	2/8
1244.14	1/8
1242.19	0/8
1240.23	-1/8
1238.28	-2/8

Down (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

7. OTHER INDICATORS

NatRSI	ATR 5	ATR 10	Waist number
0.24	7.25	9.70	1241.38
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
Sep 14	08:30	Retail Sales	Aug	-1.1%	1.8%
Sep 14	08:30	Retail Sales ex-auto	Aug	0.5%	0.3%
Sep 14	09:15	Industrial Production	Aug	0.3%	0.1%
Sep 14	09:15	Capacity Utilization	Aug	79.8%	79.7%
Sep 15	08:30	NY Empire State Index	Sep	17.5	23.0
Sep 15	08:30	CPI	Aug	0.5%	0.5%
Sep 15	08:30	Core CPI	Aug	0.2%	0.1%
Sep 15	08:30	Initial Claims	09/10	NA	319K
Sep 15	08:30	Business Inventories	Jul	0.3%	0.0%
Sep 15	12:00	Philadelphia Fed	Sep	14.5	17.5
Sep 16	08:30	Current Account	Q2	-\$192.9B	-\$195.1B
Sep 16	09:45	Mich Sentiment-Prel.	Sep	86.0	89.1