

Naturus



Daily trading plan for Oct. 24, 2005

1. ESZ5 IN PREVIOUS DAY

Open	High	Low	Closing
1185.25	1190.00	1177.50	1183.75

2. PIVOTS FOR ESZ5

	Daily	Weekly	Biweekly	Monthly	Yearly
R3	1202.50	1225.83	1228.92	1292.25	1428.75
R2	1196.25	1213.42	1215.08	1271.25	1324.25
R1	1190.00	1198.58	1199.42	1252.75	1269.00
PPT	1183.75	1186.17	1185.58	1231.75	1164.50
S1	1177.50	1171.33	1169.92	1213.25	1109.25
S2	1171.25	1158.92	1156.08	1192.25	1004.75
S3	1165.00	1144.08	1140.42	1173.75	949.50

- * Blue color number turns into major resistance levels.
- * Green color number currently acts as a support level.

3. FOCUS NUMBERS (intra-day Position trading)

Sell levels	Buying levels
1199.25 (First Sell#)	1168.25 (First Buy #)
1205.25 (Second Sell#)	1162.25 (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.

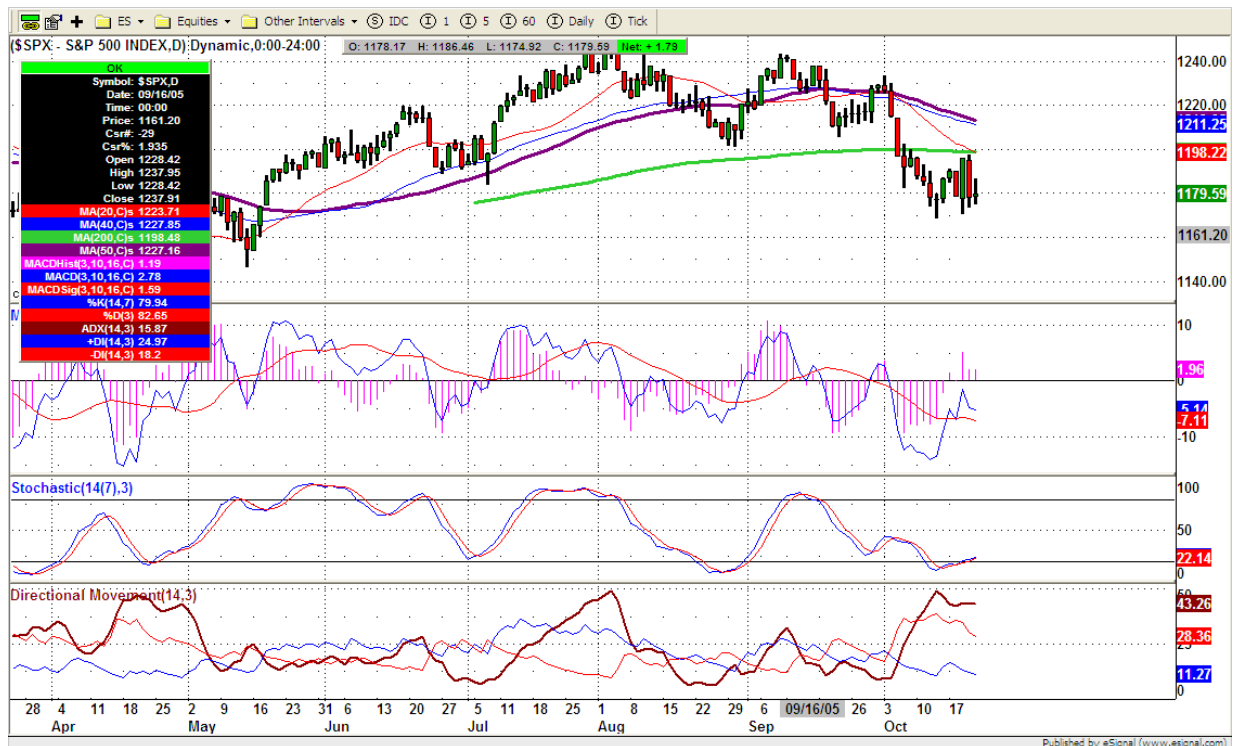
4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1184.50	1187.25	1190.00	1196.75	1199.75
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Support	1179.00	1177.50	1168.25	1165.00	1162.25
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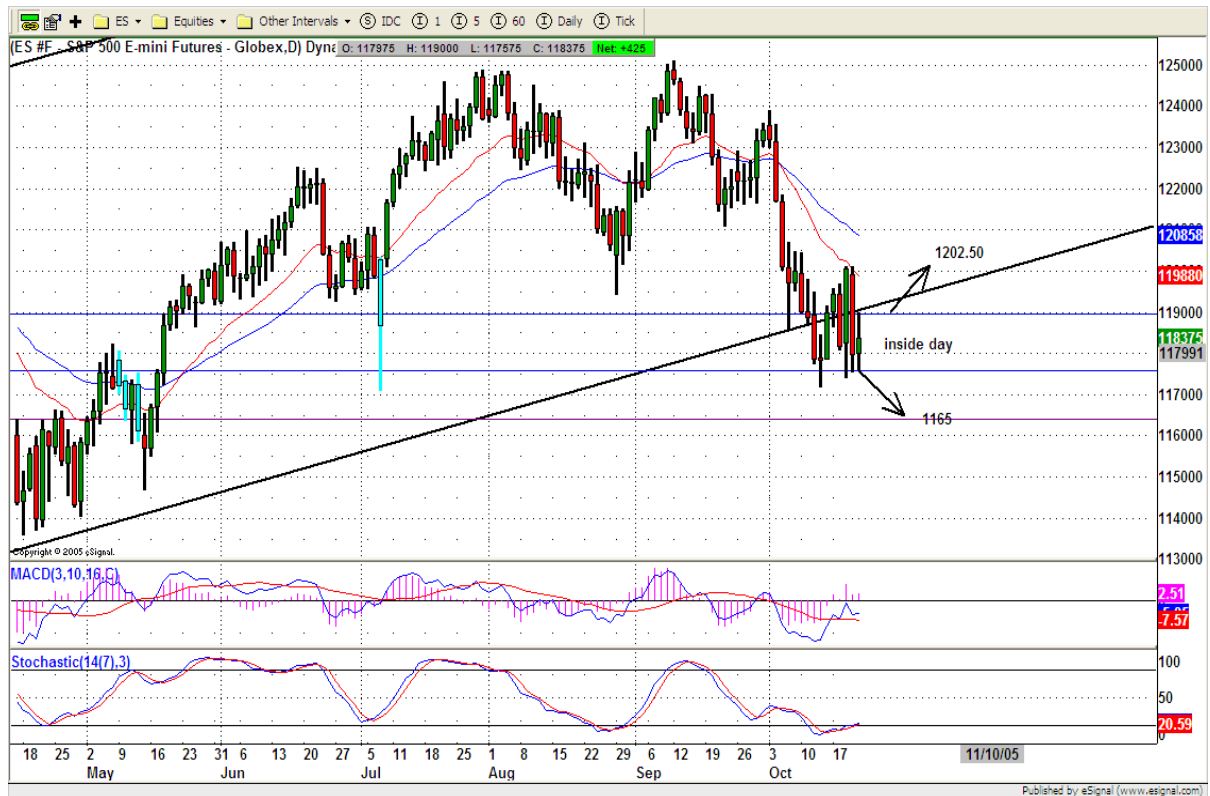
5. COMMENTARY

The S&P 500 (SPX) closed at 1179.59 last week, lower than its previous week's close by 6.97 points. From a technical perspective, that looks bearish. However, the bulls haven't completely lost hope yet. Here we still see mixed signal with SPX chart.



Two things we need to look for. First one, based on the chart, price trades below its 20 and 50 day moving average lines. Market still is bearish mood. So we have to expect more downside. But second one, look at market's whole movement this year, also seasonal movement, I find it difficult to believe that we will see this short-term downtrend develop

into longer-term downtrend. SST indicator is in oversold area and slightly moves up which gives us a green light to "buy". Nevertheless, we need to see price moves above 20 day line before we go into buy side. **Last Friday, ES formed an inside day with relatively narrow range. Range breakout play could happen today's trading. Breakout either way, Momentum will pick up. Both targets have been marked on the chart below.**



6. TODAY'S TRADING

On 60min chart, ES formed a triangle pattern. Breakout 1190 level, price could pop back into 1199-1202 range. Breakdown 1177.50 level, price could dip down to 1165 level. 1187.50 is key level. I expect we may see one more consolidation day with narrower than Friday's range.



7. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=1.95)

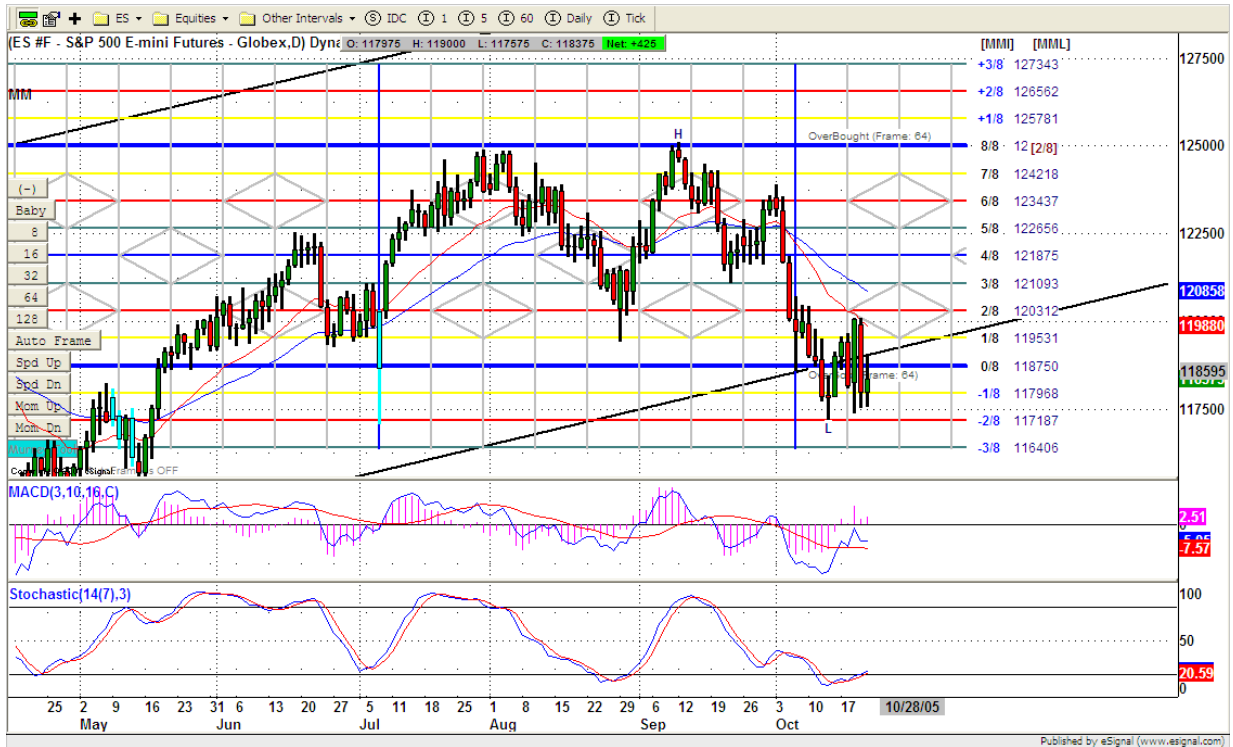
1191.41	+2/8
1189.45	+1/8
1187.50	8/8
1185.55	7/8
1183.59	6/8
1181.64	5/8
1179.69	4/8
1177.73	3/8
1175.78	2/8
1173.83	1/8
1171.88	0/8
1169.92	-1/8
1167.97	-2/8

Up (Interval=3.95)

1207.03	+2/8
1205.08	+1/8
1203.13	8/8
1201.17	7/8
1199.22	6/8
1197.27	5/8
1195.31	4/8
1193.36	3/8
1191.41	2/8
1189.45	1/8
1187.50	0/8
1185.55	-1/8
1183.59	-2/8

Down (Interval=3.95)

1195.31	+2/8
1191.41	+1/8
1187.50	8/8
1183.59	7/8
1179.69	6/8
1175.78	5/8
1171.88	4/8
1167.97	3/8
1164.06	2/8
1160.16	1/8
1156.25	0/8
1152.34	-1/8
1148.44	-2/8



8. OTHER INDICATORS

NatRSI	ATR 5	ATR 10	Waist number
0.44	17.00	15.03	1184.50
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.

9. WEEKLY ECONOMIC CALENDAR

Date	ET	Release	For	Consensus	Prior
Oct 25	10:00 AM	Consumer Confidence	Oct	90.0	86.6
Oct 25	10:00 AM	Existing Home Sales	Sep	7.20M	7.29M
Oct 26	10:30 AM	Crude Inventories	10/21		NA

Oct 27	8:30 AM	Durable Orders	Sep	-1.0%	3.3%
Oct 27	8:30 AM	Initial Claims	10/22	NA	355K
Oct 27	10:00 AM	Help-Wanted Index	Sep	35	35
Oct 27	10:00 AM	New Home Sales	Sep	1250K	1237K
Oct 28	8:30 AM	Chain Deflator-Adv.	Q3	2.9%	2.6%
Oct 28	8:30 AM	Employment Cost Index	Q3	0.8%	0.7%
Oct 28	8:30 AM	GDP-Adv.	Q3	3.5%	3.3%
Oct 28	9:45 AM	Mich Sentiment-Rev.	Oct	76.2	75.4