

# Naturus



## Daily trading plan for Oct. 2, 2006

### 1. ESZ6 IN PREVIOUS DAY

Open	High	Low	Closing
1348.00	1349.50	1344.75	1345.50

### 2. PIVOTS FOR ESZ6

	Daily	Weekly	Monthly	Yearly
R3	1353.17	1385.83	1411.17	1425.83
R2	1351.33	1368.17	1380.83	1355.42
R1	1348.42	1356.83	1363.17	1305.08
<b>PPT</b>	<b>1346.58</b>	<b>1339.17</b>	<b>1332.83</b>	<b>1234.67</b>
S1	1343.67	1327.83	1315.17	1184.33
S2	1341.83	1310.17	1284.83	1113.92
S3	1338.92	1298.83	1267.17	1063.58

### 3. FOCUS NUMBERS (intra-day Position trading)

Sell levels	Buying levels
1351.25-1352.00 (First Sell#)	1339.00 (First Buy#)
1354.25-1356.25 (Second Sell#)	1331.50 (second Buy#)

### 4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

<b>Resistance</b>	1349.50	1352.75	1354.25	1356.25	1363.00
<b>Support</b>	1343.25	1340.25	1338.75	1337.25	1332.00

## 5. COMMENTARY

The S&P 500 rallied to a new 5½ year high last week, largely on strength in big cap stocks. Despite this gain, the index remains far below its Jan. 2000 high.

Monthly contraction move continues. How long will this situation last? Nobody knows. Based on Elliott Wave theory, big wave 3 has a longer period than one any other wave has. As long as ES can hold its higher support level it created in the previous month, it usually will keep struggling to move higher. Next major monthly target could be 1400-1380 range.



Last week, ES broke last May's high at 1331.50. Now this resistance level turns into support level. This week, we may see that ES pulls back into this level for testing. As long as 1331-1332 range can hold price from falling, Bull side still take control in this market.

Weekly indicators all are bullish and shows ES still has some energy to push price higher. This week ES could hit its top band of its uptrend channel (1359-1363 level) if it can breakout 1351 level on the first or second day of this week. Fail to make this, minor correction should be expected to see.



Let us take a close look on ES daily chart. In the past three days, ES went a sideways with average 6.50 points daily range. Especially last Friday, ES made a narrow range day 4 (NR4). This indicates that buying side was getting hesitant to initiate new positions. Selling side only carefully accommodated with the buying side. It had mainly no direction made by ES. Therefore, both side direction movements should be expected from ES today.

Daily indicators all show ES is in overbought territory. That means anytime ES can do its downside correction. Rally is walking on thin ice, it is only matter when this ice will be broken.

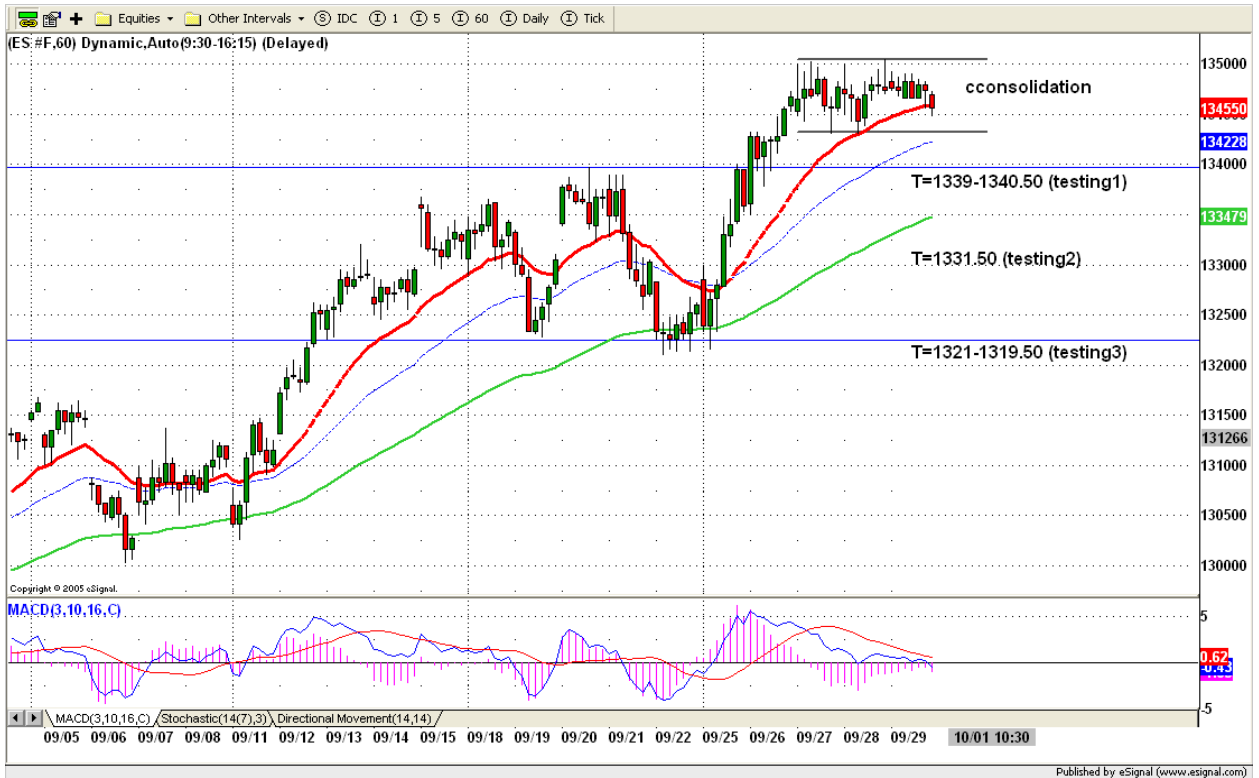


## 6. TODAY'S TRADING

Last Friday, ES made its NR4 day and made a relatively low of the range for close. Today ES could go higher to 1354 or higher 1358 level if it breaks out 1550.50-1551.75 range. It also could go down 1339 or lower 1331.50 if it breaks down 1343 level or later fails to hold itself above 1336.25 level. Last Friday's contraction move could lead today's expansion movement. Watch for both side breakout.

### **Caution:**

*We are in election period. Many charting patterns and indicators suggest the market is on its top, but political considerations may limit any decline. Be cautious in the pre-election period. Normal trading methods may not work.*



## 7. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=0.95)

1353.52	+2/8
1352.54	+1/8
1351.56	8/8
1350.59	7/8
1349.61	6/8
1348.63	5/8
1347.66	4/8
1346.68	3/8
1345.70	2/8
1344.73	1/8
1343.75	0/8
1342.77	-1/8
1341.80	-2/8

### Up (Interval=1.95)

1363.28	+2/8
1361.33	+1/8
1359.38	8/8
1357.42	7/8
1355.47	6/8
1353.52	5/8
1351.56	4/8
1349.61	3/8
1347.66	2/8
1345.70	1/8
1343.75	0/8
1341.80	-1/8
1339.84	-2/8

### Down (Interval=1.95)

1355.47	+2/8
1353.52	+1/8
1351.56	8/8
1349.61	7/8
1347.66	6/8
1345.70	5/8
1343.75	4/8
1341.80	3/8
1339.84	2/8
1337.89	1/8
1335.94	0/8
1333.98	-1/8
1332.03	-2/8

## 8. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.24	0.76	20.56	9.68	1346.75
neutral	overbought	Over-Bullish		

## 9. WEEKLY ECONOMIC CALENDAR

### Projected Economic Releases for This Week

(Consensus Forecasts vs. Previous Report)

#### Oct 2

Construction Spending	10:00	Aug	-0.3% vs -1.2
ISM Index	10:00	Sep	53.5 vs 54.5

#### Oct 3

Auto Sales	12:00	Sep	5.5M vs 5.3M
Truck Sales	12:00	Sep	7.1M vs 7.1M

#### Oct 4

Factory Orders	10:00	Aug	0.0% vs -0.6%
ISM Services	10:00	Sep	56.0 vs 57.0
Crude Inventories	10:30	09/29	NA vs -109K

#### Oct 5

Initial Claims	8:30	09/30	315K vs 316K
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#### Oct 6

Average Workweek	8:30	Sep	33.8 vs 33.8
Hourly Earnings	8:30	Sep	0.3% vs 0.1%
Nonfarm Payrolls	8:30	Sep	120K vs 128K
Unemployment Rate	8:30	Sep	4.7% vs 4.7%
Consumer Credit	15:00	Aug	\$5.0B vs \$5.5B