



Daily trading plan for Jan. 8, 2007

1. ESH7 IN PREVIOUS DAY

Open	High	Low	Closing
1423.75	1424.25	1414.25	1416.50

2. PIVOTS FOR ESH7

	Daily	Weekly	Monthly	Yearly
R3	1432.42	1458.67	1510.67	1722.00
R2	1428.33	1449.33	1477.83	1583.50
R1	1422.42	1432.92	1453.17	1506.00
PPT	1418.33	1423.58	1420.33	1367.50
S1	1412.42	1407.17	1395.67	1290.00
S2	1408.33	1397.83	1362.83	1151.50
S3	1402.42	1381.42	1338.17	1074.00

3. FOCUS NUMBERS (intra-day Position trading)

Sell levels	Buying levels
1425.50 (First Sell#)	1408.25 (first Buy#)
1431.50 (Second Sell#)	1403.25 (second Buy#)

4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1419.75	1422.50	1425.25	1429.75	1433.75
Support	1411.50	1408.25	1405.50	1403.25	1401.25

5. WEEKLY OUTLOOK

First week of New Year 2007 was very short, S&P 500 (SPX) and Dow Jones Average Industrial had small loss. But Nasdaq (\$NDX) has small gain. There is a negative divergence between SPX and NDX.

Though overall the weekly chart of S&P 500 emini (ES) remains bullish, in the short term it is possible for it to go down for testing its long term breakout uptrend line around 1400-1396 or lower to 1387-78 range this week.



6. DAILY OUTLOOK

Last Friday, ES broke down its low band of uptrend channel (Black) formed from July 2006 and closed slightly below it. That is a first reversal signal and told us that we may see the short term TOP already. Today we may see ES go up to test that broken uptrend line (black). But it is possible for ES to continue moving down towards the long term uptrend channel (red) if it fails to push price above 1429 level.

Daily indicators remain bearish. Daily major resistance level is 1430 and major support level is 1398.25



7. TRADING STRATEGY FOR Jan 8, 2007

Today it is possible for ES to go up to re-test 1425.50 or 1429-31.50 level, and then continue to move down again. But it is also possible for ES to continue last Friday's down move to 1408 level first before it moves up to 1416-1420 level. Therefore we are looking to ES early movement for direction signal. Today 1419.75 is key level. Price trades above it, it could pop into 1425.50 (Agg.short) or higher to 1429.50 (cons.short). if price fails to breakout 1420-19 range, it could go down to retest last Friday's low at 1414.75. Fail to hold price above 1411, it will create downside momentum to push price down to 1403.25-1401.25 range.

Intraday swing position entry on short side:
1425.50-1426.50 (agg) and 1429.50-1431.50(cons)
Intraday swing position entry on long side:
1408.25-1407.25 (agg) and 1400.25-1398.25 (cons)



8. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=1.95)

1425.78	+2/8
1423.83	+1/8
1421.88	8/8
1419.92	7/8
1417.97	6/8
1416.02	5/8
1414.06	4/8
1412.11	3/8
1410.16	2/8
1408.20	1/8
1406.25	0/8
1404.30	-1/8
1402.34	-2/8

Up (Interval=1.95)

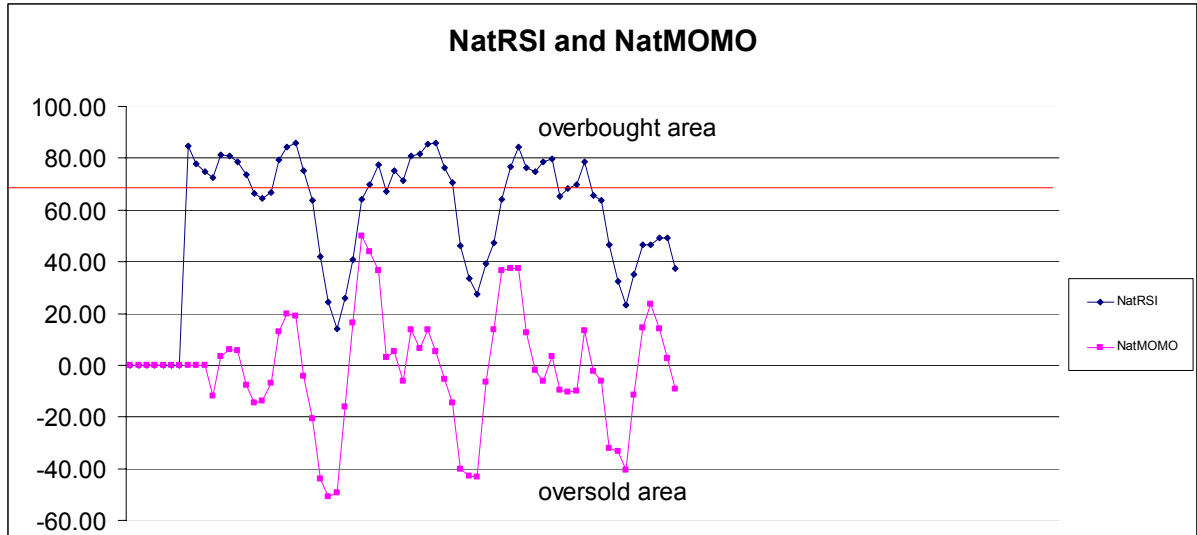
1433.59	+2/8
1431.64	+1/8
1429.69	8/8
1427.73	7/8
1425.78	6/8
1423.83	5/8
1421.88	4/8
1419.92	3/8
1417.97	2/8
1416.02	1/8
1414.06	0/8
1412.11	-1/8
1410.16	-2/8

Down (Interval=1.95)

1425.78	+2/8
1423.83	+1/8
1421.88	8/8
1419.92	7/8
1417.97	6/8
1416.02	5/8
1414.06	4/8
1412.11	3/8
1410.16	2/8
1408.20	1/8
1406.25	0/8
1404.30	-1/8
1402.34	-2/8

9. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.13	0.37	-9.30	11.25	1420.13
oversold	neutral			



10. Weekly Economic Reports (<http://www.tradethenews.com/weekly-calendar.php>)

Monday, Jan 8th, 2007

11:00am Treasury's 10-year TIPS announcement
03:00pm Nov Consumer Credit (last -\$1.2B)

Tuesday, Jan 9th, 2007

10:00am Jan IBD/TIPP Economic Optimism (last 53.5)

Wednesday, Jan 10th, 2007

08:30am Nov Trade Balance (last -\$58.9B)
10:00am Nov Wholesale Inventories (last 0.8%)
10:30am Crude Oil/Gasoline/Distillate Inventories

Thursday, Jan 11th, 2007

07:00am BOE Rate announcement
07:45am ECB Rate announcement
08:30am Initial Jobless Claims (last 329K)
10:30am Natural Gas Inventories
02:00pm Dec Monthly Budget Statement (last \$11.0B)

Friday, Jan 12th, 2007

08:30am Dec Import Price Index (last 0.2%), Advance Retail Sales (last 1.0%), Retail Sales Less Autos (last 1.1%)
09:00am RBC Cash Index (last 86.9)
10:00am Nov Business Inventories (last 0.4%)