



Daily trading plan for Jan. 9, 2007

1. ESH7 IN PREVIOUS DAY

Open	High	Low	Closing
1418.50	1424.50	1413.00	1422.50

2. PIVOTS FOR ESH7

	Daily	Weekly	Monthly	Yearly
R3	1438.50	1458.67	1510.67	1722.00
R2	1431.50	1449.33	1477.83	1583.50
R1	1427.00	1432.92	1453.17	1506.00
PPT	1420.00	1423.58	1420.33	1367.50
S1	1415.50	1407.17	1395.67	1290.00
S2	1408.50	1397.83	1362.83	1151.50
S3	1404.00	1381.42	1338.17	1074.00

3. FOCUS NUMBERS (intra-day Position trading)

Sell levels	Buying levels
1427.75-1429.50 (First Sell#)	1412.00 (first Buy#)
1435.00 (Second Sell#)	1406.25 (second Buy#)

4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1425.50	1427.50	1429.25	1431.75	1435.75
Support	1419.50	1412.25	1406.25	1400.25	1397.25

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

Yesterday ES moved down to retest last Friday's low, and bounced off it. At the end of day, it closed at the high end of the range. So far, ES only tells us that yesterday rally is a bounce from its 40-period moving average support line. Today ES could repeat yesterday move – and stay within yesterday's range – if it can't breakout 1425.50 level. If it breaks 1425.50 it could reach 1427.50 level to fill last Friday's gap, or even 1429.50 if the price can hold 1420.50 level in early trading.

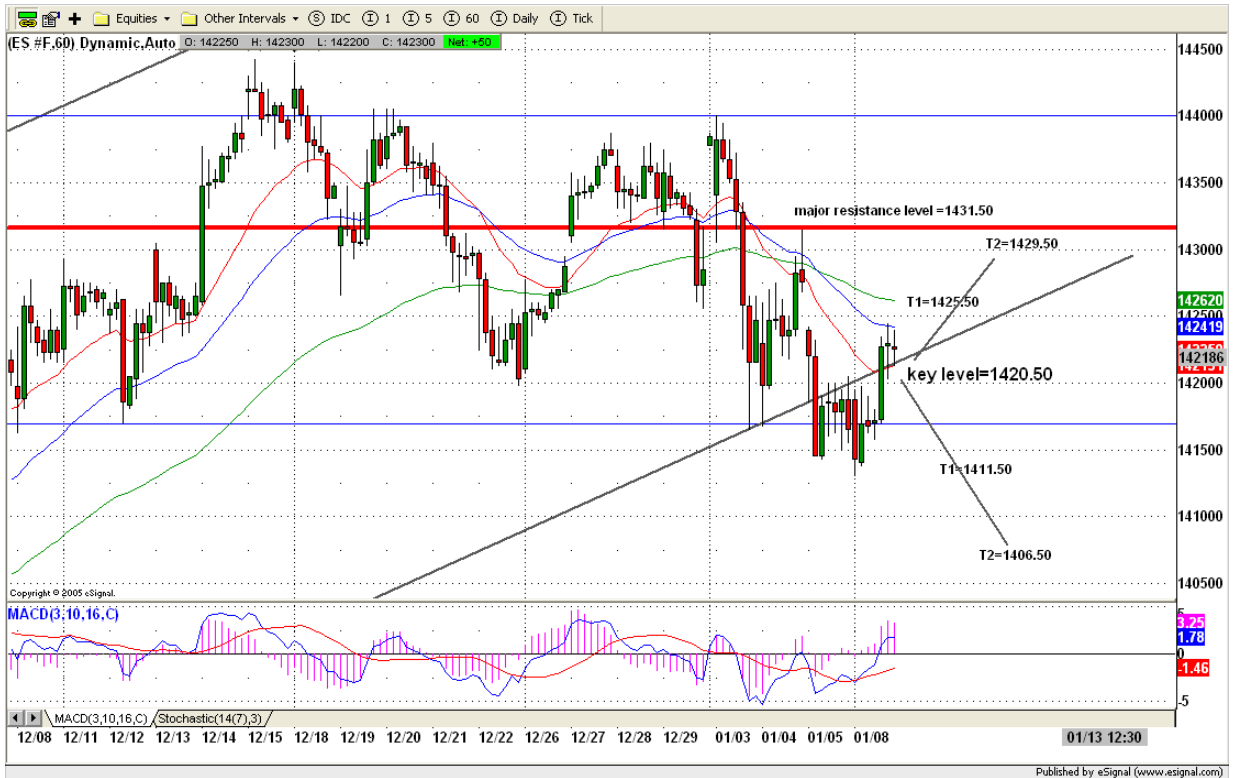
Even though daily indicators still are in negative side, they are close to oversold territory. Bounce a little further should be expected. Daily major resistance level is 1432 and major support level is 1406.25



7. TRADING STRATEGY FOR Jan 8, 2007

Today it is possible for ES to continue going 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 repeat yesterday's movement if it fails to breakout 1425.50 level. Today 1420.50 is key level. Price trades above it and can hold up for first 30 minutes, it is likely for ES to move up to retest 1424.50 level again or higher 1425.50-27.50 to fill last Friday's gap. If price fails to breakout 1425.50 range in the early morning, ES could go down to retest 1419.50 (breakout point yesterday). If ES Fail to hold price above 1417.50, it will create downside momentum to push price back down to yesterday's low.

Intraday swing position entry on short side:
1425.50-1427.50 (agg scalping) and 1429.50-1431.50 (cons)
Intraday swing position entry on long side:
1418.25-19.50 (agg scalping), 1412 (agg.) 1406.25 (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)

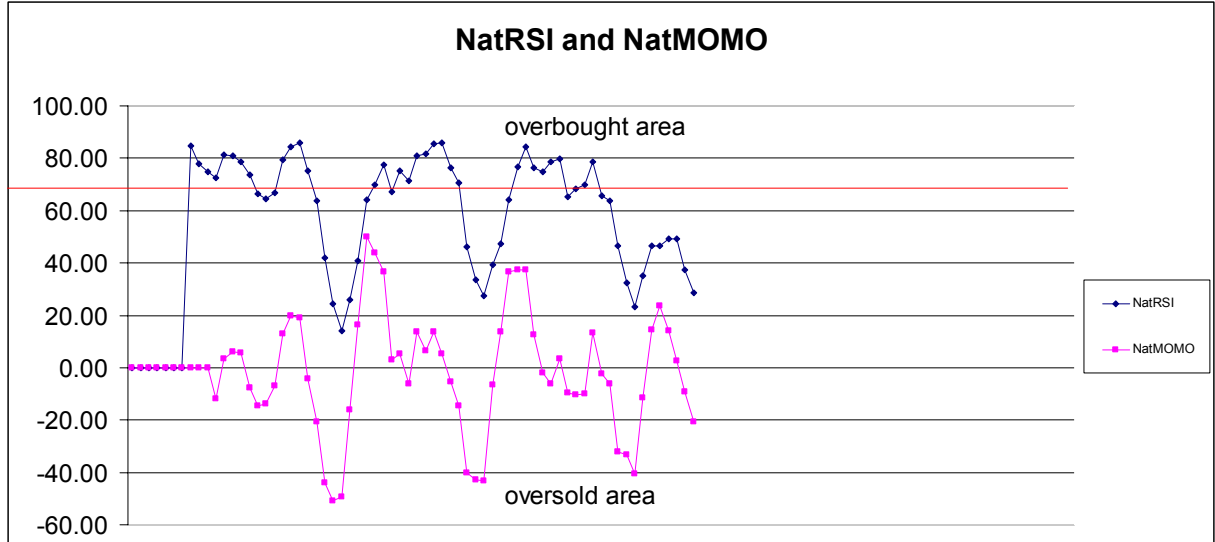
1441.41	+2/8
1439.45	+1/8
1437.50	8/8
1435.55	7/8
1433.59	6/8
1431.64	5/8
1429.69	4/8
1427.73	3/8
1425.78	2/8
1423.83	1/8
1421.88	0/8
1419.92	-1/8
1417.97	-2/8

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
0.67	0.28	-20.75	11.72	1420.50
neutral	neutral			



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

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%)