



## Daily trading plan for Jan. 25, 2007

### 1. ESH7 IN PREVIOUS DAY

Open	High	Low	Closing
1436.75	1446.50	1435.75	1446.50

### 2. PIVOTS FOR ESH7

	Daily	Weekly	Monthly	Yearly
R3	1460.67	1454.83	1510.67	1722.00
R2	1453.58	1448.92	1477.83	1583.50
R1	1449.92	1442.83	1453.17	1506.00
<b>PPT</b>	<b>1442.83</b>	<b>1436.92</b>	<b>1420.33</b>	<b>1367.50</b>
S1	1439.17	1430.83	1395.67	1290.00
S2	1432.08	1424.92	1362.83	1151.50
S3	1428.42	1418.83	1338.17	1074.00

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

Sell levels	Buying levels
1447.50 (First Sell#)	1435.25 (first Buy#)
1453.00 (Second Sell#)	1431.25 (second Buy#)

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

<b>Resistance</b>	1450.25	1453.50	1458.25	1461.75	1465.00
<b>Support</b>	1441.75	1439.25	1437.50	1435.50	1431.50

## 5. WEEKLY OUTLOOK

Last week was option expiration week. S&P 500 (SPX) and \$INDU had a divergence with Nasdaq and Russell 2000. Even though SPX and \$INDU stayed up near the top of the range, smaller stocks started to turn down. Sooner or later, the blue chips will reach its turning point.

In the past week, ES mainly went sideways and made its broad range from 1445 to 1412. First two days of this week, it made back-to-back movement, which still told us this market is in contraction mode. Expansion should be expected in the coming days.

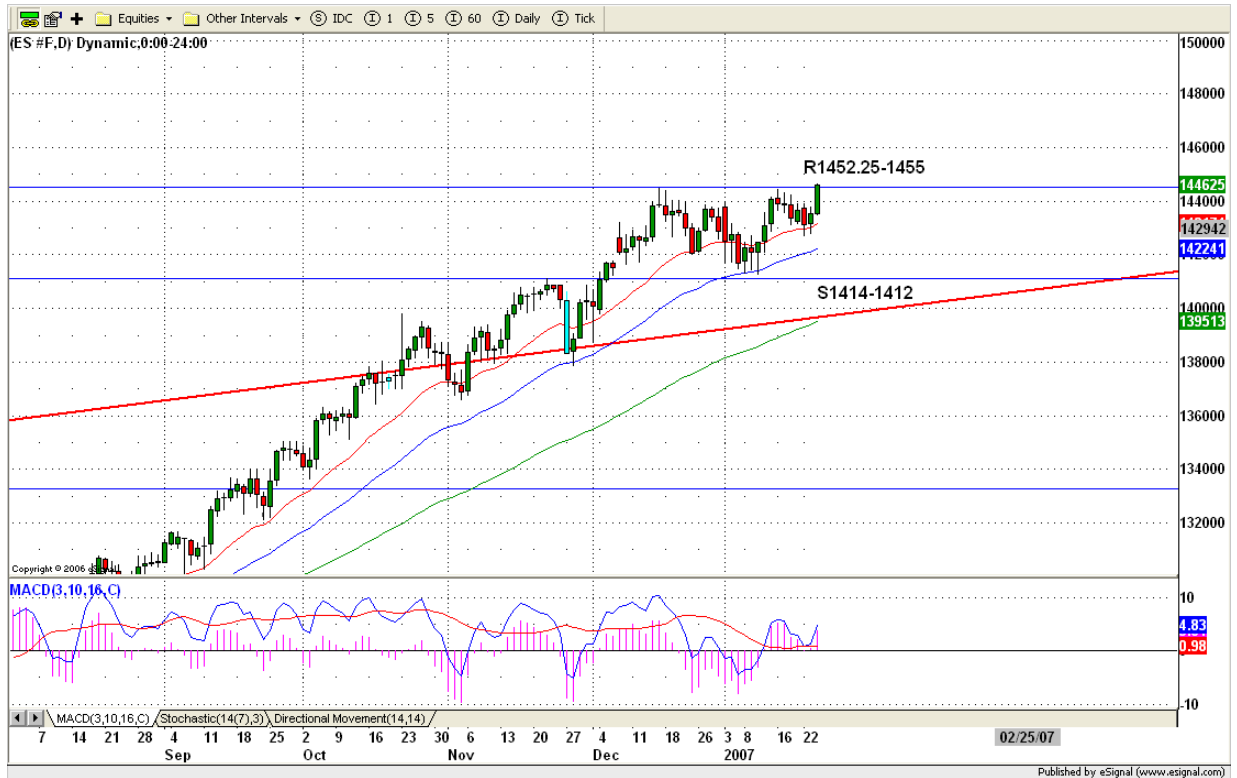
Based on weekly indicators, even though the MACD histogram is on negative side, for the long-run ES remains bullish. As long as price doesn't breach 1431-29 support range, bulls still take of control. As soon as price breaks out 1445-47 range, it should head toward its major resistance level 1455. If ES fails to breakout, it is likely to go down to test 1431-29.50 level again.

Major resistance level is 1455 and major support level is 1412.



## 6. DAILY OUTLOOK

ES broke out its previous yearly high 1445 level and tried to retest its Jan 15/07 pre-market high. Whether this breakout is true breakout or not, depends on today's following through movement. We need to see today and especially tomorrow's closing price above 1446 level to confirm ES breakout. Otherwise, ES has one more retracement to 1435 area.



## 7. TRADING STRATEGY FOR Jan 23, 2007

Yesterday ES broke its neckline of an inverted H&S pattern on 60 mins. Chart, and at the end of day, price had been pushed up to first pattern measurement target 1445.50-1446.50 area for closing. Today, as long as ES can hold price above 1438-39.75 range, it is possible for ES to consolidate its yesterday's gain. In the early morning, ES may continue going up to 1449-50 range until lunch time for reversal.

**Intraday swing position entry on short side:**  
**1450.25 (agg.scalping) 1453.75 (agg) and 1457.25 (cons)**  
**Intraday swing position entry on long side:**  
**1439.25 (agg.scalping) 1435.25 (agg) and 1431.50 (cons)**



## 8. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=0.95)

1447.27	+2/8
1446.29	+1/8
1445.31	8/8
1444.34	7/8
1443.36	6/8
1442.38	5/8
1441.41	4/8
1440.43	3/8
1439.45	2/8
1438.48	1/8
1437.50	0/8
1436.52	-1/8
1435.55	-2/8

### Up (Interval=1.95)

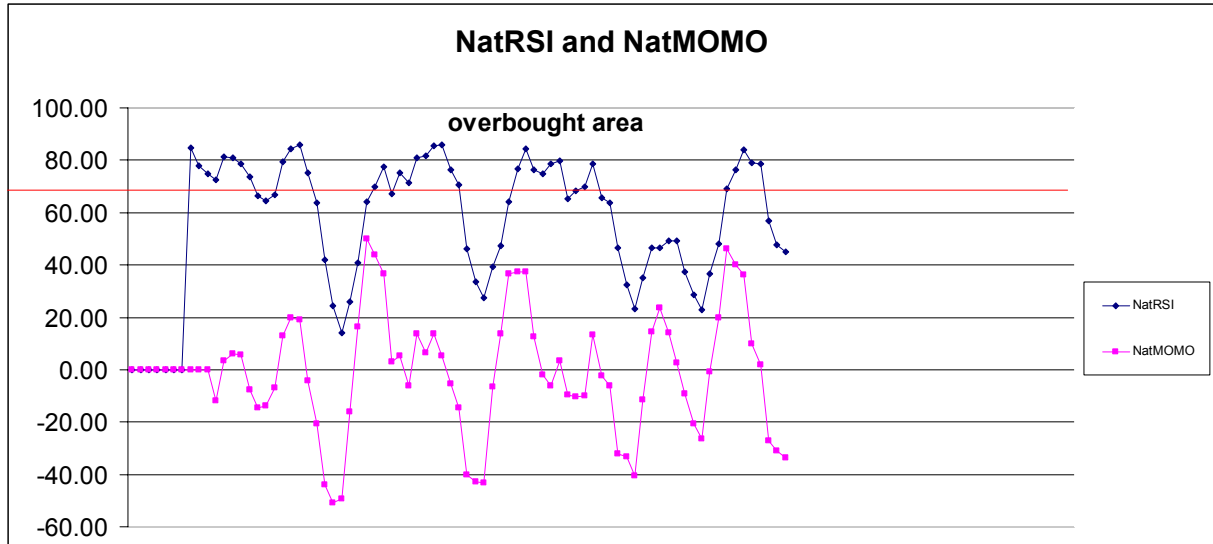
1464.84	+2/8
1462.89	+1/8
1460.94	8/8
1458.98	7/8
1457.03	6/8
1455.08	5/8
1453.13	4/8
1451.17	3/8
1449.22	2/8
1447.27	1/8
1445.31	0/8
1443.36	-1/8
1441.41	-2/8

### Down (Interval=1.95)

1457.03	+2/8
1455.08	+1/8
1453.13	8/8
1451.17	7/8
1449.22	6/8
1447.27	5/8
1445.31	4/8
1443.36	3/8
1441.41	2/8
1439.45	1/8
1437.50	0/8
1435.55	-1/8
1433.59	-2/8

## 9. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.94	0.44	-33.55	9.78	1441.50
overbought	Neutral			



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

### Economic Releases for This Week

(Consensus Forecasts vs. Previous Report)

#### Jan 25

Initial Claims	8:30	01/19	310K vs 290K
Existing Home Sales	10:00	Dec	6.30M vs 6.28M
Help-Wanted Index	10:00	Dec	31 vs 30

#### Jan 26

Durable Orders	8:30	Dec	3.5% vs 1.6%
New Home Sales	10:00	Dec	1050K vs 1047K