



Daily trading plan for Feb 9, 2007

1. ESH7 IN PREVIOUS DAY

Open	High	Low	Closing
1451.75	1455.00	1446.75	1454.00

2. PIVOTS FOR ESH7

	Daily	Weekly	Monthly	Yearly
R3	1465.33	1494.33	1490.25	1722.00
R2	1460.17	1474.17	1468.50	1583.50
R1	1457.08	1463.58	1455.75	1506.00
PPT	1451.92	1443.42	1434.00	1367.50
S1	1448.83	1432.83	1421.25	1290.00
S2	1443.67	1412.67	1399.50	1151.50
S3	1440.58	1402.08	1386.75	1074.00

3. FOCUS NUMBERS (intra-day Position trading)

Sell levels	Buying levels
1459.50-61.75 (First Sell#)	1447.25-46.25 (first Buy#)
1465.25 (Second Sell#)	1442.75-41.75 (second Buy#)

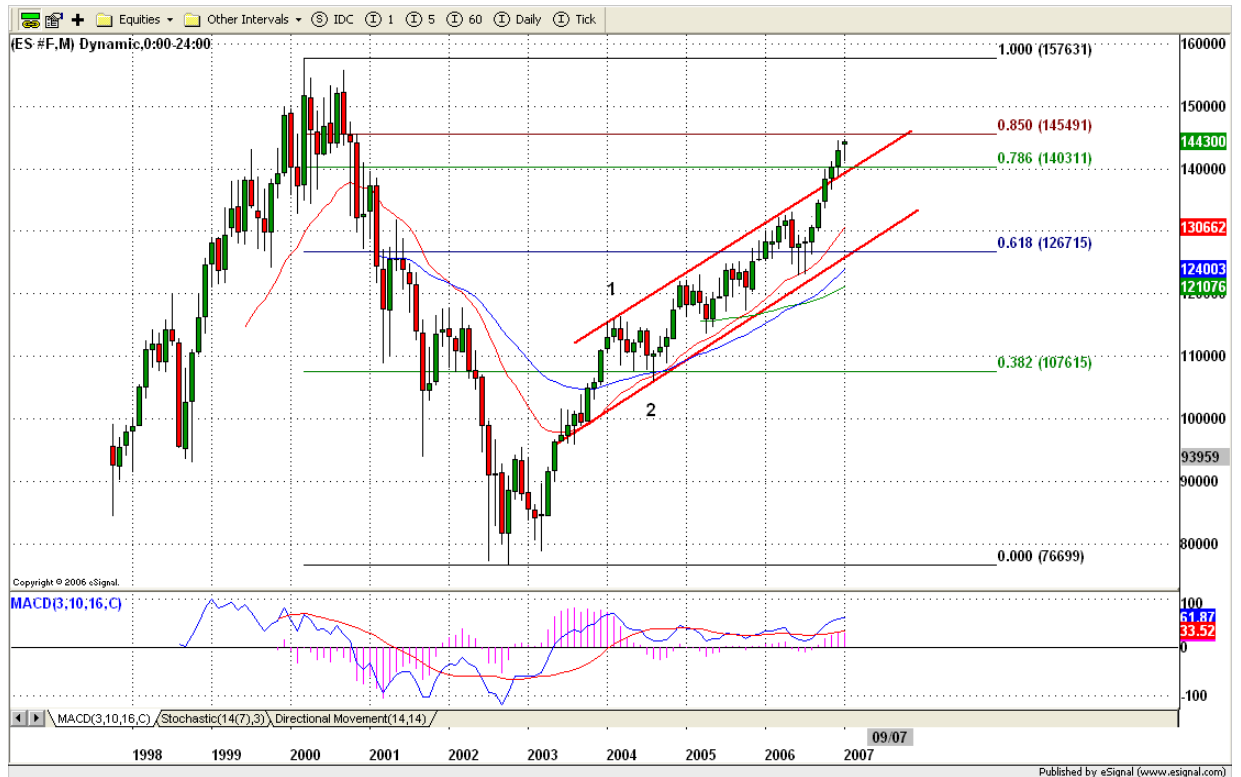
4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1457.75	1462.50	1465.25	1468.75	1472.25
Support	1451.00	1447.50	1443.75	1441.25	1439.50

5. MONTHLY AND WEEKLY OUTLOOK

S&P 500 closed at 1438.24 for Jan, a net monthly gain of 19.94 points. In the long-term analysis, S&P 500 still is in the sub-wave 5 of big wave 3 stage. Overall the long-term picture remains bullish.

ES closed at 1443.00 on Jan 31 for a net monthly gain of 14.50 points. Like the cash, the ES monthly chart remains bullish. ES retraced back up to its Nov. 2000 first breakdown range (1453-57) after 6 years (ES made its all time high on March 2000). Whether or not ES can move up to make major double top around 1555 level depends on Feb. monthly closing price. Most important for this month is to see how ES reacts on its 1453-57 range. If breakout this range, it could rally up to 1465 and further up to 1488-90 area. Fail to breakout this range, it is possible for price to travel within 1455-1422 range again until either bulls or bears totally give up. Monthly major resistance level is 1488-95 and major support level is 1422-29.



Let us look at weekly chart (below). In the past weeks, ES had a minor correction move (mainly sideways). Last week, ES broke out that sideways move range and closed above it. That tells us that Bulls remain control of this market. As long as 1445-47 last week breakout level can hold price from falling, this week we could see 1465 or 1477 as soon as ES breaks out 1458-59 range. If ES fails to hold 1445-47 level, it is possible for price to dip down to fill last Thursday's gap around 1443 and retest 1437.75 level. Even weekly chart indicators shows that ES still is in minor correction stage, overall remain bullish.

Major resistance level for this week is 1477 and support level is 1437.



6. DAILY OUTLOOK

ES sold off in the early morning yesterday due to HSBC warning news, then bounced up for closing. Market sentiment is going to change. This kind of bounce maybe only for next week option expiration. Major reversal could be on the way sooner than we expect.

Daily indicators start to turn down. It could indicate we may see the short term TOP already. But today we need to get confirmation from price closing below 1445 level. If ES continues holding price above 1451 and makes a new high, then we should expect to see 1465-68 range which is second up movement 's high.

Major resistance level is 1468.50 and support level is 1445.



7. TRADING STRATEGY FOR Feb. 9, 2007

ES successfully made its retest of its previous day's low and closed at top trading range even though it gapped down at the open. Today ES could make a new move up to 1460.25-62.50 (Scalp SHORT entry) if price can breakout 1458. Fail to breakout 1456.25, it is possible for ES to go down to retest 1451 level or lower to 1446.50 (LONG entry). If ES breaks down 1445 level, it is likely to go down further to 1443 level to fill last week Thursday's gap.

Based on 60 min chart, ES seems it made a double bottom pattern above its recent breakout level. If this pattern stands, as soon as ES breakout 1458 level, new push higher to 1461.50-62 range move should be expected.

Today's key level is 1453.25

Intraday swing position entry on short side:
1459.50 (agg.scalping) 1460.25-62.50 (agg) and 1465.50-67.25 (cons)
Intraday swing position entry on long side:
1451 (Agg.Scalp) 1446.50 (agg) and 1443.00 (cons)



8. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=0.95)

1455.08	+2/8
1454.10	+1/8
1453.13	8/8
1452.15	7/8
1451.17	6/8
1450.20	5/8
1449.22	4/8
1448.24	3/8
1447.27	2/8
1446.29	1/8
1445.31	0/8
1444.34	-1/8
1443.36	-2/8

Up (Interval=1.95)

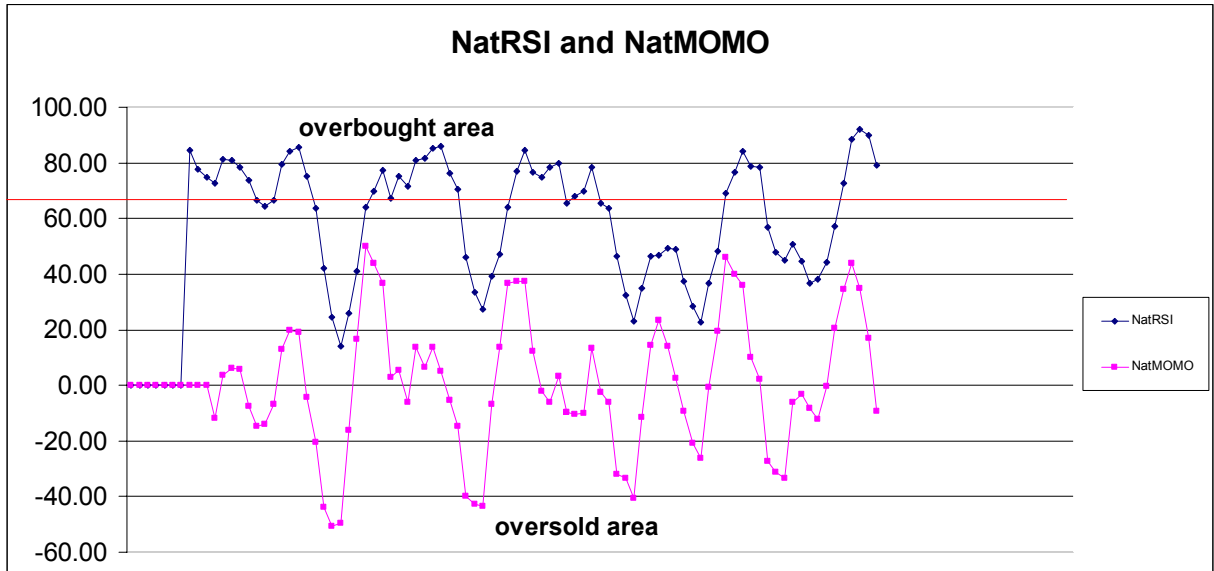
1472.66	+2/8
1470.70	+1/8
1468.75	8/8
1466.80	7/8
1464.84	6/8
1462.89	5/8
1460.94	4/8
1458.98	3/8
1457.03	2/8
1455.08	1/8
1453.13	0/8
1451.17	-1/8
1449.22	-2/8

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
0.62	0.79	-9.40	8.80	1453.25
neutral	overbought			



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