



Daily trading plan for Feb 12, 2007

1. ESH7 IN PREVIOUS DAY

Open	High	Low	Closing
1454.25	1457.00	1437.00	1443.00

2. PIVOTS FOR ESH7

	Daily	Weekly	Monthly	Yearly
R3	1474.33	1475.58	1490.25	1722.00
R2	1465.67	1466.67	1468.50	1583.50
R1	1454.33	1454.83	1455.75	1506.00
PPT	1445.67	1445.92	1434.00	1367.50
S1	1434.33	1434.08	1421.25	1290.00
S2	1425.67	1425.17	1399.50	1151.50
S3	1414.33	1413.33	1386.75	1074.00

3. FOCUS NUMBERS (intra-day Position trading)

Sell levels	Buying levels
1445.75 (First Sell#)	1434.25 (first Buy#)
1448.75-1451.00 (Second Sell#)	1431.25-1429.75 (second Buy#)

4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1445.75	1450.50	1454.75	1457.00	1460.50
Support	1439.25	1437.50	1434.25	1430.75	1425.75

5. WEEKLY OUTLOOK

Last week, ES made a new high with a series of contraction moves in the first four days; in the fifth day it sold off and wiped out the entire week's gain.

For the short term, last Friday's sell off was bearish, and the ES is likely to continue being bearish early this week. For the long term, ES still made a higher weekly high and higher weekly lows. On the weekly chart the current uptrend hasn't been breached, which tells us this market is still bullish.

As long as ES doesn't breakdown 1412 level, last Friday's sell off should be treated as short term correction move. In addition this week is option expiration week. If 1437-35 range can be held up, it is likely for ES to have a back-to-back move within the 1455-1435 range.

Major resistance level for this week is 1455 and support level is 1425.



6. DAILY OUTLOOK

Last Friday, ES sold off dramatically in the afternoon, as we told our members it would. Short term market sentiment was changing from bullish into bearish tone, due to news from the sub-prime housing market and Fed musing about inflation. ES reversed and reached its H&S pattern breakdown target at the 1437 level.

Today we may see a consolidation move to balance out last Friday's down move. As long as price can hold above 1437-35 range in the early morning, it is likely for ES to move up to retest 1449-50 range before it moves down again.

Daily indicators turn down and continue supporting short term bears. Bounces will attract more sellers to step in this market. But Sellers need to fight 20/40 daily moving average lines first before taking full control of this market.

Major resistance level is 1450.50 and support level is 1429.75

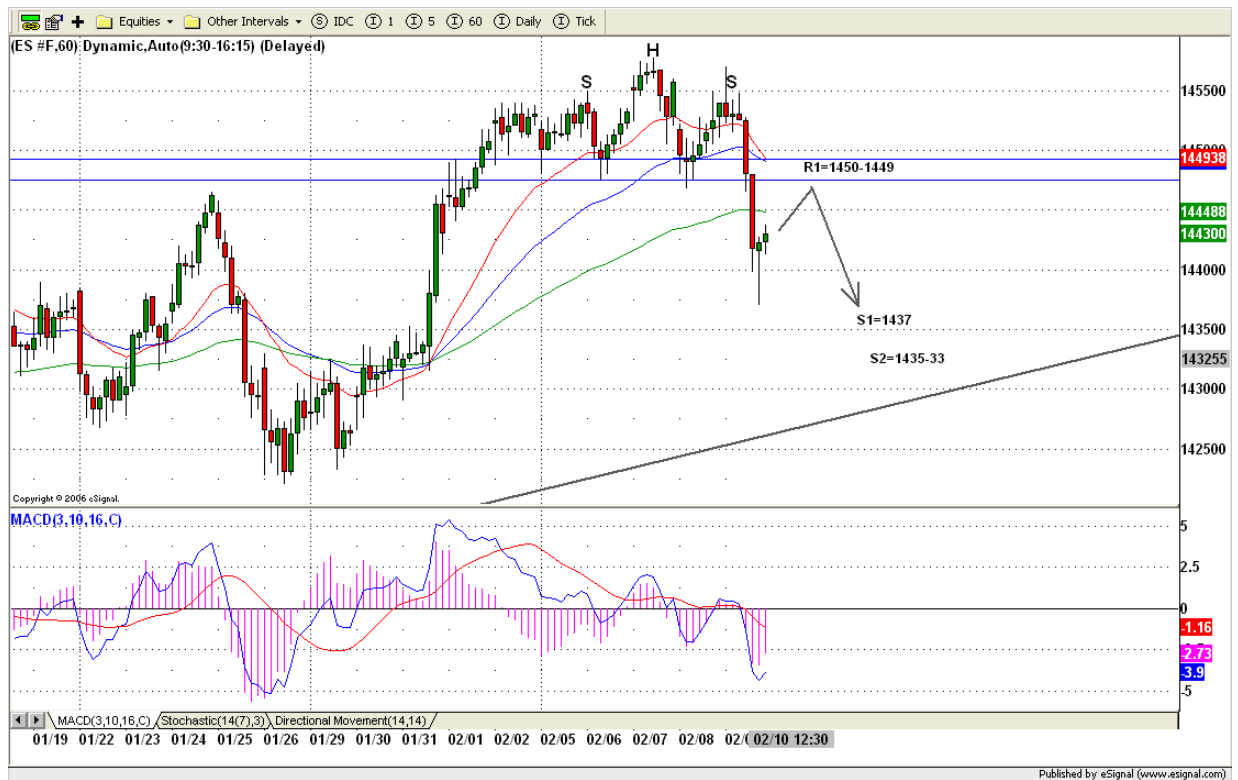


7. TRADING STRATEGY FOR Feb. 12, 2007

Last Friday ES hit its H&S pattern breakdown target around 1437 level and bounced up to 1443 for closing. This morning we may see retesting last Friday's low in the early morning. If 1437 level can be held up in the morning, price is likely to move back up to 1444-46 (Agg.SHORT) range, and later afternoon price may retest its last Friday's first breakdown level 1449-50 range (SHORT). Our strategy is SHORT on bounce and Scalp LONG side if 1435-37 range holds.

Today's key level is 1445.25

Intraday swing position entry on short side:
1446.50 (agg.scalping) 1449.75-51.50 (agg) and 1454.75-55.50 (cons)
Intraday swing position entry on long side:
1437-35.50 (Agg.Scalp) 1430.75-29.75 (agg) and 1425.00 (cons)



8. PREDICTION FOR TODAY'S MOVEMENT

Current (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

Up (Interval=1.95)

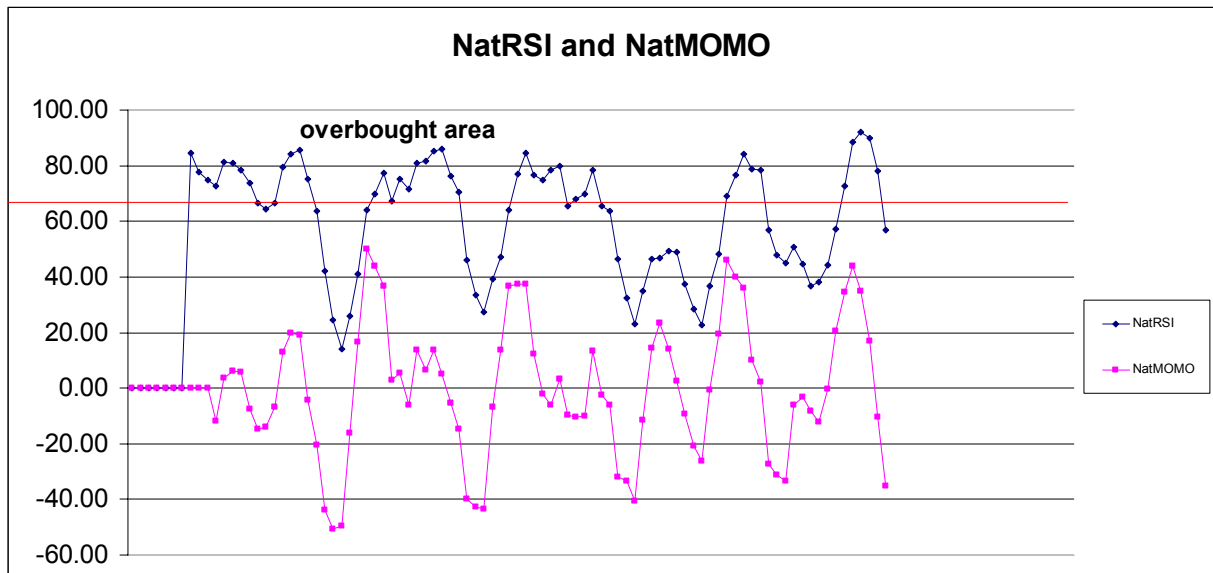
1457.03	+2/8
1455.08	+1/8
1453.13	8/8
1451.17	7/8
1449.22	6/8
1447.27	5/8
1445.31	4/8
1443.36	3/8
1441.41	2/8
1439.45	1/8
1437.50	0/8
1435.55	-1/8
1433.59	-2/8

1449.22	+2/8
1447.27	+1/8
1445.31	8/8
1443.36	7/8
1441.41	6/8
1439.45	5/8
1437.50	4/8
1435.55	3/8
1433.59	2/8
1431.64	1/8
1429.69	0/8
1427.73	-1/8
1425.78	-2/8

Down (Interval=1.95)

9. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.22	0.56	-35.36	9.70	1448.63
neutral	neutral			



10. WEEKLY ECONOMIC REPORTS (<http://www.tradethenews.com/weekly-calendar.php>)

Projected Economic Releases for This Week

(Consensus Forecasts vs. Previous Report)

Feb 12

Treasury Budget	14:00	Jan	\$40.0B vs \$21.0B
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Feb 13

Trade Balance	8:30	Dec	-\$59.5B vs -\$58.2B
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Feb 14

Retail Sales	8:30	Jan	0.3% vs 0.9%
Retail Sales ex-auto	8:30	Jan	0.3% vs 1.0%
Business Inventories	10:00	Dec	0.4% vs 0.4%
Crude Inventories	10:30	02/09	NA vs -449K

Feb 15

Export Prices ex-ag.	8:30	Jan	NA vs 0.5%
Import Prices ex-oil	8:30	Jan	NA vs 0.4%
Initial Claims	8:30	02/10	NA vs 311K
NY Empire State Index	8:30	Feb	11.0 vs 9.1
Net Foreign Purchases	9:00	Dec	\$60.0B vs \$68.4B
Industrial Production	9:15	Jan	0.0% vs 0.4%
Capacity Utilization	9:15	Jan	81.7% vs 81.8%
Philadelphia Fed	12:00	Feb	5.0 vs 8.3

Feb 16

Housing Starts	8:30	Jan	1610K vs 1642K
Building Permits	8:30	Jan	1590K vs 1613K
PPI	8:30	Jan	-0.6% vs 0.9%
Core PPI	8:30	Jan	0.2% vs 0.2%
Leading Indicators	10:00	Jan	NA vs 0.3%
Mich Sentiment-Prel.	10:00	Feb	97.0 vs 96.9