



## Daily trading plan for Mar 1, 2007

### 1. ESH7 IN PREVIOUS DAY

| Open    | High    | Low     | Closing |
|---------|---------|---------|---------|
| 1403.50 | 1418.75 | 1398.25 | 1409.00 |

### 2. PIVOTS FOR ESH7

|            | Daily          | Weekly         | Monthly        | Yearly         |
|------------|----------------|----------------|----------------|----------------|
| R3         | 1439.58        | 1476.42        | 1490.25        | 1722.00        |
| R2         | 1429.17        | 1470.58        | 1468.50        | 1583.50        |
| R1         | 1419.08        | 1462.17        | 1455.75        | 1506.00        |
| <b>PPT</b> | <b>1408.67</b> | <b>1456.33</b> | <b>1434.00</b> | <b>1367.50</b> |
| S1         | 1398.58        | 1447.92        | 1421.25        | 1290.00        |
| S2         | 1388.17        | 1442.08        | 1399.50        | 1151.50        |
| S3         | 1378.08        | 1433.67        | 1386.75        | 1074.00        |

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

| Sell levels            | Buying levels         |
|------------------------|-----------------------|
| 1425.75 (First Sell#)  | 1390.75 (first Buy#)  |
| 1436.75 (Second Sell#) | 1381.25 (second Buy#) |

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

|                   |         |         |         |         |         |
|-------------------|---------|---------|---------|---------|---------|
| <b>Resistance</b> | 1415.50 | 1421.75 | 1425.25 | 1434.25 | 1439.75 |
| <b>Support</b>    | 1406.00 | 1399.25 | 1494.50 | 1491.25 | 1486.75 |

## 5. WEEKLY OUTLOOK

Wow. Last week before I left for my vacation, I mentioned a stronger movement should be expected very soon. Early this week (yesterday), we saw this move; it knocked down three major support levels and closed at low for 57.50 points loss from its Monday close. Weekly chart already gave us a warning signal which indicated this market would go down this week. Therefore, yesterday's sell off should not have surprised us.

This is first strong correction since last July. The 40-week moving average line is most bears' target. Watch for bounce.

Weekly major resistance level is 1456 and support level is 1375



## 6. DAILY OUTLOOK

After big sell off, yesterday market started to bounce and tried to smooth out imbalance of demand and supply. ES bounced up to its daily 89 ema line, but it couldn't hold its gain and closed below its. Today, ES may try to move up again. Nevertheless, 1389 is first leg's low. After ES does its retracement, second leg down will start again.



## 7. TRADING STRATEGY FOR Mar. 1, 2007

ES bounced and bulls tried to regain their lost territory. But this time, bears seem strong too and won't give up. At end of day, price closed at middle of trading range.

Today, 1401.75 is key level. As long as this level can be held up, bulls will try to push price up again to retest yesterday's high 1418.75 or higher to 1421.25 to complete yesterday's first 30 min range breakout pattern. Fail to do so will lead market continue going down to retest yesterday's low or lower to 1395 level to fill yesterday's gap.

Use yesterday's high area as stop loss for scalping short side. As long as yesterday's high doesn't break, bears will try to push price down to 1398 level or lower to 1395.

SHORT on bounce is still today's major strategy.

**Intraday swing position entry on short side:**  
**1419.25-1418.75 (scalping) and 1421.75 (agg) and 1427.50(cons)**  
**Intraday swing position entry on long side:**  
**1390.75 (agg) and 1381.25 (cons)**



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## 8. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=3.91)

|         |      |
|---------|------|
| 1429.69 | +2/8 |
| 1425.78 | +1/8 |
| 1421.88 | 8/8  |
| 1417.97 | 7/8  |
| 1414.06 | 6/8  |
| 1410.16 | 5/8  |
| 1406.25 | 4/8  |
| 1402.34 | 3/8  |
| 1398.44 | 2/8  |
| 1394.53 | 1/8  |
| 1390.63 | 0/8  |
| 1386.72 | -1/8 |
| 1382.81 | -2/8 |

### Up (Interval=3.91)

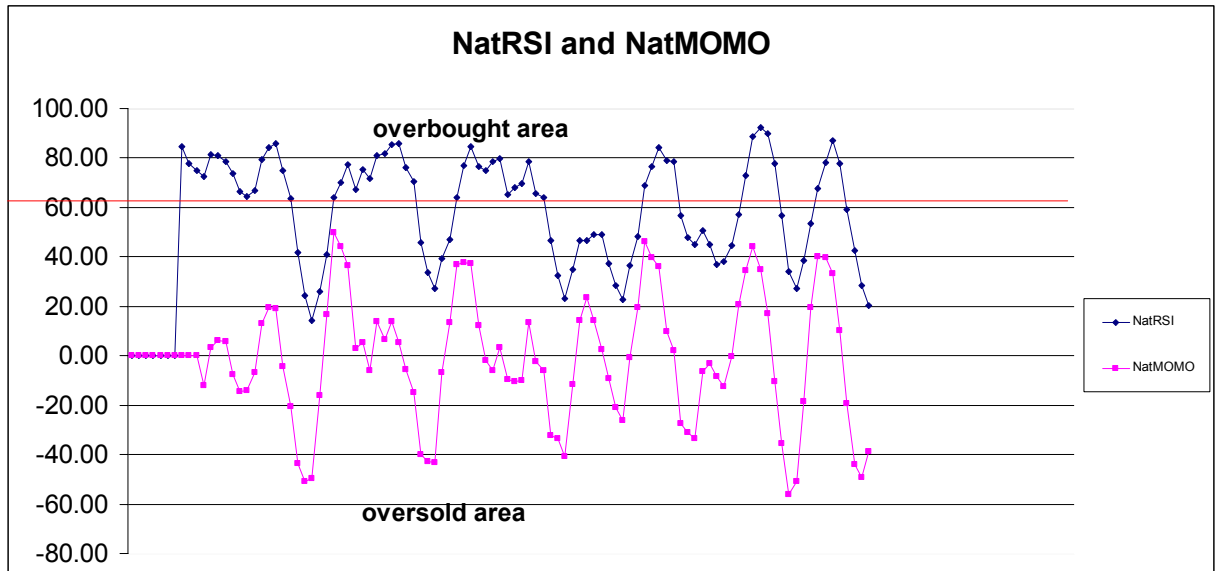
|         |      |
|---------|------|
| 1445.31 | +2/8 |
| 1441.41 | +1/8 |
| 1437.50 | 8/8  |
| 1433.59 | 7/8  |
| 1429.69 | 6/8  |
| 1425.78 | 5/8  |
| 1421.88 | 4/8  |
| 1417.97 | 3/8  |
| 1414.06 | 2/8  |
| 1410.16 | 1/8  |
| 1406.25 | 0/8  |
| 1402.34 | -1/8 |
| 1398.44 | -2/8 |

### Down (Interval=3.91)

|         |      |
|---------|------|
| 1414.06 | +2/8 |
| 1410.16 | +1/8 |
| 1406.25 | 8/8  |
| 1402.34 | 7/8  |
| 1398.44 | 6/8  |
| 1394.53 | 5/8  |
| 1390.63 | 4/8  |
| 1386.72 | 3/8  |
| 1382.81 | 2/8  |
| 1378.91 | 1/8  |
| 1375.00 | 0/8  |
| 1371.09 | -1/8 |
| 1367.19 | -2/8 |

## 9. OTHER INDICATORS

| NatRSI (1day) | NatRSI (5day) | NatMoMo | ATR 10 | Waist number |
|---------------|---------------|---------|--------|--------------|
| 0.63          | 0.20          | -38.56  | 14.38  | 1406.25      |
| neutral       | neutral       |         |        |              |



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

### Projected Economic Releases for Thursday

(Consensus Forecasts vs. Previous Report)

March 1

|                       |       |       |                   |
|-----------------------|-------|-------|-------------------|
| Initial Claims        | 8:30  | 02/24 | N/A vs. 332K      |
| Personal Income       | 8:30  | Jan   | 0.3% vs. 0.5%     |
| Personal Spending     | 8:30  | Jan   | 0.4% vs. 0.7%     |
| Initial Claims        | 8:30  | 02/24 | N/A vs. 332K      |
| Construction Spending | 10:00 | Jan   | - 0.3% vs. - 0.4% |
| ISM Index             | 10:00 | Feb   | 50.0 vs. 49.3     |
| Auto Sales            | 5pm   | Feb   | 5.2M vs. 5.2M     |
| Truck Sales           | 5pm   | Feb   | 7.3M vs. 7.5M     |