



## Daily trading plan for April 4, 2007

### 1. ESM7 IN PREVIOUS DAY

Open	High	Low	Closing
1440.00	1450.50	1439.50	1447.25

### 2. PIVOTS FOR ESM7

	Daily	Weekly	Monthly	Yearly
R3	1463.00	1478.92	1544.50	1722.00
R2	1456.75	1464.08	1497.75	1583.50
R1	1452.00	1447.67	1464.50	1506.00
<b>PPT</b>	<b>1445.75</b>	<b>1432.83</b>	<b>1417.75</b>	<b>1367.50</b>
S1	1441.00	1416.42	1384.50	1290.00
S2	1434.75	1401.58	1337.75	1151.50
S3	1430.00	1385.17	1304.50	1074.00

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

Sell levels	Buying levels
1454.00 (First Sell#)	1435.75 (first Buy#)
1461.75 (Second Sell#)	1432.75 (second Buy#)

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

<b>Resistance</b>	1454.25	1460.75	1464.25	1467.75	1474.75
<b>Support</b>	1443.75	1436.75	1433.25	1426.75	1421.50

## 5. MONTHLY AND WEEKLY OUTLOOK

Time passes very quickly. First quarter of 2007 trading ended last Friday. First quarter S&P 500 makes not much change with its yearly opening price. But it does give us an indication that S&P500 intends to have its correction move. This correction may be similar to the year 2004. We see March closed with little gain from last Feb, and the SPX was unable to breakout last January's high. Instead it made lower lows in past three months. We should expect more correction downside in the months ahead.

### SPX MONTHLY Chart



The three major markets, Dow, S&P and Nasdaq, each ended the week down about 1% or more. Because March is the end of first quarter in 2007, we expected window dressing last week. This window dressing gives us an opportunity to anticipate price returning to the downtrend this week sometimes. If S&P 500 can initially hold price move up to 1438.89 (ES 1449-1451), the next down movement could be started from it very soon.

ES formed a short-term downside channel. This week Bear still has to fight for ES long term uptrend line around 1412-1406 in order to resume its downtrend. Due to Easter Holiday, we may also see price may traveled inside a triangle pattern this week

Weekly major resistance level is 1451 and support level is 1406.

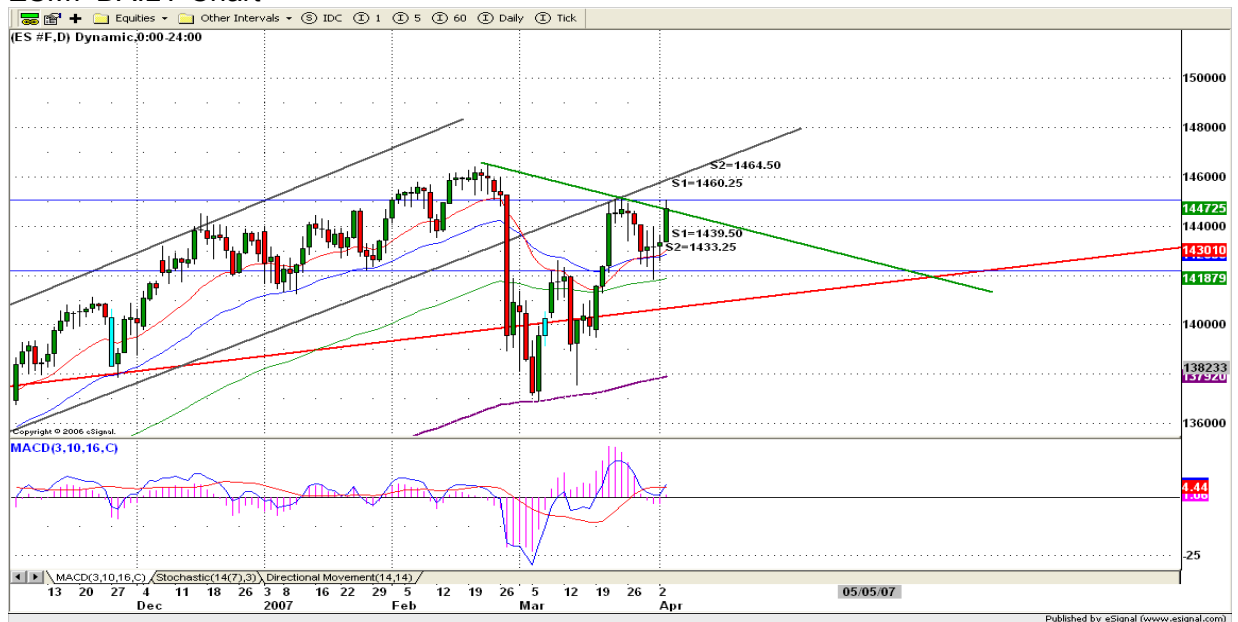
## ES WEEKLY Chart



## 6. DAILY OUTLOOK

Due to the coming holiday, all three markets moved up earlier than we expected. But ES stopped moving higher as soon as it hit 1450.50 level, instead it pulled back for closing. Today ES may continue holding price up and go sideways or higher to 1456-57 level if it breaks out 1451. Any breakdown to 1445 level will lead price to go lower to 1443-42 range or lower to 1439-38 range. As long as 1451 level can hold price down until this week is over, monthly downtrend direction remains.

## ESM7 DAILY Chart

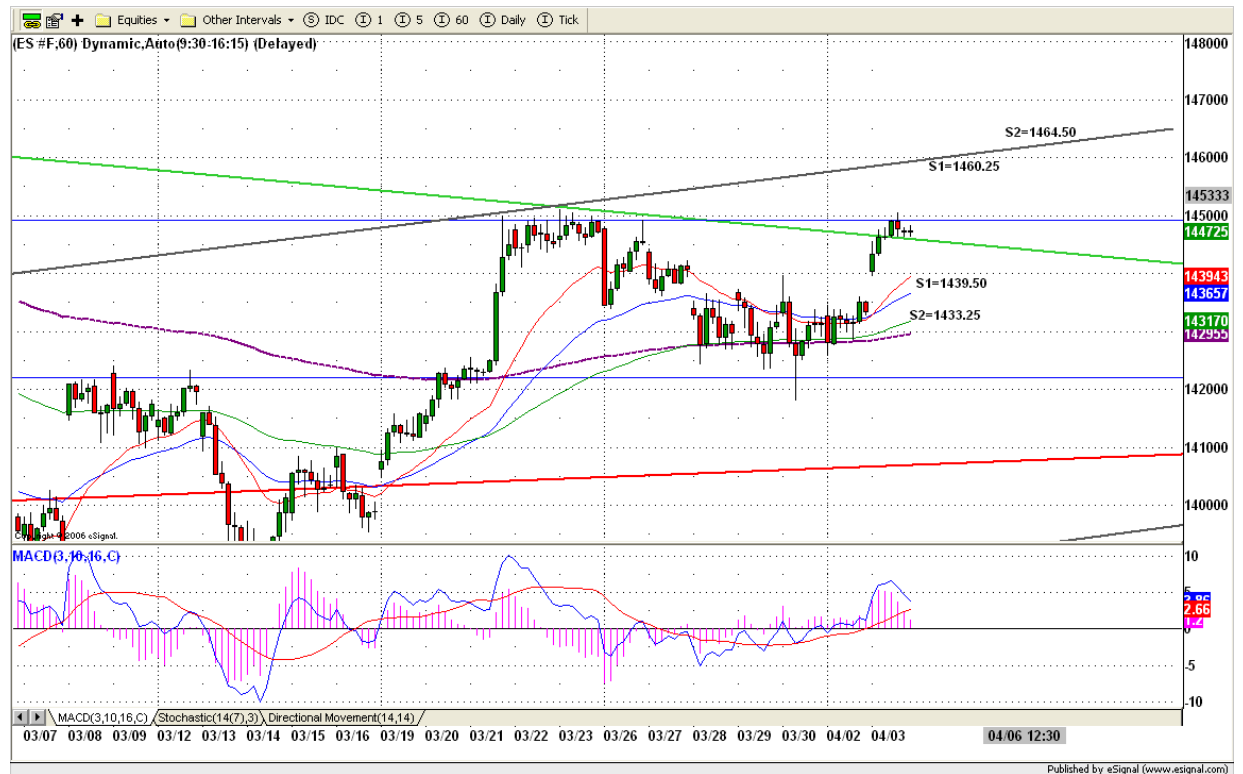


## 7. TRADING STRATEGY FOR Apr. 4, 2007

ES gapped up at early morning yesterday. Today 1446.50-1445.50 range is key range. If this range can be held up, it is likely to retest yesterday's high 1450.50-51.75 range again. Any breakout 1453.75 level will lead to another breakout move and push price higher to 1456-57 range or further to 1459-60.25 range. If this is the case, it will change Monthly downside direction. If 1451 level can hold price down, one possibility is that price may hang up and go sideways; another possibility is that price goes down to retest yesterday's low around 1439.50 level. Anything can happen in holiday week trading.

**Intraday swing position entry on short side:**  
**1451.75 (scalping) 1456-57.00 (agg) and 1461.75(cons)**  
**Intraday swing position entry on long side:**  
**1439.75 (scalping) 1436.25 (agg) and 1433.25 (cons)**

### ESM7 INTRADAY



## 8. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=0.95)

1451.17	+2/8
1450.20	+1/8
1449.22	8/8
1448.24	7/8
1447.27	6/8
1446.29	5/8
1445.31	4/8
1444.34	3/8
1443.36	2/8
1442.38	1/8
1441.41	0/8
1440.43	-1/8
1439.45	-2/8

### Up (Interval=1.95)

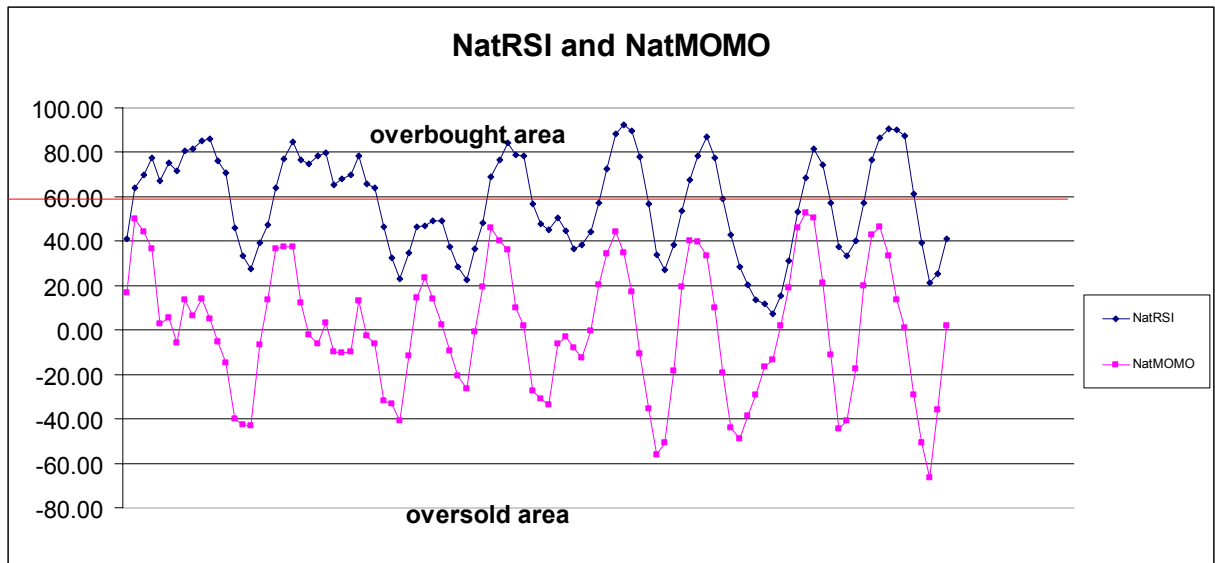
1464.84	+2/8
1462.89	+1/8
1460.94	8/8
1458.98	7/8
1457.03	6/8
1455.08	5/8
1453.13	4/8
1451.17	3/8
1449.22	2/8
1447.27	1/8
1445.31	0/8
1443.36	-1/8
1441.41	-2/8

### 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
0.82	0.41	1.92	13.68	1443.50
overbought	neutral			



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

### Projected Economic Releases for This Week

(Consensus Forecasts vs. Previous Report)

#### Apr 3

Auto Sales	17:00	Mar	5.1M vs 5.1M
Truck Sales	17:00	Mar	7.6M vs 7.7M

#### Apr 4

Factory Orders	10:00	Feb	2.0% vs -5.6%
ISM Services	10:00	Mar	54.7 vs 54.3
Crude Inventories	10:00	03/30	NA vs -846K

#### Apr 5

Initial Claims	8:30	03/31	NA vs 308K
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#### Apr 6

Nonfarm Payrolls	8:30	Mar	120K vs 97K
Unemployment Rate	8:30	Mar	4.6% vs 4.5%
Hourly Earnings	8:30	Mar	0.3% vs 0.4%
Average Workweek	8:30	Mar	33.8 vs 33.7
Wholesale Inventories	10:00	Feb	0.4% vs 0.7%
Consumer Credit	15:00	Feb	\$5.0B vs \$6.4B