



## Daily trading plan for April 10, 2007

### 1. ESM7 IN PREVIOUS DAY

| Open    | High    | Low     | Closing |
|---------|---------|---------|---------|
| 1456.00 | 1458.00 | 1452.50 | 1454.50 |

### 2. PIVOTS FOR ESM7

|            | Daily          | Weekly         | Monthly        | Yearly         |
|------------|----------------|----------------|----------------|----------------|
| R3         | 1463.00        | 1492.08        | 1544.50        | 1722.00        |
| R2         | 1460.50        | 1473.42        | 1497.75        | 1583.50        |
| R1         | 1457.50        | 1463.08        | 1464.50        | 1506.00        |
| <b>PPT</b> | <b>1455.00</b> | <b>1444.42</b> | <b>1417.75</b> | <b>1367.50</b> |
| S1         | 1452.00        | 1434.08        | 1384.50        | 1290.00        |
| S2         | 1449.50        | 1415.42        | 1337.75        | 1151.50        |
| S3         | 1446.50        | 1405.08        | 1304.50        | 1074.00        |

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

| Sell levels                 | Buying levels         |
|-----------------------------|-----------------------|
| 1459-1461.25 (First Sell#)  | 1447.25 (first Buy#)  |
| 1472.25-1474 (Second Sell#) | 1438.50 (second Buy#) |

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

|                   |         |         |         |         |         |
|-------------------|---------|---------|---------|---------|---------|
| <b>Resistance</b> | 1457.50 | 1460.50 | 1463.25 | 1465.00 | 1473.50 |
| <b>Support</b>    | 1452.00 | 1447.25 | 1444.50 | 1439.75 | 1435.25 |

## 5. WEEKLY OUTLOOK

The S&P 500 (SPX) ended the week at 1443.75, 22.90 points higher than its previous Friday's closing level. The chart shows technically bullish. The short-term average line (20ema) is crossing above the longer term line (40ema). It seems the market is rebuilding its steam again.

The market volatility (\$VIX) had lower closes for the past five straight day, and its trend is to the downside. This also gives a indication that market is bullish. At the same time the SPX has a gap created on Feb. 27, 2007 at 1449.37 level, which is not far from last weekly closing price. It is likely for SPX to fill that gap and retest the recent peak level 1461.57 this week. DOUBLE TOP, and then a pullback move should be expected.

### SPX DAILY Chart



ES weekly chart (below) shows bullish too. It filled its March contract's gap around 1452.75, but it hasn't filled the gap in the June contract at 1465.75. That means ES still has a motivation to move up to the 1465-68 range to fill that gap. An important cyclical top (CIT date) is around April 13. We may see ES test its previous high around 1465-66 range or higher to 1474-76 range before it pulls back.

Major weekly resistance level is 1477 and major support level is 1437.50

## ES WEEKLY Chart



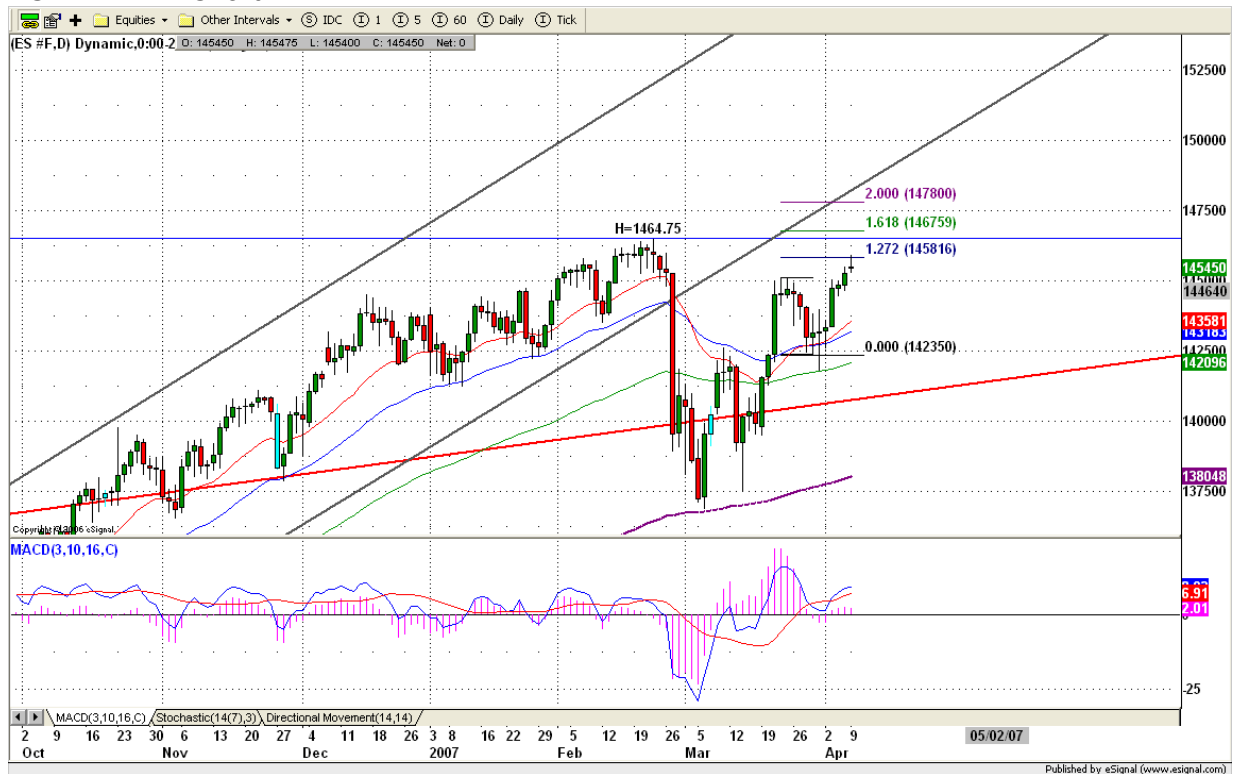
## 6. DAILY OUTLOOK

Lack of activity from yesterday's markets movement. Today all will return to normal. Yesterday ES went sideways and tried to clarify confusion created by last Friday.

Today daily range breakout movement should be expected. ES could breakout either direction. If it breakout 1459 level, upside momentum will push price into 1463.25 level or higher to 1467.75 if uptrend is strong. If it breakdown 1452.50 level, downside momentum could push price into 1447-46.25 range or lower if downtrend is strong.

Based on ES daily chart, MACD indicator has a divergence with the price. We may see price goes up to test yesterday's high first. If ES can't breakout 1459 level, price pullback into its last Monday's breakout level (1439.50) should be expected.

## ESM7 DAILY Chart



### 7. TRADING STRATEGY FOR Apr. 10, 2007

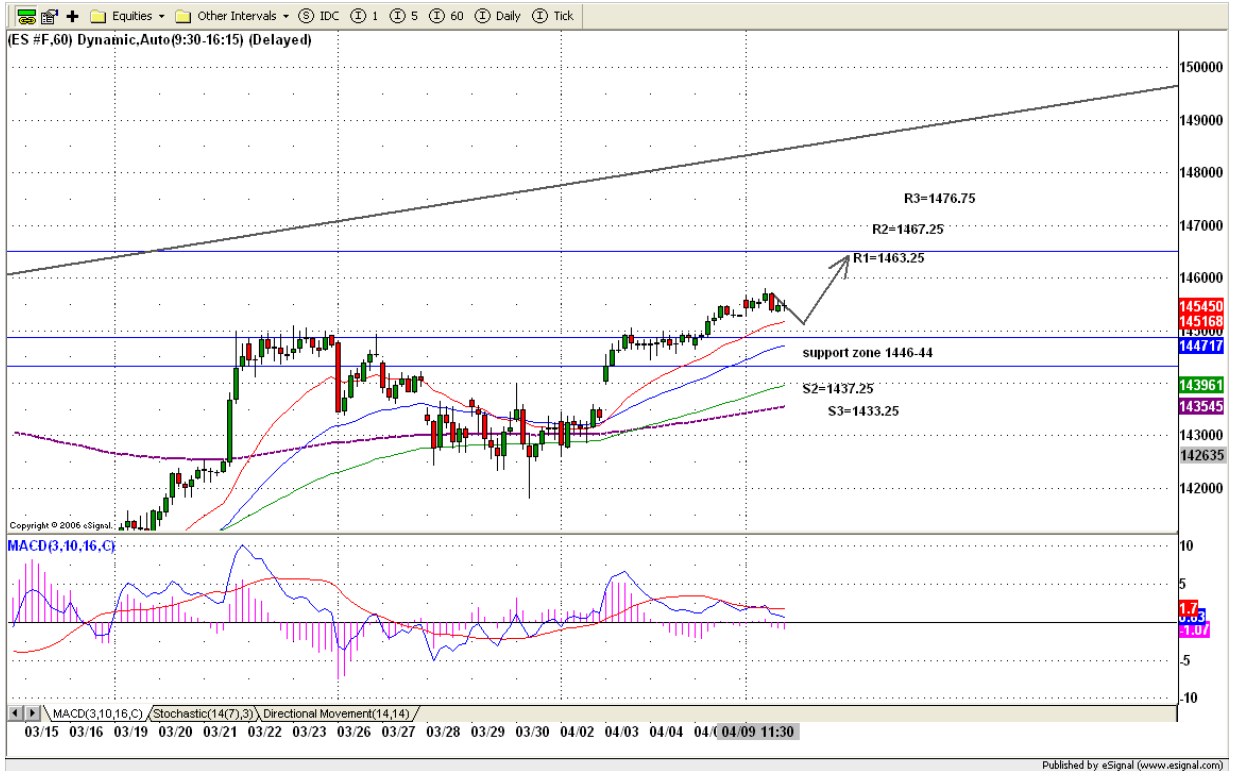
First day trading from holiday was not so exciting. That is because many countries are still on holiday. ES formed a narrow range day with small doji pattern. Today majority of traders are back to the market. We should see some significant movement. Yesterday we also saw that ES held up its breakout level from Friday's early morning activity. Today as long as price can be held up above 1451.50 level, it is likely for ES to try again to test yesterday's high around 1458-59. Any breakout 1459 will create upside momentum and push price into 1463.25 or higher to 1467.75-66.50 range.

Breakdown 1446.25, it is likely for ES to move down to 1443 or lower to 1439.25-37.75 range. Once price approaches those levels, we may see buyers stepping into the market.

Today wide range should also be expected.

**Intraday swing position entry on short side:**  
**1463.25 (scalping) 1466.25-67.75(agg) and 1473.75(cons)**  
**Intraday swing position entry on long side:**  
**1447.25 (scalping) 1438.25 (agg) and 1433.25 (cons)**

# ESM7 INTRADAY



## 8. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=0.95)

|         |      |
|---------|------|
| 1462.89 | +2/8 |
| 1461.91 | +1/8 |
| 1460.94 | 8/8  |
| 1459.96 | 7/8  |
| 1458.98 | 6/8  |
| 1458.01 | 5/8  |
| 1457.03 | 4/8  |
| 1456.05 | 3/8  |
| 1455.08 | 2/8  |
| 1454.10 | 1/8  |
| 1453.13 | 0/8  |
| 1452.15 | -1/8 |
| 1451.17 | -2/8 |

### Up (Interval=1.95)

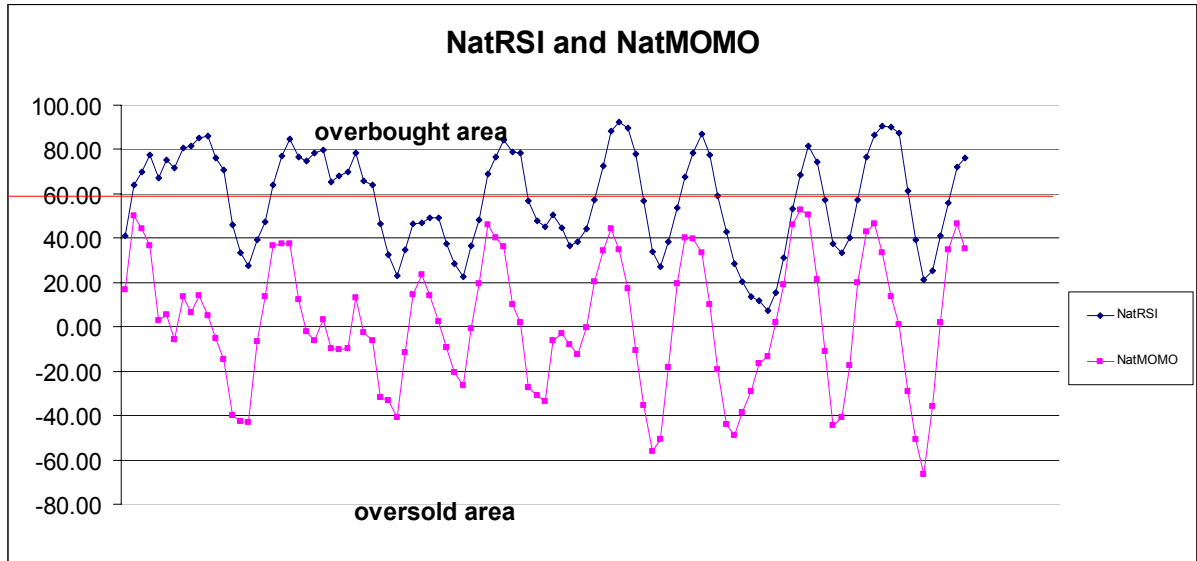
|         |      |
|---------|------|
| 1472.66 | +2/8 |
| 1470.70 | +1/8 |
| 1468.75 | 8/8  |
| 1466.80 | 7/8  |
| 1464.84 | 6/8  |
| 1462.89 | 5/8  |
| 1460.94 | 4/8  |
| 1458.98 | 3/8  |
| 1457.03 | 2/8  |
| 1455.08 | 1/8  |
| 1453.13 | 0/8  |
| 1451.17 | -1/8 |
| 1449.22 | -2/8 |

### 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 |
|---------------|---------------|---------|--------|--------------|
| 0.36          | 0.76          | 35.08   | 11.38  | 1455.38      |
| neutral       | overbought    |         |        |              |



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

### Projected Economic Releases for This Week

(Consensus Forecasts vs. Previous Report)

#### Apr 11

|                   |       |        |                      |
|-------------------|-------|--------|----------------------|
| Crude Inventories | 10:30 | 04/06  | NA vs 4307K          |
| FOMC Minutes      | 14:00 | Mar 21 |                      |
| Treasury Budget   | 14:00 | Mar    | -\$85.0B vs -\$85.3B |

#### Apr 12

|                      |      |       |             |
|----------------------|------|-------|-------------|
| Export Prices ex-ag. | 8:30 | Mar   | NA vs 0.6%  |
| Import Prices ex-oil | 8:30 | Mar   | NA vs -0.1% |
| Initial Claims       | 8:30 | 04/07 | NA vs 321K  |

#### Apr 13

|                      |       |     |                      |
|----------------------|-------|-----|----------------------|
| International Trade  | 8:30  | Feb | -\$60.5B vs -\$59.1B |
| PPI                  | 8:30  | Mar | 0.6% vs 1.3%         |
| Core PPI             | 8:30  | Mar | 0.2% vs 0.4%         |
| Mich Sentiment-Prel. | 10:00 | Apr | 88.0 vs 88.4         |