



Daily trading plan for May 29, 2007

1. ESM7 IN PREVIOUS DAY

Open	High	Low	Closing
1515.25	1520.50	1512.00	1517.25

2. PIVOTS FOR ESM7

	Daily	Weekly	Monthly	Yearly
R3	1529.67	1560.75	1598.83	1722.00
R2	1525.08	1548.25	1551.67	1583.50
R1	1521.17	1532.75	1520.08	1506.00
PPT	1516.58	1520.25	1472.92	1367.50
S1	1512.67	1504.75	1441.33	1290.00
S2	1508.08	1492.25	1394.17	1151.50
S3	1504.17	1476.75	1362.58	1074.00

3. FOCUS NUMBERS (intra-day Position trading)

Sell levels	Buying levels
1527-29 (First Sell#)	1502.25(first Buy#)
1532.25-35(Second Sell#)	1494.75-92.25 (second Buy#)

4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1521.75	1526.25	1529.75	1532.75	1536.50
Support	1511.50	1505.75	1501.25	1496.25	1492.25

5. LONG-TERM OUTLOOK

The S&P 500 index (SPX) closed up 8.22 points on Friday, but it lost 7.02 points on the week. That is the first reversal week after 7 straight weeks advancing. This week is a decision week. SPX can go either direction. It can continue going up if SPX can breakout 1535 or consolidate if SPX holds up 1496 level. For upside, SPX needs to smooth out market overbought condition first. Therefore consolidation or retracement still needs to expect to occur this week.

Weekly major resistance level is 1560 and major support level is 1450 for SPX.

SPX WEEKLY Chart



6. WEEKLY OUTLOOK

All four major markets pulled back last week due to overbought situation. This week a close below 13210 level will confirm the TOP is in for the DOW. Last week's pullback may be the first step reversal, but it hasn't confirmed the TOP yet. Also May 31 is CIT date. Even we don't see the market pullback early in the week, after May 31, we still will see the DOW reverse from high 13700 level.

ES will follow its major market move this week. If ES breaks out 1550.50 level, it is likely to see 1575 area. If ES can hold up 1496 level and fails to breakout 1550.50 level, it is likely ES will go sideways within last week's trading range.

Major weekly resistance level is 1575 and major support level is 1480

ES WEEKLY Chart



7. DAILY OUTLOOK

Friday ES bounced from last Thursday's low and closed up 5.25 points with low volume. The short-term trend is now down for ES. But it is still within medium-term uptrend. Before medium-term uptrend is broken, we should still expect buyers will step in on first pullback before we get another bearish signal.

Today if the ES breaks through 1529.75 level with high volume in the morning session, ES could make a new high around 1536.50-38 area again for testing. If ES fails to breakout 1530 level, it is likely for ES to go down to retest last Friday's low or last Thursday's low around 1507.

ESM7 DAILY Chart



8. TRADING STRATEGY FOR May 29, 2007

For today, on the upside 1525.75 is the key; if ES can breakout 1525.75, it is likely for price to go higher to 1529.75 or higher to 1535.75

On the downside 1514.40 is the key. If there is a break down it with high volume, it is possible for ES to move down to fill the May 25's gap at 1511.50 area.

Intraday swing position entry on short side:

1525.75 (scalping) 1529.75(agg) and 1536.50(cons)

Intraday swing position entry on long side:

1511.25 (scalping) 1503.25 (agg) and 1498.25-99 (cons)

ESM7 INTRADAY



8. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=1.95)

1535.16	+2/8
1533.20	+1/8
1531.25	8/8
1529.30	7/8
1527.34	6/8
1525.39	5/8
1523.44	4/8
1521.48	3/8
1519.53	2/8
1517.58	1/8
1515.63	0/8
1513.67	-1/8
1511.72	-2/8

Up (Interval=3.95)

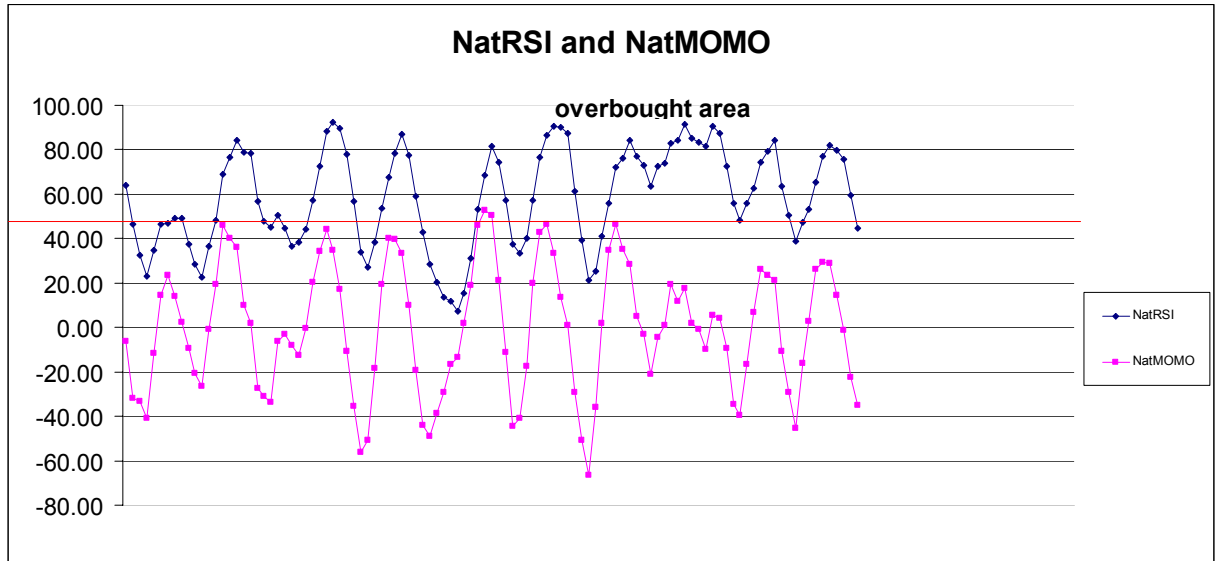
1539.06	+2/8
1535.16	+1/8
1531.25	8/8
1527.34	7/8
1523.44	6/8
1519.53	5/8
1515.63	4/8
1511.72	3/8
1507.81	2/8
1503.91	1/8
1500.00	0/8
1496.09	-1/8
1492.19	-2/8

Down (Interval=1.95)

1539.06	+2/8
1535.16	+1/8
1531.25	8/8
1527.34	7/8
1523.44	6/8
1519.53	5/8
1515.63	4/8
1511.72	3/8
1507.81	2/8
1503.91	1/8
1500.00	0/8
1496.09	-1/8
1492.19	-2/8

9. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.62	0.44	-35.10	11.90	1516.25
Neutral	neutral			



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

Projected Economic Releases for This Week

(Consensus Forecasts vs. Previous Report)

May 29

Consumer Confidence	10:00	May	104.5 VS 104.0
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May 30

Crude Inventories	10:30	05/25	NA VS 1969K
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FOMC Minutes	15:00	May 9	
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May 31

GDP-Prel.	8:30	Q1	0.7% VS 1.3%
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Chain Deflator-Prel.	8:30	Q1	4.0% VS 4.0%
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Initial Claims	8:30	05/26	NA VS 311K
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Chicago PMI	9:45	May	54.3 VS 52.9
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Construction Spending	10:00	Apr	0.0% VS 0.2%
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Help-Wanted Index	10:00	Apr	30 VS 30
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Jun 1

Nonfarm Payrolls	8:30	May	140K VS 88K
Unemployment Rate	8:30	May	4.5% VS 4.5%
Hourly Earnings	8:30	May	0.3% VS 0.2%
Average Workweek	8:30	May	33.8 VS 33.8
Personal Income	8:30	Apr	0.4% VS 0.7%
Personal Spending	8:30	Apr	0.4% VS 0.3%
Core PCE Inflation	8:30	Apr	0.2% VS 0.0%
ISM Index	10:00	May	54.0 VS 54.7
Mich Sentiment-Rev.	10:00	May	88.5 VS 88.7
Pending Home Sales	10:00	Apr	0.0% VS -4.9%
Auto Sales	17:00	May	5.2M VS 5.0M
Truck Sales	17:00	May	7.4M VS 7.5M