



## Daily trading plan for June 11, 2007

### 1. ESU7 IN PREVIOUS DAY

Open	High	Low	Closing
1506.00	1524.00	1502.50	1522.50

### 2. PIVOTS FOR ESU7

	Daily	Weekly	Monthly	Yearly
R3	1551.67	1583.67	1609.00	1722.00
R2	1537.83	1563.33	1573.50	1583.50
R1	1530.17	1542.92	1553.25	1506.00
<b>PPT</b>	<b>1516.33</b>	<b>1522.58</b>	<b>1517.75</b>	<b>1367.50</b>
S1	1508.67	1502.17	1497.50	1290.00
S2	1494.83	1481.83	1462.00	1151.50
S3	1487.17	1461.42	1441.75	1074.00

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

Sell levels	Buying levels
1524.00(First Sell#)	1502.50-01.00(first Buy#)
1531.50(Second Sell#)	1495-93.25 (second Buy#)

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

<b>Resistance</b>	1530.25	1533.00	1538.00	1543.25	1551.00
<b>Support</b>	1517.75	1513.50	1508.25	1503.25	1497.50

### 5. LONG-TERM OUTLOOK

The S&P 500 Index (SPX) closed the week at 1507.67. It gave back six weeks of previous gains in just last three days. The downside volume was stronger than any advancing volume after March 24, 2007. That indicates that further down will come after the market completes its consolidation this week.

There are several reason we should expect that the market will have a further down movement. For the long term, SPX hasn't had a 10% correction for a quite long time. It is

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overbought and moving too far away from its 89 day moving average line. Second is the market's seasonality. The favorable season from Oct to May ended eight days ago. During the coming months, unfavorable seasonality may help our market to do its decent correction.

Weekly major resistance level for SPX is 1545 and support level is 1460

### SPX WEEKLY Chart



## 6. WEEKLY OUTLOOK

ES faces same situation as SPX. It dropped fast in last three days and hit its first major support level around 1496 area, and quickly bounced back from it for Friday's closing.

For the long run, as long as ES doesn't breach 1430 level, technically speaking the long term remains bullish for ES. For the short term, ES is likely to do its correction, especially since many interest sensitive stocks in S&P 500 index will drive SPX down. The ES will follow. The short term TOP seems having been seen already. In coming weeks, we should expect downside major support levels to be tested several times before the market resumes its rally again.

Due to this option expiration week, we may see ES goes sideways until option expiration day is over.

Weekly major resistance level is 1543. Weekly major support is 1475

### ES WEEKLY Chart



## 7. DAILY OUTLOOK

Friday ES bounced from its overnight low and closed 18.75 points higher on relatively low volume compared to previous day's volume. That is because ES had a temporary two day oversold situation. For the short term, this current trend remains to the downside, unless ES can break the 1545 level this week.

Today as long as ES can hold price below 1531.50 range in the morning, ES could move down to retest 1512-08 range. If ES can hold above 1508 level, a retest the day's high should be expected.

## ESM7 DAILY Chart



### 8. TRADING STRATEGY FOR June 11, 2007

For today, 1523.75 is the key level; if ES can breakout 1523.75, it is likely for price to go to 1530.75 or higher to 1535 level.

If ES goes up to test 1523.75 in early morning, and is unable to breakout from that level, price may return back to the 1512-13 level for testing. If the market fails to hold price above 1512 level, we could see a dip into 1508-06 range to search for support.

Caution: 1502-1501 range. If this range is broken, downside momentum will quickly speed up and quickly push price down to 1496 or further to 1493-92 range

**Intraday swing position entry on short side:**  
**1530.25 (scalping) 1543.75(agg) and 1551.50(cons)**  
**Intraday swing position entry on long side:**  
**1512.50 (scalping) 1502.50 (agg) and 1493.75 (cons)**

# ESM7 INTRADAY



## 8. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=3.90)

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

### Up (Interval=3.95)

1554.69	+2/8
1550.78	+1/8
1546.88	8/8
1542.97	7/8
1539.06	6/8
1535.16	5/8
1531.25	4/8
1527.34	3/8
1523.44	2/8
1519.53	1/8
1515.63	0/8
1511.72	-1/8
1507.81	-2/8

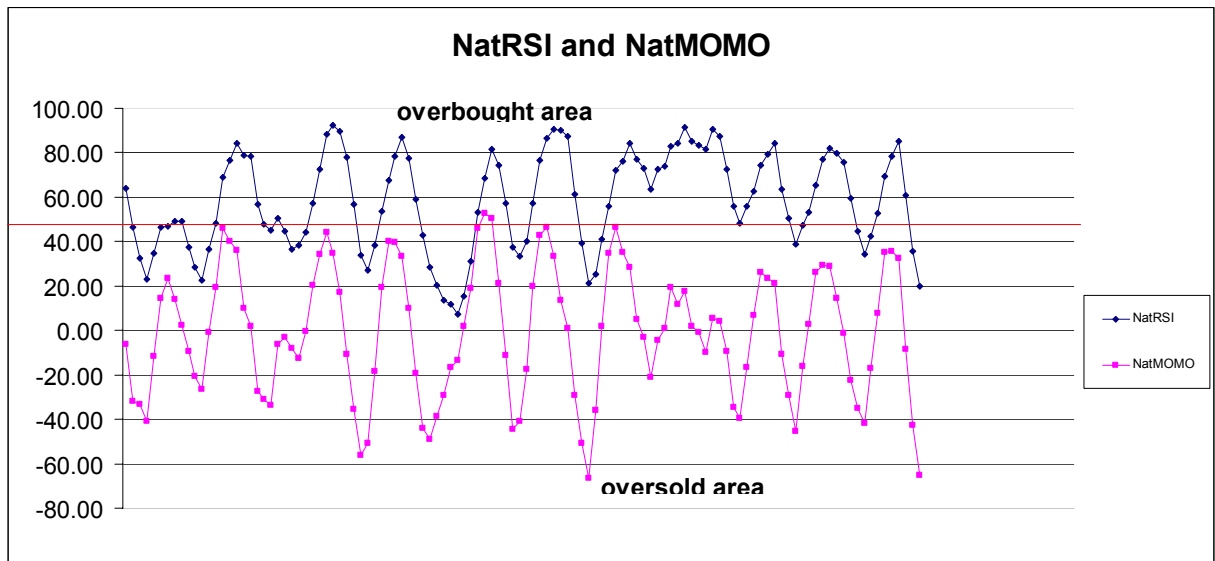
### Down (Interval=3.90)

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

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## 9. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.89	0.19	-65.22	14.15	1513.13
Overbought	oversold			



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

### Projected Economic Releases for Next Week

(Consensus Forecasts vs. Previous Report)

#### Jun 12

Treasury Budget	14:00	May	-\$60.0B vs -\$42.9B
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#### Jun 13

Retail Sales	8:30	May	0.6% vs -0.2%
Retail Sales ex-auto	8:30	May	0.7% vs 0.0%
Business Inventories	10:00	Apr	0.2% VS -0.1%
Crude Inventories	10:30	06/08	NA VS 112K
Fed's Beige Book	14:00		

#### Jun 14

PPI	8:30	May	0.5% VS 0.7%
Core PPI	8:30	May	0.2% VS 0.0%

#### Jun 15

Current Account	8:30	Q1	-\$202.5B VS -\$195.8B
NY Empire State Index	8:30	Jun	10.0 VS 8.0
CPI	8:30	May	0.6% VS 0.4%
Core CPI	8:30	May	0.2% VS 0.2%
Net Foreign Purchases	9:00	Apr	NA VS \$67.6B
Industrial Production	9:15	May	0.1% VS 0.7%

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Capacity Utilization	9:15	May	81.5% VS 81.6%
Mich Sentiment-Prel.	10:00	Jun	88.0 VS 88.3