



## Daily trading plan for Aug.16, 2007

### 1. ESU7 IN PREVIOUS DAY

Open	High	Low	Closing
1429.25	1447.00	1408.75	1414.50

### 2. PIVOTS FOR ESU7

	Daily	Weekly	Monthly	Yearly
R3	1476.33	1575.17	1643.42	1722.00
R2	1461.67	1542.83	1604.83	1583.50
R1	1428.08	1496.92	1533.42	1506.00
<b>PPT</b>	<b>1423.42</b>	<b>1464.58</b>	<b>1494.83</b>	<b>1367.50</b>
S1	1399.83	1418.67	1423.42	1290.00
S2	1385.17	1386.33	1384.83	1151.50
S3	1361.58	1340.42	1313.42	1074.00

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

Sell levels	Buying levels
1438.50 (First Sell#)	1397.25 (first Buy#)
1444.00(Second Sell#)	1385.00 (second Buy#)

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

<b>Resistance</b>	1418.75	1423.50	1430.50	1438.25	1445.75
<b>Support</b>	1406.25	1397.25	1492.75	1485.00	1361.50

## 5. DAILY OUTLOOK

ES broke its major support level. It triggers the third downside wave. Usually 3<sup>rd</sup> wave will be solid and longer, it could be down to 1385-75 range to search for support.

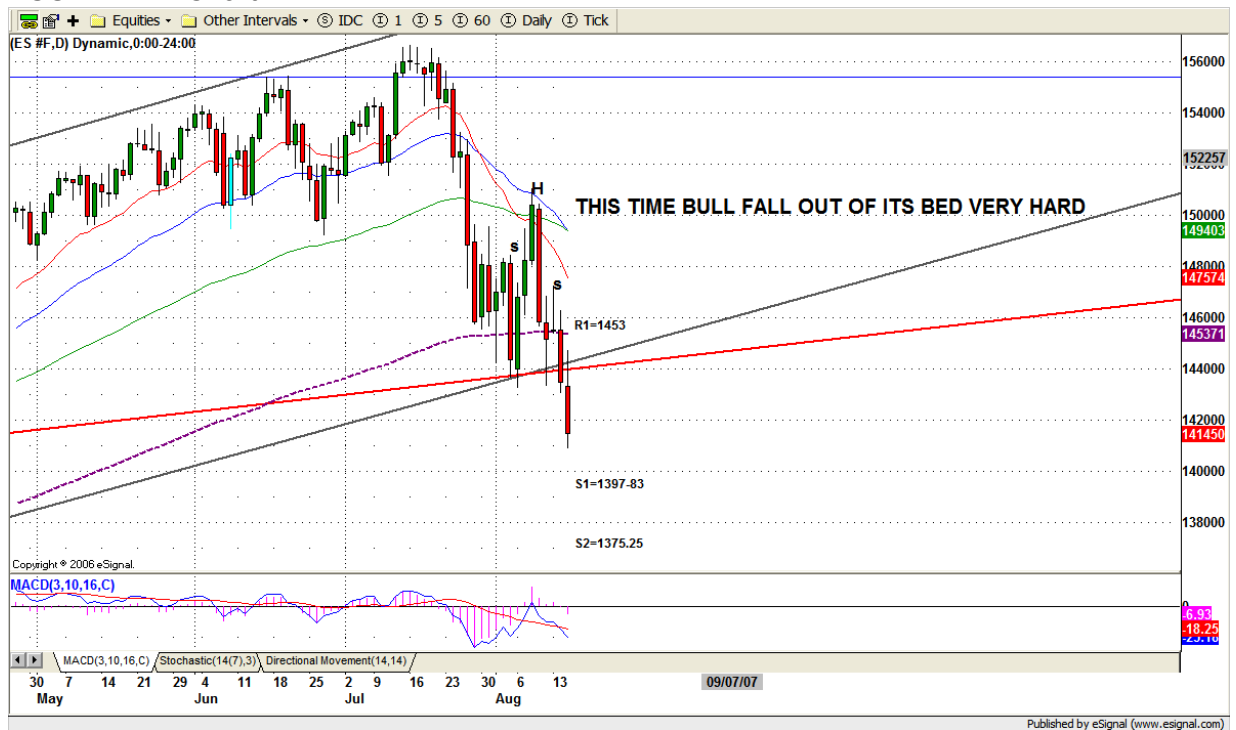
Bears are fully controlling this market. The S&P 500 is down 9.75% from mid-July. The latest decline mainly came from a broad financial assets sell-off. Yesterday other sectors also joined the selling in the afternoon.

Even though some fund managers remain bullish and investors want to hold their positions, current liquidity problems have become rigid devaluations, and force them to sell.

Goldman Sachs plays an important role in financial sector. Recently it injected \$3 billion into their troubled fund, which had the effect of making investors more nervous. DOW JONES average mainly follows GS down move recently. So did S&P 500 and ES.

In short term, Bearish symmetrical pattern should be completed around 1377 area. Due to option expiration tomorrow, we may see ES head toward that destination and bounce from that low next Tuesday.

ESU7 DAILY Chart



## 6. TRADING STRATEGY FOR Aug. 16, 2007

As I said yesterday "Market mainly focuses on financial news, but not too much on economic news" Today we may see ES continues going down until it finds a suitable support level. Based on pivot levels, we should pay attention on 1486-84 range. For the patterns, there are two patterns that overlap each other. Bearish symmetrical pattern completion level is around 1377, and H&S pattern breakdown pattern completion level around 1454 area. ES is in downside wave 3 process. Usually this wave has a wider range and takes a longer time.

**Intraday swing position entry on short side:**  
**1429.75 (Scalping) 1438.75 (agg) and 1545.25 (cons)**  
**Intraday swing position entry on long side:**  
**1402.25 (scalping) 1397.75 (agg) and 1385.25 (cons)**

### ESU7 INTRADAY



## 7. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=7.82)

1453.13	+2/8
1445.31	+1/8
1437.50	8/8
1429.69	7/8
1421.88	6/8
1414.06	5/8
1406.25	4/8
1398.44	3/8
1390.63	2/8
1382.81	1/8
1375.00	0/8
1367.19	-1/8
1359.38	-2/8

### Up (Interval=3.90)

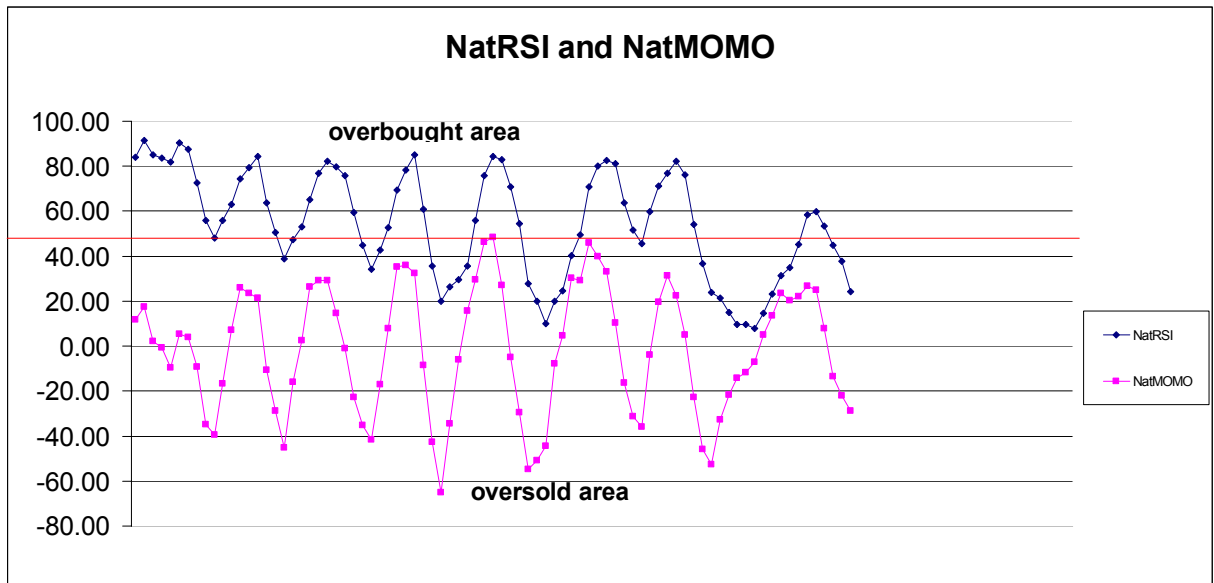
1445.31	+2/8
1441.41	+1/8
1437.50	8/8
1433.59	7/8
1429.69	6/8
1425.78	5/8
1421.88	4/8
1417.97	3/8
1414.06	2/8
1410.16	1/8
1406.25	0/8
1402.34	-1/8
1398.44	-2/8

### Down (Interval=3.90)

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

## 8. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.30	0.24	-28.88	32.38	1421.88
neutral	neutral			



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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Aug 16	08:30	<a href="#">Housing Starts</a>	Jul		1415K	1410K	1467K
Aug 16	08:30	<a href="#">Building Permits</a>	Jul		1420K	1400K	1413K
Aug 16	08:30	<a href="#">Initial Claims</a>	08/11		310K	NA	316K
Aug 16	12:00	<a href="#">Philadelphia Fed</a>	Aug		10.0	8.0	9.2
Aug 17	10:00	<a href="#">Mich Sentiment-Prel.</a>	Aug		88.0	88.5	90.4