



## Daily trading plan for Sept. 10, 2007

### 1. ESU7 IN PREVIOUS DAY

Open	High	Low	Closing
1462.50	1467.00	1450.25	1459.75

### 2. PIVOTS FOR ESU7

	Daily	Weekly	Monthly	Yearly
R3	1484.50	1538.25	1669.33	1722.00
R2	1475.75	1518.75	1589.92	1583.50
R1	1467.75	1489.25	1533.33	1506.00
<b>PPT</b>	<b>1459.00</b>	<b>1469.75</b>	<b>1453.92</b>	<b>1367.50</b>
S1	1451.00	1440.25	1397.33	1290.00
S2	1442.25	1420.75	1317.92	1151.50
S3	1434.25	1391.25	1261.33	1074.00

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

Sell levels	Buying levels
1467-69.50 (First Sell#)	1450.25-47.50 (first Buy#)
1478-79.50 (Second Sell#)	1437.25 (second Buy#)

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

<b>Resistance</b>	1469.75	1476.75	1479.50	1484.75	1489.25
<b>Support</b>	1446.50	1440.25	1433.25	1425.75	1420.75

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## 5. LONG-TERM OUTLOOK

Last week, S&P 500 (SPX) continued trading between its 20 and 40 week moving average lines and closed at 1453.55, for a net weekly loss of 20.44 points.

Based on last week's movement, the index still managed to hold above its 40 week moving average line, but its ability to bounce from that level has been reduced dramatically. This week 1434.26 level acts as a very important key for bulls. Fail to hold up this level, odds will favor strong downside movement. It could lead to a retest of the 1386-87 range.

For the short term, September is typical unfriendly to the market. There is lots of potential for a sharp down move against the long-term trend this month.

Major monthly resistance level for SPX is 1545 and support level is 1356  
 Major weekly resistance level for SPX is 1485 and support level is 1386

### SPX WEEKLY Chart



## 6. WEEKLY OUTLOOK — ES

Last week, ES tried to weaken 20 and 40 week moving average support lines. Even though it still holds above long term support line (red), the bounce power has been decreasing a lot. Volume mainly showed up on the downside move. Not good for BULLS.

This week we may see ES go up to fill the gap around 1479.50, if the 1455-50 level holds the price up. But it is also possible for it to go down to fill 1438 and 1424.50 gaps. Due to rollover day on this week Thursday, sharp moves on both sides should be expected.

If there is a big decline movement, the market will have a big nasty countertrend rally, enough to scare the shorts before its decline again. EXPECT THAT

Weekly major resistance level is 1489.50. Weekly major support is 1393.

### ES WEEKLY Chart



## 7. DAILY OUTLOOK

Last Friday ES closed above its 200 day moving average line. But it was the third time price was around this level and with a limited bounce. BULLS are getting tired. ES formed a daily triangle pattern. Breakout this triangle pattern will determine the direction of next major movement.

Daily indicators all turn into downside – which is bearish for the market. NYSE breadth was negative and volume mainly occurred to the downside on last Friday. Therefore we should look for SHORT side entries, instead of buying.

ESU7 DAILY Chart



## 8. TRADING STRATEGY FOR Sept. 10, 2007

ES closed the week at 1459.75. Today we may see an attempt to move up from that level, and some effort to close the gap at 1479.50. If the price moves into that area, fails to close the gap and then falls back to 1469.75, it is unlikely to return to the gap area.

The 1469.75 area is an important resistance level. If the ES fails to penetrate this resistance, expect it to fall back to retest Friday's low around 1450.25 - 51.75. If that support fails, and ES subsequently moves through 1447-45, the door opens for a move to 1375 in the coming days.

Traders should also begin watching the December contract, ESZ7. Rollover day is Thursday.

**Intraday swing position entry on short side:**  
**1469.50 (scalping) 1475.25 (agg) and 1479.75 (cons)**  
**Intraday swing position entry on long side:**  
**1451.25 (agg) 1447.25-45.75 (agg) and 1434.25 (cons)**

### ESU7 INTRADAY



## 9. PREDICTION FOR TODAY'S MOVEMENT

### Current (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

### Up (Interval=3.90)

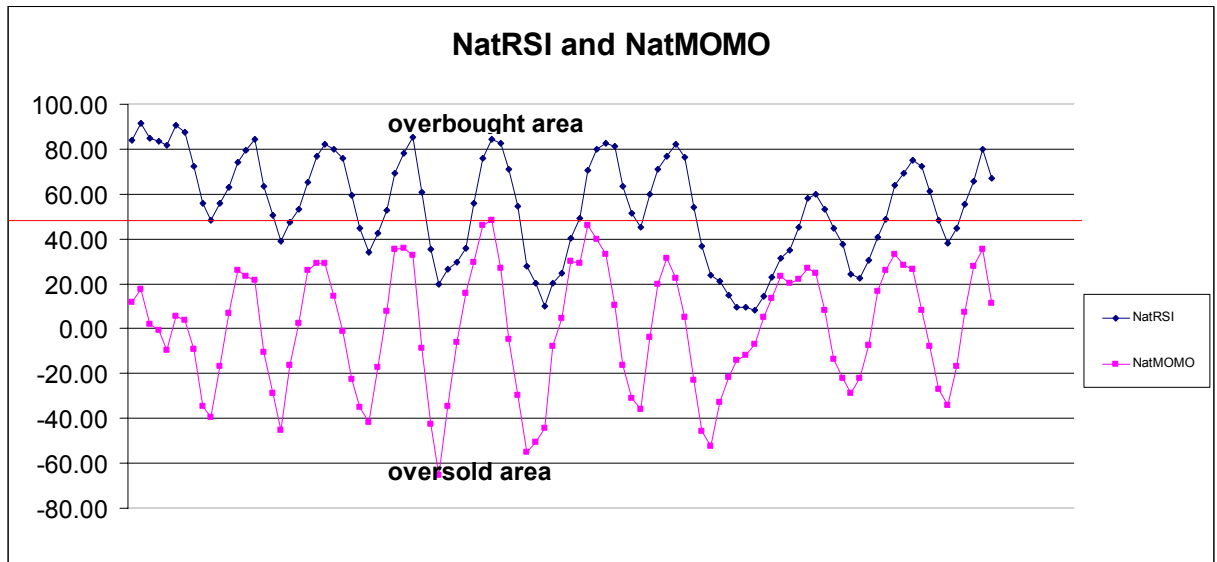
1476.56	+2/8
1472.66	+1/8
1468.75	8/8
1464.84	7/8
1460.94	6/8
1457.03	5/8
1453.13	4/8
1449.22	3/8
1445.31	2/8
1441.41	1/8
1437.50	0/8
1433.59	-1/8
1429.69	-2/8

### Down (Interval=3.90)

1476.56	+2/8
1472.66	+1/8
1468.75	8/8
1464.84	7/8
1460.94	6/8
1457.03	5/8
1453.13	4/8
1449.22	3/8
1445.31	2/8
1441.41	1/8
1437.50	0/8
1433.59	-1/8
1429.69	-2/8

## 10. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.42	0.67	11.54	19.65	1461.13
Neutral	Neutral			



## 11. WEEKLY ECONOMIC REPORTS

(<http://www.briefing.com/Investor/Public/Calendars/EconomicCalendar.htm> )

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Sep 10	15:00	Consumer Credit	Jul	\$8.0B	\$9.5B	\$13.2B	
Sep 11	08:30	Trade Balance	Jul	-\$58.0	-\$59.0B	-\$58.1B	
Sep 12	10:30	Crude Inventories	09/07	NA	NA	-3972K	
Sep 13	08:30	Initial Claims	09/08	325K	330K	318K	
Sep 13	14:00	Treasury Budget	Aug	-\$100.0B	-\$85.0B	-\$64.7B	
Sep 14	08:30	Current Account	Q2	-\$192.0B	-\$190.0B	-\$192.6B	
Sep 14	08:30	Export Prices ex-ag.	Aug	NA	NA	0.0%	
Sep 14	08:30	Import Prices ex-oil	Aug	NA	NA	0.2%	
Sep 14	08:30	Retail Sales	Aug	0.6%	0.5%	0.3%	
Sep 14	08:30	Retail Sales ex-auto	Aug	0.0%	0.2%	0.4%	
Sep 14	09:15	Industrial Production	Aug	0.4%	0.3%	0.3%	
Sep 14	09:15	Capacity Utilization	Aug	82.1%	82.0%	81.9%	
Sep 14	10:00	Business Inventories	Jul	0.3%	0.3%	0.4%	
Sep 14	10:00	Mich Sentiment-Prel.	Sep	83.0	83.5	83.4	

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