



## Daily trading plan for Oct. 1, 2007

### 1. ESZ7 IN PREVIOUS DAY

Open	High	Low	Closing
1542.00	1545.50	1533.50	1538.00

### 2. PIVOTS FOR ESZ7

	Daily	Weekly	Monthly	Yearly
R3	1557.17	1576.17	1691.00	1722.00
R2	1551.33	1560.83	1621.50	1583.50
R1	1544.67	1549.42	1579.75	1506.00
<b>PPT</b>	<b>1538.83</b>	<b>1534.08</b>	<b>1510.25</b>	<b>1367.50</b>
S1	1532.17	1522.67	1468.50	1290.00
S2	1526.33	1507.33	1399.00	1151.50
S3	1519.67	1495.92	1357.25	1074.00

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

Sell levels	Buying levels
1545.75-48.75 (First Sell#)	1522-1520.50 (first Buy#)
1559.75 -61.50 (Second Sell#)	1511.75-1510.50 (second Buy#)

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

<b>Resistance</b>	1545.75	1549.50	1551.25	1557.25	1564.00
<b>Support</b>	1534.25	1526.50	1520.50	1515.75	1510.25

## 5. LONG-TERM OUTLOOK

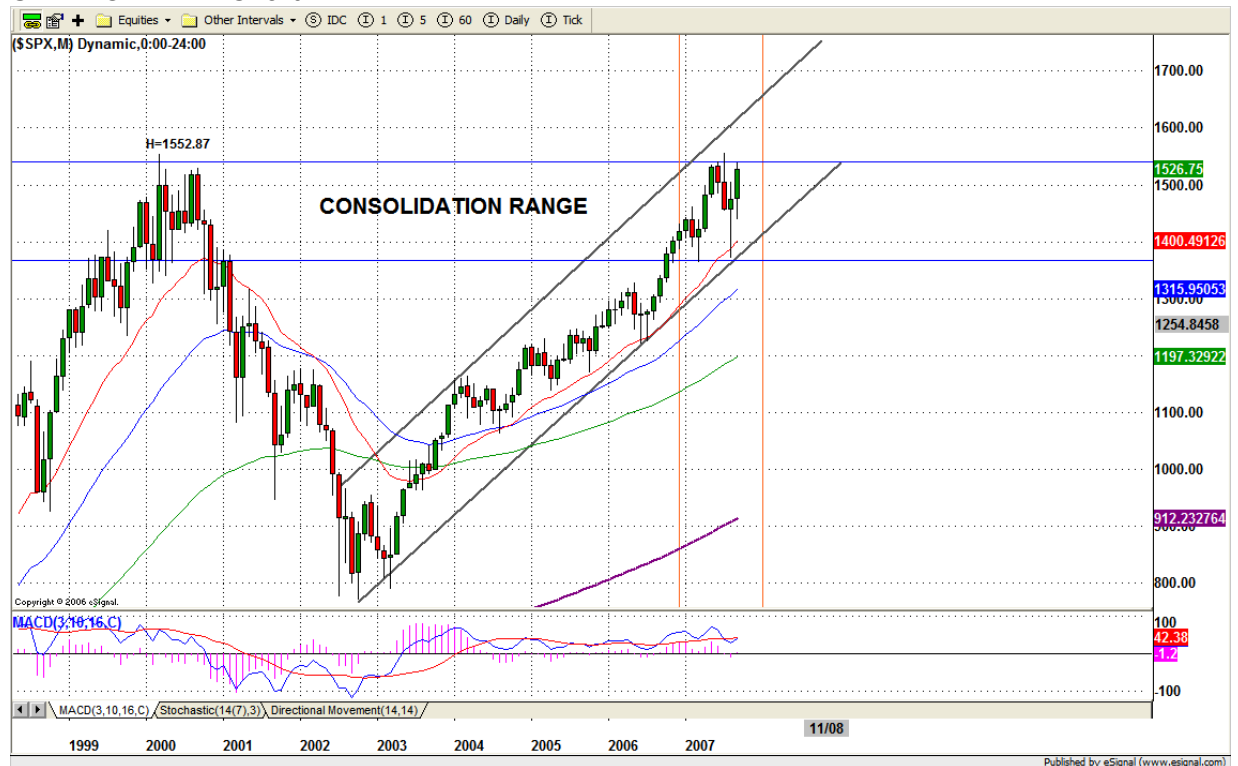
The US stock market continued its rally from Aug. 16 in September. For the long run, our S&P 500 (SPX) remains bullish and stays near the top of the primary uptrend. But for the intermediate term, it still hasn't worked out its consolidation range yet.

There is a major resistance level around 1557.83-1562.52 range on SPX. A breakout of this level could push up to a new high around 1608.10 or higher to 1640.34-1651.86 range. To reach that level the SPX must hold above above 1500-1484 range in the coming three months.

Of it fails to hold the Sept. 10 low in the 1430-40 range, the yearly low around 1370-1400 range could be retested again.

Major monthly resistance level for SPX is 1565 and support level is 1475

### SPX MONTHLY Chart



Last week SPX closed at 1526.75, a little above its previous week closing with net 1 point gain, creating an indecision pattern on the weekly chart. Even though SPX tried to hold and pushed price up to its previous Sept. 19 peak many times, at the end it failed to follow through and wasn't able to break out.

The breadth was lagging and key sectors such as banking, housing and transportation had difficulties to participate in the rally. That explains why we only see a narrow advance on SPX.

This week we may see SPX make an upside move in the early week, and then gradually pullback down. 1545.07 is key level for SPX. If it breaks out that level it is possible to test this year's high around 1555.90 to make double top highs in the 1557.85-1562.52 range. If within first two days SPX fails to breakout 1545-55 range, but instead breaks down the 1506-1500 range, then it is likely 1485-1461 range will be retested.

Weekly major resistance level is 1565. Weekly major support is 1480



## 6. WEEKLY OUTLOOK — ESZ7

Last week, ES consolidated its gain from the previous week's rally. We saw two up gaps on Wednesday and Thursday, but Friday there was no follow through and bulls showed their tiredness. ES mainly made an indecision move within a narrow range with an inside weekly candle. But the overall trend still remains to the upside. As long as ES holds above 20-week moving average line, it still has a chance to make a new high.

If ES can breakout this year's high at 1566.25 level, that means 1566.25 was one sub-wave of the major wave 5. That major wave 5 top wiyld then need to be reassessed. It could be re-calculated to 1578.25-85.25 range or higher to 1646 level which is the inverted H&S pattern final measured target.

This week ES may see some kind of strong breakout move. It could go down to 1510-12 range for testing its Sept. 28 breakout level. But ES also has a chance to move up to fill the gap around 1559.75 created on July 17, and make a double TOP around 1465-85 before it dips down again. Sept 10's low shouldn't be breached. If does, a sharp declining move should be expected.

Weekly major resistance level is 1565. Weekly major support is 1510.

### ES WEEKLY Chart



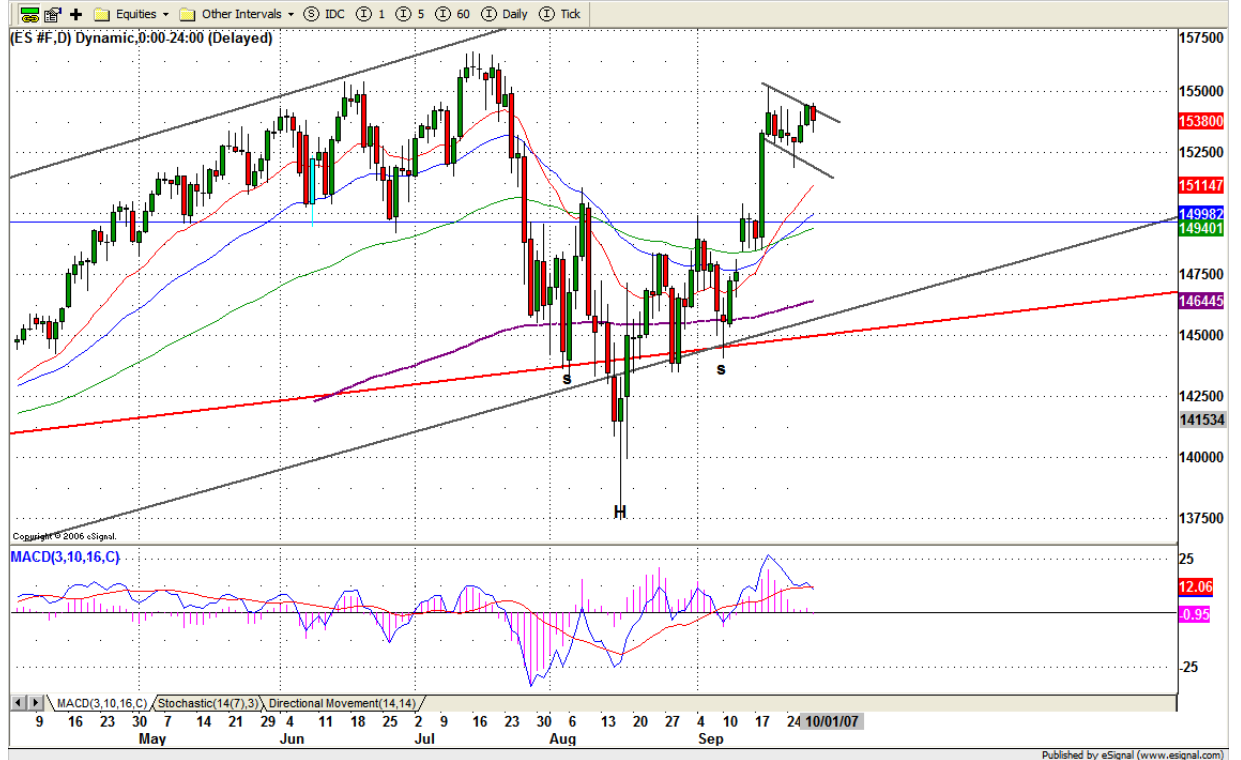
## 7. DAILY OUTLOOK

Last Friday ES closed at 1540, and the settlement price was 1538. ES was in choppy move all day due to last day of September — window dressing.

The major resistance level around 1552 was created on Sept.19 and support level is 1510.50. This broad range becomes our major R and S this week. Also there is a falling wedge pattern (Bull flag). So far ES is able to hold itself above the breakout level 1510.50. As long as this level is held up, last week's high could be retested

If ES moves back below 1510.50 level, it would be quite negative and it is possible for price to be pushed down to next support zone around 1484-1492.

### ESZ7 DAILY Chart



## 8. TRADING STRATEGY FOR Oct. 1, 2007

Due to the lack of follow through after the gaps last Friday, today a pullback by ES should be expected. Also there is two gaps close to the current price, at 1529 below and at 1559.75 above. It is also possible for ES to go both ways to fill those gaps.

Today 1545.50 level is key level. On a breakout from there the price could pop up to 1558-64 range if the uptrend is strong. Fail to breakout, ES could move down quickly to break through Friday's low around 1533 level to fill the 1529 gap, or lower to 1520-18.75 to retest last week's low. Any breakdown from 1518.75 will be bearish, and the next sup[port level, 1510.50, could be negated.

### ESU7 INTRADAY



## 9. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=1.95)

1550.78	+2/8
1548.83	+1/8
1546.88	8/8
1544.92	7/8
1542.97	6/8
1541.02	5/8
1539.06	4/8
1537.11	3/8
1535.16	2/8
1533.20	1/8
1531.25	0/8
1529.30	-1/8
1527.34	-2/8

### Up (Interval=3.90)

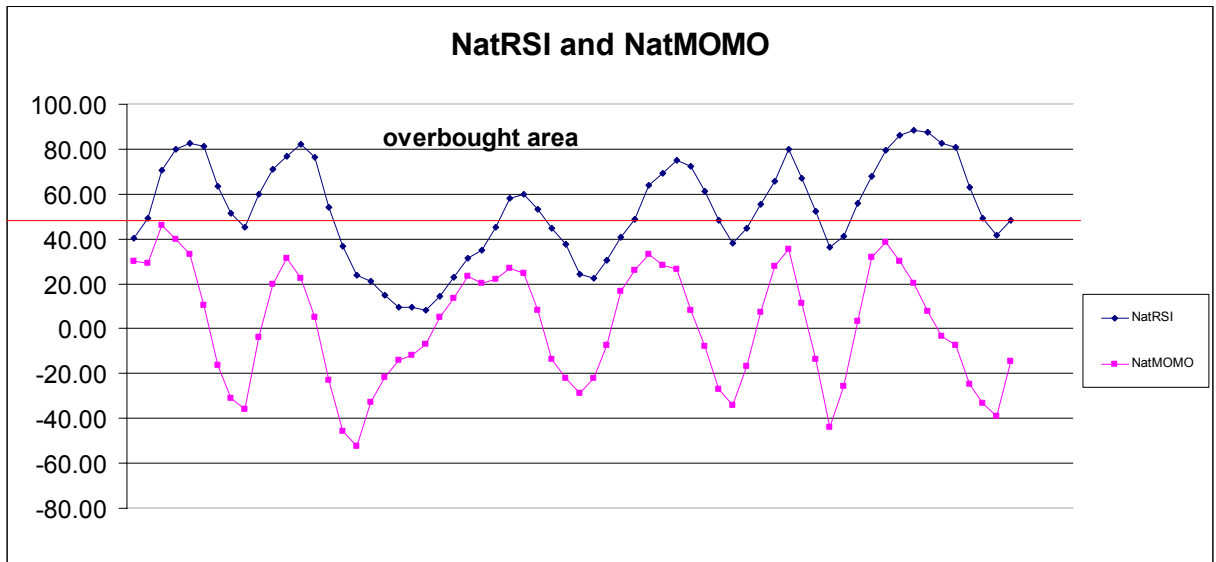
1570.31	+2/8
1566.41	+1/8
1562.50	8/8
1558.59	7/8
1554.69	6/8
1550.78	5/8
1546.88	4/8
1542.97	3/8
1539.06	2/8
1535.16	1/8
1531.25	0/8
1527.34	-1/8
1523.44	-2/8

### Down (Interval=3.90)

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

## 10. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.34	0.48	-14.60	15.15	1540.00
Neutral	Neutral			



## 11. WEEKLY ECONOMIC REPORTS

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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Oct 01	10:00	<a href="#">ISM Index</a>	Sep	53.5	52.5	52.9	
Oct 01	17:00	<a href="#">Auto Sales</a>	Sep	5.2M	5.1M	5.1M	
Oct 01	17:00	<a href="#">Truck Sales</a>	Sep	7.2M	7.2M	7.6M	
Oct 02	10:00	<a href="#">Pending Home Sales</a>	Aug				-12.2%
Oct 03	10:00	<a href="#">ISM Services</a>	Sep	54.0	55.0	55.8	
Oct 03	10:30	<a href="#">Crude Inventories</a>	09/28	NA	NA	1842K	
Oct 04	08:30	<a href="#">Initial Claims</a>	09/29	310K	NA	298K	
Oct 04	10:00	<a href="#">Factory Orders</a>	Aug	-3.0%	-2.5%	3.7%	
Oct 05	08:30	<a href="#">Nonfarm Payrolls</a>	Sep	100K	100K	-4K	
Oct 05	08:30	<a href="#">Unemployment Rate</a>	Sep	4.7%	4.7%	4.6%	
Oct 05	08:30	<a href="#">Hourly Earnings</a>	Sep	0.3%	0.3%	0.3%	
Oct 05	08:30	<a href="#">Average Workweek</a>	Sep	33.8	33.8	33.8	
Oct 05	15:00	<a href="#">Consumer Credit</a>	Aug	\$10.0B	\$9.0B	\$7.5B	

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