



Daily trading plan for Oct. 8, 2007

1. ESZ7 IN PREVIOUS DAY

Open	High	Low	Closing
1562.25	1573.50	1558.25	1570.75

2. PIVOTS FOR ESZ7

	Daily	Weekly	Monthly	Yearly
R3	1592.00	1617.67	1691.00	1722.00
R2	1582.75	1595.58	1621.50	1583.50
R1	1576.75	1583.17	1579.75	1506.00
PPT	1567.50	1561.08	1510.25	1367.50
S1	1561.50	1548.67	1468.50	1290.00
S2	1552.25	1526.58	1399.00	1151.50
S3	1546.25	1514.17	1357.25	1074.00

3. FOCUS NUMBERS (Intra-day Position trading)

Sell levels	Buying levels
1575.00 (First Sell#)	1562.75-60(first Buy#)
1583.50-85.25 (Second Sell#)	1556.50-54.50 (second Buy#)

4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1579.75	1583.25	1595.75	1602.75	1609.75
Support	1564.75	1561.25	1556.50	1548.75	1545.50

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5. LONG-TERM OUTLOOK

Last week, SPX closed at 1557.59 level, net weekly gain 30.84 points. It hit a major resistance zone 1557.83-62.52, as we said in the Oct. 1 daily trading plan. SPX has had a good run since the Aug. lows. For the long run, it remains bullish. But for the short term, SPX is challenging all-time highs with many indicators reaching into daily overbought territory.

This week a pullback or consolidation to digest recent gains should be expected. A first target for a decent pullback could be around 1514-1510 range. But in the early week, we may see SPX move up first to retest 1561.91-65 range before it pulls back.

Major monthly resistance level for SPX is 1565 and support level is 1475
 Major weekly resistance level for SPX is 1565 and support level 1500

SPX WEEKLY Chart



6. WEEKLY OUTLOOK — ESZ7

Last week, after four consolidation days, ES broke through the yearly high 1566.25 and made a new high at 1573.50. This week, ES will challenge the major resistance level in the 1575-83 range. If it fails to breakout 1585.75 level, a pullback to the previous breakout levels (from around 1566 down to 1552) should be expected.

Last Friday, we saw that the advance volume was more broad-based than previous sessions on NYSE. But total NYSE volume still was below 30 days average line, which indicates the volume doesn't confirm recent high price. It could be a good time for a pullback this week.

Weekly major resistance level is 1585. Weekly major support is 1528.

ES WEEKLY Chart



7. DAILY OUTLOOK

Last Friday ES first broke 1556.50 level in the pre-market, and later broke the yearly high 1566.25. Both breakout moves triggers a strong uptrend move. Even though we saw a pullback in the last half hour trading, ES still managed to close above the previous high, which indicates the long term is still bullish for ES.

But for short term, ES is approaching the year 2000 high around 1574.75 level for testing. A big major resistance level is lying between 1575-83 range. If ES can overcome 1585.75, then 1609.75 could be the next target. But if ES breaks down 1545 level, it would be negative and price could be pushed down to 1528 for testing.

ESZ7 DAILY Chart



8. TRADING STRATEGY FOR Oct. 8, 2007

Last Friday the market regarded the unemployment report as good. This triggered breakout upside momentum buying pressure. Today we need to see a follow-through move to confirm last Friday's breakout. Fail to see a following through movement, a pullback to retest those breakout points (1566.25, 1556.50 and 1552) should be expected.

We may see ES go up to 1573.50-75 for retesting first if 1566.25 level can be held up in overnight market. If later ES fails to breakout 1575 level, it could pull back down to 1556.50 level.

Intraday swing position entry on short side:
1575.75 (scalping) 1579.00 (agg) and 1583.25-85.25 (cons)
Intraday swing position entry on long side:
1566.25 (agg) 1560.75 (agg) and 1556.50-55.25 (cons)



9. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=1.95)

1574.22	+2/8
1572.27	+1/8
1570.31	8/8
1568.36	7/8
1566.41	6/8
1564.45	5/8
1562.50	4/8
1560.55	3/8
1558.59	2/8
1556.64	1/8
1554.69	0/8
1552.73	-1/8
1550.78	-2/8

Up (Interval=1.95)

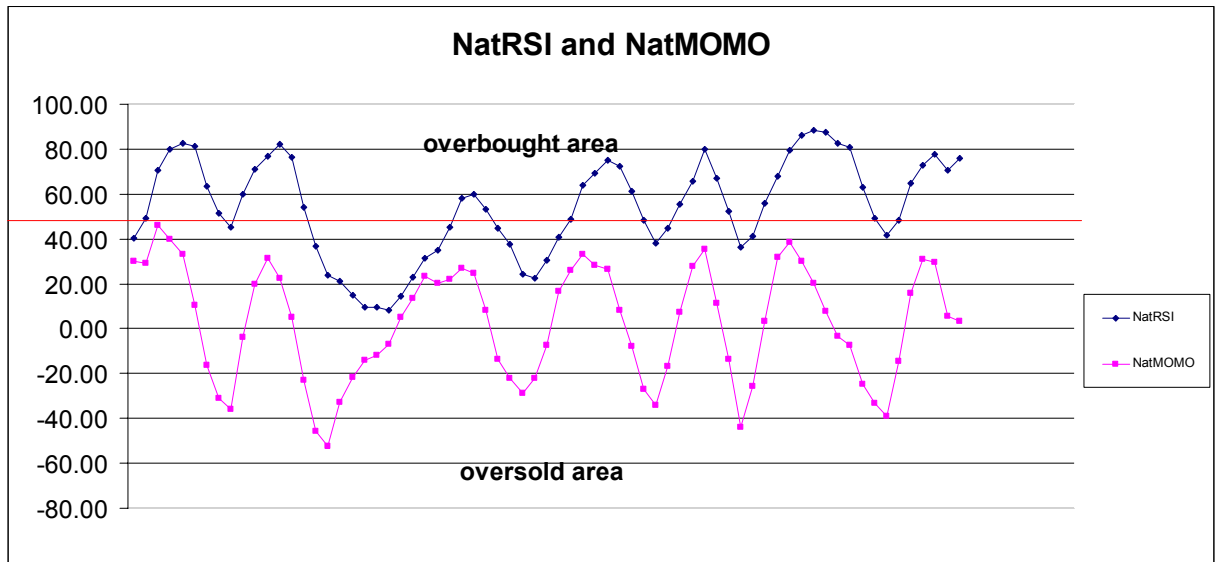
1582.03	+2/8
1580.08	+1/8
1578.13	8/8
1576.17	7/8
1574.22	6/8
1572.27	5/8
1570.31	4/8
1568.36	3/8
1566.41	2/8
1564.45	1/8
1562.50	0/8
1560.55	-1/8
1558.59	-2/8

Down (Interval=3.90)

1585.94	+2/8
1582.03	+1/8
1578.13	8/8
1574.22	7/8
1570.31	6/8
1566.41	5/8
1562.50	4/8
1558.59	3/8
1554.69	2/8
1550.78	1/8
1546.88	0/8
1542.97	-1/8
1539.06	-2/8

10. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.77	0.76	3.10	12.15	1566.50
Overbought	Overbought			



11. WEEKLY ECONOMIC REPORTS

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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Oct 09	14:00	FOMC Minutes	Sep 18				
Oct 10	10:00	Wholesale Inventories	Aug	0.2%	0.3%	0.2%	
Oct 10	10:30	Crude Inventories	10/05	NA	NA	1138K	
Oct 11	08:30	Export Prices ex-ag.	Sep	NA	NA	0.1%	
Oct 11	08:30	Import Prices ex-oil	Sep	NA	NA	-0.1%	
Oct 11	08:30	Initial Claims	10/06	315K	NA	317K	
Oct 11	08:30	Trade Balance	Aug	-\$58.5B	-\$59.0B	-\$59.2B	
Oct 11	14:00	Trsy Budget - may be delayed	Sep	\$113.0B	\$100.0B	\$56.2B	
Oct 12	08:30	Retail Sales	Sep	0.5%	0.2%	0.3%	
Oct 12	08:30	Retail Sales ex-auto	Sep	0.6%	0.3%	-0.4%	
Oct 12	08:30	PPI	Sep	0.6%	0.4%	-1.4%	
Oct 12	08:30	Core PPI	Sep	0.2%	0.2%	0.2%	
Oct 12	10:00	Business Inventories	Aug	0.2%	0.3%	0.5%	
Oct 12	10:00	Mich Sentiment-Prel.	Oct	83.0	84.0	83.4	

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