



## Daily trading plan for Oct. 11, 2007

### 1. ESZ7 IN PREVIOUS DAY

Open	High	Low	Closing
1580.50	1586.75	1556.25	1565.25

### 2. PIVOTS FOR ESU7

	Daily	Weekly	Monthly	Yearly
R3	1613.08	1617.67	1691.00	1722.00
R2	1599.92	1595.58	1621.50	1583.50
R1	1582.58	1583.17	1579.75	1506.00
<b>PPT</b>	<b>1569.42</b>	<b>1561.08</b>	<b>1510.25</b>	<b>1367.50</b>
S1	1552.08	1548.67	1468.50	1290.00
S2	1538.92	1526.58	1399.00	1151.50
S3	1521.58	1514.17	1357.25	1074.00

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

Sell levels	Buying levels
1577.25-78.25 (First Sell#)	1563.25 (first Buy#)
1583.25-86.25 (Second Sell#)	1556.25 (second Buy#)

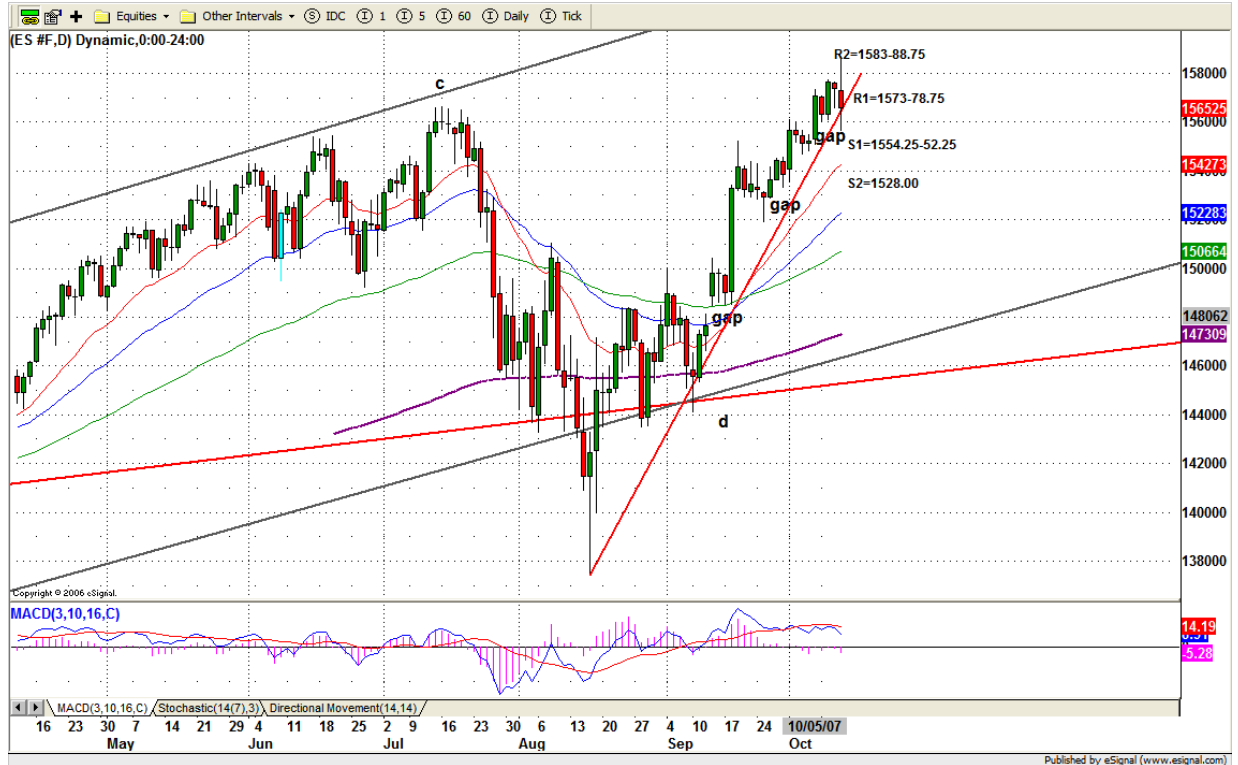
### 4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

<b>Resistance</b>	1569.50	1576.00	1579.75	1583.50	1586.75
<b>Support</b>	1460.50	1556.50	1552.25	1545.50	1538.00

## 5. DAILY OUTLOOK

The ES was very overbought, and ripe for a correction. It went higher first and sold off in the afternoon. It did test 1556 level yesterday, but managed to bounce above 1562.50 for closing. Today we may see one more time to test 1556 level. If it can be held up by ES, then price could move back up to make a double top pattern again. Nevertheless, yesterday is the first bearish sign for overbought market.

### ESZ7 Daily Chart



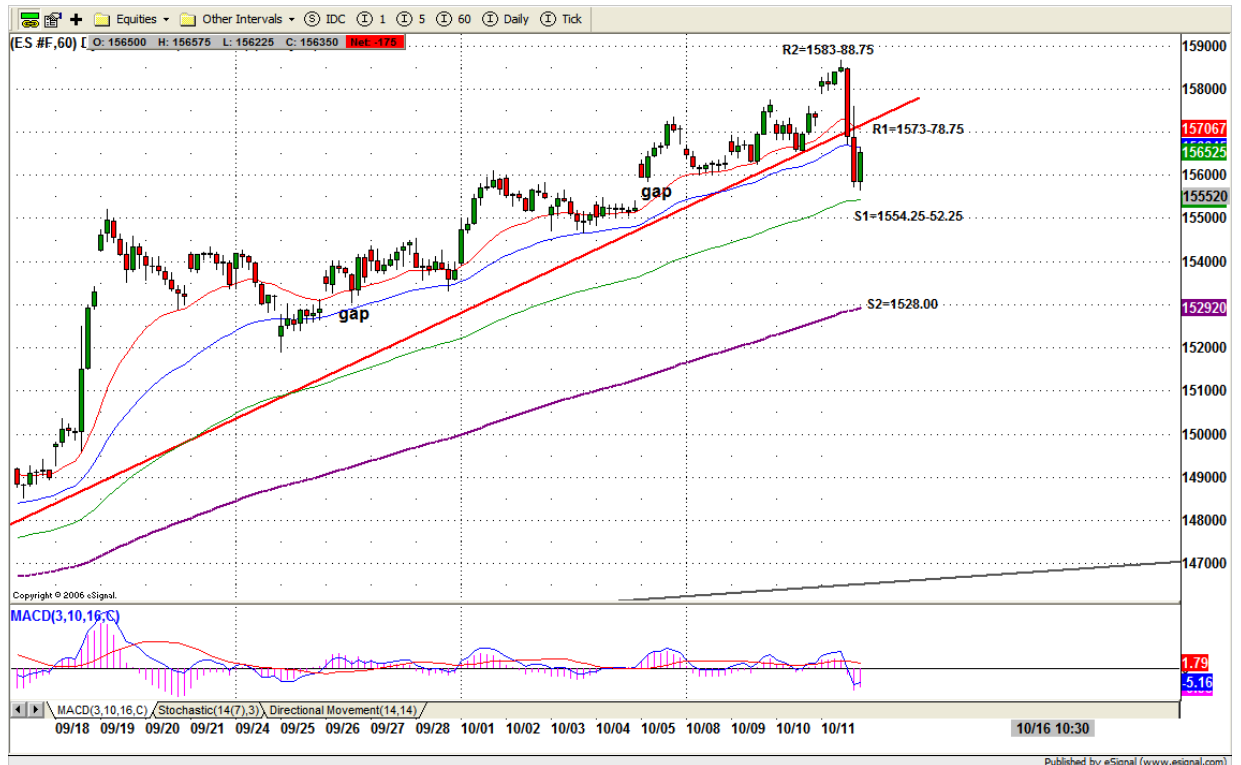
## 6. TRADING STRATEGY FOR Oct. 12, 2007

ES first broke out 1577.50 level in the pre-market, and made new highs in the morning session. But soon it lost its upside momentum after 1pm and gave us a clear reversal signal. Later it dipped to fill the gap around 1573.25 area, but unable to hold the price, finally it broke 1568-67 range to trigger lots of buying stop run and created downside momentum to push price down to 1556.25 area.

Today we may see a downside continuation from yesterday. But if 1562.50 level can be held up, price could move up to retest yesterday's breakdown point 1567-68 and 1574-76. If gap up at open, that means we haven't seen the bottom, one more downside should be seen. If gap down at open, watch for support level around 1546.50 level carefully. Retail and PPI reports in the early morning all will contribute wild move in the morning.

**Intraday swing position entry on short side:**  
**1568-69.75(Scalping) 1574-76.75 (agg) and 1584-85.25 (cons)**  
**Intraday swing position entry on long side:**  
**1552.25 (agg) and 1546.50 (cons)**

## ESZ7 INTRADAY



## 7. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=3.90)

1601.56	+2/8
1597.66	+1/8
1593.75	8/8
1589.84	7/8
1585.94	6/8
1582.03	5/8
1578.13	4/8
1574.22	3/8
1570.31	2/8
1566.41	1/8
1562.50	0/8
1558.59	-1/8
1554.69	-2/8

### Up (Interval=3.90)

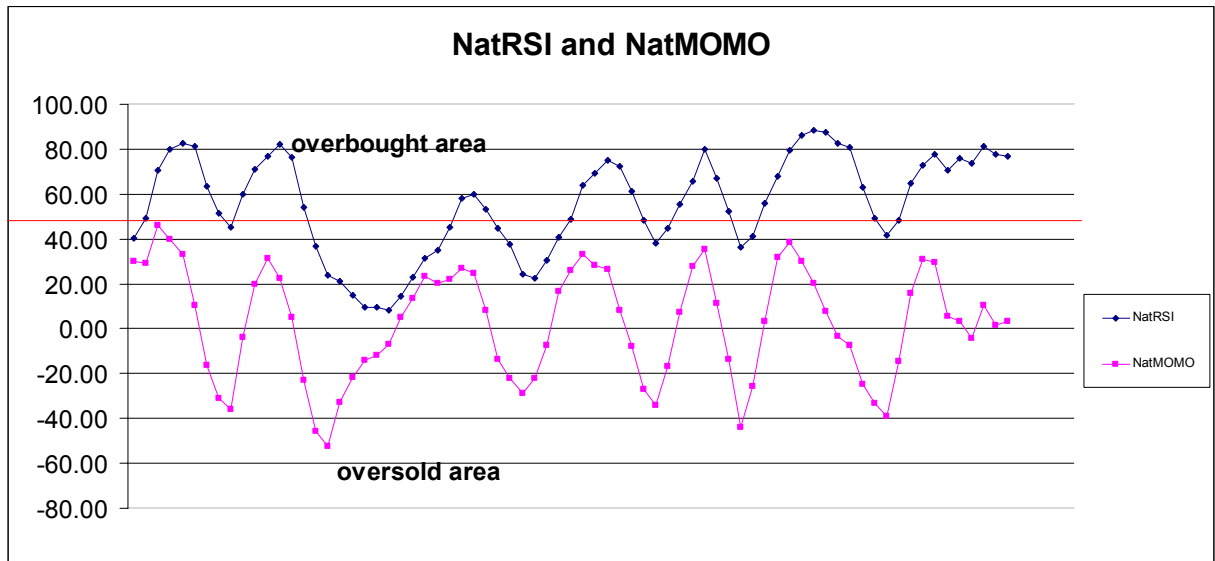
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1585.94	6/8
1582.03	5/8
1578.13	4/8
1574.22	3/8
1570.31	2/8
1566.41	1/8
1562.50	0/8
1558.59	-1/8
1554.69	-2/8

### 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

## 8. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.25	0.76	3.41	13.88	1572.88
neutral	overbought			



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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Oct 12	08:30	<a href="#">Retail Sales</a>	Sep	0.5%	0.2%	0.3%	
Oct 12	08:30	<a href="#">Retail Sales ex-auto</a>	Sep	0.6%	0.3%	-0.4%	
Oct 12	08:30	<a href="#">PPI</a>	Sep	06%	0.4%	-1.4%	
Oct 12	08:30	<a href="#">Core PPI</a>	Sep	0.2%	0.2%	0.2%	
Oct 12	10:00	<a href="#">Business Inventories</a>	Aug	0.2%	0.3%	0.5%	
Oct 12	10:00	<a href="#">Mich Sentiment-Prel.</a>	Oct	83.0	84.0	83.4	