



Daily trading plan for Oct. 18, 2007

1. ESZ7 IN PREVIOUS DAY

Open	High	Low	Closing
1559.50	1560.75	1534.00	1552.50

2. PIVOTS FOR ESU7

	Daily	Weekly	Monthly	Yearly
R3	1590.92	1619.25	1691.00	1722.00
R2	1575.83	1603.00	1621.50	1583.50
R1	1564.17	1588.75	1579.75	1506.00
PPT	1549.09	1572.50	1510.25	1367.50
S1	1537.42	1558.25	1468.50	1290.00
S2	1522.33	1542.00	1399.00	1151.50
S3	1510.67	1527.75	1357.25	1074.00

3. FOCUS NUMBERS (intra-day Position trading)

Sell levels	Buying levels
1556.50-58.25(First Sell#)	1540.25 (first Buy#)
1573.00-76.00(Second Sell#)	1530-28 (second Buy#)

4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

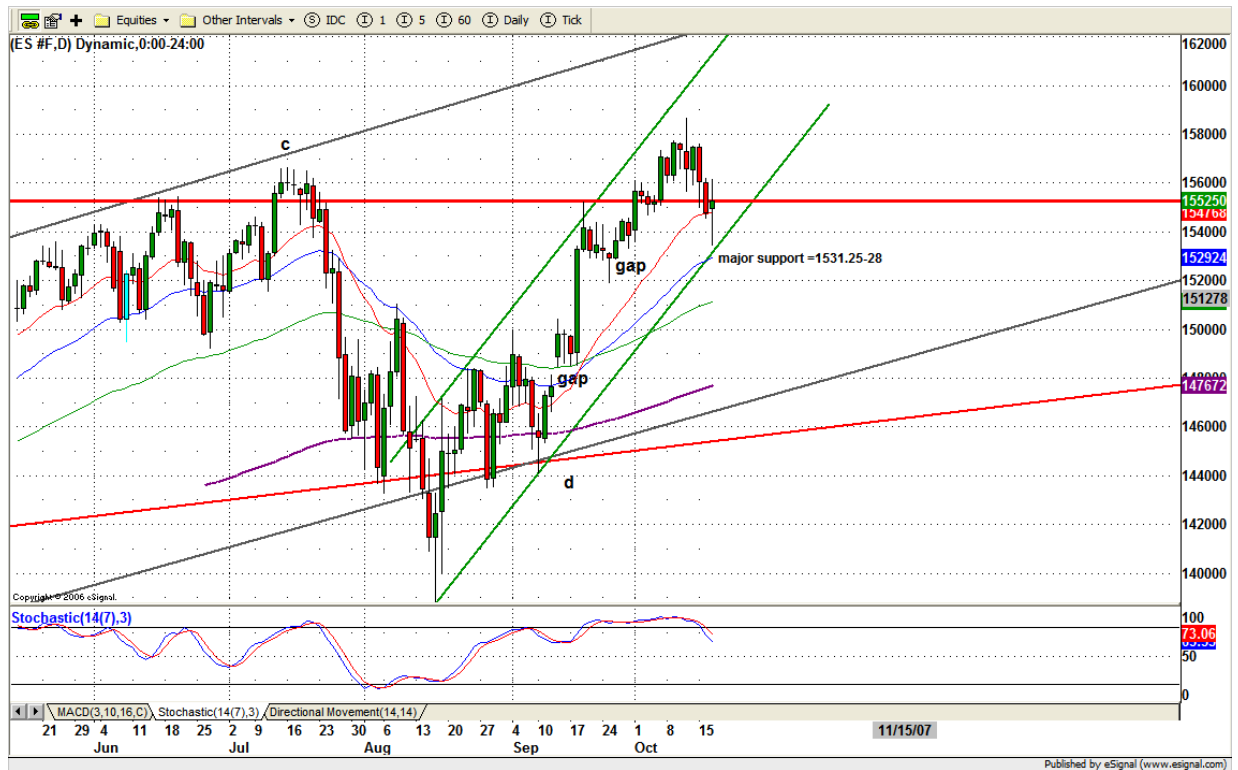
Resistance	1558.25	1564.50	1566.25	1572.50	1576.50
Support	1549.25	1542.00	1537.25	1533.00	1527.75

5. DAILY OUTLOOK

Earning season and option volatility drove all markets crazy. Early ES gaped up at open due to overnight trading on good earning reports from IBM, YHOO and INTC. By lunchtime it gave back all the early gain and made a strong shakeout move on the downside. But in the last hour, it covered all the loss and made a 5 point gain for the closing.

Based on the price action, today's low could be a temporary short term bottom — or at least the bottom is not far away from us. If ES can move above yesterday's high (1560.75) we could see a new uptrend move. If today ES repeats yesterday move and closes at low range, then one more declining move should be expected in the coming days.

ESZ7 Daily Chart



6. TRADING STRATEGY FOR Oct. 18, 2007

ES performed a falling flag pattern (the channel contained by the black lines on the chart). It hit the 200 period moving average line on the 60min chart and bounced up sharply. It looks impressive, but price still remains inside the flag, and still under the major breakdown line (Green). Today 1556.50-58.50 is key range. Breakout this range, it is possible for ES to move higher to 1566.50 or 1570-73 range. Fails to breakout this range, and repeat yesterday's range, it then indicates bearish sentiment will remain high in the market. It is likely to see move lower to 1531-25 in the next days or next week.

Intraday swing position entry on short side:
1556.25(Scalping) 1561.25-63.50 (agg) and 1572.25-73(cons)
Intraday swing position entry on long side:
1546.25 (scalping) 1538-34 (agg) and 1530-28(cons)

ESZ7 INTRADAY



7. PREDICTION FOR TODAY'S MOVEMENT

Current (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

Up (Interval=3.90)

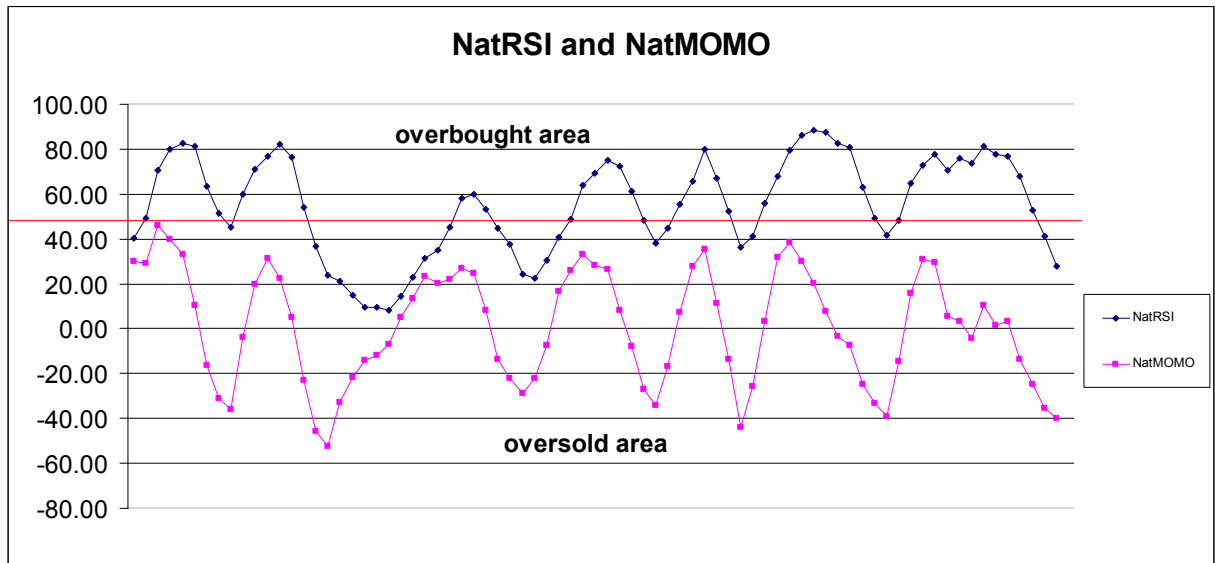
1585.94	+2/8
1582.03	+1/8
1578.13	8/8
1574.22	7/8
1570.31	6/8
1566.41	5/8
1562.50	4/8
1558.59	3/8
1554.69	2/8
1550.78	1/8
1546.88	0/8
1542.97	-1/8
1539.06	-2/8

Down (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

8. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.36	0.28	-39.81	15.85	1556.00
neutral	neutral			



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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Oct 18	08:30	Initial Claims	10/13		315K	NA	308K
Oct 18	10:00	Leading Indicators	Sep		0.4%	0.4%	-0.6%
Oct 18	10:00	Philadelphia Fed	Oct		7.0	8.0	10.9