



## Daily trading plan for Oct. 19, 2007

### 1. ESZ7 IN PREVIOUS DAY

Open	High	Low	Closing
1544.00	1551.25	1540.00	1546.75

### 2. PIVOTS FOR ESU7

	Daily	Weekly	Monthly	Yearly
R3	1563.25	1619.25	1691.00	1722.00
R2	1557.25	1603.00	1621.50	1583.50
R1	1552.00	1588.75	1579.75	1506.00
<b>PPT</b>	<b>1546.00</b>	<b>1572.50</b>	<b>1510.25</b>	<b>1367.50</b>
S1	1540.75	1558.25	1468.50	1290.00
S2	1534.75	1542.00	1399.00	1151.50
S3	1529.50	1527.75	1357.25	1074.00

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

Sell levels	Buying levels
1556.25-58.25(First Sell#)	1531.25-30.00 (first Buy#)
1563.00-65.75(Second Sell#)	1528.25 (second Buy#)

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

<b>Resistance</b>	1558.25	1564.50	1566.25	1572.50	1576.50
<b>Support</b>	1542.25	1539.00	1535.25	1530.00	1525.75

## 5. DAILY OUTLOOK

Earning season and option volatility continues. Early ES gaped down at open due to bad earning reports from Bank of America. Even though ES tries many times to fill the gap, at the end, resistance around 1549.50 level prevented it from completing that task. Today is the seven days from October's high. The falling wedge pattern is bearish. And ES broke August uptrend line two days ago and stays below it, which reinforces the bearish argument

If ES can move above yesterday's high (1551.50), it is possible to fill yesterday's gap at 1552.50. Breakout 1556.25-58 range, the uptrend could be resumed. If ES fails to breakout these levels one more decline move should be expected in the coming days. However anything is possible on Option expiration day. Trade with caution.

### ESZ7 Daily Chart



## 6. TRADING STRATEGY FOR Oct. 19, 2007

ES performed an inside day and closed with only minor change from its opening. It gaped down at open due to B of A earning report, and all day it was unable to fill the gap at 1552.50, which gave us a bearish signal. While the ES still holds above 200 moving average line, it has a chance to move down to retest it in the coming days.

Today 1556.50-58.50 still 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 stays within yesterday's range in the morning, it is likely for ES to go down later in the day.

**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:**  
**1540.25 (scalping) 1535.25 (agg) and 1530-28(cons)**

### ESZ7 INTRADAY



## 7. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=1.95)

1558.59	+2/8
1556.64	+1/8
1554.69	8/8
1552.73	7/8
1550.78	6/8
1548.83	5/8
1546.88	4/8
1544.92	3/8
1542.97	2/8
1541.02	1/8
1539.06	0/8
1537.11	-1/8
1535.16	-2/8

### Up (Interval=1.95)

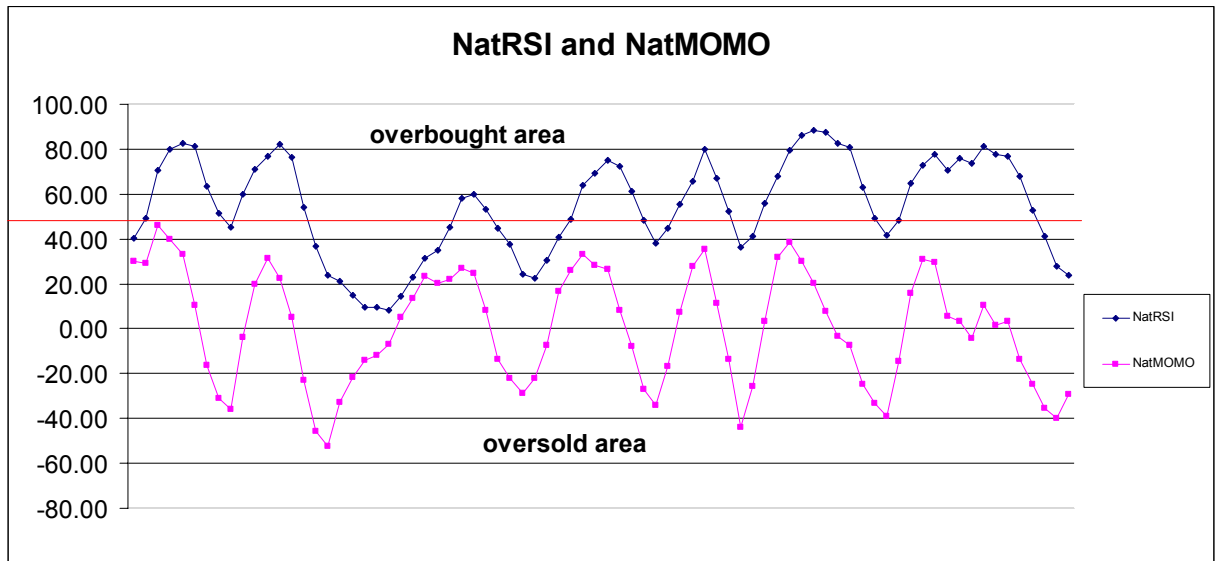
1566.41	+2/8
1564.45	+1/8
1562.50	8/8
1560.55	7/8
1558.59	6/8
1556.64	5/8
1554.69	4/8
1552.73	3/8
1550.78	2/8
1548.83	1/8
1546.88	0/8
1544.92	-1/8
1542.97	-2/8

### 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
0.62	0.24	-29.29	16.30	1545.38
neutral	neutral			



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