



Daily trading plan for Oct. 29, 2007

1. ESZ7 IN PREVIOUS DAY

Open	High	Low	Closing
1537.50	1543.25	1525.75	1542.50

2. PIVOTS FOR ESZ7

	Daily	Weekly	Monthly	Yearly
R3	1566.08	1607.42	1691.00	1722.00
R2	1554.67	1575.33	1621.50	1583.50
R1	1548.58	1558.92	1579.75	1506.00
PPT	1537.17	1526.83	1510.25	1367.50
S1	1531.08	1510.42	1468.50	1290.00
S2	1519.67	1478.33	1399.00	1151.50
S3	1513.58	1461.92	1357.25	1074.00

3. FOCUS NUMBERS (Intra-day Position trading)

Sell levels	Buying levels
1549.50-52.50 (First Sell#)	1533-31.25 (first Buy#)
1562.50-66.25(Second Sell#)	1519.50-18.75 (second Buy#)

4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1549.75	1553.75	1557.25	1559.75	1564.25
Support	1535.75	1531.75	1528.25	1525.00	1517.50

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5. LONG-TERM OUTLOOK

Last week, SPX closed at 1535.28 level, net weekly gain 34.60 points. SPX held above 20 week moving average line support level and continued a bouncing move in anticipation of the coming Fed. Interest rate announcement on Wednesday.

Do the rates really matter? In the past years, both rates and stocks fell together from 2000 until 2002, and then both rates and stocks rose together from 2003 until 2007. If 2007 plays out like year 2000, we should expect that the financial market will fall soon. We may have already seen the high or will see the peak soon. The coming weeks will tell us which direction the market really wants to go.

For the long term, as long as 1430 level holds the outlook still remains bullish. But the short term has an overbought situation and starts to struggle. If the 1538.75-40 area constrains any up move the SPX could go either sideways or decline.

This week, the SPX may move to the 1538-40 level to test the top line of consolidation range and then — after the Fed. announcement — start dropping. A move below 1500 will reverse the intermediate term uptrend.

Major monthly resistance level for SPX is 1577 and support level is 1470.
Major weekly resistance level for SPX is 1538.75-40 and support level 1500.

SPX WEEKLY Chart



6. WEEKLY OUTLOOK — ESZ7

Last week, ES tried to firm around support from 1507. It came down hard to break 1500 but surged back in the last four days. These late surges have kept the bulls in the ball game and kept our market active.

For the SHORT TERM, as long as 1550-52.50 range holds ES down, we still believe one downside push is intact. But a move above this range, it will courage the BULLS. If 20 and 40 weekly moving average lines hold ES up, it is possible for ES to retest 1559.75-66.75 range this week.

This week will be full of anticipation. The FOMC announcement will be on Wednesday and employment report will be on Friday, and earning season continues. These factors will continue giving us choppy moves. A break below 1507 will create selling pressure.

Weekly major resistance level is 1573. Weekly major support is 1495.25

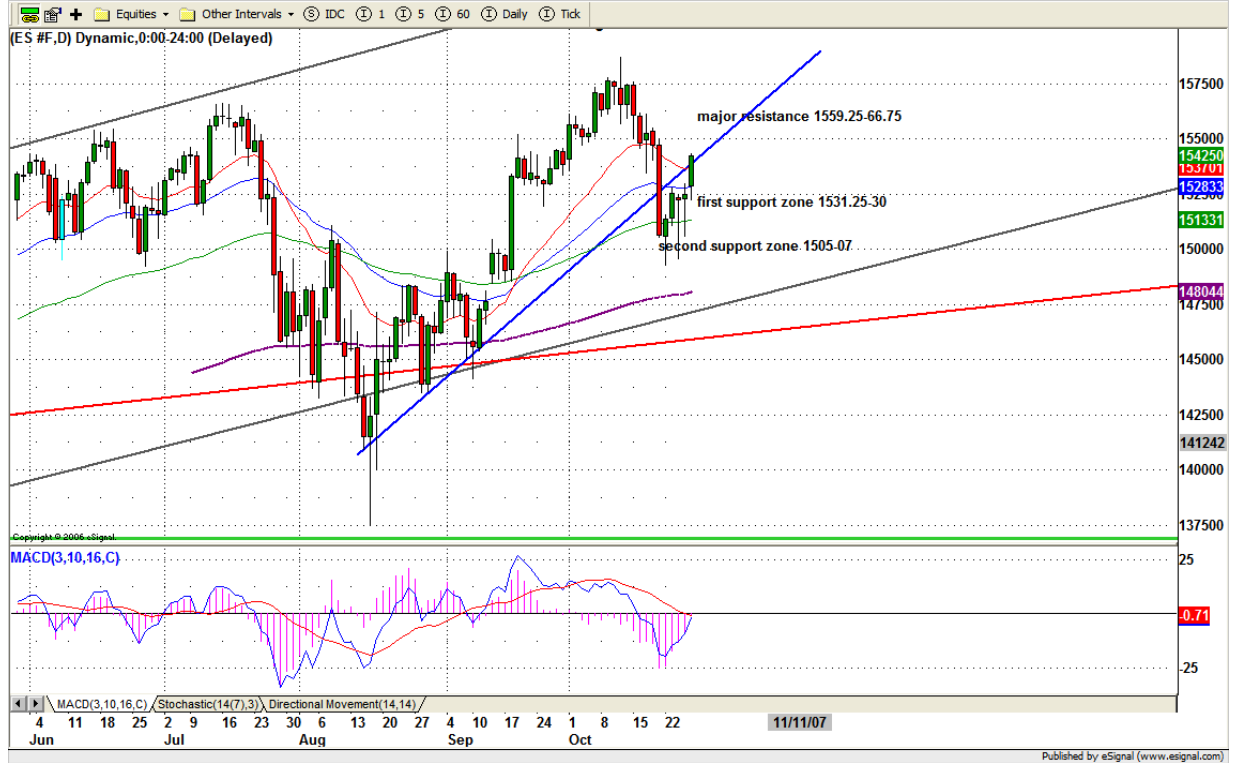
ES WEEKLY Chart



7. DAILY OUTLOOK

Last Friday ES gaped up at the open and held above the gap (barely) to close near the high. It closed right at the Aug-uptrend line and failed to push back above the uptrend line. Whether or not this rally can continue depend on today's following through. If there is a move above 1546.75 level, upside momentum could push ES to 1559.25-66.75 to complete the recent bullish pattern. If it fails to break 1546.75, the short term trend remains on the downside.

ESZ7 DAILY Chart



8. TRADING STRATEGY FOR Oct. 29, 2007

Friday ES gaped up and closed at top range. Today we may see a continuation move if it can breakout 1543.25 level. But also we may see a reversal on momentum if ES fails to break the 1543.25 level in the early morning.

If ES goes down first, 1534.75 could be first level for testing. But as long as this level can be held up, Friday's high needs to be retested again. On a break above 1543.25 level, continuation to 1549-52.50 level is possible to fill those two gaps around 1546.75 and 1552.50.

Intraday swing position entry on short side:
1549.50 (scalping) 1552.50 (agg) and 1559.25-62.75(cons)
Intraday swing position entry on long side:
1534.75 (agg) 1525.25 (agg) and 1519.25-18.75(cons)



9. 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)

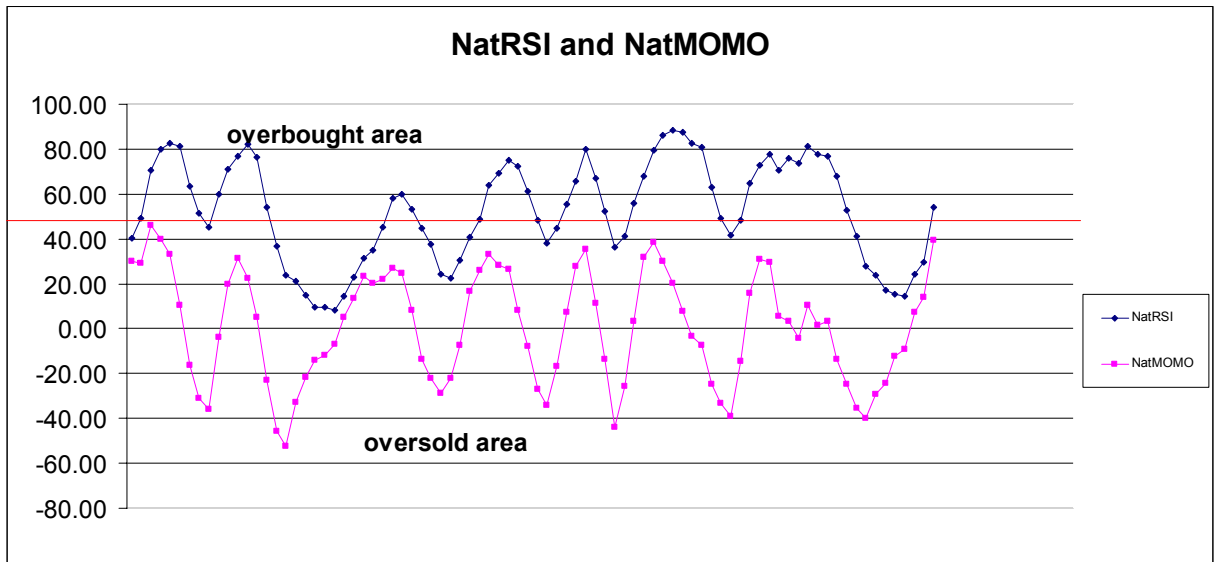
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1539.06	2/8
1535.16	1/8
1531.25	0/8
1527.34	-1/8
1523.44	-2/8

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
0.64	0.54	39.31	21.75	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 30	10:00	Consumer Confidence	Oct		101.0	100.0	99.8
Oct 31	08:30	GDP-Adv.	Q3		3.3%	3.1%	3.8%
Oct 31	08:30	Chain Deflator-Adv.	Q3		2.3%	2.1%	2.6%
Oct 31	08:30	Employment Cost Index	Q3		0.9%	0.9%	0.9%
Oct 31	09:45	Chicago PMI	Oct		53.0	53.0	54.2
Oct 31	10:00	Construction Spending	Sep		-0.1%	-0.3%	0.2%
Oct 31	10:30	Crude Inventories	10/26		NA	NA	-5288K
Oct 31	14:15	FOMC policy statement					
Nov 01	08:30	Personal Income	Sep		0.4%	0.4%	0.3%
Nov 01	08:30	Personal Spending	Sep		0.5%	0.4%	0.6%
Nov 01	08:30	Core PCE Inflation	Sep		0.1%	0.2%	0.1%
Nov 01	08:30	Initial Claims	10/27		335K	NA	331K
Nov 01	10:00	ISM Index	Oct		52.0	52.0	52.0
Nov 01	10:00	Pending Home Sales	Sep				-6.5%
Nov 01	17:00	Auto Sales	Oct		5.0M	5.1M	5.2M
Nov 01	17:00	Truck Sales	Oct		7.1M	7.2M	7.3M
Nov 02	08:30	Nonfarm Payrolls	Oct		80K	90K	110K
Nov 02	08:30	Unemployment Rate	Oct		4.7%	4.7%	4.7%
Nov 02	08:30	Hourly Earnings	Oct		0.3%	0.3%	0.4%
Nov 02	08:30	Average Workweek	Oct		33.8	33.8	33.8
Nov 02	10:00	Factory Orders	Sep		-0.5%	1.0%	-3.3%

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