



Daily trading plan for Nov. 26, 2007

1. ESZ7 IN PREVIOUS DAY

Open	High	Low	Closing
1430.75	1444.00	1427.50	1442.00

2. PIVOTS FOR ESZ7

	Daily	Weekly	Monthly	Yearly
R3	1464.67	1497.00	1688.25	1722.00
R2	1454.33	1476.00	1637.50	1583.50
R1	1448.17	1459.00	1596.25	1506.00
PPT	1437.83	1438.00	1545.50	1367.50
S1	1431.67	1421.00	1504.25	1290.00
S2	1421.33	1400.00	1453.50	1151.50
S3	1415.17	1383.00	1412.25	1074.00

3. FOCUS NUMBERS (Intra-day Position trading)

Sell levels	Buying levels
1452.25 (First Sell#)	1431.25 (first Buy#)
1466.75 (Second Sell#)	1419.25-17.25 (second Buy#)

4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1448.25	1450.50	1454.75	1459.25	1464.75
Support	1437.25	1431.75	1427.50	1421.25	1417.00

5. LONG-TERM OUTLOOK

The S&P 500 (SPX) closed at 1440.70 on Friday, net weekly loss 18.04 points. The SPX sold off deeply before the Thanksgiving Holiday, but in the shortened trading session on Friday it bounced up sharply for the close on light volume.

In the absence of news, the post-holiday gain could be viewed as oversold bounce. Based on the SPX daily chart, the price is in process of a wave 3 move, which also overlaps a 3rd down wave of the wave 3 on the 60 minute chart. That means the current rally could be a relatively short-lived counter move. It may last 2-3 days, and lead to more intense selling later.

This week we may see SPX bounce up to last week's opening price (1456-59) before it sells off again. If 1456-59 range can keep the SPX from popping up further, it means wave 3 hasn't completed yet and a further decline should be expected in the coming days. If SPX can breakout 1480, and can advance further to 1494 range, the SPX is the process of wave 4; we should then look for a pullback to a higher low or a double bottom around 1415-18 area, which would form the base for a rally into the Christmas period.

Major monthly resistance level for SPX is 1540 and support level is 1318
Major weekly resistance level for SPX is 1494 and support level 1415

SPX DAILY Chart



6. WEEKLY OUTLOOK — ESZ7

Last week ES went back down to test the 89 week moving average line and bounced up to 1442 for closing. This line has held the price up many times in the past, and it also held up last week. Based on the ES weekly chart, ES is still in the process of forming a broad consolidation range with a possible double top bearish pattern. A failure to hold above 1417 level this week is likely to start a move down to retest 1375.50 level in the coming weeks.

As an alternative reading, this week we may see the ES continue making a little bounce to 1483.50 area. As long as ES remains below 1485 level the short term is bearish, and broad range low area could be retested in the next two weeks.

Weekly major resistance level is 1485.50. Weekly major support is 1375

ES WEEKLY Chart



7. DAILY OUTLOOK

Last Friday ES gapped up and traded up to close near the high. It is a cheerful, but not convincing rally, because of the light volume and absence of active traders. A holiday-shortened trading session usually doesn't present the market's true sentiments.

Based on daily chart, as long as this H&S pattern neckline around 1485-83 holds ES down, the short term remains to the downside. At least one more push down should be made in the next two weeks. In other words, we need to see one more declining move to form a short term bottom.

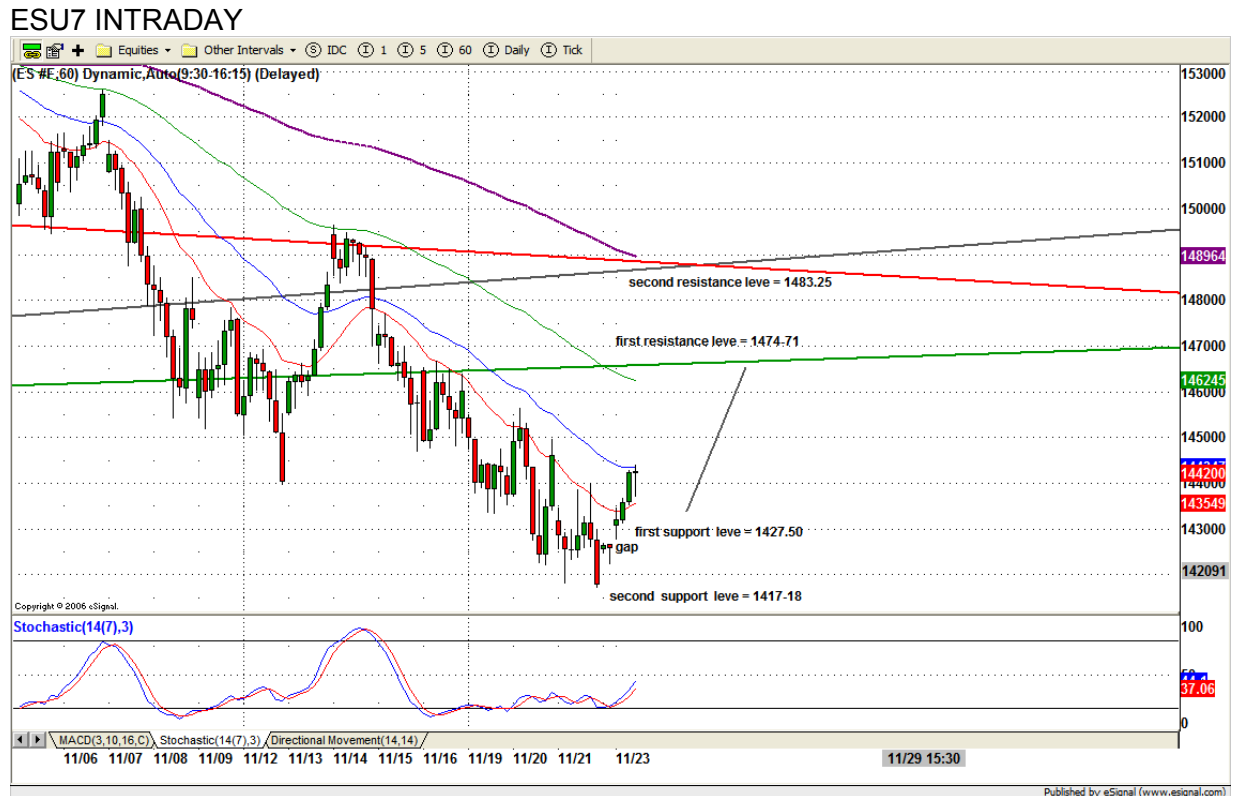
ESZ7 DAILY Chart



8. TRADING STRATEGY FOR Nov. 26, 2007

Today we need to see ES hold above last Friday's low at 1427.50 to make a breakout move through the 1448 level. Failure to breakout 1448, followed by a breakdown of the 1425.75 level will give the ES a chance to fill Wednesday's gap around 1417.50. Whether ES breakout 1448 level to move higher to 1466 or breaks down 1425.75 to move lower to fill the gap, will depend on how our traders behave once they return from vacation.

Intraday swing position entry on short side:
1448.75 (scalping) 1452.25(agg) and 1466.50(cons)
Intraday swing position entry on long side:
1429.75 (scalp) 1419-17 (agg) and 1406.25 (cons)



9. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=3.90)

1445.31	+2/8
1441.41	+1/8
1437.50	8/8
1433.59	7/8
1429.69	6/8
1425.78	5/8
1421.88	4/8
1417.97	3/8
1414.06	2/8
1410.16	1/8
1406.25	0/8
1402.34	-1/8
1398.44	-2/8

Up (Interval=3.90)

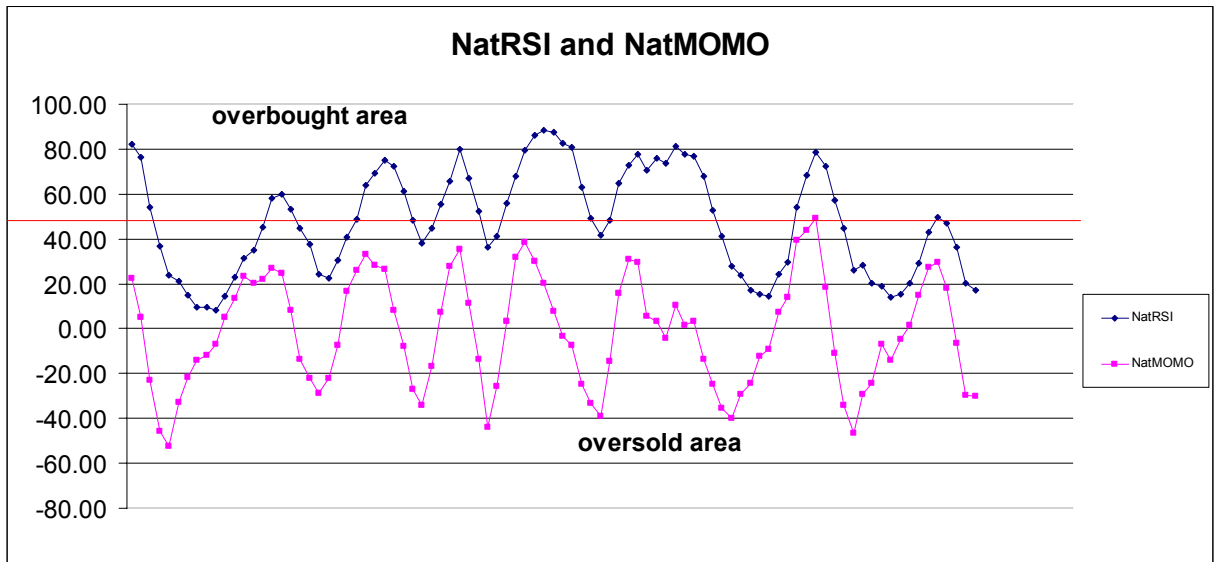
1476.56	+2/8
1472.66	+1/8
1468.75	8/8
1464.84	7/8
1460.94	6/8
1457.03	5/8
1453.13	4/8
1449.22	3/8
1445.31	2/8
1441.41	1/8
1437.50	0/8
1433.59	-1/8
1429.69	-2/8

Down (Interval=3.90)

1460.94	+2/8
1457.03	+1/8
1453.13	8/8
1449.22	7/8
1445.31	6/8
1441.41	5/8
1437.50	4/8
1433.59	3/8
1429.69	2/8
1425.78	1/8
1421.88	0/8
1417.97	-1/8
1414.06	-2/8

10. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.84	0.17	-29.89	25.90	1436.38
Overbought	oversold			



11. WEEKLY ECONOMIC REPORTS

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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Nov 27	10:00	Consumer Confidence	Nov	92.0	91.5	95.6	
Nov 28	08:30	Durable Orders	Oct	-0.2%	0.0%	-1.7%	
Nov 28	10:00	Existing Home Sales	Oct	5.05M	5.00M	5.04M	
Nov 28	10:30	Crude Inventories	11/23	NA	NA	-1071K	
Nov 28	14:00	Fed's Beige Book					
Nov 29	08:30	GDP-Prel.	Q3	4.8%	4.8%	3.9%	
Nov 29	08:30	Chain Deflator-Prel.	Q3	0.8%	0.8%	0.8%	
Nov 29	08:30	Initial Claims	11/24	330K	NA	330K	
Nov 29	10:00	New Home Sales	Oct	725K	750K	770K	
Nov 30	08:30	Personal Income	Oct	0.4%	0.4%	0.4%	
Nov 30	08:30	Personal Spending	Oct	0.4%	0.3%	0.3%	
Nov 30	08:30	Core PCE Inflation	Oct	0.2%	0.2%	0.2%	
Nov 30	09:45	Chicago PMI	Nov	51.0	50.5	49.7	
Nov 30	10:00	Construction Spending	Oct	-0.1%	-0.2%	0.3%	

Copyright 2007 by Natus.com Ltd. All rights are reserved. Photocopying and further distribution of this newsletter are strictly prohibited. Information, opinion, research, and commentary contained herein is obtained from sources believed to be reliable; their reliability, however, cannot be guaranteed. The maxim of Caveat Emptor applies – let the buyer beware! This newsletter is for education purpose only. It doesn't provide individual investment advice, or act as an investment advisor, or individually advocate the purchase or sale of any security or investment. In making any investment decision, you will rely solely on your own review and examination of the facts and the records relating to such investments. Past performance of our recommendations is not an indication of future performance. We shall have no liability of whatever nature in respect of any claim, damages, loss or expense arising out of or in connection with the reliance by you on the contents of our newsletter, any promotion, published material, alert or update.