



## Daily trading plan for Dec. 12, 2007

### 1. ESZ7 IN PREVIOUS DAY

Open	High	Low	Closing
1519.25	1527.00	1475.50	1478.00

### 2. PIVOTS FOR ESU7

	Daily	Weekly	Monthly	Yearly
R3	1563.00	1576.92	1679.33	1722.00
R2	1545.00	1545.08	1609.42	1583.50
R1	1511.50	1526.17	1546.58	1506.00
<b>PPT</b>	<b>1493.50</b>	<b>1494.33</b>	<b>1476.67</b>	<b>1367.50</b>
S1	1460.00	1475.42	1413.83	1290.00
S2	1442.00	1443.58	1343.92	1151.50
S3	1408.50	1424.67	1281.08	1074.00

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

Sell levels	Buying levels
1500.75-1503.75(First Sell#)	1463.00-61.75 (first Buy#)
1511.75-12.75 (Second Sell#)	1441.00 (second Buy#)

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

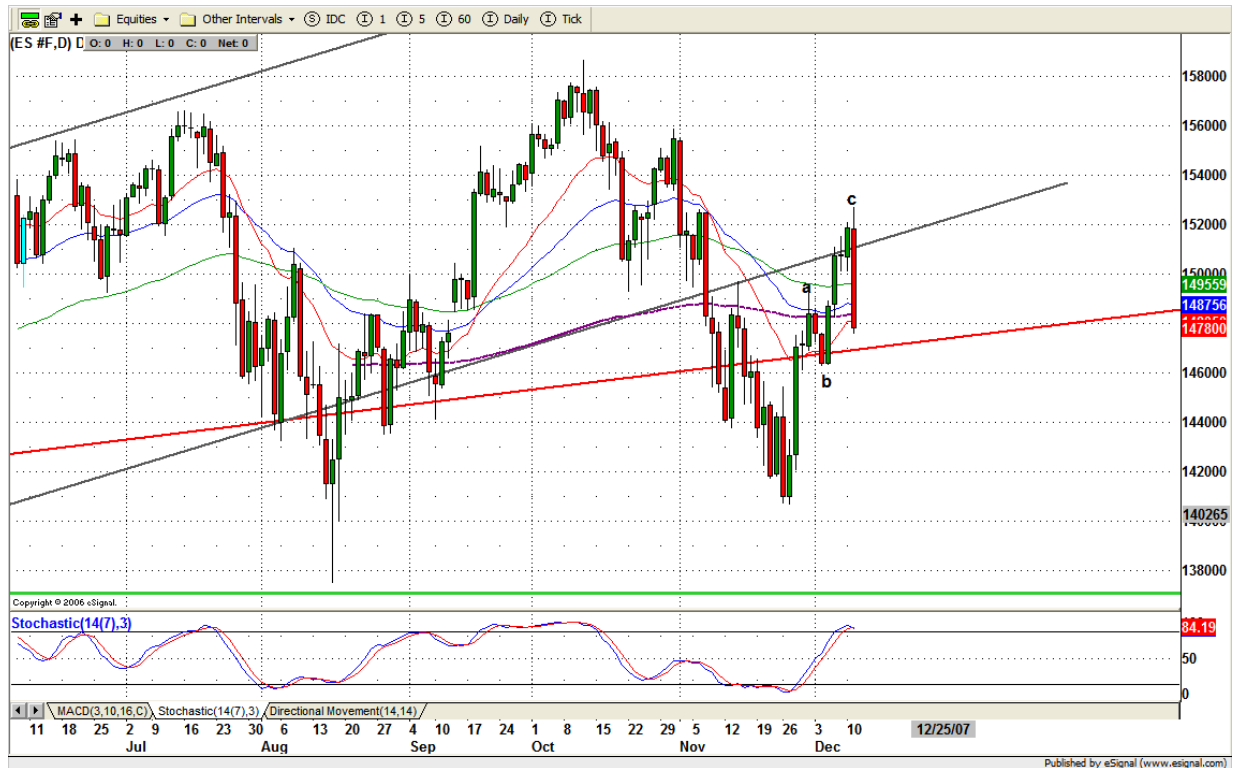
<b>Resistance</b>	1493.50	1495.00	1498.50	1500.75	1504.75
<b>Support</b>	1474.75	1463.00	1460.00	1451.00	1442.25

## 5. DAILY OUTLOOK

ES finally ended its expected wave 2 rally at yesterday's high (1527). Yesterday's sharp decline was the first down move of wave 3.

Yesterday of 500 stocks in the S&P 500 family, only 18 closed higher. S&P 500 cash also closed beneath its major support line 1498, which indicates that the a-b-c countermove is over. Yesterday's high should not be revisited again anytime in the near future. It turns into a very important resistance level for the short-term downtrend.

### ESZ7 Daily Chart



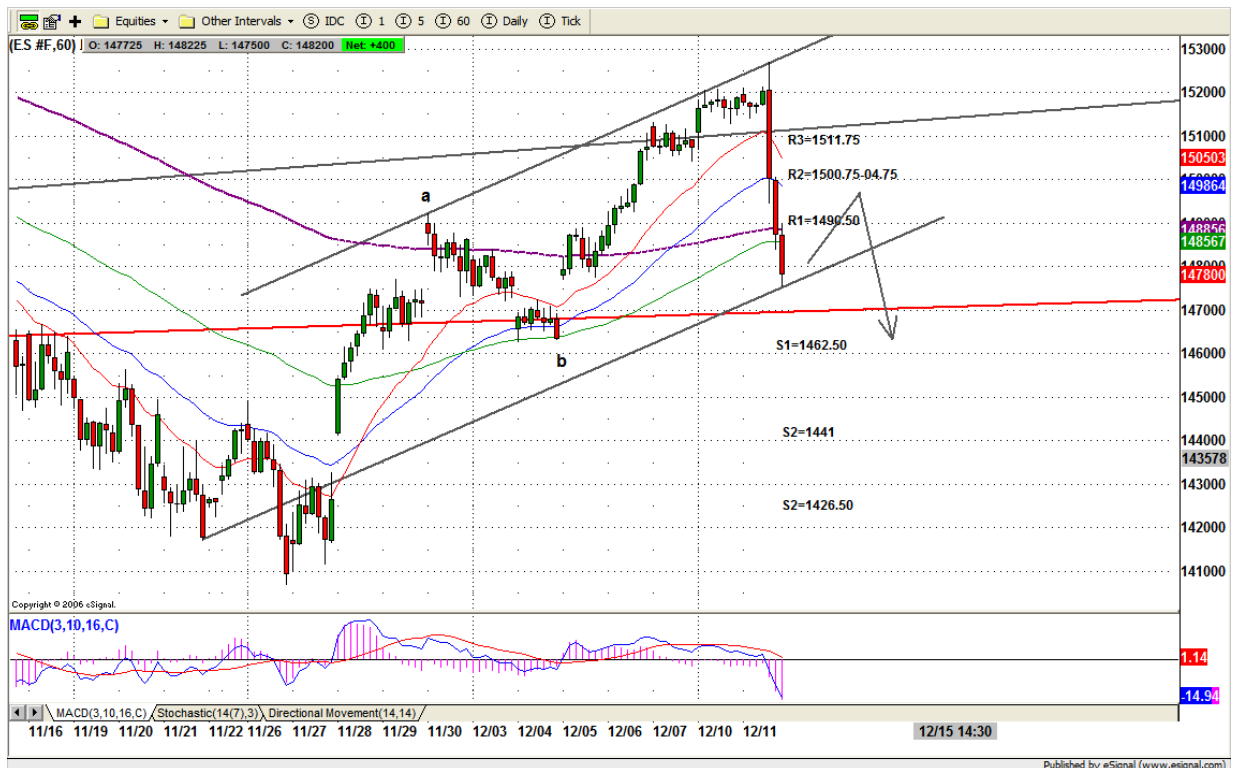
## 6. TRADING STRATEGY FOR Dec. 12, 2007

ES dropped sharply yesterday. It can result in equally sharp rebounds at anytime. But ES just sold off from its overbought condition, there is lots of room for it to continue going lower. It could go down to November's low around 1406.75 area.

If today there is a bounce to yesterday's broken support areas — 1486.25, 1494.25, 1500.75 and 1509.75 — we will see increasing selling pressure around those levels. SHORT on bounce is today's trading strategy.

**Intraday swing position entry on short side:**  
**1490.50 (Scalping) 1498.50 (agg) and 1504.50 (cons)**  
**Intraday swing position entry on long side:**  
**1472.25 (scalping) 1463.00 (agg) and 1442.25 (cons)**

### ESZ7 INTRADAY



## 7. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=7.82)

1546.88	+2/8
1539.06	+1/8
1531.25	8/8
1523.44	7/8
1515.63	6/8
1507.81	5/8
1500.00	4/8
1492.19	3/8
1484.38	2/8
1476.56	1/8
1468.75	0/8
1460.94	-1/8
1503.91	-2/8

### Up (Interval=3.90)

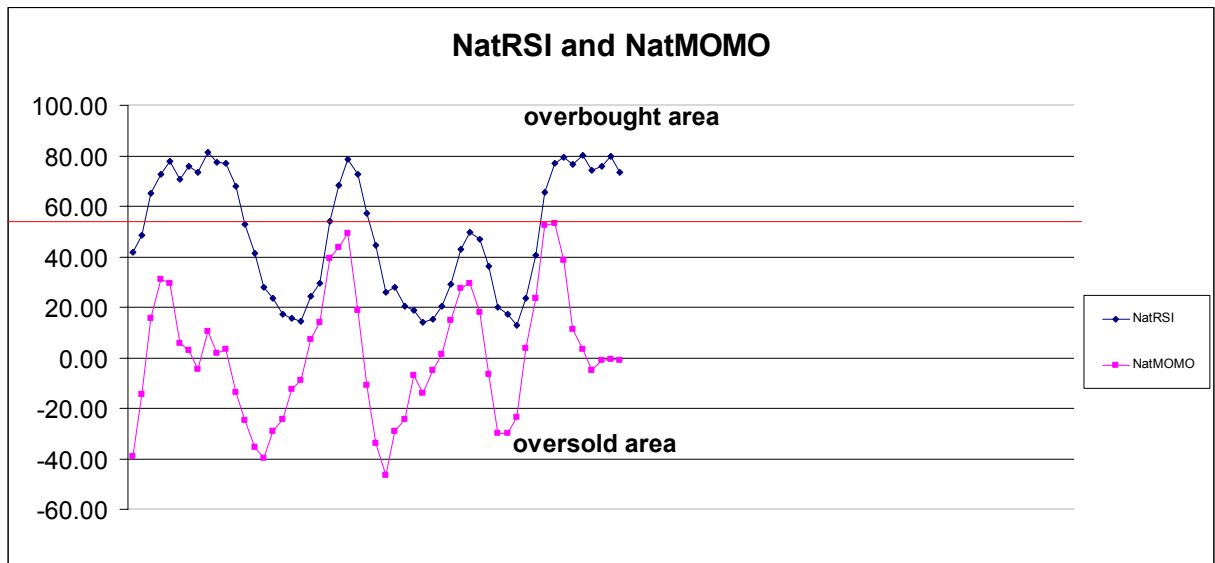
1507.81	+2/8
1503.91	+1/8
1500.00	8/8
1496.09	7/8
1492.19	6/8
1488.28	5/8
1484.38	4/8
1480.47	3/8
1476.56	2/8
1472.66	1/8
1468.75	0/8
1464.84	-1/8
1460.94	-2/8

### Down (Interval=3.90)

1492.19	+2/8
1488.28	+1/8
1484.38	8/8
1480.47	7/8
1476.56	6/8
1472.66	5/8
1468.75	4/8
1464.84	3/8
1460.94	2/8
1457.03	1/8
1453.13	0/8
1449.22	-1/8
1445.31	-2/8

## 8. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.10	0.73	-0.82	20.50	1498.63
oversold	neutral			



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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Dec 12	08:30	Export Prices ex-ag.	Nov	NA	NA	NA	0.5%
Dec 12	08:30	Import Prices ex-oil	Nov	NA	NA	NA	0.5%
Dec 12	08:30	Trade Balance	Oct	-\$57.5B	-\$57.0B	-\$56.5B	
Dec 12	10:30	Crude Inventories	12/07	NA	NA	NA	-7913K
Dec 12	14:00	Treasury Budget	Nov	-\$100.0B	-\$75.0B	-\$75.6B	
Dec 13	08:30	Retail Sales	Nov	0.8%	0.5%	0.5%	0.2%
Dec 13	08:30	Retail Sales ex-auto	Nov	0.8%	0.6%	0.6%	0.2%
Dec 13	08:30	PPI	Nov	2.0%	1.5%	1.5%	0.1%
Dec 13	08:30	Core PPI	Nov	0.2%	0.2%	0.2%	0.0%
Dec 13	08:30	Initial Claims	12/08	340K	335K	335K	338K
Dec 13	10:00	Business Inventories	Oct	0.3%	0.3%	0.3%	0.4%
Dec 14	08:30	CPI	Nov	0.7%	0.6%	0.6%	0.3%
Dec 14	08:30	Core CPI	Nov	0.2%	0.2%	0.2%	0.2%
Dec 14	09:15	Industrial Production	Nov	0.3%	0.1%	0.1%	-0.5%
Dec 14	09:15	Capacity Utilization	Nov	81.8%	81.7%	81.7%	81.7%