



## Daily trading plan for Dec. 13, 2007 (ROLLOVER DAY)

### 1. ESH8 IN PREVIOUS DAY

Open	High	Low	Closing
1522.25	1523.75	1478.75	1500.50

### 2. PIVOTS FOR ESU7

	Daily	Weekly	Monthly	Yearly
R3	1568.25	1576.92	1679.33	1722.00
R2	1546.00	1545.08	1609.42	1583.50
R1	1523.25	1526.17	1546.58	1506.00
<b>PPT</b>	<b>1501.00</b>	<b>1494.33</b>	<b>1476.67</b>	<b>1367.50</b>
S1	1478.25	1475.42	1413.83	1290.00
S2	1456.00	1443.58	1343.92	1151.50
S3	1433.25	1424.67	1281.08	1074.00

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

Sell levels	Buying levels
1516.75 (First Sell#)	1488.25 (first Buy#)
1538.00(Second Sell#)	1463.25 (second Buy#)

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

<b>Resistance</b>	1516.75	1519.50	1525.25	1537.50	1546.00
<b>Support</b>	1495.00	1489.75	1481.75	1477.25	1463.25

## 5. DAILY OUTLOOK

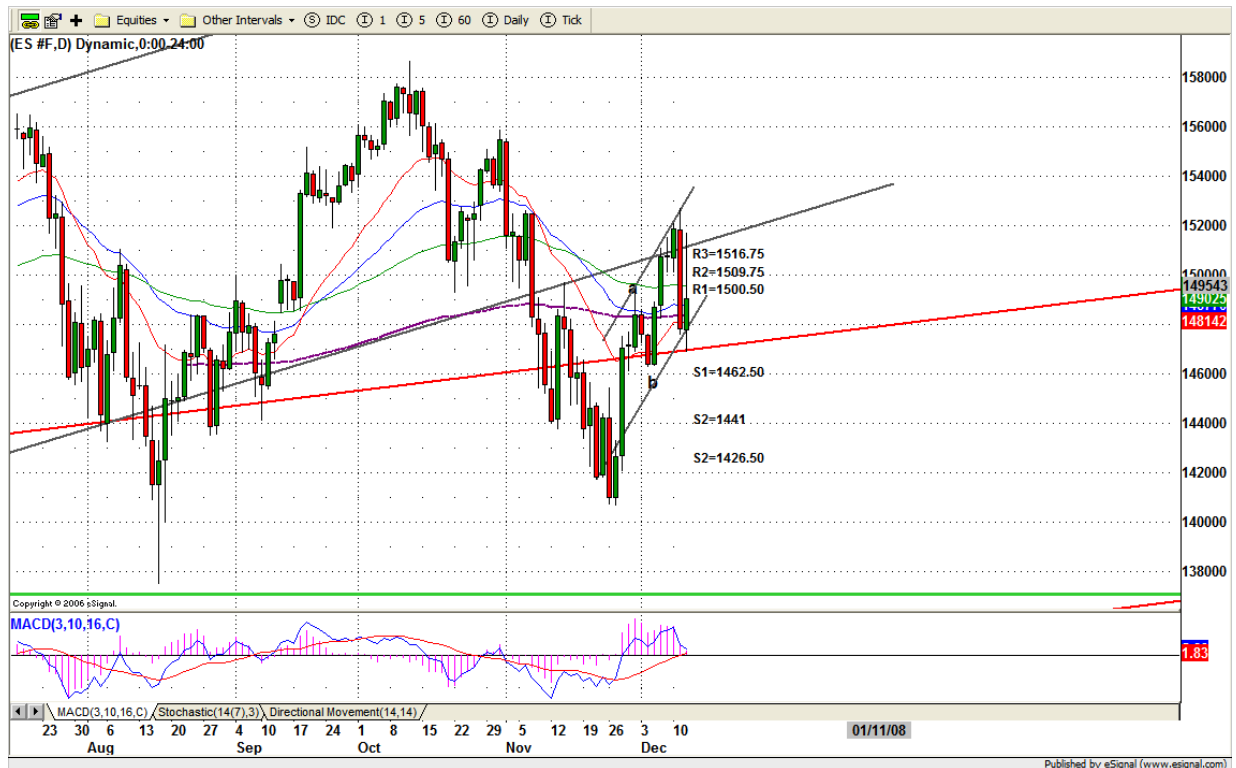
ES finally ended its expected wave 2 rally at Monday's high (1527). Yesterday's sharp bounce and decline was part of high volatility progression of the wave 3. Also Monday's high is important to the near-term bearish case.

Yesterday ES opened strong because of the Fed's actions, and completely retraced morning's strong open, led by the S&P financials, and then following by Dow Transports and blue-chip stocks. Even though price bounced from its 3pm low, this is not bullish market action. The Fed's panic action means credit crisis hasn't ended yet; in fact we suspect it is worse than we know.

Today a break below 1462.50 will be very negative to ES. It is possible for it to move lower to fill the gap in the coming weeks.

There are several important economic reports at 8:30 this morning (see Section 9).

### ESH8 Daily Chart



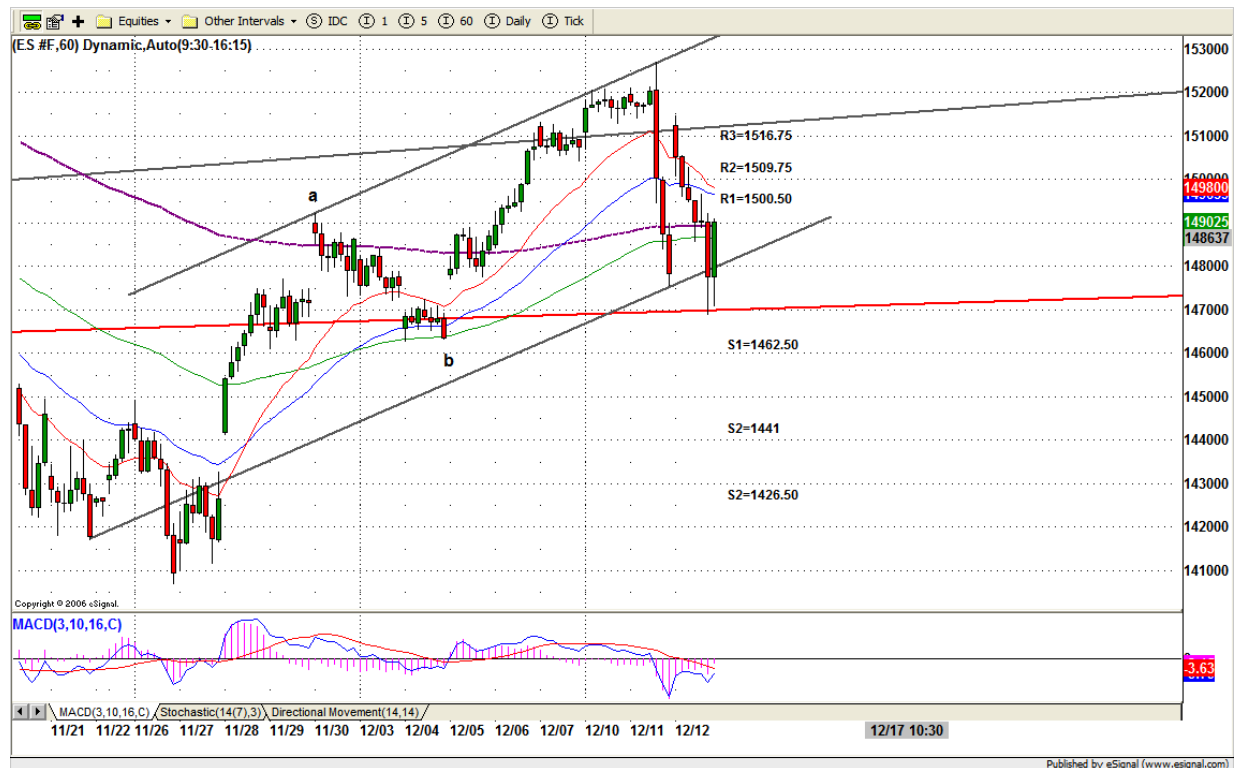
## 6. TRADING STRATEGY FOR Dec. 13, 2007

ES bounced up to the broken intermediate-term trend line which turned into resistance line yesterday. It failed to break out. Instead ES quickly sold off again until afternoon 3pm. Even though we saw dip buyers pushing price back up and closed in green. Don't be fooled by this action. That is not a bullish sign. It doesn't eliminate downside move.

Today is Rollover day. Lots of confusion will be in the market. We are still sticking with our original plan: SHORT on bounce as long as ES remains on the downtrend.

**Intraday swing position entry on short side:**  
**1516.75 (Scalping) 1426.75 (agg) and 1538 (cons)**  
**Intraday swing position entry on long side:**  
**1478.75 (scalping) 1463.25 (agg) and 1442.25 (cons)**

### ESH8 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
1453.13	-2/8

### Up (Interval=7.82)

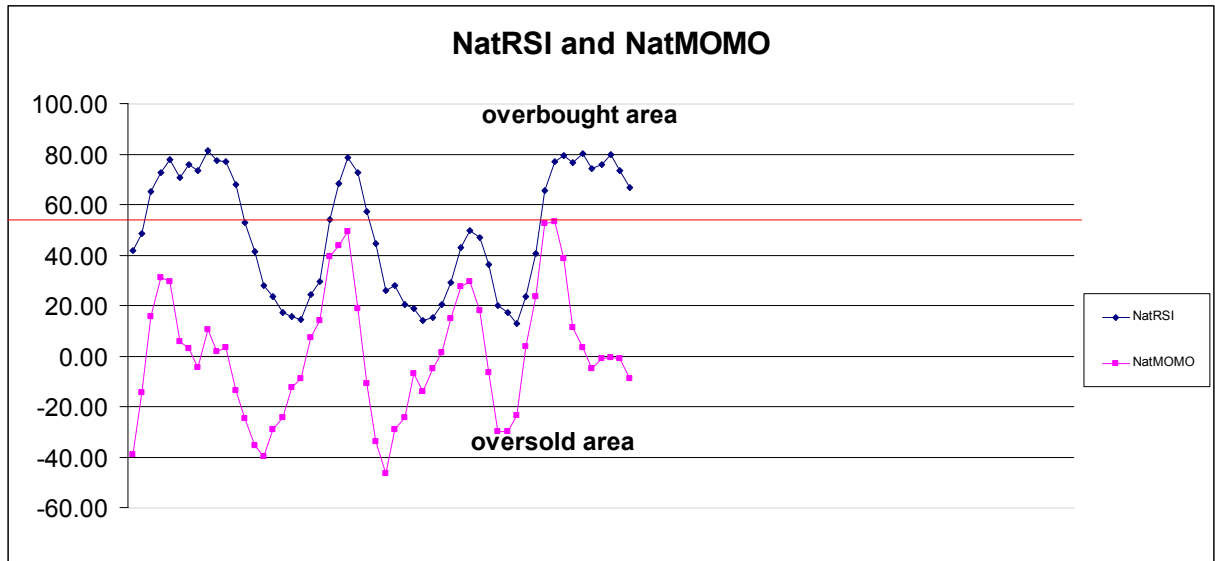
1578.13	+2/8
1570.31	+1/8
1562.50	8/8
1554.69	7/8
1546.88	6/8
1539.06	5/8
1531.25	4/8
1523.44	3/8
1515.63	2/8
1507.81	1/8
1500.00	0/8
1492.19	-1/8
1484.38	-2/8

### Down (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
1453.13	-2/8

## 8. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.27	0.73	-9.01	21.68	1511.37
neutral	neutral			



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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Dec 13	08:30	Retail Sales	Nov	0.8%	0.5%	0.2%	
Dec 13	08:30	Retail Sales ex-auto	Nov	0.8%	0.6%	0.2%	
Dec 13	08:30	PPI	Nov	2.0%	1.5%	0.1%	
Dec 13	08:30	Core PPI	Nov	0.2%	0.2%	0.0%	
Dec 13	08:30	Initial Claims	12/08	340K	335K	338K	
Dec 13	10:00	Business Inventories	Oct	0.3%	0.3%	0.4%	
Dec 14	08:30	CPI	Nov	0.7%	0.6%	0.3%	
Dec 14	08:30	Core CPI	Nov	0.2%	0.2%	0.2%	
Dec 14	09:15	Industrial Production	Nov	0.3%	0.1%	-0.5%	
Dec 14	09:15	Capacity Utilization	Nov	81.8%	81.7%	81.7%	