



Daily Trading Plan for Feb. 25, 2008

1. ESH8 IN PREVIOUS DAY

Open	High	Low	Closing
1348.50	1357.50	1327.00	1355.50

2. PIVOTS FOR ESH8

	Daily	Weekly	Monthly	Yearly
R3	1396.83	1416.42	1704.50	1796.75
R2	1377.17	1392.83	1592.50	1691.75
R1	1366.33	1374.17	1486.00	1584.50
PPT	1346.67	1350.58	1374.00	1479.50
S1	1335.83	1331.92	1267.50	1372.25
S2	1316.17	1308.33	1155.50	1267.25
S3	1305.33	1289.67	1049.00	1160.00

3. FOCUS NUMBERS (Intra-day Position trading)

Sell levels	Buying levels
1366.50-69.50(First Sell)	1336.75 (first Buy#)
1380-1385.25 (Second Sell#)	1307.75-05.25 (second Buy#)

4. MAJOR RESISTANCE AND SUPPORT LEVELS FOR TODAY

Resistance	1366.50	1372.50	1377.25	1380.00	1387.00
Support	1343.75	1336.00	1324.25	1316.75	1308.75

5. LONG-TERM OUTLOOK

The S&P 500 (SPX) closed at 1349.99 on Friday, up 3.12 points. In the past week, \$SPX mainly made its inside week move with no decision on either direction. It performed a contraction movement. This week it is likely for \$SPX to make its breakout move.

Based on weekly indicators, major trend remains downside, and it is possible for \$SPX to breakdown this week. A break down 1327-25 range is negative, and is likely to reach the next support level 1316.75. If 1316.75 level fails to hold, it will trigger a strong downside move and could push the price right into 1286-89 range.

But based on weekly pattern, \$SPX is in contraction mode, and could breakout either direction. If \$SPX breaks the upside resistance level 1371.50, it may trigger nasty short covering that could push the price up to 1410.15 (max) or minimum 1375-85 range. In a bear market painful short covering is unavoidable, but this kind of rally won't last very long.

Monthly major resistance level 1435 and major support level 1255
 Major weekly resistance level is 1410.15 and support level 1286.14

SPX WEEKLY Chart



6. WEEKLY OUTLOOK — ESH8

Last week was characterized by market reversals in the ES. It gapped up at open at the beginning of the week, peaked in the first 30 minutes and declined to fill the gap, then gapped down at the second day, quickly reversed to close high. Friday was similar; long slow march down during the day, reversed by a very rapid move — up 30 points in 30 minutes — into the close. Obviously there is lots of uncertainty in this market, but it is more bearish than bullish.

This week ES should make its breakout move, and it could be in either direction. It may try to retest last weekly high 1369.75 first and attempts to break it in early days. Any reversal move from that level is the first negative sign. A breakdown 1327 level will trigger downside momentum, and is likely to reach the 1301 support level or lower to the second support around 1285.

Weekly major resistance level is 1411.50. Weekly major support is 1285

ES WEEKLY Chart



7. DAILY OUTLOOK

In the past few days, ES has moved within a triangle consolidation pattern started the irregular a-b-c-d-e wave move we discussed last Wednesday. This irregular pattern will be ended early this week.

The downtrend line resistance line is around 1366.50 area and uptrend support line is around 1327. These two levels should be watched carefully today.

We may see ES go up first to retest 1366.50 area. If later ES moves below 1355.50 level this will indicate downside move is on the way. Watch out for any breakdown of 1327; this is now a significant support level.

ESH8 DAILY Chart



8. TRADING STRATEGY FOR Feb 25, 2008

Today, as long as ES holds price below 1366.50 in the morning, the downtrend line remains intact. On a break above 1371.50, ES could pop up to 1380-85 range. If ES breaks down 1327 level in the morning, it is likely to go down to 1308-07 before it starts to bounce and then go down again in the afternoon.

Intraday swing position entry on short side:
1366.75 (scalp) 1380.50-79.25 (agg) and 1391.50 (cons)
Intraday swing position entry on long side:
1335-36.50 (scalp) 1327.25 (agg) and 1307.75 (cons)

ESH8 INTRADAY



9. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=3.90)

1367.19	+2/8
1363.28	+1/8
1359.38	8/8
1355.47	7/8
1351.56	6/8
1347.66	5/8
1343.75	4/8
1339.84	3/8
1335.94	2/8
1332.03	1/8
1328.13	0/8
1324.22	-1/8
1320.31	-2/8

Up (Interval=3.90)

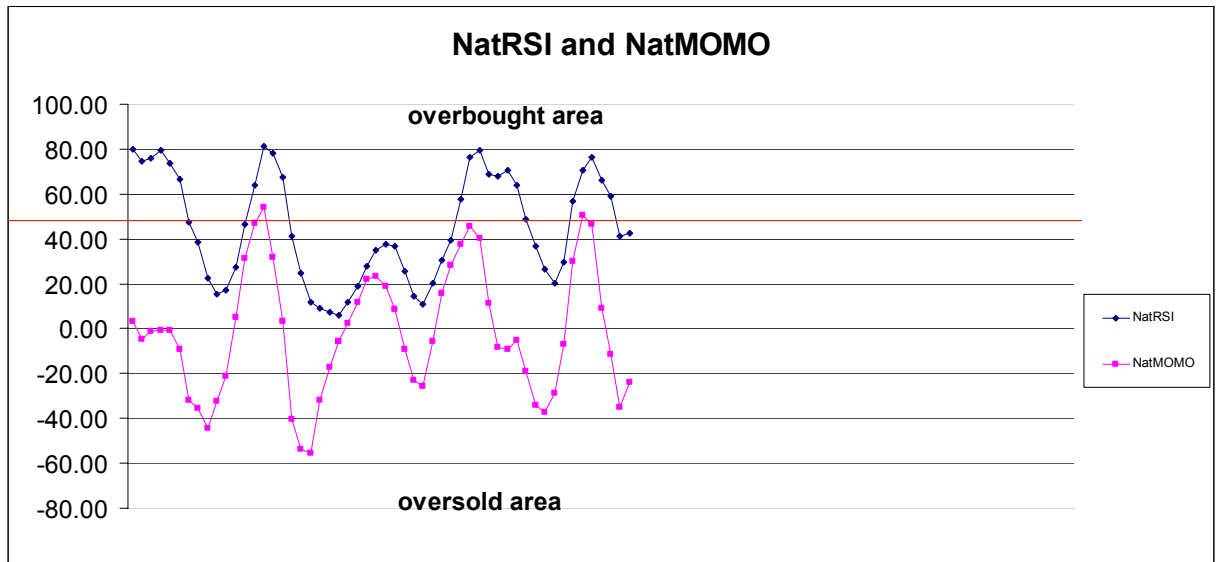
1382.81	+2/8
1378.91	+1/8
1375.00	8/8
1371.09	7/8
1367.19	6/8
1363.28	5/8
1359.38	4/8
1355.47	3/8
1351.56	2/8
1347.66	1/8
1343.75	0/8
1339.84	-1/8
1335.94	-2/8

Down (Interval=3.90)

1367.19	+2/8
1363.28	+1/8
1359.38	8/8
1355.47	7/8
1351.56	6/8
1347.66	5/8
1343.75	4/8
1339.84	3/8
1335.94	2/8
1332.03	1/8
1328.13	0/8
1324.22	-1/8
1320.31	-2/8

10. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.61	0.42	-23.73	23.48	1352.00
neutral	neutral			



11. WEEKLY ECONOMIC REPORTS

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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Feb 25	10:00	Existing Home Sales	Jan		4.90M	4.80M	4.89M
Feb 26	08:30	PPI	Jan		0.4%	0.3%	-0.3%
Feb 26	08:30	Core PPI	Jan		0.2%	0.2%	0.2%
Feb 26	10:00	Consumer Confidence	Feb		80.0	82.5	87.9
Feb 27	08:30	Durable Orders	Jan		-5.0%	-4.0%	5.2%
Feb 27	10:00	New Home Sales	Jan		600K	600K	604K
Feb 27	10:30	Crude Inventories	02/23		NA	NA	4204K
Feb 28	08:30	GDP-Prel.	Q4		0.6%	0.8%	0.6%
Feb 28	08:30	Chain Deflator-Prel.	Q4		2.6%	2.6%	2.6%
Feb 28	08:30	Initial Claims	02/23		355K	350K	349K
Feb 29	08:30	Personal Income	Jan		0.4%	0.2%	0.5%
Feb 29	08:30	Personal Spending	Jan		0.3%	0.2%	0.2%
Feb 29	08:30	Core PCE Inflation	Jan		0.2%	0.2%	0.2%
Feb 29	09:45	Chicago PMI	Feb		49.5	50.0	51.5
Feb 29	10:00	Mich Sentiment-Rev.	Feb		70.0	70.0	69.6

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