



## Daily Trading Plan for Aug. 11, 2008

### 1. ESU8 IN PREVIOUS DAY

Open	High	Low	Closing
1264.00	1298.00	1262.00	1292.25

### 2. PIVOTS FOR ESU8

	Daily	Weekly	Monthly	Yearly
R3	1342.17	1339.17	1399.08	1796.75
R2	1320.08	1318.58	1346.17	1691.75
R1	1306.17	1305.42	1306.58	1584.50
<b>PPT</b>	<b>1284.08</b>	<b>1284.83</b>	<b>1253.67</b>	<b>1479.50</b>
S1	1270.17	1271.67	1214.08	1372.25
S2	1248.08	1251.08	1161.17	1267.25
S3	1234.17	1237.92	1121.58	1160.00

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

Sell levels	Buying levels
1307.50 ( First Sell# )	1270.00-71.25 (first Buy#)
1322.50 – 21.75 (Second Sell#)	1260.25- 59.25 (second Buy#)

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

<b>Resistance</b>	1307.50	1313.25	1322.50	1325.00	1331.25
<b>Support</b>	1278.75	1270.25	1259.25	1254.25	1248.00

## 5. LONG -TERM OUTLOOK - \$SPX

The S&P 500 (\$SPX) closed at 1296.32 on Friday, net gain 36.01 points for the week.

The market rallies off its July 15<sup>th</sup> low, and this rally could continue this week. But the market volatility may postpone the Top.

Last Friday \$SPX broke its major resistance level 1291 and managed to close above it. This week, we may see a little pullback before \$SPX make a continuation high move. The upside major resistance level 1320 area is likely to be retested this week if \$SPX can hold itself above 1269-70 range. Option expiration week will contribute to high volatility. Bulls will fight for 1325; Bears will fight for 1270 level.

Major monthly resistance level is 1350 and major support level is 1145

Major weekly resistance level is 1325 and support level 1270

SPX WEEKLY Chart



## 6. WEEKLY OUTLOOK - ESU8

Last week ES broke July's high and closed above it. ES struggled to move up to test its major resistance line. There are three gaps above the current levels -- 1353, 1341.50 and 1322.50. It is very possible for ES to attempt to fill them.

This week Monday we may see a continuation high first before a minor pullback later on Tuesday or Wednesday, and then bounce up to the end of week.

We were expecting Aug. 11 to be the CIT day with the top built around that time. Now we are reconsidering that position. If the 1270 support level holds, it is likely to postpone the TOP date until after option expiration day. At least one of three gaps needs to fill this week.

Weekly major resistance level is 1325, weekly major support is 1270

ES WEEKLY Chart



## 7. DAILY OUTLOOK

Based on the daily chart, ES is performing ABC-X-ABC pattern movement. This pattern could be completed at max level around the 1337.25 area. Today as long as 1284 and 1270 level hold ES up, it is likely for ES to move higher to 1317.50-1312.50 area to begin attempting to fill the gap at 1322.50 line.

ESU8 DAILY Chart



## 8. TRADING STRATEGY FOR Aug 11, 2008

Due to last Friday's strong uptrend, we may see that ES goes sideways first before it breaks out. The breakout direction will become the direction for rest of the day. If ES goes up first, GO SHORT when price approaches around 1307.50-1310.75 range. IF ES goes down first, GO LONG when price approaches around 1277-75 range.

**Intraday swing position entry on short side:**  
**1307.50 (scalping) 1312.50-1316.25 (agg) and 1322.50 (cons)**  
**Intraday swing position entry on long side:**  
**1276-77 (scalping) 1270-68 (agg) and 1260.25 (cons)**



## 9. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=3.91)

1304.69	+2/8
1300.78	+1/8
1296.88	8/8
1292.97	7/8
1289.06	6/8
1285.16	5/8
1281.25	4/8
1277.34	3/8
1273.44	2/8
1269.53	1/8
1265.63	0/8
1261.72	-1/8
1257.81	-2/8

### Up (Interval=3.91)

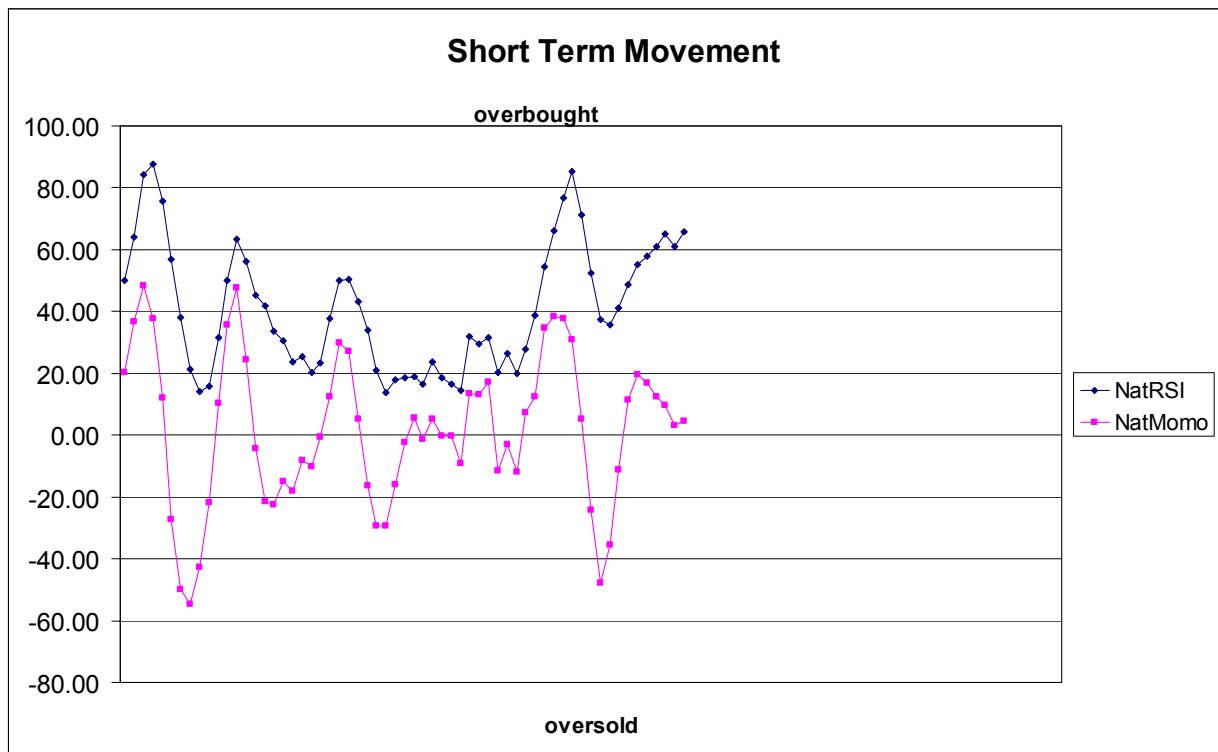
1320.31	+2/8
1316.41	+1/8
1312.50	8/8
1308.59	7/8
1304.69	6/8
1300.78	5/8
1296.88	4/8
1292.97	3/8
1289.06	2/8
1285.16	1/8
1281.25	0/8
1277.34	-1/8
1273.44	-2/8

### Down (Interval=3.91)

1304.69	+2/8
1300.78	+1/8
1296.88	8/8
1292.97	7/8
1289.06	6/8
1285.16	5/8
1281.25	4/8
1277.34	3/8
1273.44	2/8
1269.53	1/8
1265.63	0/8
1261.72	-1/8
1257.81	-2/8

## 10. OTHER INDICATORS

NatRSI (1day)	NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.90	0.65	4.52	22.50	1278.13
Overbought	neutral			



## 11. WEEKLY ECONOMIC REPORTS

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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Aug 12	08:30	Trade Balance	Jun		-\$59.0B	-\$61.9B	-\$59.8B
Aug 12	14:00	Treasury Budget	Jul		NA	-\$69.0B	NA
Aug 13	08:30	Export Prices ex-ag.	Jul		NA	NA	0.9%
Aug 13	08:30	Import Prices ex-oil	Jul		NA	NA	0.9%
Aug 13	08:30	Retail Sales	Jul		0.4%	0.5%	0.1%
Aug 13	08:30	Retail Sales ex-auto	Jul		0.7%	0.6%	0.8%
Aug 13	10:00	Business Inventories	Jun		0.5%	0.5%	0.3%
Aug 13	10:35	Crude Inventories	08/09		NA	NA	1614K
Aug 14	08:30	Core CPI	Jul		0.2%	0.2%	0.3%
Aug 14	08:30	CPI	Jul		0.3%	0.4%	1.1%
Aug 14	08:30	Initial Claims	08/09		NA	NA	455K
Aug 15	08:30	NY Empire State Index	Aug		NA	-5.0	-4.9
Aug 15	09:00	Net Foreign Purchases	Jun		NA	NA	\$67.0B
Aug 15	09:15	Capacity Utilization	Jul		79.9%	79.8%	79.9%
Aug 15	09:15	Industrial Production	Jul		0.1%	0.0%	0.5%
Aug 15	10:00	Mich Sentiment-Prel.	Aug		63.0	62.0	61.2