



## Daily trading plan for Oct. 16, 2008

### 1. ESZ8 IN PREVIOUS DAY

Open	High	Low	Closing
978.75	980.75	897.25	903.25

### 2. PIVOTS FOR ESZ8

	Daily	Weekly	Monthly	Yearly
R3	1040.42	1282.17	1467.17	1796.75
R2	1010.58	1182.33	1385.33	1691.75
R1	956.92	1036.67	1277.17	1584.50
<b>PPT</b>	<b>927.08</b>	<b>936.83</b>	<b>1195.33</b>	<b>1479.50</b>
S1	873.42	791.17	1087.17	1372.25
S2	843.58	691.33	1005.33	1267.25
S3	789.92	545.67	897.17	1160.00

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

Sell levels	-Buying levels
947- 950 (First Sell#)	843.75-45.75 ( First buy# )
980-983 (Second Sell#)	812.50-818 (Second buy#)

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

<b>Resistance</b>	936.25	944.00	975.00	983.00	1003.75
<b>Support</b>	875.00	864.25	855.25	825.25	789.25

## 5. DAILY OUTLOOK

The bear market remains alive. Yesterday's strong selling pressure pushed ES into the critical level, where price could go either direction. Also today's early reports will either help ES to hold price up or push price down further. If ES can hold price 877-855 range in the early morning session, ES has one more change to push price back up 950-945 range. A move below 850 will be bearish, it indicates sub-wave 4 was completed and declining sub-wave 5 is likely underway.

ESZ8 Daily Chart



## 6. TRADING STRATEGY FOR Oct. 16, 2008

Yesterday we didn't see the uptrend follow through; instead we saw downtrend following through yesterday. But market volatility gets extremely high and indicates fear and panic remain high in the market. Because this week is option expiration, we may see price be driven to an extremely low level before it reverses back.

Today after early reports, looking if 855 line can be held up. If holds, we go long first and later go short below 950 area.

**Intraday swing position entry on short side:**  
**946-950 (scalping) 978-83.00 (agg) and 1002.25 (cons)**  
**Intraday swing position entry on long side:**  
**855.75 (scalping) 837 (agg) and 798 (cons)**



## 7. PREDICTION FOR TODAY'S MOVEMENT

**Current** interval=7.81)

984.38	+2/8
976.56	+1/8
968.75	8/8
960.94	7/8
953.13	6/8
945.31	5/8
937.50	4/8
929.69	3/8
921.88	2/8
914.06	1/8
906.25	0/8
898.44	-1/8
890.63	-2/8

**Up** (Interval=15.63)

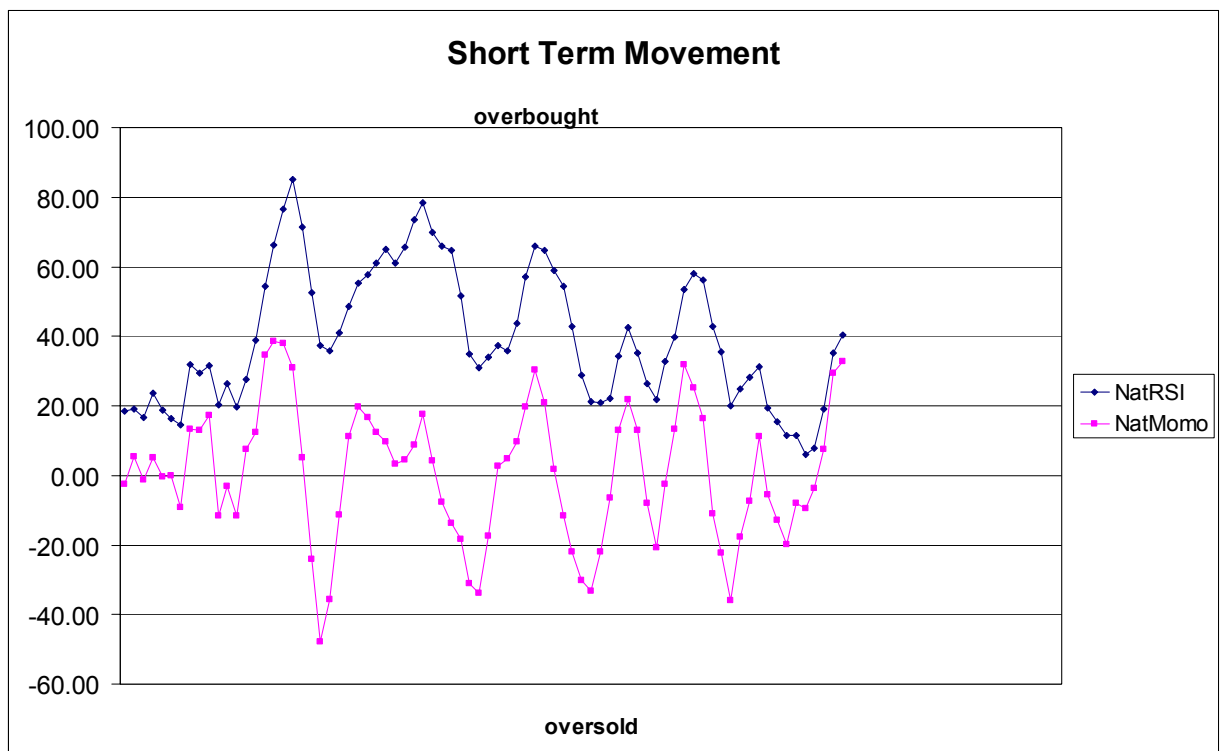
1031.25	+2/8
1015.63	+1/8
1000.00	8/8
984.38	7/8
968.75	6/8
953.13	5/8
937.50	4/8
921.88	3/8
906.25	2/8
890.63	1/8
875.00	0/8
859.38	-1/8
843.75	-2/8

**Down** (Interval=15.63)

968.75	+2/8
953.13	+1/8
937.50	8/8
921.88	7/8
906.25	6/8
890.63	5/8
875.00	4/8
859.38	3/8
843.75	2/8
828.13	1/8
812.50	0/8
796.88	-1/8
781.25	-2/8

## 8. OTHER INDICATORS

NatRSI (5day)	NatMoMo	ATR 10	Waist number
0.40	32.82	76.75	1026.88
neutral			



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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Oct 16	08:30	Core CPI	Sep		NA	0.2%	0.2%
Oct 16	08:30	CPI	Sep		NA	0.1%	-0.1%
Oct 16	08:30	Initial Claims	10/11		NA	NA	NA
Oct 16	09:00	Net Foreign Purchases	Aug		NA	NA	NA
Oct 16	09:15	Capacity Utilization	Sep		NA	78.0%	78.7%
Oct 16	09:15	Industrial Production	Sep		NA	-0.8%	-1.1%
Oct 16	10:00	Philadelphia Fed	Oct		NA	-5.0	3.8
Oct 17	08:30	Building Permits	Sep		NA	845K	854K
Oct 17	08:30	Housing Starts	Sep		NA	880K	895K
Oct 17	10:00	Mich Sentiment-Prel.	Oct		NA	69.0	70.3