



Daily Trading Plan for Feb 5, 2009

1. ESH9 IN PREVIOUS DAY

Open	High	Low	Closing
838.50	849.50	826.00	829.75

2. PIVOTS FOR ESH9

	Daily	Weekly	Monthly	Yearly
R3	867.67	920.50	1058.42	2082.17
R2	858.58	898.25	1000.58	1781.33
R1	844.17	862.00	913.17	1340.67
PPT	835.08	839.75	855.33	1039.83
S1	820.67	803.50	767.92	599.17
S2	811.58	781.25	710.08	448.75
S3	797.17	745.00	622.67	298.33

3. FOCUS NUMBERS

	Daily	Weekly
1st Sell level	848.25-851.50	885.50-886.50
2nd Sell level	861.50-863.25	896.75-898.50
1st Buy level	811.50-812.50	774.25-772.25
2nd Buy level	802.00-804.00	750.00-753.25

4. DAILY OUTLOOK

We are getting into the emotional market. The broad range which I mentioned on last time was 950 to 800. Now that range contracted to 875-820 — from 150 points to 55.. Sooner or later this small range will be broken by a powerful move. So far bull side think that the bottom is in place and right now is a once-in-a-lifetime buying opportunity. The bear side thinks that financials are a mess, the stimulus won't work, consumers have stopped spending and the market should go down further. Both sides are fighting intensively.

For our traders, in the technical terms, ES is in a contraction process which is accumulating strength for next move. But the direction of the next move is not clear; the new trend needs time to develop. Starting now, we should not be too aggressive in our trades. We should be cautious and wait until the new trend forms and explodes.

ESH9 DAILY Chart



5. TRADING STRATEGY FOR Feb. 5, 2009

ES gapped up strongly at open, but after it made $\frac{1}{2}$ breakout target, it lost its upside momentum. Instead it sold off in the afternoon. In the last hour, ES went into a sideways range. If ES breaks down 826 today, it could dip down to 818-816 to test key support. A move below 816 will be negative, and further down should be expected. \$DJIA fights for 8000, SP100 (OEX) fights for 400, Dow transportation fight for 3000, and SP500 fights for 800. They all relate to each other. Non-confirmation from other markets will make our trading more choppy.

ESH9 INTRADAY



INTRADAY SCALPING NUMBERS

	Very Aggressive	Aggressive	Conservative
Sell level	840.50-841.50	847.50-849.50	855.25-857.50
Buy level	811.50-812.50	804-802	792.00

6. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=3.91)

851.56	+2/8
847.66	+1/8
843.75	8/8
839.84	7/8
835.94	6/8
832.03	5/8
828.13	4/8
824.22	3/8
820.31	2/8
816.41	1/8
812.50	0/8
808.59	-1/8
804.69	-2/8

Up (Interval=3.91)

851.56	+2/8
847.66	+1/8
843.75	8/8
839.84	7/8
835.94	6/8
832.03	5/8
828.13	4/8
824.22	3/8
820.31	2/8
816.41	1/8
812.50	0/8
808.59	-1/8
804.69	-2/8

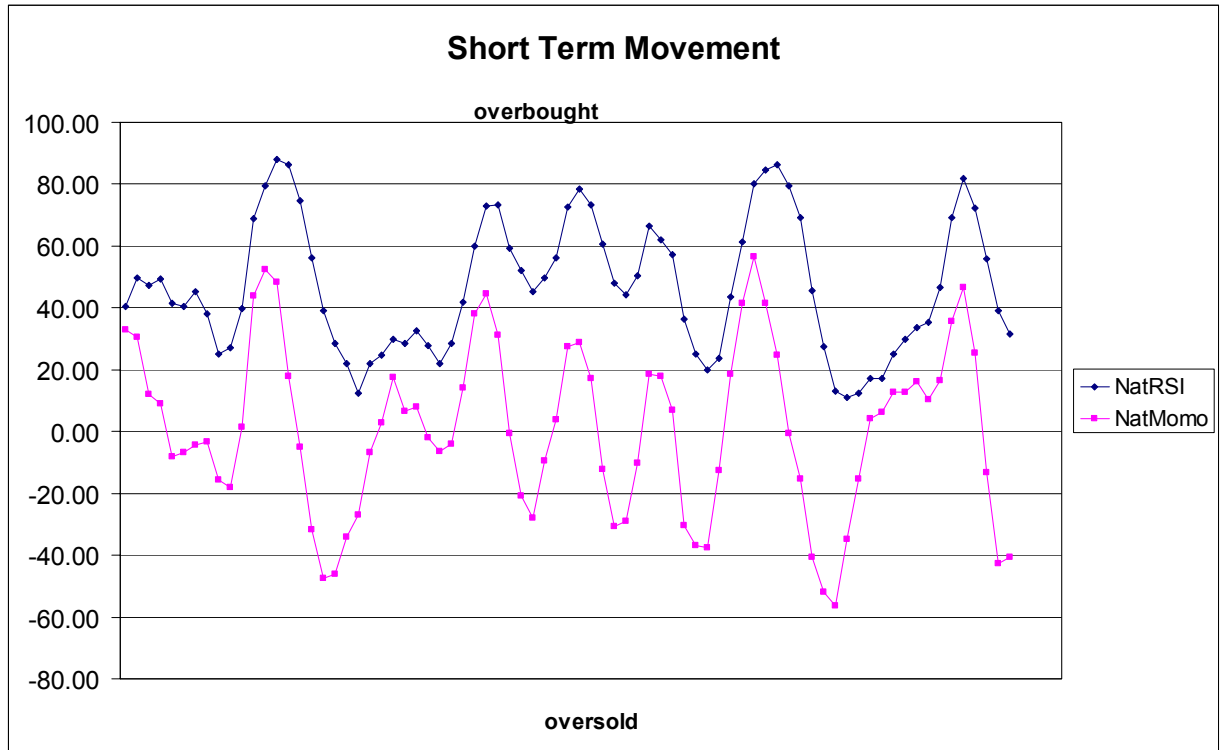
Down (Interval=3.91)

835.94	+2/8
832.03	+1/8
828.13	8/8
824.22	7/8
820.31	6/8
816.41	5/8
812.50	4/8
808.59	3/8
804.69	2/8
800.78	1/8
796.88	0/8
792.97	-1/8
789.06	-2/8

7. OVERNIGHT CALL

	1 st Sell level	2 nd Sell level
	840.75-842.00	848.25-850.75
Central line	830.50	
	820.75-818.50	811.50-813.50
	1 st Buy level	2 nd Buy level

8. SHORT TERM SENTIMENT



9. WEEKLY ECONOMIC REPORTS

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

Date	ET	Release	For	Actual	Consensus	Prior
Feb 05	08:30	Initial Claims	01/31	592K	588K	
Feb 05	08:30	Productivity-Prel	Q4	1.0%	1.3%	
Feb 05	08:30	Unit Labor Costs	Q4	3.0%	2.8%	
Feb 05	10:00	Factory Orders	Dec	-3.0%	-4.6%	
Feb 06	08:30	Average Workweek	Jan	33.3	33.3	
Feb 06	08:30	Hourly Earnings	Jan	0.3%	0.3%	
Feb 06	08:30	Nonfarm Payrolls	Jan	-500K	-524K	
Feb 06	08:30	Unemployment Rate	Jan	7.5%	7.2%	
Feb 06	14:00	Consumer Credit	Dec	-\$2.3B	-\$7.9B	