



## Daily Trading Plan for March. 30, 2009

### 1. ESM9 IN PREVIOUS DAY

Open	High	Low	Closing
816.50	821.50	809.50	816.00

### 2. PIVOTS FOR ESM9

	Daily	Weekly	Monthly	Yearly
R3	833.83	878.83	967.83	2082.17
R2	827.67	854.67	920.42	1781.33
R1	821.83	835.33	827.33	1340.67
<b>PPT</b>	<b>815.67</b>	<b>811.17</b>	<b>779.92</b>	<b>1039.83</b>
S1	809.83	791.83	686.83	599.17
S2	803.67	767.67	639.42	448.75
S3	797.83	748.33	546.33	298.33

### 3. FOCUS NUMBERS

	Daily	Weekly
<b>1<sup>st</sup> Sell level</b>	<b>833.50-835.50</b>	<b>* 835.00 845.50-847.50</b>
<b>2<sup>nd</sup> Sell level</b>	<b>843.50-845.50</b>	<b>885.00-884.75</b>
<b>1<sup>st</sup> Buy level</b>	<b>797.50-796.50</b>	<b>787.50-788.00</b>
<b>2<sup>nd</sup> Buy level</b>	<b>785.50-786.00</b>	<b>746.25-743.50</b>

#### 4. WEEKLY OUTLOOK

The S&P 500 (\$SPX) closed at 815.94 on Friday for a net weekly gain of 47.40 points. The stock market has been holding its gain for 3 straight weeks, up more than 22% from the March 6 low.

The S&P 500 completed the first major declining movement at March 6, 2007. Since then it has started a bear market rally, which is a correction move (or a correction wave if you use Elliott wave theory). The bear market rally doesn't mean the bear market ends, or a new bull market begins. It only means that when the bear market gets into deeply oversold territory and the economy shows some little sign of improvement after slipping into deep recession cycle, the market naturally needs to make some adjustment before the bear market resumes or retests the previous low.

Based on weekly chart, there is a major weekly resistance level ahead of the current price. It is likely that we will see some kind of pullback movement from that resistance level. Because of the timing — the end of March, but also the end of first quarter of the year — we may see some “window dressing” by funds and institutions to hold prices up at the beginning of the week to improve their quarterly results, with the price falling back into the support zone in later week. But the upside correction movement should be expected to continue after the pullback is complete..

Major monthly resistance level 875 and support level is 625  
 Weekly resistance level 875 and support level is 739

#### SPX WEEKLY CHART



## 5. DAILY OUTLOOK

ES had almost 61% retracement from Jan. 6 high 942.75 to March 6 low 665.75. The intraday short-term was getting overbought again and again, but every overbought situation was smoothed out by one or two days' of small pullbacks. This is bullish behavior. It indicates that current price could advance more.

But the price action of last week shows that ES may get short-term overbought again. Due to the last two days of March, the price could break through the major resistance level before it does its short-term pull-back.

This week, ES has a key for 835-839. If it breaks through, it is likely to move higher to 850-856 or higher to 871-875. But if the price continues going higher, a sharp downside correction move to the 780-750 range is possible.

If it fails to breakout the key line, especially 823.75 on Monday, we may see ES move down to retest last week's low 787 area before it bounces up again. Watch for the pull-back; **BUY on DIP** strategy still should be used.

ESM9 DAILY Chart



## 6. TRADING STRATEGY FOR March. 30, 2009

Last Friday ES gapped down for open, and stayed down for closing. It formed a relatively narrow range day (NR7). It indicates that ES can go either direction. If ES breaks out 823.75 level, it is likely to move up first to fill 827.25 gap or higher to 833.75-835 (short level) before the price pulls down. If ES goes low below 806 level first, it is possible to go down further to 797-795 (buy area) or lower to 788-790 range (buy area).

### ESM9 INTRADAY



### INTRADAY SCALPING NUMBERS

	Very Aggressive	Aggressive	Conservative
<b>Sell level</b>	<b>833.25</b>	<b>839.50-838.75</b>	<b>843.75-745.50</b>
<b>Buy level</b>	<b>800-797.50</b>	<b>792.00-788.25</b>	<b>773.50-776.00</b>

## 7. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=1.95)

824.22	+2/8
822.27	+1/8
<b>820.31</b>	<b>8/8</b>
818.36	7/8
816.41	6/8
814.45	5/8
812.50	4/8
810.55	3/8
808.59	2/8
806.64	1/8
804.69	0/8
802.73	-1/8
800.78	-2/8

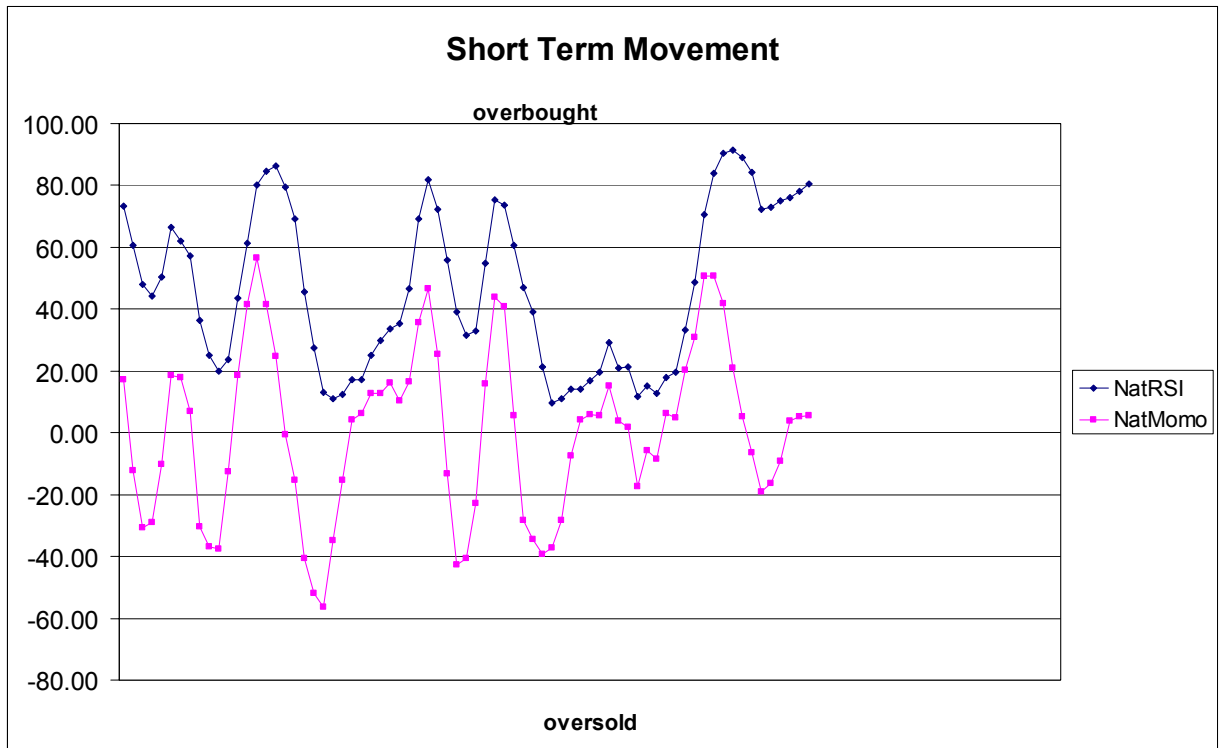
### Up (Interval=3.91)

851.56	+2/8
847.66	+1/8
<b>843.75</b>	<b>8/8</b>
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=7.81)

828.13	+2/8
820.31	+1/8
<b>812.50</b>	<b>8/8</b>
804.69	7/8
796.88	6/8
789.06	5/8
781.25	4/8
773.44	3/8
765.63	2/8
757.81	1/8
750.00	0/8
742.19	-1/8
734.38	-2/8

## 8. SHORT TERM SENTIMENT



## 9. WEEKLY ECONOMIC REPORTS

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

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Mar 31	09:00	<a href="#">Consumer Confidence</a>	Mar	28.0	27.0	25.0	
Mar 31	09:00	S&P/Case-Shiller Home Price Index	Jan	NA	-18.5%	-18.55%	
Mar 31	09:45	<a href="#">Chicago PMI</a>	Mar	36.0	34.7	34.2	
Apr 01	08:15	ADP Employment Change	Mar	-635K	-648K	-697K	
Apr 01	10:00	<a href="#">Construction Spending</a>	Feb	-2.0%	-1.6%	-3.3%	
Apr 01	10:00	<a href="#">ISM Index</a>	Mar	37.0	36.0	35.8	
Apr 01	10:00	Pending Home Sales	Feb	-1.0%	-2.0%	-7.7%	
Apr 01	10:30	Crude Inventories	03/27	NA	NA	+3300K	
Apr 01	14:00	<a href="#">Auto Sales</a>	Mar	NA	NA	2.9M	
Apr 01	14:00	<a href="#">Truck Sales</a>	Mar	NA	NA	3.5M	
Apr 02	08:30	<a href="#">Initial Claims</a>	03/28	645K	653K	NA	
Apr 02	10:00	<a href="#">Factory Orders</a>	Feb	-0.3%	-0.3%	-1.9%	
Apr 03	08:30	<a href="#">Average Workweek</a>	Mar	33.3	33.3	33.3	
Apr 03	08:30	<a href="#">Hourly Earnings</a>	Mar	0.2%	0.2%	0.2%	
Apr 03	08:30	<a href="#">Nonfarm Payrolls</a>	Mar	-640K	-656K	-651K	
Apr 03	08:30	<a href="#">Unemployment Rate</a>	Mar	8.5%	8.5%	8.1%	
Apr 03	10:00	<a href="#">ISM Services</a>	Mar	43.0	42.0	41.6	