



Daily Trading Plan for May 4, 2009

1. ESM9 IN PREVIOUS DAY

Open	High	Low	Closing
869.75	878.25	862.50	876.00

2. PIVOTS FOR ESM9

	Daily	Weekly	Monthly	Yearly
R3	897.75	936.58	1017.58	2082.17
R2	888.00	911.17	951.67	1781.33
R1	882.00	893.58	910.83	1340.67
PPT	872.25	868.17	844.92	1039.83
S1	866.25	850.58	804.08	599.17
S2	856.50	825.17	738.17	448.75
S3	850.50	807.58	697.33	298.33

3. FOCUS NUMBERS

	Daily	Weekly
1st Sell level	885.00-886.25	898.00 - 899.50
2nd Sell level	894.00-895.75	933.25- 935.50
1st Buy level	856.50-854.50	845.00- 842.00
2nd Buy level	846.75-845.75	820.25- 821.75

4. WEEKLY OUTLOOK

The S&P 500 (\$SPX) closed at 877.52 on Friday for a net weekly gain of 11.29 points. Last week the market mainly continued its previous two weeks sideways move. The price slowly, steadily made its advance to correct the short term overbought condition. Now we've got the medium term overbought condition, but the selling signal is not there.

The steady advance to the higher price should be expected if SPX holds up above 845 line this week. One reason is that the weekly indicators have no sell signal yet, and the other reason is that the market sentiment hasn't reached extreme optimism yet according AAll survey.

Based on weekly chart, SPX has an uptrend channel. Under the current price, there are lots of support lines. (20EMA, broken downtrend line and 10 EMA). As long as those support lines hold the price up, the uptrend remains intact. And 940 line is likely reached from the current upside move.

Major monthly resistance level 1025 and support level is 800
Weekly resistance level 950 and support level is 850

SPX WEEKLY CHART



5. DAILY OUTLOOK

ES attempted to break out the second consolidation range last week. May Day had quite a good recovery from the previous day's loss. If ES can successfully retest last week's high 886.25 and break it this week, then a strong run up to 918-919 area or higher to form third consolidation range is very possible.

Today we may see ES attempt to move up to retest last week's high 886.25 area. On a failure to breakout 886.25, there is a chance to pullback into 866 area. But as long as 866 line holds up, intraday trend remains up.

ESM9 DAILY Chart



6. TRADING STRATEGY FOR May 4, 2009

Today if overnight trading ES is holding up above 870-873 range, it is likely for price to go up first. A break above 879 will go higher to 886.25 (first SHORT entry). A move below 870 could go lower to 866-865 (Scalping long entry). If ES goes lower than 862, it is likely price is going lower to 854-851.75 (LONG entry) area to search for support.

Last Friday's price movement shows it is possible for price to go higher. But based on volume, it indicates there is a chance for price to pullback down to retest last Friday's low or weekly low. No matter how far the pullback, the price shouldn't go below 842.75 line. If it does, it will give a sell signal for the next move.

ESM9 INTRADAY



INTRADAY SCALPING NUMBERS

	Very Aggressive	Aggressive	Conservative
Sell level	886.25	894.00-896.00	903.75-906.25
Buy level	866.25-865.25	854.50-853.25	846.25-845.75

7. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=1.95)

878.91	+2/8
876.95	+1/8
875.00	8/8
873.05	7/8
871.09	6/8
869.14	5/8
867.19	4/8
865.23	3/8
863.28	2/8
861.33	1/8
859.38	0/8
857.42	-1/8
855.47	-2/8

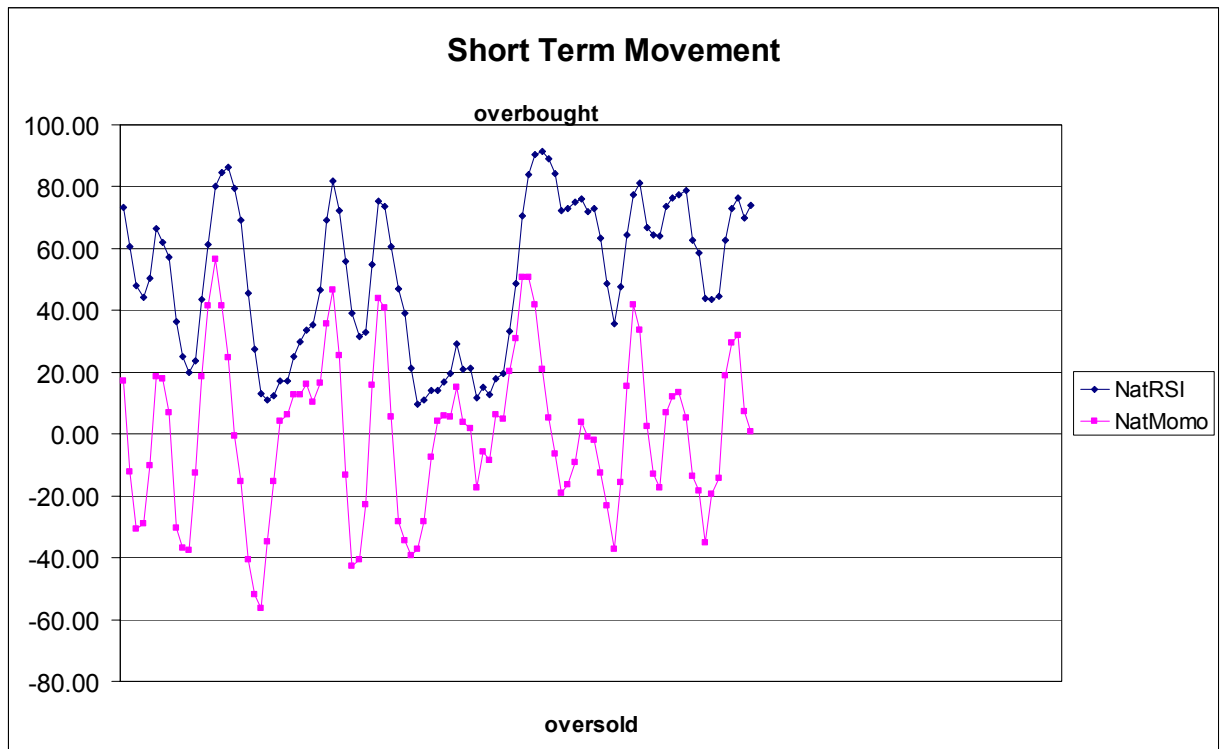
Up (Interval=3.91)

898.44	+2/8
894.53	+1/8
890.63	8/8
886.72	7/8
882.81	6/8
878.91	5/8
875.00	4/8
871.09	3/8
867.19	2/8
863.28	1/8
859.38	0/8
855.47	-1/8
851.56	-2/8

Down (Interval=3.91)

882.81	+2/8
878.91	+1/8
875.00	8/8
871.09	7/8
867.19	6/8
863.28	5/8
859.38	4/8
855.47	3/8
851.56	2/8
847.66	1/8
843.75	0/8
839.84	-1/8
835.94	-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
May 04	10:00	Construction Spending	Mar		NA	-1.4%	-0.9%
May 04	10:00	Pending Home Sales	Mar		NA	0.0%	2.1%
May 05	10:00	ISM Services	Apr		NA	42.0	40.8
May 06	08:15	ADP Employment Change	Apr		NA	-643K	-742K
May 06	10:30	Crude Inventories	05/01		NA	NA	+4053K
May 07	08:30	Initial Claims	05/02		NA	NA	NA
May 07	08:30	Productivity-Prel	Q1		NA	0.9%	-0.4%
May 07	08:30	Unit Labor Costs	Q1		NA	2.5%	5.7%
May 07	15:00	Consumer Credit	Mar		NA	-\$3.3B	-\$7.5B
May 08	08:30	Average Workweek	Apr		NA	33.2	33.2
May 08	08:30	Hourly Earnings	Apr		NA	0.2%	0.2%
May 08	08:30	Nonfarm Payrolls	Apr		NA	-620K	-663K
May 08	08:30	Unemployment Rate	Apr		NA	8.9%	8.5%
May 08	10:00	Wholesale Inventories	Mar		NA	-1.0%	-1.5%