



Daily Trading Plan for May 26, 2009

1. ESM9 IN PREVIOUS DAY

Open	High	Low	Closing
889.75	896.00	882.00	885.00

2. PIVOTS FOR ESM9

	Daily	Weekly	Monthly	Yearly
R3	907.33	962.17	1017.58	2082.17
R2	901.67	942.83	951.67	1781.33
R1	893.33	913.92	910.83	1340.67
PPT	887.67	894.58	844.92	1039.83
S1	879.33	865.57	804.08	599.17
S2	873.67	846.33	738.17	448.75
S3	865.33	817.42	697.33	298.33

3. FOCUS NUMBERS

	Daily	Weekly
1st Sell level	897.50-900.25	911.75-914.50
2nd Sell level	909.00-911.75	927.50-923.50
1st Buy level	876.75-877.25	860.50-858.25
2nd Buy level	858.25-859.00	840.25-835.75

4. WEEKLY OUTLOOK

The S&P 500 (\$SPX) closed at 887.00 on Friday for a net weekly gain of 4.12 points. So far the market just did a mild correction in the past two weeks. The price consolidated between 20 and 40 weekly moving average lines.

This week we may see \$SPX continues sideway movement due to end-of-the-month movement.. It may go down a little to 860 area, but it shouldn't go above 912.50 for weekly closing.

Last week's high 923.50 turns out to be very important for completing the potential inverted H&S pattern. We may see the price to go up to fill the gap 906-908 area in the early part of this week, then hold price under that range for the rest of the week to get ready for next week's continuation low toward 840-829

Major monthly resistance level 950 and support level is 800

Weekly resistance level 910 and support level is 836

SPX DAILY CHART



5. DAILY OUTLOOK

Last week ES broke its recent short-term up-trend channel, and closed under that channel on Friday. This indicates that ES intends to retest 40 daily moving average line soon.

Today we may see one more attempt to fill 900 line gap. As long as 900 line holds the price down, ES should stay down and move lower toward 866-865 area,

On the daily chart, ES already lost the support at the 10 and 20-day moving average lines. This week 865-866 range will become a very important support area. A move below this support area will be negative and a further decline should be expected.

ESM9 DAILY Chart



6. TRADING STRATEGY FOR May 26, 2009

Because of the holiday Monday, Tuesday will combine two days move into one day. If ES remains under 889 line in overnight trading, we may see it go down first to retest last week's low 875 area. If there is a break below 875 line, the price could dip into 866-864 area (scalping long). If ES can hold 875 line and breakout 889 line, we may see it go up to retest 895-897 range. If there is a move above 897 line, it is likely to see last Thursday's 900 gap get filled.

ESM9 INTRADAY



INTRADAY SCALPING NUMBERS

	Very Aggressive	Aggressive	Conservative
Sell level	893.75-895.00	899.50-900.50	906.75-908.25
Buy level	866.25-864.75	859.25-858.00	846.00-847.50

7. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=1.95)

902.34	+2/8
900.39	+1/8
898.44	8/8
896.48	7/8
894.53	6/8
892.58	5/8
890.63	4/8
888.67	3/8
886.72	2/8
884.77	1/8
882.81	0/8
880.86	-1/8
878.91	-2/8

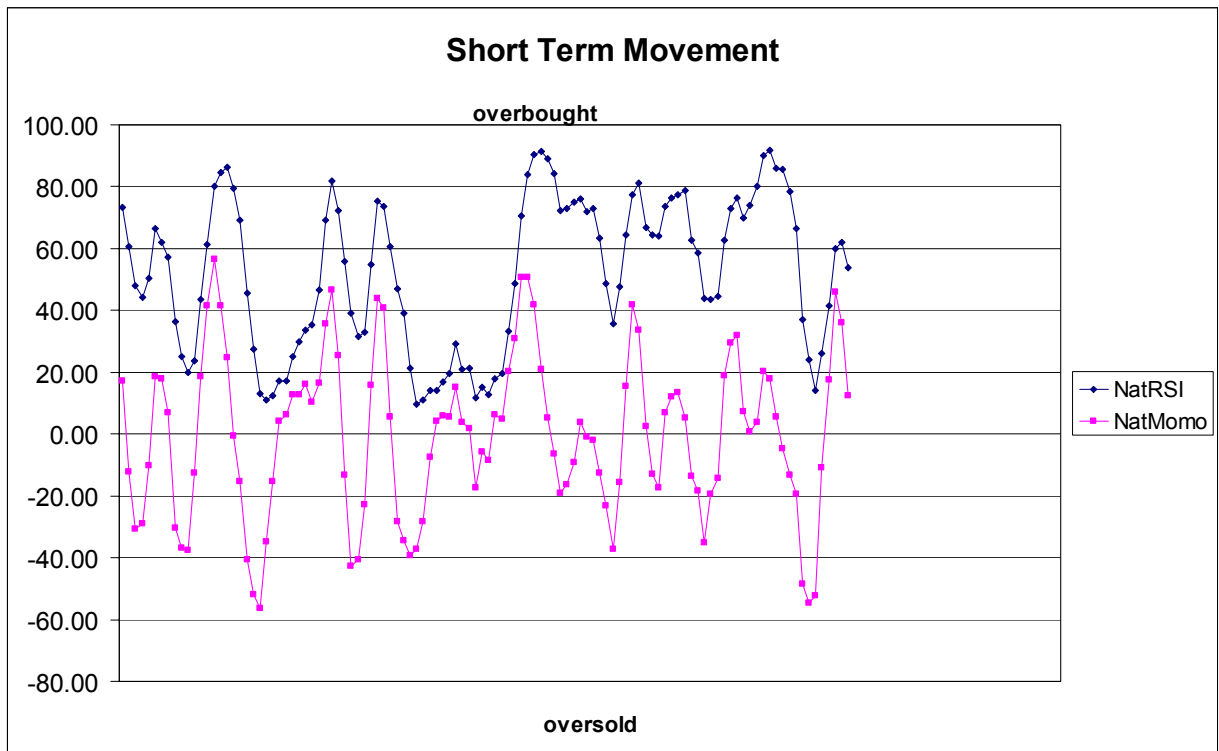
Up (Interval=3.91)

914.06	+2/8
910.16	+1/8
906.25	8/8
902.34	7/8
898.44	6/8
894.53	5/8
890.63	4/8
886.72	3/8
882.81	2/8
878.91	1/8
875.00	0/8
871.09	-1/8
867.19	-2/8

Down (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

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 26	09:00	S&P/CaseShiller Home Price Index	Mar		NA	-18.4%	-18.63%
May 26	10:00	Consumer Confidence	May		NA	42.0	39.2
May 27	10:00	Existing Home Sales	Apr		NA	4.65M	4.57M
May 28	08:30	Durable Goods Orders	Apr		NA	0.5%	-0.8%
May 28	08:30	Durables, Ex-Transport	Apr		NA	-0.3%	-0.6%
May 28	08:30	Initial Claims	05/23		NA	NA	631K
May 28	10:00	New Home Sales	Apr		NA	363K	356K
May 28	11:00	Crude Inventories	5/22		NA	NA	-2.10M
May 29	08:30	GDP - Prelim.	Q1		NA	-5.5%	-6.1%
May 29	08:30	GDP Deflator	Q1		NA	2.9%	2.9%
May 29	09:45	Chicago PMI	May		NA	42.0	40.1
May 29	09:55	Mich Sentiment-Rev	May		NA	68.0	67.9