



Daily Trading Plan for June 15, 2009

1. ESU9 IN PREVIOUS DAY

Open	High	Low	Closing
935.50	942.75	931.25	940.75

2. PIVOTS FOR ESU9

	Daily	Weekly	Monthly	Yearly
R3	961.25	981.08	1008.25	2082.17
R2	956.75	966.92	968.00	1781.33
R1	945.25	953.83	943.00	1340.67
PPT	938.25	939.67	902.75	1039.83
S1	933.75	926.58	877.75	599.17
S2	926.75	912.42	837.50	448.75
S3	922.25	899.33	812.50	298.33

3. FOCUS NUMBERS

	Daily	Weekly
1st Sell level	948.50 -947.75	969.75-971.25
2nd Sell level	959.25-961.25	984.50-985.75
1st Buy level	924.50 – 925.50	910.75-907.50
2nd Buy level	911.00 – 910.75	896.50- 895.50

4. WEEKLY OUTLOOK

The S&P 500 (\$SPX) closed at 946.21 on Friday for a net weekly gain of 6.12 points. The market is still dealing with long term resistance level (red line). It formed a small ascending triangle pattern on daily chart from past two weeks – a potential bullish pattern with a contracting volume.

If this ascending triangle pattern formed in later April and early May with increasing advancing volume, I would like to say it is a bullish market. But now our market has been already rising about 35%, and the price has been going sideways to slightly higher in the past 10 days. It makes me to think the current rally is more vulnerable to a pullback, especially since volume decreased on the higher price move.

This week is quadruple witching expiration week. High volatility moves are possible within this week. To make a higher move, \$SPX needs to breakout 957-959 range to push price higher to 982.95 area to complete bullish butterfly pattern. A break below 923 will confirm the short term Top has been seen. That will encourage sellers to push price down to 912-910 range or lower to 10EMA weekly line in the 896-900 area. Anything can happen at option expiration, especially since the \$SPX has had two weeks contraction move, and built enough energy for a rapid move in either direction.

SPX WEEKLY CHART



Major monthly resistance level 985 and support level is 827

Weekly resistance level 957 and support level is 885

5. DAILY OUTLOOK

Friday ES mainly went sideways for consolidation under the previous yearly high price 942.75.

Today ES may repeat last Friday's range move first until it makes its decision on which direction it wants to breakout first. Due to option expiration, 940 line is battlefield. Bulls will fight for 950 line or higher. Bears will fight for 930 line or a little lower. At this stage we don't know who will win; it will depend on who gives up first.

ESU9 DAILY Chart



6. TRADING STRATEGY FOR June 15, 2009

First thing first, we need to pay attention on overnight trading range. If overnight trading remains 942.75-931.25, we use range trading method for scalping on either side of the range. If ES breaks down 924.50 overnight, we are looking for any bounce under 933.75 to go short for scalping target 925.50. After first hour trading, if ES can hold above 929, we are looking for long entry for gap play. After market opens, watch for u-key line and d-key line carefully. If ES moves outside those key lines it could create momentum or stop run.

ESU9 INTRADAY



INTRADAY SCALPING NUMBERS

	Very Aggressive	Aggressive	Conservative
Sell level	948.50-948.00	957.50-959.75	969.75-971.50
Buy level	925.50-924.50	919.75-918.50	910.75-909.25

7. PREDICTION FOR NEXT DAY'S MOVEMENT

Current (interval=1.95)

949.22	+2/8
947.27	+1/8
945.31	8/8
943.36	7/8
941.41	6/8
939.45	5/8
937.50	4/8
935.55	3/8
933.59	2/8
931.64	1/8
929.69	0/8
927.73	-1/8
925.78	-2/8

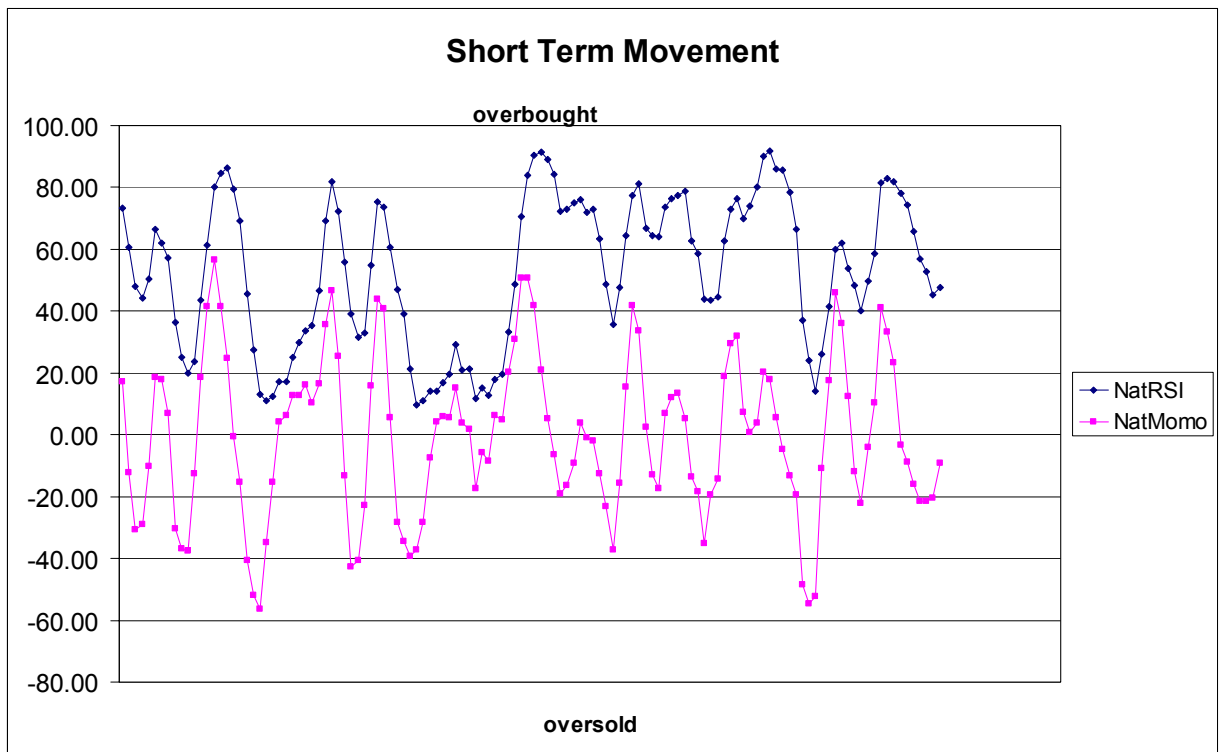
Up (Interval=3.91)

976.56	+2/8
972.66	+1/8
968.75	8/8
964.84	7/8
960.94	6/8
957.03	5/8
953.13	4/8
949.22	3/8
945.31	2/8
941.41	1/8
937.50	0/8
933.59	-1/8
929.69	-2/8

Down (Interval=3.91)

945.31	+2/8
941.41	+1/8
937.50	8/8
933.59	7/8
929.69	6/8
925.78	5/8
921.88	4/8
917.97	3/8
914.06	2/8
910.16	1/8
906.25	0/8
902.34	-1/8
898.44	-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
Jun 15	08:30	NY Empire Manufacturing Index	Jun	NA	-5.10	-4.55	
Jun 15	09:00	Net Long-Term TIC Flows	Apr	NA	\$52.9B	\$55.8B	
Jun 16	08:30	Housing Starts	May	NA	483K	458K	
Jun 16	08:30	Building Permits	May	NA	500K	498K	
Jun 16	08:30	PPI	May	NA	0.6%	0.3%	
Jun 16	08:30	Core PPI	May	NA	0.1%	0.1%	
Jun 16	09:15	Capacity Utilization	May	NA	68.4%	69.1%	
Jun 16	09:15	Industrial Production	May	NA	-0.8%	-0.5%	
Jun 17	08:30	Core CPI	May	NA	0.1%	0.3%	
Jun 17	08:30	CPI	May	NA	-0.9%	-0.7%	
Jun 17	08:30	Current Account Balance	Q1	NA	-\$85.0B	-\$132.8B	
Jun 17	10:30	Crude Inventories	06/12	NA	NA	-4.38M	
Jun 18	08:30	Initial Claims	06/13	NA	610K	601K	
Jun 18	10:00	Leading Indicators	May	NA	0.9%	1.0%	
Jun 18	10:00	Philadelphia Fed	Jun	NA	-17.0	-22.6	