



## Daily Trading Plan for July 17, 2009

### 1. ESU9 IN PREVIOUS DAY

Open	High	Low	Closing
925.50	940.75	923.75	935.75

### 2. PIVOTS FOR ESU9

	Daily	Weekly	Monthly	Yearly
R3	960.08	922.92	1019.25	2082.17
R2	950.42	909.58	986.00	1781.33
R1	943.08	891.92	950.75	1340.67
<b>PPT</b>	<b>933.42</b>	<b>878.58</b>	<b>917.75</b>	<b>1039.83</b>
S1	926.08	860.92	882.25	599.17
S2	916.42	847.58	849.00	448.75
S3	909.08	829.92	813.75	298.33

### 3. FOCUS NUMBERS

	Daily	Weekly
<b>1<sup>st</sup> Sell level</b>	<b>942.75-944.50</b>	<b>S 899.75 - 903.75</b>
<b>2<sup>nd</sup> Sell level</b>	<b>952.25-951.75</b>	<b>S 910.50- 912.50</b>
<b>1<sup>st</sup> Buy level</b>	<b>918.25-919.25</b>	<b>863.25-860.25</b>
<b>2<sup>nd</sup> Buy level</b>	<b>912.25-910.50</b>	<b>845.50-839.75</b>

#### 4. DAILY OUTLOOK

In the past four days, the market kept ignoring the bad news. The media focused on the banks and stated that the recession was bottoming. This is completely false. Dell and Nokia reported earning losses and say there are no signs of recovery. MGIC – large mortgage insurer – reported its losses are greater than the previous quarter, and home foreclosures rose 15% in past 6 months. CIT group probably files for bankruptcy today. And all this demonstrates that the recession was bottoming? I don't think so.

The upside move was mainly powered by Wall Street program buying. The main purpose is to drive up the banking stocks and sell the inflated prices to the public. The program buying triggered short covering which drives the price higher. We expect this option expiration week will end higher than last week — which is one purpose of the exercise. positive.

We don't think it will last. Based on the daily chart, ES remains a broad range move for the past two and half months. We may see that the price hang up at the top of that range today. But next week, we could see the price pulls back into 907 area.

ESU9 DAILY Chart



## 5. TRADING STRATEGY FOR July 17, 2009

On 60min chart, ES went sideway all morning and then in the afternoon pushed the price higher to fill June 16's gap at 940.75. The very short-timeframe shows overbought condition. Today we could see a pullback move in the morning if yesterday's high 941 area holds down in overnight trading. The lines below any one of those 928.25, 920-18 and 912-13 ranges could be retested again today. But no matter how low the price goes, 912-13 range needs to hold price up for testing today's high or yesterday's high.

### ESU9 INTRADAY



### INTRADAY SCALPING NUMBERS

	Very Aggressive	Aggressive	Conservative
<b>Sell level</b>	<b>939.25</b>	<b>947-948</b>	<b>952.75-954.00</b>
<b>Buy level</b>	<b>924-923</b>	<b>918-916</b>	<b>912.25-910.75</b>

## 6. PREDICTION FOR TODAY'S MOVEMENT

### Current (interval=1.95)

941.41	+2/8
939.45	+1/8
<b>937.50</b>	<b>8/8</b>
<b>935.55</b>	<b>7/8</b>
<b>933.59</b>	<b>6/8</b>
<b>931.64</b>	<b>5/8</b>
<b>929.69</b>	<b>4/8</b>
<b>927.73</b>	<b>3/8</b>
<b>925.78</b>	<b>2/8</b>
<b>923.83</b>	<b>1/8</b>
<b>921.88</b>	<b>0/8</b>
919.92	-1/8
917.97	-2/8

### Up (Interval=3.91)

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

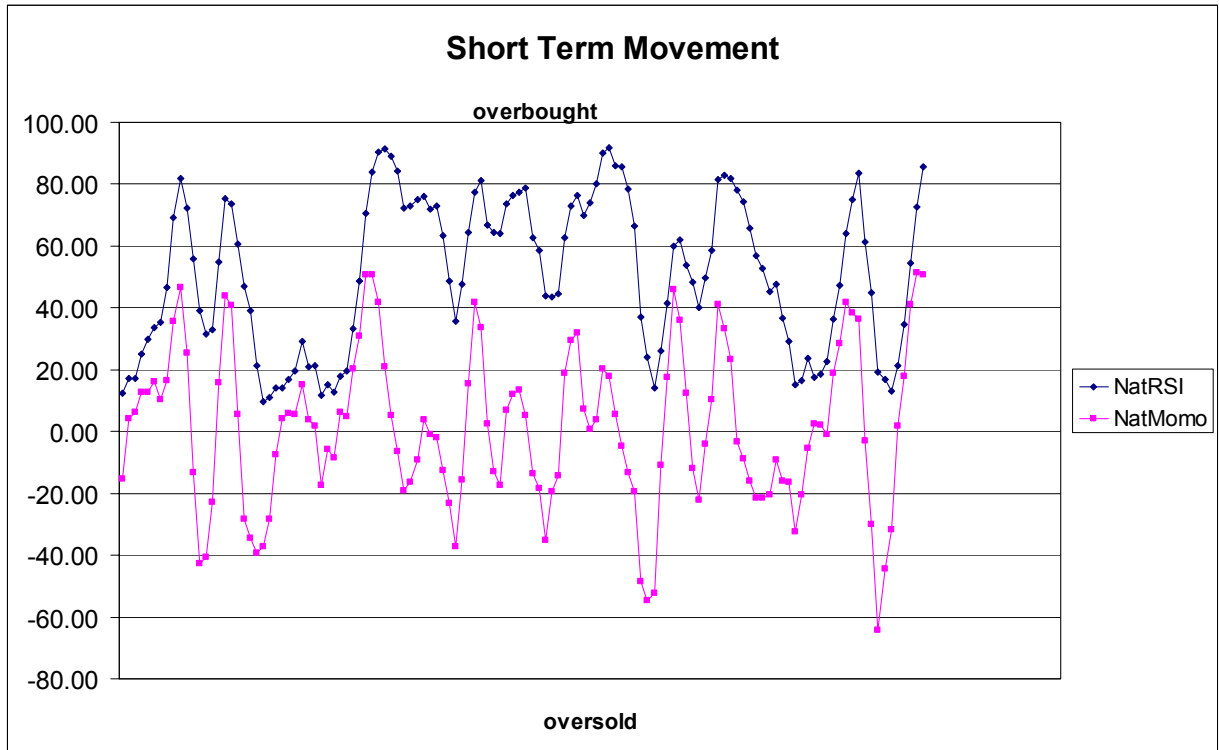
### Down (Interval=3.91)

945.31	+2/8
941.41	+1/8
<b>937.50</b>	<b>8/8</b>
<b>933.59</b>	<b>7/8</b>
<b>929.69</b>	<b>6/8</b>
<b>925.78</b>	<b>5/8</b>
<b>921.88</b>	<b>4/8</b>
<b>917.97</b>	<b>3/8</b>
<b>914.06</b>	<b>2/8</b>
<b>910.16</b>	<b>1/8</b>
<b>906.25</b>	<b>0/8</b>
902.34	-1/8
898.44	-2/8

## 7. OVERNIGHT CALL (3:30am to 8am)

	1 <sup>st</sup> Sell level	2 <sup>nd</sup> Sell level
	940.25-942.75	949.75-947.25
<b>Central line</b>	<b>935.25</b>	
	924.25-925.00	917.25-918.25
	1 <sup>st</sup> Buy level	2 <sup>nd</sup> Buy level

## 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
Jul 17	08:30	Building Permits	Jun		NA	523K	518K
Jul 17	08:30	Housing Starts	Jun		NA	530K	532K