



Daily Trading Plan for Aug. 19, 2009

1. ESU9 IN PREVIOUS DAY

Open	High	Low	Closing
980.75	990.00	979.00	989.50

2. PIVOTS FOR ESU9

	Daily	Weekly	Monthly	Yearly
R3	1004.33	1040.50	1159.33	2082.17
R2	997.17	1027.25	1076.67	1781.33
R1	993.33	1016.50	1030.58	1340.67
PPT	986.17	1003.25	947.92	1039.83
S1	982.33	992.50	901.83	599.17
S2	975.17	979.25	819.17	448.75
S3	971.33	968.50	773.08	298.33

3. FOCUS NUMBERS

	Daily	Weekly
1st Sell level	993.75-994.75	1033.75-1035.00
2nd Sell level	998.75-1003.50	1049.25-1053.75
1st Buy level	983.75-982.75	990.25-987.25
2nd Buy level	972.75-973.50	974.75-975.50

4. DAILY OUTLOOK

IMF says the global recession is over. Again another optimistic economist showed up on TV. The street keeps sending the message – Don't worry, the future is bright. So after one day of painful selling, buying on dip behavior repeated again yesterday.

Did yesterday's rally represent true buying activity in the market? My answer is No. Why? The volume decreases 25.6% on the high price move. That means at least some people didn't participate in yesterday's rally. Second, the price just bounced back up to retest weekly range breakdown area 988.75-992.25. Even though ES closed above 988.75 line yesterday, the key issue is really today's closing. If ES closes above 994, odds will believe ES intends to move up to fill 1005.75 gap, and they will push price high. If ES remains below 988.75 line, odds will favor further down move in the coming days. As long as ES doesn't go above 994 line, short-term daily trend should be staying down until it completes correction move.

The day gets closer and closer to option expiration day. Anything can happen within option expiration week. High volatility move should be expected.

ESU9 DAILY Chart



5. TRADING STRATEGY FOR Aug. 19, 2009

ES made 38% retracement from 1014 high to 975.75 low. Today if overnight trading still holds above 980.50-983, it is likely for ES to move a little further to retest 992-993.50. A move above 994 is little bullish. Upside momentum could push price higher to 998-1000 (short entry) or further high to fill the gap 1005.75 (short entry). If after first hour trading, ES fails to breakout 994 line, instead moving below open price, it is likely for ES to move lower to retest yesterday's low area. A break below 975 will be bearish and a further decline to 970-968 area would be possible.

ESU9 INTRADAY



INTRADAY SCALPING NUMBERS

	Very Aggressive	Aggressive	Conservative
Sell level	992.75-993.50	998.75-1000	1003.75-1005.75
Buy level	982.00-980.50	976.25-975.00	971.25-969.75

6. PREDICTION FOR TODAY'S MOVEMENT

Current (interval=1.95)

996.09	+2/8
994.14	+1/8
992.19	8/8
990.23	7/8
988.28	6/8
986.33	5/8
984.38	4/8
982.42	3/8
980.47	2/8
978.52	1/8
976.56	0/8
974.61	-1/8
972.66	-2/8

Up (Interval=1.95)

1003.91	+2/8
1001.95	+1/8
1000.00	8/8
998.05	7/8
996.09	6/8
994.14	5/8
992.19	4/8
990.23	3/8
988.28	2/8
986.33	1/8
984.38	0/8
982.42	-1/8
980.47	-2/8

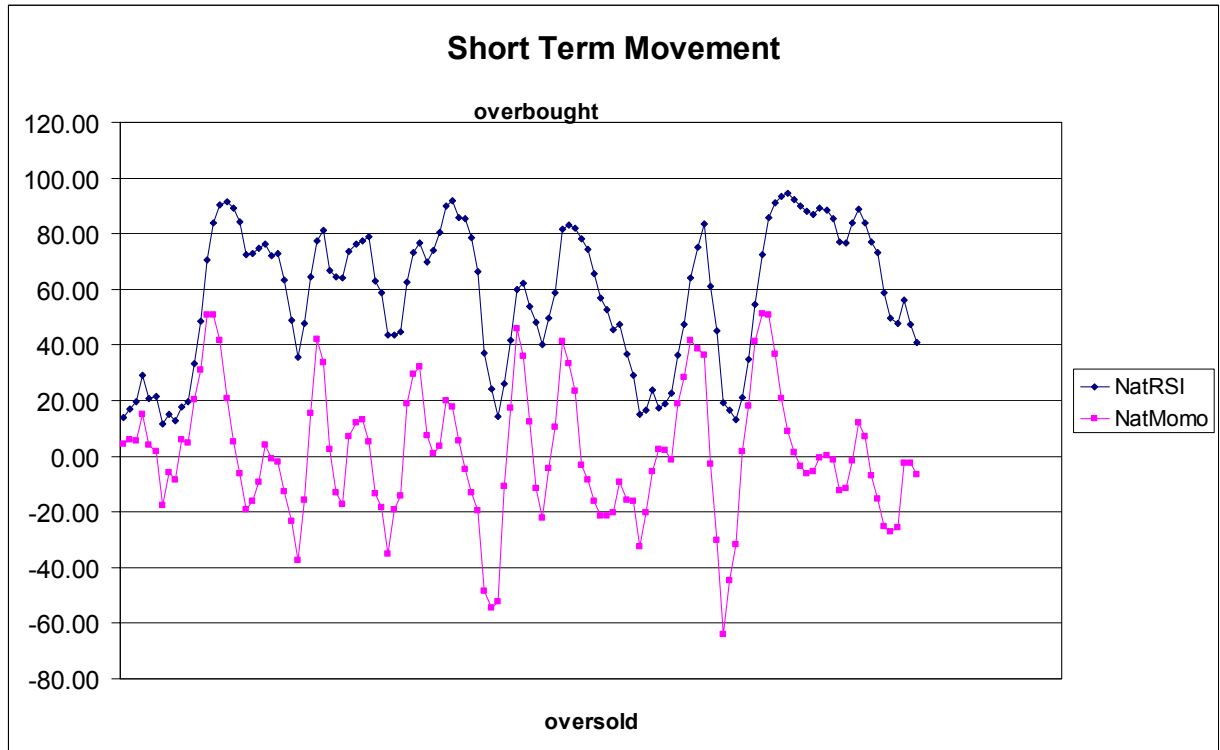
Down (Interval=1.95)

996.09	+2/8
994.14	+1/8
992.19	8/8
990.23	7/8
988.28	6/8
986.33	5/8
984.38	4/8
982.42	3/8
980.47	2/8
978.52	1/8
976.56	0/8
974.61	-1/8
972.66	-2/8

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

	1 st Sell level	2 nd Sell level
	992.25-994.75	997.75-998.75
Central line	989.50	
	983.75-981.50	975.75-973.25
	1 st Buy level	2 nd 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
Aug 19	10:30	Crude Inventories	08/14	NA	NA	NA	+2.52M
Aug 20	08:30	Initial Claims	08/15	550K	553K	558K	
Aug 20	10:00	Leading Indicators	Jul	0.6%	0.6%	0.7%	
Aug 20	10:00	Philadelphia Fed	Aug	1.0	-2.0	-7.5	
Aug 21	10:00	Existing Home Sales	Jul	5.10M	5.00M	4.89M	