



## Daily Trading Plan for Sept. 14, 2009

### 1. ESZ9 IN PREVIOUS DAY

Open	High	Low	Closing
1040.75	1043.75	1033.50	1037.25

### 2. PIVOTS FOR ESZ9

	Daily	Weekly	Monthly	Yearly
R3	1053.08	1072.42	1110.42	2082.17
R2	1048.42	1058.08	1074.58	1781.33
R1	1042.83	1047.67	1047.17	1340.67
<b>PPT</b>	<b>1038.17</b>	<b>1033.33</b>	<b>1011.33</b>	<b>1039.83</b>
S1	1032.58	1022.92	983.92	599.17
S2	1027.92	1008.58	948.08	448.75
S3	1022.33	998.17	920.67	298.33

### 3. FOCUS NUMBERS

	Daily	Weekly
<b>1<sup>st</sup> Sell Range</b>	<b>1048.25-1046.75</b>	<b>1052.25-1054.25</b>
<b>2<sup>nd</sup> Sell Range</b>	<b>1052.25-1054.25</b>	<b>1072.25-1074.75</b>
<b>1<sup>st</sup> Buy Range</b>	<b>1025.75-1024.00</b>	<b>1011.75-1009.75</b>
<b>2<sup>nd</sup> Buy Range</b>	<b>1012.25-1009.75</b>	<b>1000-997.00</b>

#### 4. WEEKLY OUTLOOK

The S&P 500 (\$SPX) closed at 1042.73 on Friday for a net weekly gain of 26.33 points. The stock market is up about 51% from its March's low. The leading economic indicators have been showing positive for each of the last four months, plus the manufacturing is on the rebound list. With this recent upbeat economic news, many people are believing "Recession is Over" and start to aggressively put money back into the stock market.

Last week, we stated that two possibilities might occur. One scenario was correct; the SPX remained positive for the bullish pattern with strong market breadth figures. The price stayed at high and slowly made new highs. At the end, the price closed up about 2% gain.

This week is quadruple witch expiration week. Due to option expiration, majority are expecting the high area for weekly closing for the option. Also there is a real measurement of inverted H&S pattern neckline 1072.15 ahead of the current price. We may see the SPX push the price up to the neckline area before it sells off next week.

The option game battle line is around 1040. Bulls will fight for 1075 line direction and bears will fight for 1025 or lower close to 1000 area direction. Option week usually involves high volatility, and heavy economic news help to increase volatility.

#### SPX WEEKLY CHART



Major monthly resistance level 1075 and support level is 950  
 Weekly resistance level 1075 and support level is 995.00

## 5. DAILY OUTLOOK

ES has bullish W pattern on daily chart. The pattern final completion target is around 1052.25-1054.25. But the short-term has overbought condition (medium-term in neutral condition). In the recent past, all short-term overbought condition have been nicely corrected by internal trading. Should the same occur this time too? It may. Based in AAI data last week showed 37% bullish vs 44% bearish, this figure could be pushed up while our market goes higher in the last rally-ending stage. Therefore 1052.25-54.25 range remains the focus of our attention for this week as long as 1025 line holds up the price. I told what weekly short-term swing traders would do in the room, Watch for major resistance level carefully, and don't get trapped by a fake breakout move.

ESZ9 DAILY Chart



## 6. TRADING STRATEGY FOR Sept. 14, 2009

Since Sept 8, ES had a gap up open and the price stayed at high for 3 pushes up movement. Today we may see a pullback move down to 1033 area or lower to 1028-25 followed by a reversal up again. If ES goes up to retest last Friday's high 1043.75-44.75 (short entry) or attempts to move higher to 1052-54.25 (2<sup>nd</sup> short entry), we are trading on the short side. If ES goes down to retest last Friday's low 1033.50 area, we should expect a little further lower to 1027-25 area (long entry).

### ESZ9 INTRADAY



### INTRADAY SCALPING NUMBERS

	Very Aggressive	Aggressive	Conservative
<b>Sell level</b>	<b>1044.25-1046.75</b>	<b>1052.25-1054.25</b>	<b>1059.75-1061.25</b>
<b>Buy level</b>	<b>1029.75-1028.75</b>	<b>1024.25-1023.50</b>	<b>1014.75-1011.75</b>

## 7. PREDICTION FOR NEXT DAY'S MOVEMENT

### Current (interval=0.98)

1044.92	+2/8
1043.95	+1/8
1042.97	8/8
1041.99	7/8
1041.02	6/8
1040.04	5/8
1039.06	4/8
1038.09	3/8
1037.11	2/8
1036.13	1/8
1035.16	0/8
1034.18	-1/8
1033.20	-2/8

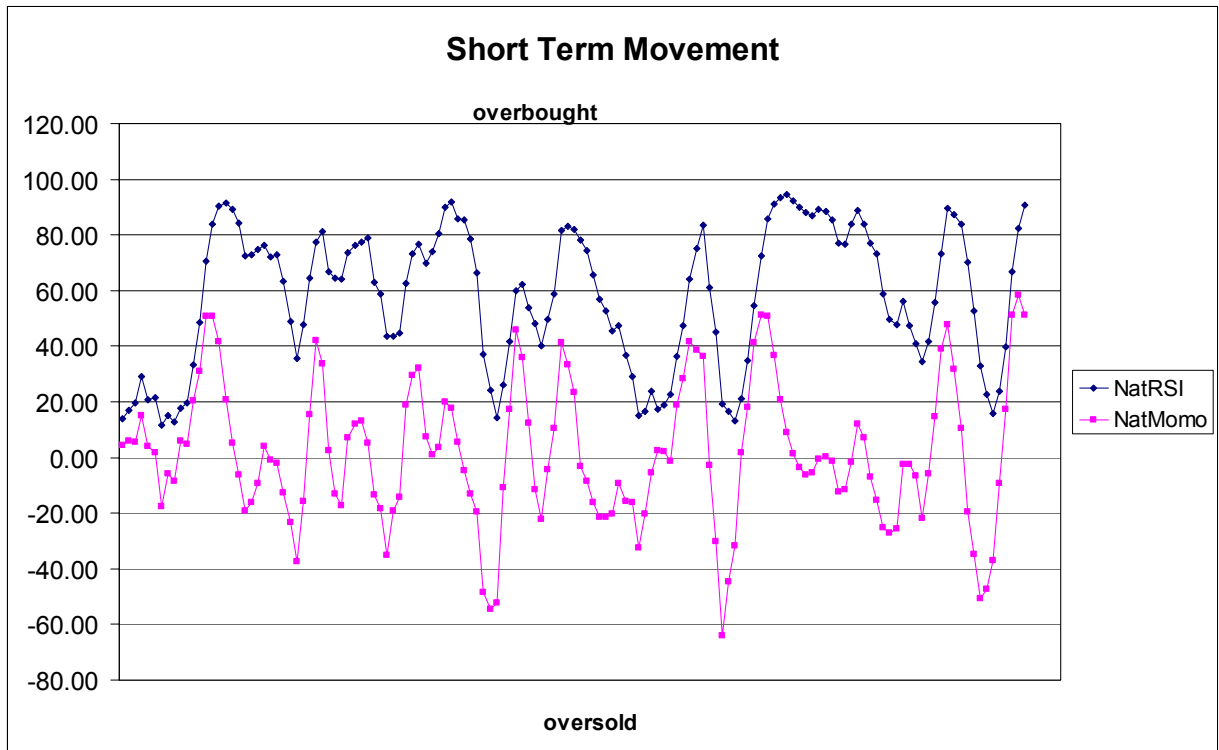
### Up (Interval=1.95)

1050.78	+2/8
1048.83	+1/8
1046.88	8/8
1044.92	7/8
1042.97	6/8
1041.02	5/8
1039.06	4/8
1037.11	3/8
1035.16	2/8
1033.20	1/8
1031.25	0/8
1029.30	-1/8
1027.34	-2/8

### Down (Interval=1.95)

1042.97	+2/8
1041.02	+1/8
1039.06	8/8
1037.11	7/8
1035.16	6/8
1033.20	5/8
1031.25	4/8
1029.30	3/8
1027.34	2/8
1025.39	1/8
1023.44	0/8
1021.48	-1/8
1019.53	-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
Sep 15	08:30	Core PPI	Aug	0.0%	0.1%	-0.1%	
Sep 15	08:30	PPI	Aug	1.0%	0.8%	-0.9%	
Sep 15	08:30	Retail Sales	Aug	2.1%	1.9%	-0.1%	
Sep 15	08:30	Retail Sales ex-auto	Aug	0.1%	0.4%	-0.6%	
Sep 15	08:30	Empire Manufacturing	Sep	13.00	15.00	12.08	
Sep 15	10:00	Business Inventories	Jul	-1.2%	-0.8%	-1.1%	
Sep 16	08:30	Core CPI	Aug	0.0%	0.1%	0.1%	
Sep 16	08:30	CPI	Aug	0.2%	0.3%	0.0%	
Sep 16	09:00	Net Long-term TIC Flows	Jul	NA	NA	-31.2B	
Sep 16	09:15	Capacity Utilization	Aug	69.6%	69.1%	68.5%	
Sep 16	09:15	Industrial Production	Aug	1.0%	0.7%	0.5%	
Sep 16	10:30	Crude Inventories	09/11	NA	NA	-5.91M	
Sep 17	08:30	Building Permits	Aug	575K	596K	564K	
Sep 17	08:30	Housing Starts	Aug	570K	580K	581K	
Sep 17	08:30	Initial Claims	09/12	565K	555K	550K	
Sep 17	08:30	Continuing Claims	09/05	6000K	6114K	6088K	
Sep 17	10:00	Philadelphia Fed	Sep	10.0	8.0	4.2	