



Day trading the SP 500 e-mini

Outlook for the week of March 8, 2010

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1. ESH0 IN PREVIOUS DAY

Open	High	Low	Closing
1129	1138.75	1126.00	1136.50

2. PIVOTS FOR ESH0

	Daily	Weekly	Monthly	Yearly
R3	1154.25	1183.25	1199.67	1730.33
R2	1146.50	1161.00	1155.33	1428.42
R1	1141.50	1148.75	1129.42	1269.58
PPT	1133.75	1126.50	1085.08	967.67
S1	1128.75	1114.25	1059.17	808.83
S2	1121.00	1092.00	1014.83	506.92
S3	1116.00	1079.75	988.92	348.08

3. FOCUS NUMBERS

	Daily	Weekly
1 st Sell Range	1142.75-1144.25	1155.00-1158.00
2 nd Sell Range	1147.00-1149.00	1173.25-1171.75
Key #	1136.00-1138.50	1125.00-1123.50
1 st Buy Range	1124.50-1122.50	1118.50-1116.25
2 nd Buy Range	1115.25-1114.50	1107.25-1105.00

The key # is a control point for up or down moves. When price moves from one side of that line to the other and stays in the new range it often indicates a change in trend and the beginning of a stop run. Look for the price to move toward new support and resistance levels, often at/near our buy or sell range. For more information visit www.naturus.com.

4. WEEKLY OUTLOOK

The markets cracked again last week. The S&P500 closed the week at 1138.70 — the net weekly gain was 3% — based on better-than-expected jobless numbers and an unexpected increase in the consumer borrowing number in January.

What's going on? Apparently index futures traders believe all will be good with the economic environment in the U. S., as S&P 500 continues to rally to near the yearly highs. Last week most of the economic reports showed signs of improvement in the U.S. economy, but those reports do not completely get us out of the woods. We still need a further improvement in employment and higher consumer confidence to enhance the stock market rally that began a year ago Wednesday.

From the technical view, last week S&P 500 broke through its 1125 resistance level, a bullish sign. This breakout momentum could carry the price up to 1155-58 area this week to retest the long term major resistance. This is also a rollover week. The volatility should increase.

Two things we should pay attention to: One is the market volatility Index (\$VIX), which has declined from 20.02 to its Friday's close at 17.69. It broke its major support level and indicates that there is room for S&P 500 to move higher. The previous low for the \$VIX was 9.47 in Dec 30, 2009.

Second is that S&P 500 is not far from its major long-term resistance zone 1158-1160, which suggests this rally may be in the final stage. Monday we may see one last small upward push to complete the bull-flag target we mentioned in last week's Market Preview and drop back down to last Friday's breakout range 1125-1120.

A break below 1044.50 will indicate that all 5 waves of primary 2 have ended. A move above 1160 will mark 1200 as the next major target for the S&P 500 to overcome.

SPX WEEKLY CHART



Major monthly resistance level 1160 and support level is 1030
Weekly resistance level 1160 and support level is 1120

5. DAILY OUTLOOK

After 3 days of narrow range consolidation, ES finally broke the top of the consolidation range Friday and closed at the high end of the daily range. This is bullish and upside momentum could lead ES to continue moving higher Monday. January's high could be retested again and perhaps passed through to reach a new high around the major resistance in the 1156.50 area

All indicators are bullish, including medium-term and long term. The breach of the H&S pattern will force pattern shorts to cover. The next potential intraday pattern is a Double TOP around 1147-48. Should this pattern hold? We need to wait to see how the price action develops this week.

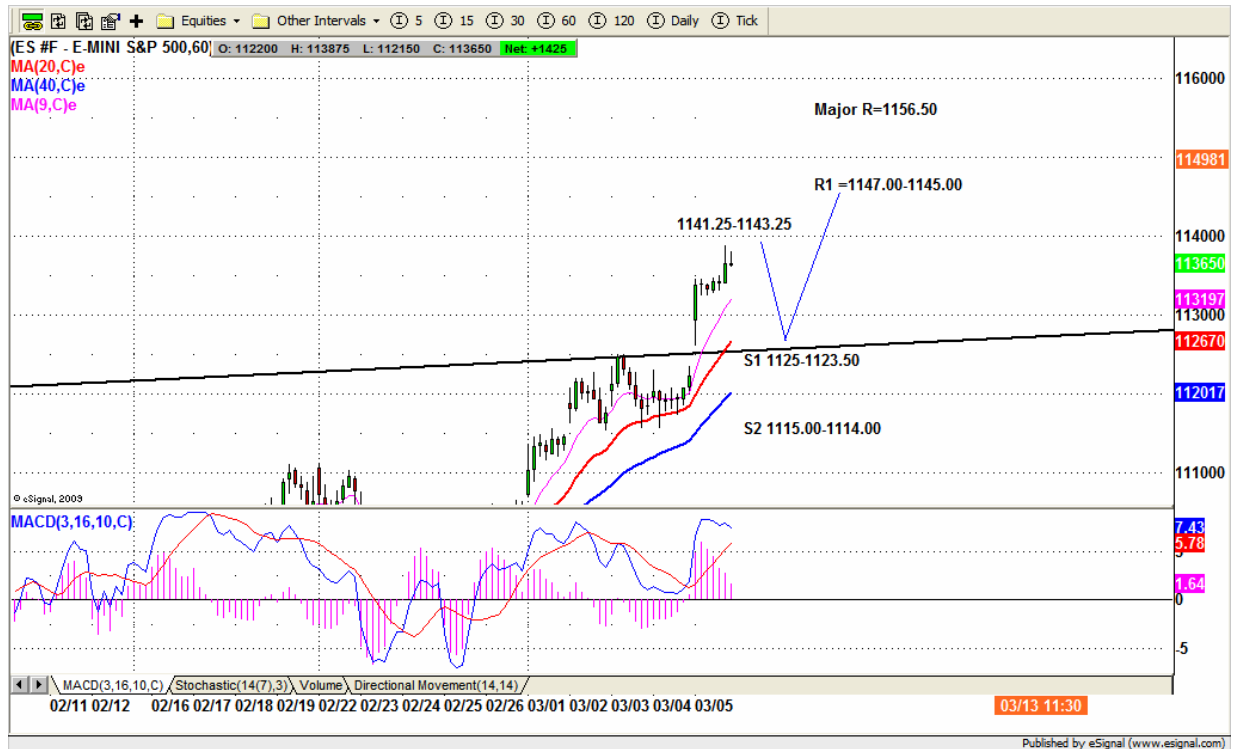
ESH0 DAILY Chart



6. TRADING STRATEGY FOR March 8, 2010

After the breakout on Friday, upside momentum prevented ES from dropping to retest the breakout point area 1125-23.50. Today in the early morning ES may continue moving high around 1141-44 range (short entry) before price pulls back down to 1125-23.50 area for testing. If ES goes down first to the breakout point (range 1125-23.50) we are going long one more time for targets 1138-37 and 1141-44, and looking for 1145 or higher 1147 area for short entry.

ESH0 INTRADAY



INTRADAY SCALPING NUMBERS

	Very Aggressive	Aggressive	Conservative
Sell level	1136.50-1138.50*	1143.25-1144.00	1147.00-1149.00
Buy level	1123.50-1125.00	1121.00-1119.75	1115.00-1113.25

* Depends on the open. If market opens above this level look to the next higher level for shorts.

7. WEEKLY ECONOMIC REPORTS

(<http://www.briefing.com/Investor/Public/Calendars/EconomicCalendar.htm>)

Date	ET	Release	For	Actual	Briefing.com	Consensus	Prior
Mar 10	10:00	Wholesale Inventories	Jan	-0.1%	0.2%	-0.8%	
Mar 10	10:30	Crude Inventories	03/06	NA	NA	4.03M	
Mar 10	14:00	Treasury Budget	Feb	-\$223.0B	-\$210.0B	-\$42.6B	
Mar 11	08:30	Continuing Claims	2/27	4550K	4495K	4500K	
Mar 11	08:30	Initial Claims	03/06	445K	460K	469K	
Mar 11	08:30	Trade Balance	Jan	-\$37.2B	-\$41.0B	-\$40.2B	
Mar 12	08:30	Retail Sales	Feb	-0.2%	0.2%	0.5%	
Mar 12	08:30	Retail Sales ex-auto	Feb	0.2%	0.0%	0.6%	
Mar 12	09:55	Mich Sentiment	Mar	74.6	73.8	73.6	
Mar 12	10:00	Business Inventories	Jan	0.0%	0.2%	-0.2%	

8. OUTCOMES – previous week

Weekly summary:

Type	Number	Outcome (points)
scalping calls	29	58.75
position calls	5	9.50
method calls	4	5.25

To see a day-by-day summary of Nat's calls, click the link in your Quick Menu. To see more of Nat's site, create an account by following the link in the orange log-in box. It is free, and there is no obligation. You will also get notice of changes in Nat's service and special seminars she offers from time to time, as well as this weekly market preview.

This is an abridged version of Nat's Daily Trading Plan. To see the full trading plan contact admin@naturus.com

Note that Nat may modify the weekly preview based on pre-market price action. Members, please see the revised version before the market opens Monday morning.

This commentary does not constitute a recommendation to buy or sell any security.