



Natusus

Daily Trading Plan Jan 14, 2015

1. PREVIOUS DAY (ESH5)

| Open | High | Low | Closing |
|-------------|---------|---------|---------|
| RTH 2037.50 | 2051.75 | 2001.00 | 2016.00 |
| GBX 2023.50 | 2051.75 | 2001.00 | 2016.00 |

2. PIVOTS

| | Daily RTH and GBX | Weekly | Monthly | Yearly |
|------------|-------------------|----------------|----------------|----------------|
| R3 | 2095.75 | 2148.00 | 2234.25 | 2540.25 |
| R2 | 2073.75 | 2105.00 | 2161.50 | 2314.50 |
| R1 | 2045.00 | 2070.25 | 2107.00 | 2183.50 |
| PPT | 2023.00 | 2027.25 | 2034.25 | 1957.75 |
| S1 | 1994.00 | 1992.25 | 1979.75 | 1826.75 |
| S2 | 1972.00 | 1949.25 | 1907.00 | 1601.00 |
| S3 | 1943.25 | 1914.50 | 1852.50 | 1470.00 |

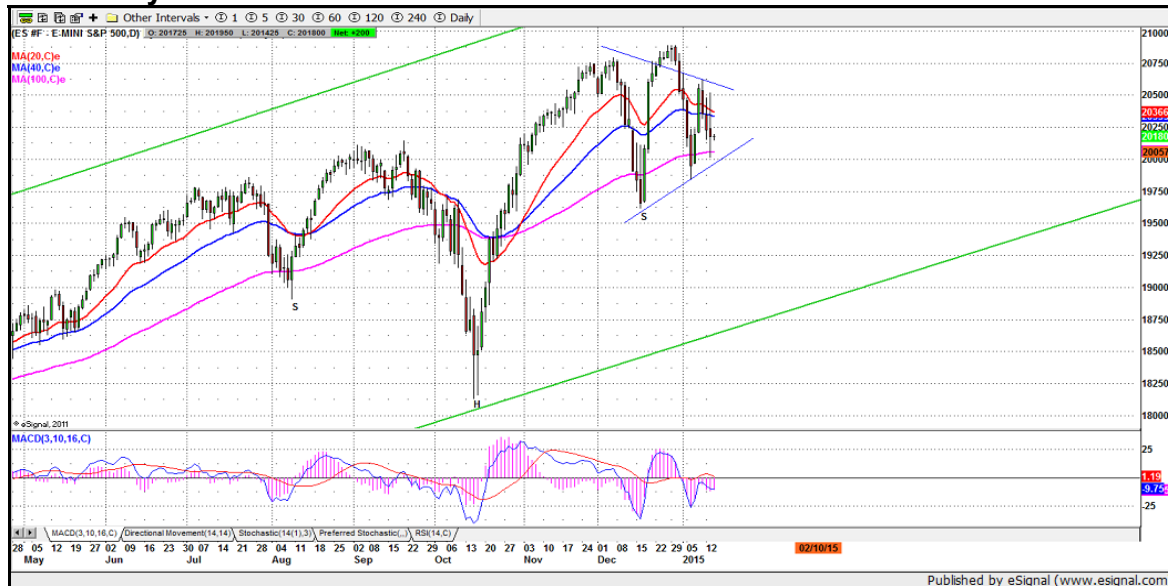
3. FOCUS NUMBERS

| | Daily | Weekly |
|----------------------------|-----------------|-----------------|
| 2 nd Sell level | 2052.50-2054.50 | 2092.50-2089.75 |
| 1 st Sell level | 2041.50-2043.75 | 2066.50-2068.50 |
| Key # | 2029.50-2028.50 | 2035.50-2037.50 |
| 1 st Buy level | 1991.75-1990.50 | 1997.00-1996.50 |
| 2 nd Buy level | 1980.75-1978.50 | 1979.50-1982.50 |

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.natusus.com

4. DAILY OUTLOOK – S&P 500 MINI FUTURES (ES)

ESH5 Daily chart



ES whipsawed again. It had a big run up before the European market closed, then sold off again. Even though it recovered some of the loss, it was still down 6.50 points for the day.

It had a wide trading range -- 50.75 points movement. The January option expiration meanline is lying at 2025 level, and the futures whipsaw up and down between 2050 and 2000 control line. Yesterday's move shouldn't surprise us. And this kind of move will continue.

Today should be the same high volatility moves as yesterday. Overnight the ECB may announce new QE plan and could squeeze yesterday's shorts or alternatively start a big run down if that new QE plan is not as good as The Street expects. One way or other, the wild move still could be seen.

For the downside, the 1995 level is key. A move below it could lead price down further toward 1990-89 or lower to 1980-75. For the upside a move above 2055 could squeeze the shorts and push the price up to 2060-65 or higher to 2070-75. When price is in a big run, stay on the sidelines until we see the speed slow down.

Short-term === bearish
 MEDIUM TERM === Bullish
 LONG-TERM === Bullish

Major resistance lines: 2039.50-38.50, 2048-50.25, 2056.50-58, 2062.50-64
 Major support line: 2005-03.50, 1988-84, 1975-72, 1962-64

TRADING STRATEGY: Jan 14. 2015

a. Intraday Swing Numbers

| | Short-time frame | Long-time frame | Focus on |
|------------|------------------|-----------------|----------|
| Sell level | 2038.50-2041.50 | 2065.50-2062.50 | |
| Buy level | | | |

b. Method Trading

| | Gap | target |
|------------|-----------------|--------|
| Sell level | 2029.50-2028.50 | 2016 |
| Buy level | 2000.00-1998.50 | 2016 |

c. Option Premium Collecting trades

| | Strike price | Expiration Date | Entry price |
|-----------------|----------------|-----------------|-------------|
| Calls | 2085 and above | 2015-01-16 | |
| meanline | 2025 | | |
| puts | 1945 and lower | 2015-01-16 | |

Murrey Math Line Movement *

(Caution. Know MMLine rule before you trade these numbers.)

| Prior Move | 7.81 | Up Move | 7.81 | Down Move | 7.81 |
|------------|------|---------|------|-----------|------|
| 2078.13 | +2/8 | 2078.13 | +2/8 | 2046.88 | +2/8 |
| 2070.31 | +1/8 | 2070.31 | +1/8 | 2039.06 | +1/8 |
| 2062.50 | 8/8 | 2062.50 | 8/8 | 2031.25 | 8/8 |
| 2054.69 | 7/8 | 2054.69 | 7/8 | 2023.44 | 7/8 |
| 2046.88 | 6/8 | 2046.88 | 6/8 | 2015.63 | 6/8 |
| 2039.06 | 5/8 | 2039.06 | 5/8 | 2007.81 | 5/8 |
| 2031.25 | 4/8 | 2031.25 | 4/8 | 2000.00 | 4/8 |
| 2023.44 | 3/8 | 2023.44 | 3/8 | 1992.19 | 3/8 |
| 2015.63 | 2/8 | 2015.63 | 2/8 | 1984.38 | 2/8 |
| 2007.81 | 1/8 | 2007.81 | 1/8 | 1976.56 | 1/8 |
| 2000.00 | 0/8 | 2000.00 | 0/8 | 1968.75 | 0/8 |
| 1992.19 | -1/8 | 1992.19 | -1/8 | 1960.94 | -1/8 |
| 1984.38 | -2/8 | 1984.38 | -2/8 | 1953.13 | -2/8 |

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

| | 1st Sell level | 2nd Sell level |
|---------------------|----------------------------------|----------------------------------|
| | 2035.50-2036.50 SL38.75 | 2048.25-2046.50 SL49.75 |
| Central line | 2026.5 | |
| | 2009.75-2010.50 SL 09.50 | 1996.25-1997.50SL 95.50 |
| | 1st Buy level | 2nd Buy level |

Overnight Call:

Central line 2026.50

ES moves above it, looking for short entries : 2035.50-2036.50 or higher up to 2048.25-2049.75

ES moves below it, looking for long entries: 2009.75-2010.50 or lower to 1996.25-1997.50