



Natusus

Daily Trading Plan Nov. 28, 2016

1. PREVIOUS DAY (ESU6)

Open	High	Low	Closing
RTH 2205.75	2211.75	2203.00	2211.25
GBX 2201.00	2111.75	2197.50	2211.25

2. PIVOTS

	Daily RTH and GBX	Weekly	Monthly	Yearly
R3	2223.25	2255.75	2209.75	2472.50
R2	2217.50	2233.75	2187.00	2303.25
R1	2214.50	2222.50	2153.50	2169.50
PPT	2208.75	2200.50	2130.50	2000.25
S1	2205.50	2189.25	2097.00	1866.25
S2	2199.75	2167.25	2074.25	1697.00
S3	2196.75	2156.00	2040.75	1563.33

3. FOCUS NUMBERS

	Daily	Weekly
2 nd Sell level	2234.50-2235.50	2284.75-2281.50
1 st Sell level	2220.50-2218.00	2248.00-2245.25
Key #	2203.50-2201.50	2193.50-2187.50
1 st Buy level	2183.50-2181.50	2174.50-2175.50
2 nd Buy level	2153.50-2152.50	2137.75-2138.50

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

3. WEEKLY OUTLOOK — S&P 500 CASH INDEX

The S&P 500 cash index (\$SPX) closed at 2213.35 on Friday, up 31.45 points for a 1.44% net weekly gain.

Last week: the SP500 index finally broke out to and closed at 2213.35 on Friday – a new bull market high.

This week: the week at the end and beginning of the month is usually a bullish period. The index will try to hold up for new higher level. The decisive breakout last Friday – even though the volume was thin – strongly suggests that we are in a trend with much higher highs ahead in the long-term.

Technical analysis

1. S&P500 index weekly



The SP500 index is bullish for the intermediate-term. The last weekly price candle was completed by closing above the previous resistance level. The weekly PMO is nearing

a buy signal, and the STO indicator is rising but hasn't reached overbought territory yet. All of them indicate the longer-term trend remains bullish and intact.

2. Short-term S&P500 Daily Chart



The S&P500 index had a minor pullback into the “breakout point” at 2193.81 for testing before the Thanksgiving holiday. It successfully held up price above it throughout the testing move and pushed price back up for closing above 2200 psychology support level.

The price action was bullish but still a little ambiguous. Due to the light volume, it could be interpreted as an exhaustion move, the buyers' last gasp.

The rally of the past 15 days creates a very steep uptrend line. Even though all indicators are rising, they are nearing overbought territory. A short-term pullback may occur, but we expect it could be very brief.

This week 2175 will be the first major support line for the index. Holding above it could bring new buyers in to push the index up to 2235-50 zone for new highs.

A move below it could run buyer's stops and bring the index back into the former consolidation range from 2175 to 2135.

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

ESU6 Daily chart



ES spiked to a higher level for closing on Friday. It was the day after Thanksgiving – Black Friday – and the market was only open for half a day, so the volume was thin. The spiking price move could be treated as ultra-short-term exhaustion buy move. We could see the ES repeat last week's range move today.

2203-2200 will be today's key zone. Holding above it could give odds the impression that the ES still intends to test last Friday's high area 2211.75-13.50.

A move below this key zone could lead ES to move down to retest last week's low area 2178-75.50.

Short-term slow STO indicator has an extremely overbought condition and any strong early rally could meet sellers taking profits. The daily PMO indicator still accelerates, which hints that any pullback or sell off could continue to be bought by new buyers.

Major support levels: 2195-93, 2183-81, 2172-74, 2165-62.50
 Major resistance levels: 2220.50-26, 2235.50-37.50, 2245-48, 2252.00-56

Short-term ---- Bullish
 Medium term -----Bullish
 Long term ---- Bullish

5. TRADING STRATEGY: Nov. 28, 2016

a. Intraday Scalping numbers

Sell level	2220.25-2223.50	2228.50-2229.50	2235.25-2237.50
Buy level	2201.50-2203.00	2193.50-2190.50	2181.50-2179.50

b. option trading

	Strike price	Expiration Date	Entry price
	2265 calls	12/2/16	
Meanline	2175		
	2125 puts	12/2/16	

Murrey Math Line Movement *

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

Prior Move	1.95	Up Move	3.91	Down Move	3.91
2214.84	+2/8	2226.56	+2/8	2226.56	+2/8
2212.89	+1/8	2222.66	+1/8	2222.66	+1/8
2210.94	8/8	2218.75	8/8	2218.75	8/8
2208.98	7/8	2214.84	7/8	2214.84	7/8
2207.03	6/8	2210.94	6/8	2210.94	6/8
2205.08	5/8	2207.03	5/8	2207.03	5/8
2203.13	4/8	2203.13	4/8	2203.13	4/8
2201.17	3/8	2199.22	3/8	2199.22	3/8
2199.22	2/8	2195.31	2/8	2195.31	2/8
2197.27	1/8	2191.41	1/8	2191.41	1/8
2195.31	0/8	2187.50	0/8	2187.50	0/8
2193.36	-1/8	2183.59	-1/8	2183.59	-1/8
2191.41	-2/8	2179.69	-2/8	2179.69	-2/8

7. OVERNIGHT CALL (6:00pm to 8:00 am)

	1 st Sell level	2 nd Sell level
	2218.50-2220.25 (s 21.75)	2229.50-2227.50 (s 32.50)
Central line	2207.50	
	2202.00-2201.50 (s 99.50)	2192.50-2191.50 (s 89.00)
	1 st Buy level	2 nd Buy level

9. WEEKLY ECONOMIC REPORTS

MONDAY, NOV. 28					
	None scheduled				
TUESDAY, NOV. 29					
8:30 am	Gross domestic product	Q3		3.1%	2.9%
10 am	Consumer confidence index	Nov.		101.8	98.6
WEDNESDAY, NOV. 30					
8:15 am	ADP employment	Nov.		--	147,000
8:30 am	Personal income	Oct.		0.4%	0.3%
8:30 am	Consumer spending	Oct.		0.5%	0.5%
8:30 am	Core inflation	Oct.		0.1%	0.1%
9:45 am	Chicago PMI	Nov.		--	50.6
10 am	Pending home sales	Oct.		--	1.5%
2 pm	Beige book				
THURSDAY, DEC. 1					
8:30 am	Weekly jobless claims	11/26		250,000	251,000
9:45 am	Markit manufacturing PMI	Nov.		--	53.9
10 am	ISM	Nov.		52.2%	51.9%
10 am	Construction spending	Oct.		0.7%	-0.4%
Varies	Motor vehicle sales	Nov.		17.7 mln	18.0 mln
FRIDAY, DEC. 2					
8:30 am	Nonfarm payrolls	Nov.		180,000	161,000
8:30 am	Unemployment rate	Nov.		4.9%	4.9%
8:30 am	Average hourly earnings	Nov.		0.2%	0.4%