



Natusus

Daily Trading Plan June 1, 2015

1. PREVIOUS DAY (ESM5)

	Open	High	Low	Closing
RTH	2117.50	2118.75	2102.25	2106.00
GBX	2121.75	2122.75	2102.25	2106.00

2. PIVOTS

	Daily RTH and GBX	Weekly	Monthly	Yearly
R3	2139.00	2154.50	2218.00	2540.25
R2	2131.00	2140.75	2176.00	2314.50
R1	2118.50	2123.50	2141.00	2183.50
PPT	2110.50	2109.70	2099.00	1957.75
S1	2097.75	2092.25	2064.00	1826.75
S2	2089.75	2078.50	2022.00	1601.00
S3	2077.25	2061.25	1987.00	1470.00

3. FOCUS NUMBERS

	Daily	Weekly
2nd Sell level	2128.50-2127.00	2158.75-2157.25
1st Sell level	2118.50-2119.50	2135.25-2137.50
Key #	2110.50-2109.50	2128.50-2129.50
1st Buy level	2096.50-2094.50	2085.75-2083.50
2nd Buy level	2086.50-2085.50	2065.00-2062.50

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. WEEKLY OUTLOOK — S&P 500 CASH INDEX

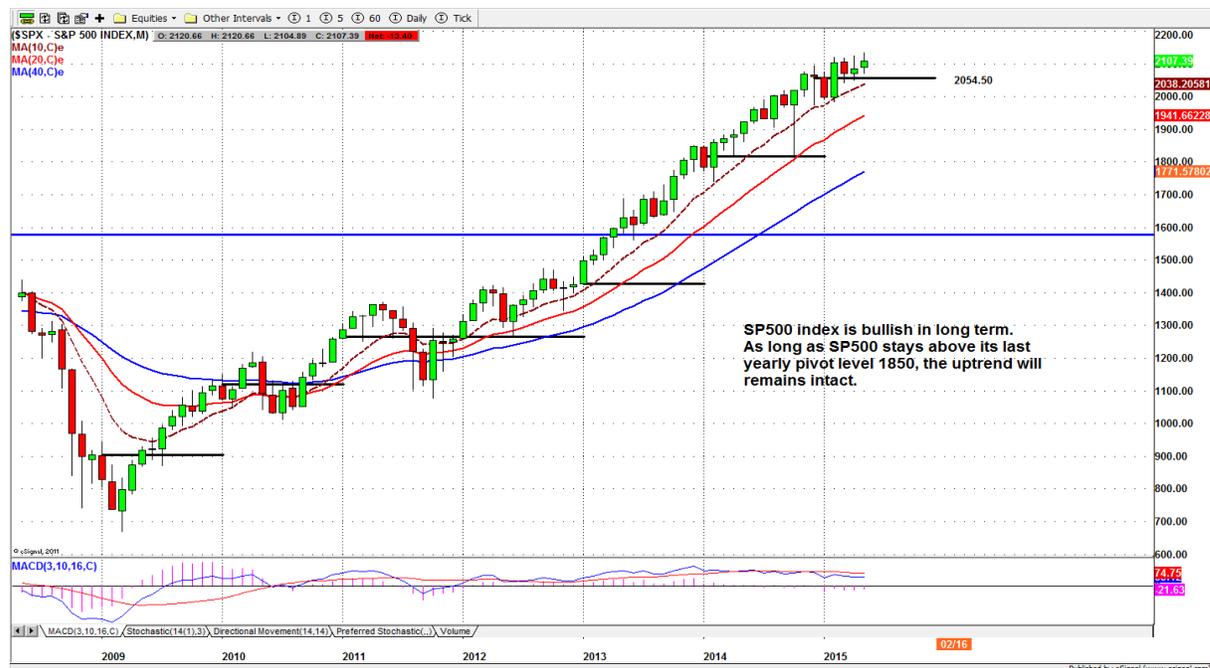
The S&P 500 cash index (\$SPX) closed at 2107.39 last Friday, the last trading day of May. The index was down 18.67 points for net loss of 0.8% for the week, but a gain of slightly more than 1% for the month.

Last week the SP500 had a small pullback, but still managed to hold above the 2100 psychology support line. It was a short trading week and most of the economic reports showed the US economy is slowing down. Continuing uncertainty about the Fed's plans for an interest rate hike influenced short-term decisions from investors.

This is the first week of June, historically the worst month of the year for US equities. Average returns for June for 10 and 20 year periods are negative, which is the source of the Wall Street jingle: "Sell in May and go away." History doesn't always repeat, and this June might be different. The employment report coming on Friday will give us some indication about the direction for this month.

Technical analysis

S&P500 Monthly Chart



a) **Long-term**

The S&P 500 index made a 1.02% gain in May, and is up 2.3% for the year-to-date. The index is also up 35% since April 2013, the breakout (at 1576) from the top of the long-term double bottom pattern. It is very clear that the long-term uptrend remains intact.

Starting in June the US market could start to have a some kind of correction. We don't expect too much; a 3% pullback should be a reasonable estimate. The correction may be brief -- say one month -- or it could last several months over the summer.

The long-term and intermediate-term indicators are all overbought. The yearly pivot 2055 will be a key line this month. We expect this pivot level area could hold up through the correction period, but a break below it could lead the index down into the bottom of the consolidation area or lower into major short-term support level (see Figure 1). Members trading long-term index options should pay close attention to this table. It identifies low-risk areas for selling long-term Puts or Calls.

Figure 1. Long-term price levels in the S&P500 – June 1, 2015

		Naturus.COM			SPX LONG TERM PRICE TARGETS	
		Y2013	Y2014	Y2015		
		1828.25	2143.83	2379.42	Bull market max level area	
		1732.06	2067.00	2298.30	Major resistance for BULL market	
		1683.97	2028.58	2257.70	First resistance all time-frames	
		1587.78	1951.75	2176.60	Confirmation level for uptrend continuation	
		1539.69	1913.33	2136.10	Max Consolidation top area	
		1491.59	1874.92	2095.55	} This year consolidation range	
Yearly Pivot		1443.50	1836.50	2055.00		
		1395.41	1798.08	2014.45	} Max consolidation bottom area	
		1347.31	1759.67	1973.90	Short-term support	
		1299.22	1721.25	1933.00	Intermediate-term support	
		1203.03	1644.42	1852.24	Long-term support	
		1154.94	1606.00	1811.69	trend change warning level.	
		1058.75	1529.17	1730.58		
					} Allow about 1% variance for these targets. Final confirmation on close.	
Yearly High		1846.50	2088.75			
Yearly Low		1438.25	1732.00			

Copyright 2015 by Naturus.com Ltd. All rights reserved. Photocopying and further distribution of this newsletter are strictly prohibited. Information, opinion, research, and commentary contained herein is obtained from sources believed to be reliable; their reliability, however, cannot be guaranteed. This newsletter is for education purpose only. It does not provide individual investment advice, and nothing in this document should be construed as a solicitation to buy or sell any security. Naturus.com Ltd. does not act as an investment advisor, or individually advocate the purchase or sale of any security or investment. In making any investment decision, you will rely solely on your own review and judgment. Past performance is not an indication of future performance. Naturus.com Ltd. shall have no liability of whatever nature in respect of any claim, damages, loss or expense arising out of or in connection with the reliance by you on the contents of our newsletter, any promotion, published material, alert or update.

Our long-term outlook for the SPX indicates that as long as the index doesn't go under the 1850 level, the long-term uptrend direction will not be changed.

The index has been advancing for two whole years (April 2013 to April 2015) since it broke through the yearly double top pattern. A consolidation or a sideways movement is overdue, and probably required in order for the index to continue the upside movement later.

b) Short-term

S&P500 Daily Chart



It was a short week for the SPX due to the Memorial Day holiday. The index gave up the gain made in the pre-holiday week, and pulled back below the broken resistance level for the monthly close. The closing behavior was negative and traders may interpret it as a short-term selling signal.

Based on the daily chart there was a lack of upside momentum. After the index broke through the April high and made a new record high, it then failed to make the usual end-of-month adjustment. Now we are watching the options on the index for clues to the next direction.

The SPX options are showing larger-than-usual volumes and an unusually large range of strikes being bought. That suggests fund managers and institutional

investors are unsure about the next direction and are hedging heavily in both directions.

This will make it more difficult for the index to advance. At the same time, we also should expect a wild whipsaw move for the short-term. The index can sell-off fast and quickly recover next day.

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

ESM5 Daily chart



ES closed at 2106 level, which was pretty close to our predicted monthly closing price of 2105. We're going to call that a win.

The 2090-89 zone will become an important level for today and tomorrow. Whether or not this area holds the price up will directly determine the next short-term move.

A failure to hold up could drop the ES to or close to the 2065 area to test the 135-day moving average line. That line has held the ES up for the past seven months. The first intraday resistance area is 2119.25-18.50. As long as it holds ES down, 2095.50-96.50 (last week's low) could be retested again. A further decline to 2094.50 to fill the gap left behind at that level is also possible.

The very short time-frame was oversold on last Friday, so we may see a bounce overnight, but this bounce should be a brief. Traders should focus on short side if there is a bounce up near the first resistance level 2119.25.

The major support levels: 2089-90.50, 2085-84, 2070.50-75.50 , 2065-62.50;
the major resistance levels: 2134-36.50

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

6. TRADING STRATEGY: June 1, 2015

a. Intraday Scalping numbers

Sell level	2115.50-2117.50	2122.50-2124.75	2134.50-2035.50
Buy level	2096.50-2094.50	2084.50-2082.75	2065.00-2068.00

b. Gap Method Trading

	Gap	target
Sell level	2117.00-2118.00	2112.5
Buy level	2094.50-2096.00	2100.5

c. Option trades (short calls or puts trades)

	Strike price	Expiration Date	Entry price
	2155 calls	2015-06-05	ES > = 2125
Meanline	2115		
	2050 puts	2015-06-05	ES < = 2095

Murrey Math Line Movement *

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

Prior Move	3.91	Up Move	3.91	Down Move	3.91
2132.81	+2/8	2148.44	+2/8	2117.19	+2/8
2128.91	+1/8	2144.53	+1/8	2113.28	+1/8
2125.00	8/8	2140.63	8/8	2109.38	8/8
2121.09	7/8	2136.72	7/8	2105.47	7/8
2117.19	6/8	2132.81	6/8	2101.56	6/8
2113.28	5/8	2128.91	5/8	2097.66	5/8
2109.38	4/8	2125.00	4/8	2093.75	4/8
2105.47	3/8	2121.09	3/8	2089.84	3/8
2101.56	2/8	2117.19	2/8	2085.94	2/8
2097.66	1/8	2113.28	1/8	2082.03	1/8
2093.75	0/8	2109.38	0/8	2078.13	0/8
2089.84	-1/8	2105.47	-1/8	2074.22	-1/8
2085.94	-2/8	2101.56	-2/8	2070.31	-2/8

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

	1 st Sell level	2 nd Sell level
	2117.50-2118.50 (sl20.25)	2124.50-2125.25 (sl27.75)
Central line	2110.75	
	2097.00-2094.50 (sl93.50)	2087.50-2085.50 (sl84.50)
	1 st Buy level	2 nd Buy level

Overnight Call:

Central line = 2110.75

Above it, ES could pop up to 2117.50-2118.50 or higher to 2124.50-2125.25 (short entry).

Below it, ES could dip into 2096.50-2094.50 or lower to 2087.50-2085.50 (long entry).

9 WEEKLY ECONOMIC REPORTS

<http://www.briefing.com/investor/calendars/economic/>

Monday

- Personal Income and Outlays, PMI mfg index, ISM Mfg Index and Construction Spending

Tuesday

- Factory Orders

Wednesday

- ADP employment, International Trade and PMI Services index, ISM Non-Mfg Index and EIA Petroleum Status, Beige Book

Thursday

- Jobless Claims, Productivity and Costs,

Friday

- Employment Situation, Consumer Credit