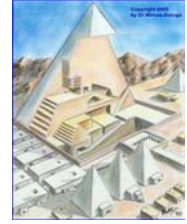


Market Technical Analysis REPORT: Europe

using *Integrated Pitchfork Analysis*

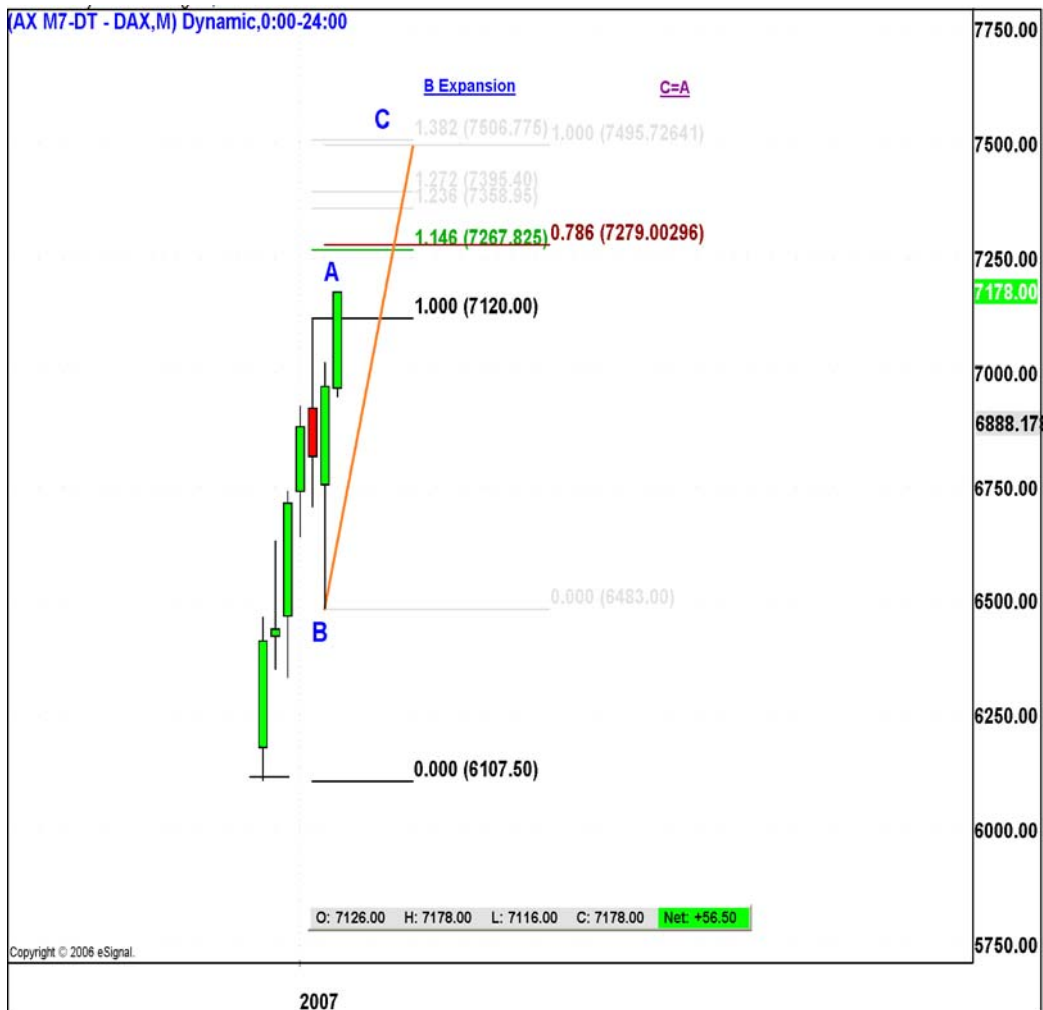
by Dr Mircea Dologa, MD, CTA

MORNING of April 10th - 2007



1. German Dax 30 Futures Index

Our research strongly suggests a "top-down" market analysis. In our opinion, the performed studies with *Cash Index* data are more illustrative than those with *Futures Index* data. However, due to our *Futures* trading preference, we will use everytime, the best available data and the most adequate, for that specific traded vehicle.



- *Monthly Chart* - The up-sloping zigzag pattern clearly shows market's predilection. The frequent development of wave C will be at 7495 level (wave C = 1.00 *wave A). However, the closest target for this wave will go around 7270-79 zone, where the wave C will have a truncated value equal to 0.786*wave A.

- 15-min Chart - The strongly up-sloping market flow was temporarily halted at the 87.5% level of the ascending pitchfork. The convergence of the OSC(5,17) with the market, clearly states that the up-move will be continued in spite of the OSC(5,35) bearish divergence (not shown on this chart).



- 5-min Chart - It seems that the German Dax Futures are clocked on the S&P500 Futures Index. The maximum volume is traded between 14:30 & 19:00 Central European Time(CET) which corresponds to 8:30 - 13:00 US ET. The after-noon wedge's presence and the breakout of the TL-01 confirm the up-move continuation.

- 5-min chart - The market has first chosen to breakdown the original rectangle through the 4210 level. By 09:23 CET it has already built-up two extensions. Remember... expect more... mostly up to seven times!



- 5-min chart - After the morning reversal, the market kept climbing all the way up to 4243 level, thus building rectangle's extensions of 4.236 times. The previous highest high of 4224 level was left well behind.

3. FTSE 100 Cash Index

- *Daily chart* - The up-sloping market is about 10 pts away from the highest high at 6451.39 level. The RSI's steep slope vehemently corroborates the up-sloping scenario.



- *120-min chart* - The market is at the confluence of *median gap line* and lower median line at 88.6% level (6398.72) of the prior pattern correction.

Once this crucial level exceeded, be aware of the imminent breakup of the up-sloping median gap trend line.

4. German Bund Futures Index

- Daily chart - The strong down-trend market has a probable end at the following levels: 114.40, 114.14 or 113.86.



- Daily chart - Four days later, the market price reached the 113.86 level, at the confluence of two trend lines: the 61.8% Fibs Line of the W1-3 and the upper 25% Fibs line of the major pitchfork.

5. Euro/Usd Futures

- *Daily chart* - The up-channelling market, just reached its highest high, closing at 1.34090 level.



- *Daily chart* - Five days later, after a two-bar pullback, the market flow, broke-up again the highest high level and burst out through the upper border of the up-sloping channel.

Trade Market Behavior, NOT Forecasts - Let the Market be our Guide

Forecasts in this Study have Very High Probability - But they might be wrong !

Traders must monitor the Market conditions that validate or invalidate the Forecast / Trade

Day's BIAS:

Down early morning followed by an Up-sloping day

April

10

2007

Reality After Close

To be filled after the Market's Close

ATR(14) 97,07

Contract's High/Low	7 178	6 016
Nearest High - 2nd, 3rd	7 120	
Last Close	7 178,0	

Length to Contract Range High %/pts

0,0% 0

Gann Levels	G1	G2
	G3	G4

3 589	6 597
1 795	6 307

Danske: Long if price > 6965 to 7293

High 7 178,0

OPEN 7 162,0

Low 7 116,0

Gap / 50% -16,0 7 186

CLOSE 7 178,0

Pre Open Summary	
<u>Fundamentals</u> :	Neutral
<u>Technicals</u> :	Up
<u>Global Sentiment</u> :	Up

High / Low 7 168,0 7 159,5

Open Range 8,5 Close vs DP

Yesterday's Close 7 121,5

Time Length 00:10 20,7

Day's NET +56,5

Day Trading Range R2 / S2

7 219 7 095

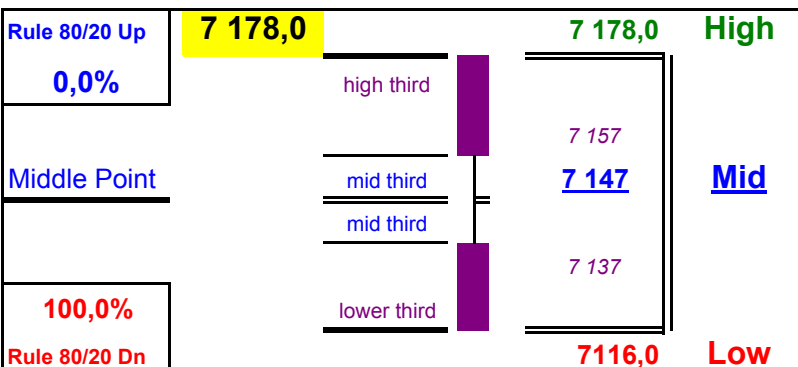
REAL Day Trading Range +++

7 259 7 065

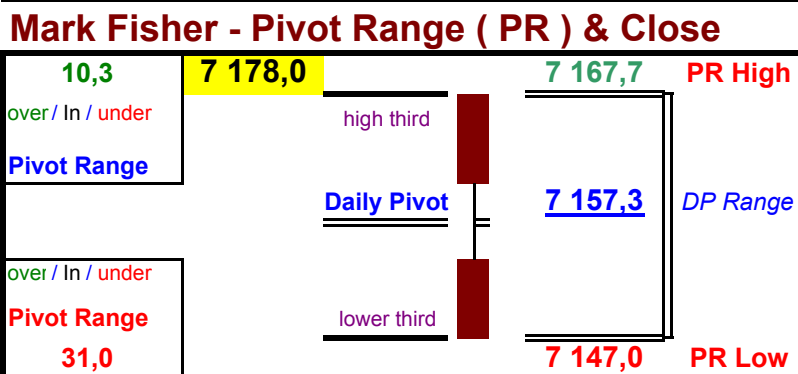
Pre Open Components

Major	
Events & News	None
& US Reports	None

	Up	Dn
Nikkei %		0,54%
S&P 500 pts	0,85	
ES Night pts		1,50
Crude Oil pts-		61,78
Euro/\$ pts	1,3418	



Rule 80/20	0,0%	100,0% *
Close against DP Range	10,3	31,0
Pivot Range Value < 3	20,7	
Opening Gap-pts	-16,00	Up/Dn



Day Bars: small/wide, RD, NR4, NR7, Ins/Outside Bars

- Imbalance of Supply / Demand -	
Big Green Bar	
Contraction	64%

Trending Fib Bars 1-3-5-8-13-21

<u>Type of Bars</u>	Normal	Momentum
Monthly Bars	7	6
Weekly Bars	5	5
Daily Bars	6	6

Prior Values of

Week High	7 178,0
Week Low	6943,5
Month High	7 019,5
Month Low	6483,0

Daily Range (DR)	Contraction
Daily Range over ATR	64%
Daily Range (pts)	62,00
Daily ATR over 14 days	97,1

*C =Yesterday's Close

ATR (C-H)	56,50
ATR (H-L)	62,00
ATR (C-L)	5,50

R/S Pre Close

7 178,0	7 120,0
	7 116,0

**Today's High & Low

Evaluation of Resistance / Support **Strength:**
 Very Strong ++++ Strong +++ Medium ++ Average +

Scenario Up :	Up Trend MORE Probable	
Resistances		
7 281	++	<u>R4</u>
7 279	+++	wk&month Piv
7 264	+++	90° Gann
7 261	+++	<u>R3</u>
7 230	++	Daily Fibs
7 222	++	Gann level
7 219	++	<u>R2</u>
7 211	++	Gann level
7 199	+++	<u>R1</u>
7 190	++	Gann level
7 178	+++	Close&High
7 157	+++	DP
Scenario Dn :	Down Trend LESS Probable	
Supports		
7 157	+++	DP
7 137	++	<u>S1</u>
7 100	+++	Wkly Pivot
7 095	++	<u>S2</u>
7 093	+++	90° Gann
7 075	++	<u>S3</u>

Floor Pivots

	DAILY
High	7 178
Low	7 116
Close	7 178

***Previous**

Weekly	MONTHLY
7 178	7 020
6 944	6 483
7 178	6 980

Day's Range

R5	7 323
Mid R4/R5	7 302
R4	7 281
Mid R3/R4	7 271
R3	7 261
Mid R2/R3	7 240

Close - 7178

R2	7 219
Mid R1/R2	7 209
R1	7 199
Mid P/R1	7 178

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Main Piv	7 157
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Mid P/S1	7 147
S1	7 137
Mid S1/S2	7 116
S2	7 095

Mid S2/S3	7 085
S3	7 075
Mid S3/S4	7 054
S4	7 033
Mid S4/S5	7 023
S5	7 013

7 725	8 245
7 647	8 073
7 569	7 900
7 530	7 804
7 491	7 708
7 413	7 536
7 334	7 364
7 295	7 268
7 256	7 172
7 178	7 000

7 100	6 827
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7 061	6 731
7 022	6 635
6 944	6 463
6 865	6 291
6 826	6 195
6 787	6 099
6 709	5 927
6 631	5 754
6 592	5 658
6 553	5 562

Nuts-and-Bolts	Rule 80/20 - Up	0,0%	Close at	7 178,0	pts above DP	21
Observations:						
Monthly Chart -	Strong up-trend					
Weekly Chart -	Strong up-trend					
Daily Chart -	Strong up-trend - market just below the upper BB & Confluence Halt Watch for 4224 level breakout of EuroStoxx 50 +++					
240 min Chart -	Strong up-trend - market channeling under Up-sloping TL & CCI top at strong Resistance					
120 min Chart -	Strong up-trend - crawling market-narrow bars - tiny ATRs at 15 (max 56,6)					
60 min Chart	Strong up-trend - crawling market with W5, narrow bars, approaching U-MLH - CCI Diverg					
15 min Chart -	Steep w5:W5 Strong up-trend - market halted by upper 87,5 Fibs Line					
CCI(35) Divergence & CCI(17) Convergence						

Day's Lessons: **Lessons: Behaviour of 30 Dax stocks Composition, Patterns, Day's Time, RSI & CCI**