

# The PRECISION REPORT

Precise Market Timing



August 13, 2010

## COMMENTARY FOR THE eMINI S&P 500 MAR 2010 CONTRACT (the "ES")

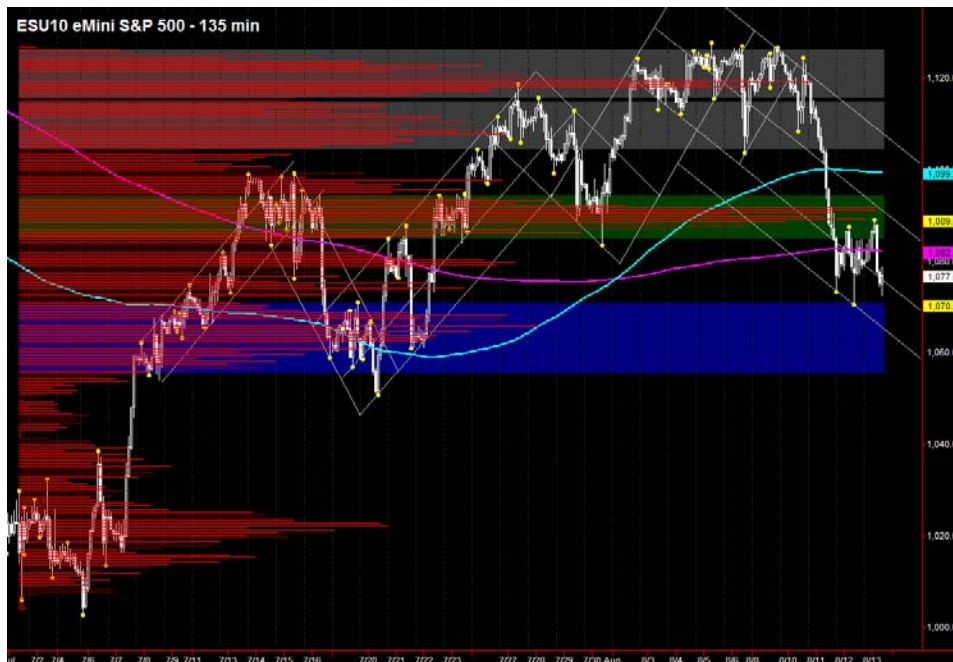
**The Precise Take** – Equity futures holding after no news surprises

**Big Picture Analysis:** CPI and Retail Sales were within consensus this morning and have not moved the markets much. Next week is quiet on the news front, with a few housing reports, along with TIC and PPI, on Monday and Tuesday. Then, nothing major for the remainder of the week. Short sellers should reappear on a move to 1090-93 in the ES or below 1070.00--in between is, thus, neutral.

**Leaders Analysis:** Long term Treasury futures appear overbought and look ready to spike down on the first news that would support such a move. TIC or PPI could do so. Tuesday is also the Fed's first Treasury purchase since the program ceased last year. The amount will probably be about \$2 billion, and it's worth noting that the 10 and 30 Year futures steadily declined once the program commenced in 2009. Any large downward moves (upward in the yield) should be temporarily supportive of equities. As of now, the leaders look neutral.

**Trading Today:** The upper end of the projected range contains yesterday's high and day-session-only R1, from 1084.50 to 1086.00. The lower end contains yesterday's low and the daily S1's, from 1070.50 to 1071.75. Watch Consumer Sentiment at 9:55 am as headline statistics outside of consensus have been moving the markets recently.

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1081.25 (4:00 pm close)  
1079.25 (4:15 pm settlement)

#### Daily Pivots

1078.25 (day-session-only)  
1079.00 (day & overnight sessions)

#### Unfilled Gaps

1142.75 to 1150.00 (price)

#### Upside Targets

1191.25, 1106.75, 1119.25, 1132.00,  
1143.75, 1150.75, 1165.00

#### Downside Targets

1022.75, 1035.25, 1053.50, 1060.50,  
1065.75

### Today's Scheduled News

#### Major Market Movers

Consumer Sentiment at 9:55 am

#### Minor Market Movers

Business Inventories at 10:00 am

### Tomorrow's Scheduled News

#### Major Market Movers

Housing Market Idx at 10:00 am

#### Minor Market Movers

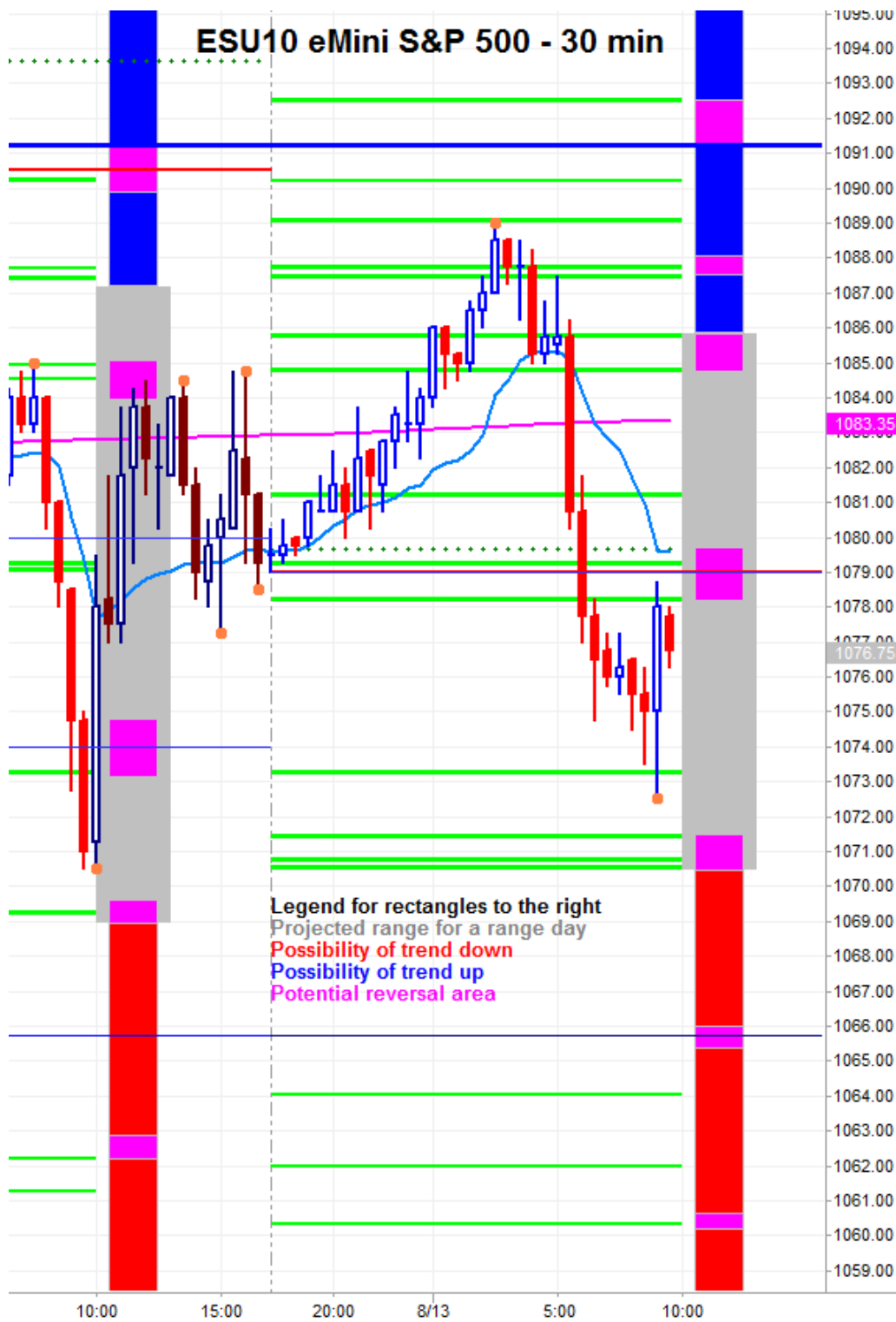
Empire State Mfg Idx at 8:30 am

Treas Int'l Capital at 9:00 am

Free intraday updates at <http://www.precisioncapmgt.com>.

Disclaimer: The information in this report is general market commentary and for educational purposes only. No personal trade recommendations are being made hereby. Trading futures and securities is highly risky and you can lose a substantial amount of money. Past performance is not necessarily indicative of future results. All charts herein created with TradeStation.

**Today's Support and Resistance:**



**Legend:** Market Profile points of control (POC's), or high volume levels, are calculated each day and displayed as lines colored shades of blue or red. Shades of blue measure POC's over the life of the contract. Shades of red measure POC's for the previous day only. Confluence areas of support and resistance are calculated using Fibonacci retracement and extensions, market profile POC, and pivot formulas calculated on monthly, weekly and daily (day-session-only and day/overnight combined) time frames. These areas are drawn as shaded green boxes. Previously drawn areas have not been adjusted retroactively.

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