

The PRECISION REPORT

Precise Market Timing



August 16, 2010

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

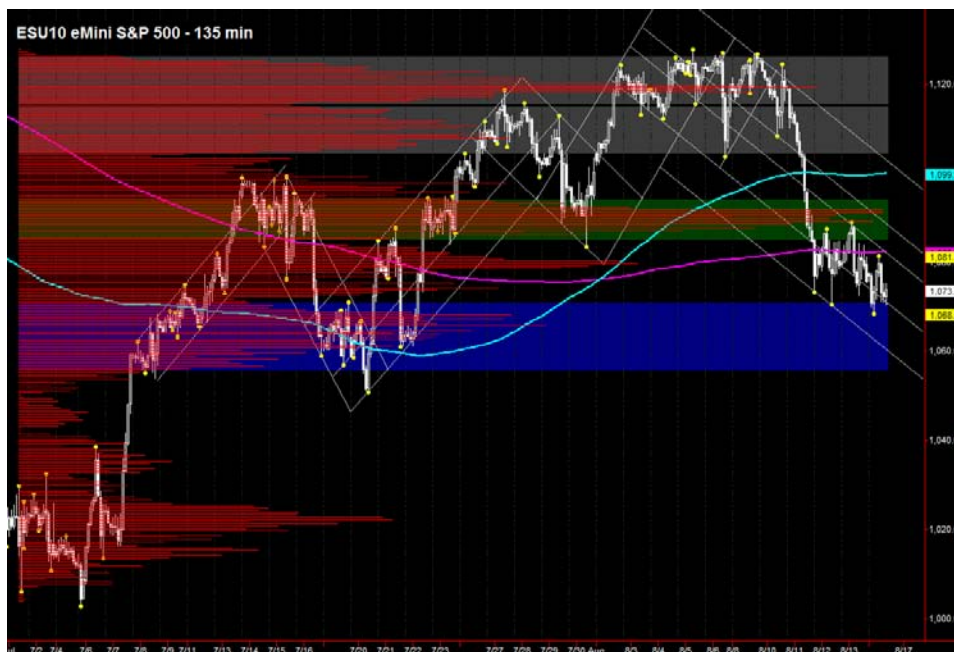
The Precise Take – ES at lower end of short term trading range

Big Picture Analysis: Below, we see the ES has been in a trading range since late last week bounded by the blue and green value areas, from approximately 1070 to 1090. Acceptance outside this range should kick off the next short term move.

Leaders Analysis: The 10 Year yield has gapped down to the lower end of a support band that runs from 2.62% to 2.65%. While we have been expecting a reversal starting as late as tomorrow, the overnight move suggests there may be fuel for continuation of the down trend. The Euro is weaker only marginally against the Yen, but it is more so against the Swiss Franc, which could be an indication of latent Eurozone concerns. As of now, the leaders are slightly equities bearish.

Trading Today: The upper end of the projected range contains the daily pivots, Friday's 4:00 pm close, Friday's high volume level, closing VWAP and a longer time high volume level, from 1077.75 to 1080.25. The lower end contains last week's low and day-session-only S2, from 1069.50 to 1070.50. If the lower end is broken, but the 1065.75 high volume level is quickly rejected with a reversal to the upside, the move warns of a possible bear trap.

Today's volume profile:



Day Trading Guide

Daily Gaps

1077.75 (4:00 pm close)
1076.00 (4:15 pm settlement)

Daily Pivots

1078.50 (day-session-only)
1079.25 (day & overnight sessions)

Unfilled Gaps

1142.75 to 1150.00 (price)
1101.50 to 1108.25 (price)

Upside Targets

1079.00, 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

Housing Market Idx at 10:00 am

Minor Market Movers

None

Tomorrow's Scheduled News

Major Market Movers

Housing Starts at 8:30 am

PPI at 8:30 am

Minor Market Movers

Industrial Production at 9:15 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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