

The PRECISION REPORT

Precise Market Timing



August 17, 2010

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

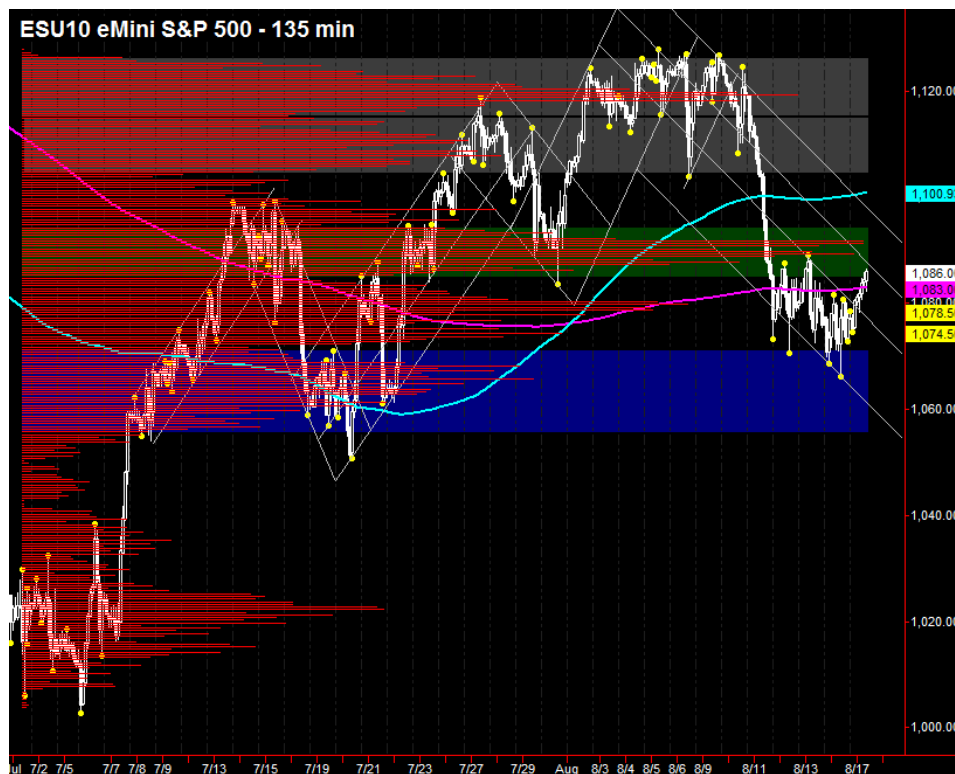
The Precise Take – Equity futures up testing multi day resistance

Big Picture Analysis: After an early move down on yesterday's open to the 50% retracement of the July rally, the ES is up solidly overnight just below major resistance, which extends up to 1091.25. Any venture above this level will need to be quickly reversed or weak shorts will start covering. 50% retracements have been powerful over the summer, so 1097.00 should be watched. However, at that level, there should be enough momentum to get to the ~1105 area. A failure below 1091 indicates sellers have remained firmly in control and another down leg should commence. With no major news for the rest of the week, focus now shifts to options expiration on Friday

Leaders Analysis: 10 Year T-Note futures have retraced much of yesterday's large up move, with its yield correspondingly up. A close in the futures below yesterday's low could signal a reversal, but until that happens the direction is up. The other leaders are not saying much and overall, are equities neutral.

Trading Today: The upper end of the projected range contains the green value area's high volume level, the weekly pivot, and the daily R2's, from 1089.25 to 1091.25. The lower end contains yesterday's day and overnight highs, from 1080.75 to 1081.50. If day-session-only R1 at 1083.00 holds as support in the first 30 minutes of trading, odds increase for a trend day up.

Today's volume profile:



Day Trading Guide

Daily Gaps

1077.50 (4:00 pm close)
1077.00 (4:15 pm settlement)

Daily Pivots

1074.75 (day-session-only)
1075.00 (day & overnight sessions)

Unfilled Gaps

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

Upside Targets

1079.00, 1191.25, 1097.00, 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

None

Minor Market Movers

Industrial Production at 9:15 am

Tomorrow's Scheduled News

Major Market Movers

None

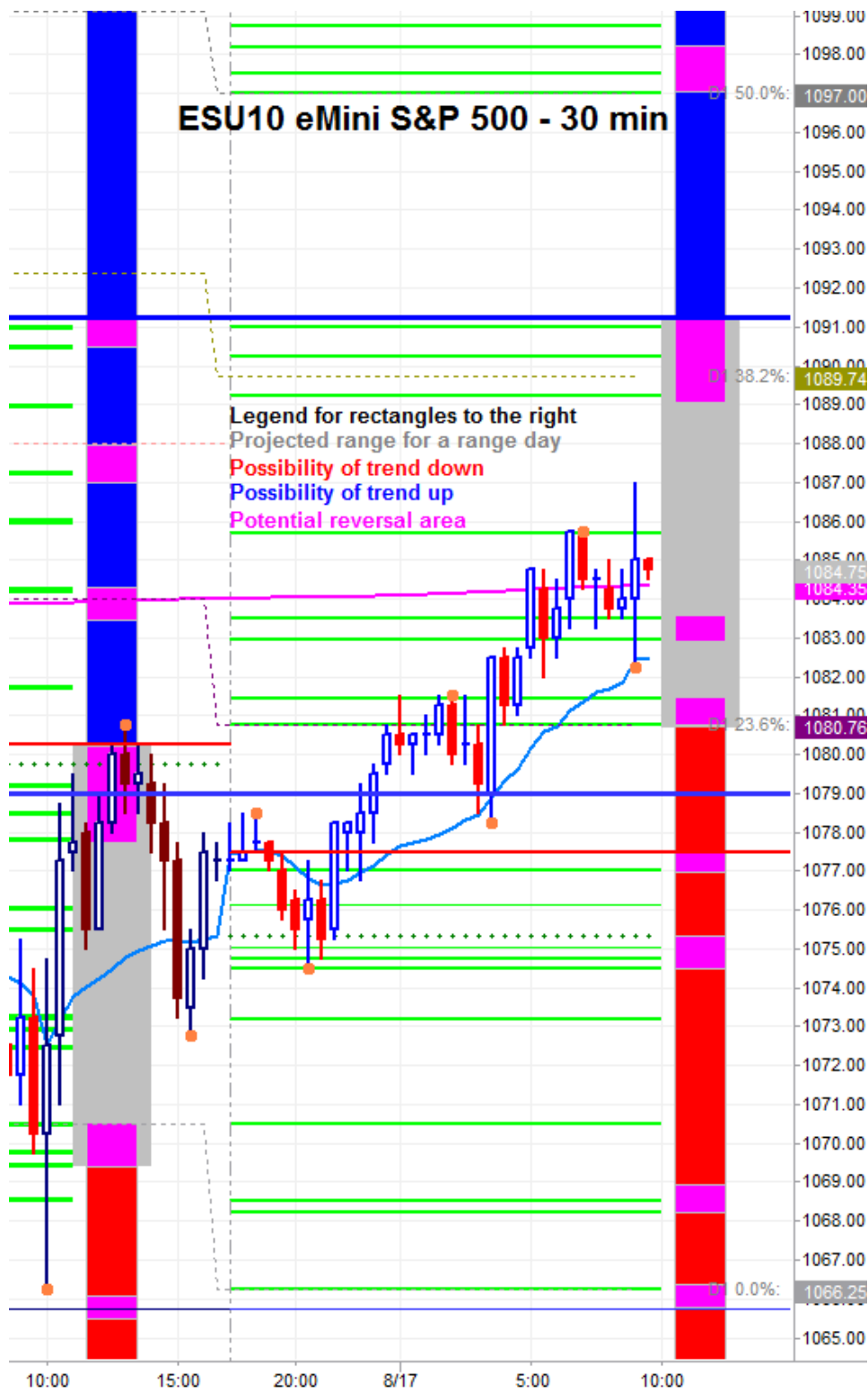
Minor Market Movers

None

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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