



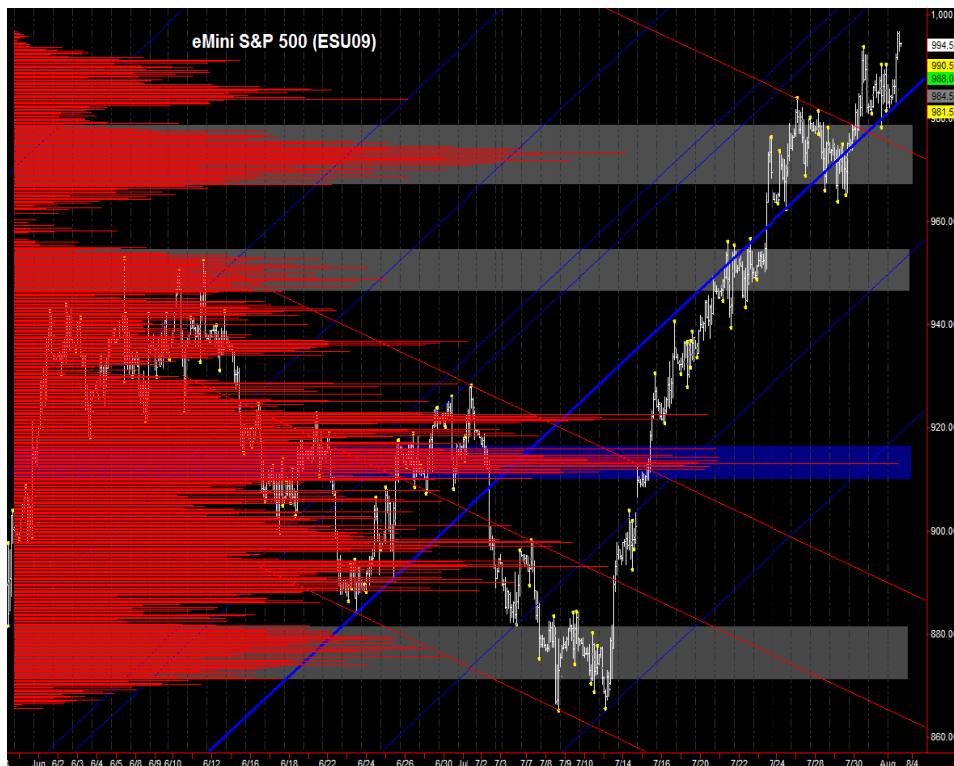
## COMMENTARY FOR THE eMINI S&P 500 SEP 2009 CONTRACT (the "ES")

**The Precise Take** – Equities on fire overnight with an eye on ISM Manufacturing at 10:00 am

Looking to our leading markets, gold has broken to the upside outside its consolidating wedge that [we noted](#) last Thursday, crude has punched higher and is on a three day tear, the US Dollar index has broken strong support and long term Treasuries have retraced about 50% of Friday's large gain. All of this points to higher highs in equities on a continuation of the inflation-based rally. When leaders speak, we must listen, but also plan for contingencies. The one bearish scenario that could unfold today and point to a correction over the coming weeks would be for gold and the Dollar to reverse their overnight action on a poor ISM report at 10:00 am, with gold eventually closing lower today and inside its consolidating wedge and the Dollar closing higher, above its support line. Otherwise, within the framework of our [Grand Unified Theory of Market Manipulation](#) (G.U.T.), we expect to see higher highs in equities until the 30 year hits either 116'07 support or retraces to its swing low from last week at 115'15.

In the ES, we're bullish above 990.50, except that we would fade a spike high at 10:00 am if the report is bearish and equities react accordingly. Overnight, the ES hit our potential reversal zone (including the daily R2's and weekly R1) of 995.75 to 997.75, which will be the key hurdle for the bulls to get over in the first hour to make new highs. Aside for some minor Fibonacci extensions, above 997.75, as resistance we only have day-session-only R3 at 1,007.00. The 1,000 level, however, in the futures and cash will likely be psychological resistance. We don't get outright bearish until 983.75, though a move below 990.50 makes further highs today unlikely.

### Volume Profile:



### Day Trading Guide

**Daily Gap**  
 983.75 (4:00 pm close)  
 984.50 (4:15 pm settlement)

**Daily Pivot**  
 985.00 (day-session-only)  
 984.50 (day & overnight sessions)

**Unfilled Gaps**  
 903.50 to 912.50 (price)  
 955.00 to 962.50 (volume)  
 975.25 to 979.50 (price)

**Upside Targets**  
 1008.50, 1066.00

**Downside Targets**  
 922.25, 913.00, 854.75, 846.00,  
 828.00, 811.75, 777.25

**Countertrend Longs\***  
 917.75, 933.25, 940.75, 945.25,  
 963.25

**Countertrend Shorts\***  
 None

\* Countertrend trades have a 2 point target and 2 point stop, are valid during the day session only, and are not recommended on high volume moves or around major news releases.

### Today's Scheduled News (all times EDT)

**Major Market Movers**  
 ISM Mfg Index at 10:00 am

**Minor Market Movers**  
 Construction Spending at 10:00 am  
 3 & 6 Mos. Bill Auctions at 1:00 pm  
 Motor Veh. Sales released throughout the day

### Tomorrow's Scheduled News

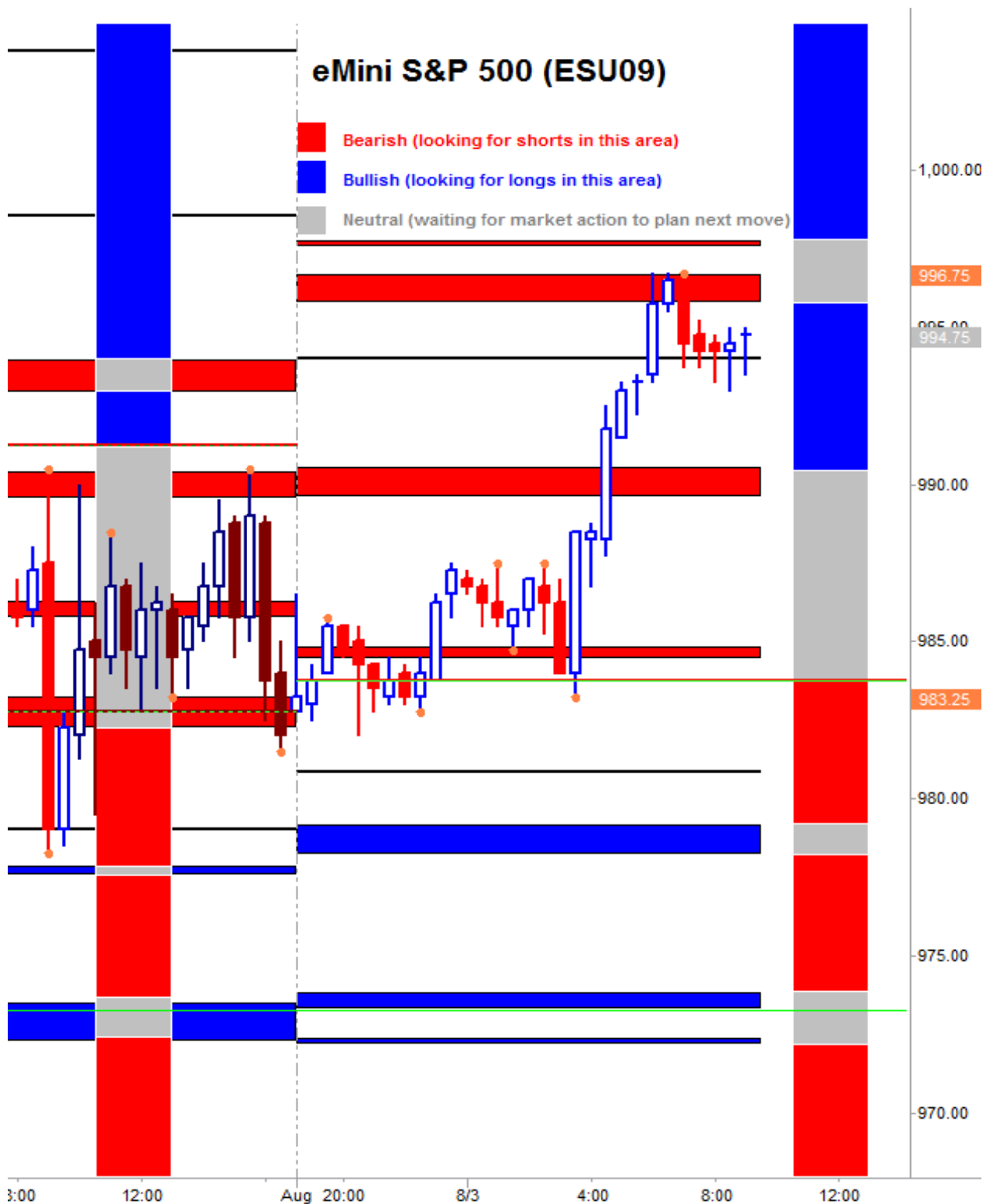
**Major Market Movers**

**Minor Market Movers**

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 is highly risky and you can lose a substantial amount of money. Past performance is not necessarily indicative of future results.

Support and resistance is as follows:



**Legend:** Market Profile points of control (POC's) are calculated each day and displayed as lines colored shades of green or red. Shades of green 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. They areas are drawn as shaded blue (support) and red (resistance) boxes. Previously drawn areas have not been adjusted retroactively.

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