

The PRECISION REPORT

Precise Market Timing



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

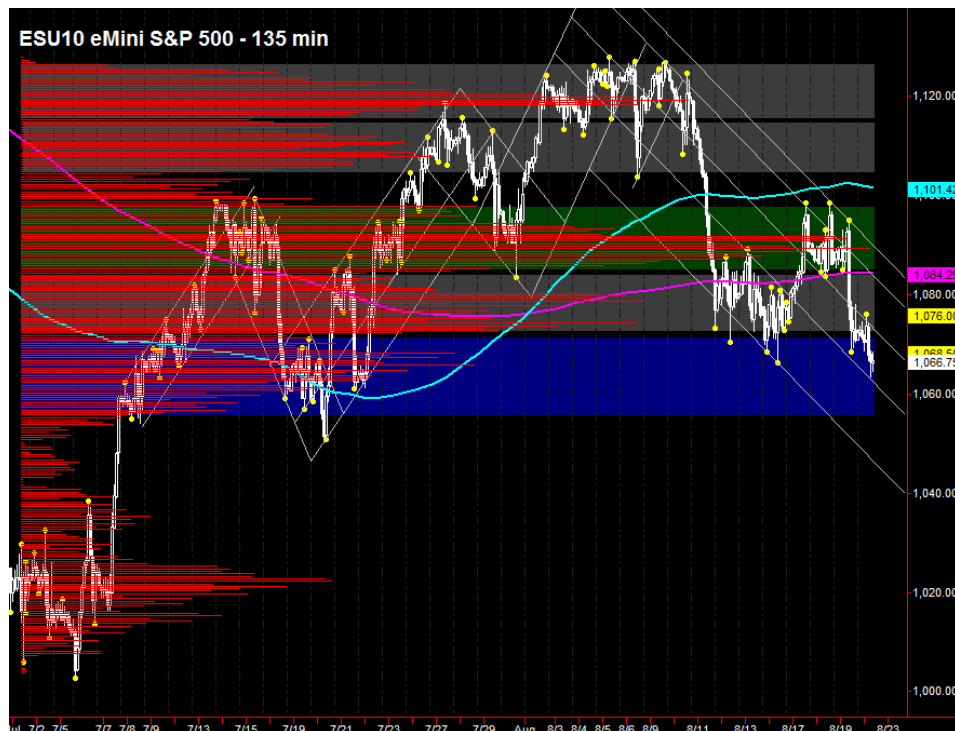
The Precise Take – ES below trading range on opex

Big Picture Analysis: Yesterday, the ES closed just above the lower end of its 1070 to 1100 range, but broke it overnight. We're willing to entertain the possibility that this is a shakeout; however, for the bulls to avoid another down leg to the 1018 to 1025 support area, they will need to assert control early today. As far as the Fed's Treasury purchases yesterday, they amounted to an above average \$3.5 billion, but there was no immediate or delayed effect with respect to equities. Until more data is generated, there is no pattern to trade.

The Euro is down about 1% against both the US Dollar and Yen, also down again against the Swiss Franc. We were looking for a close in 10 Year T-Note futures below 125'15 to confirm a top. Instead, they have rallied into this week's high established Monday and Tuesday, with the yield (inverse to price) making new lows yesterday and overnight. As of now, the leaders are equities bearish.

Trading Today: The upper end of the projected range contains yesterday afternoon's high, closing VWAP and the combined session pivot, from 1077.50 to 1079.00. The lower end contains combined session S1 and price action from July 21, from 1060.50 to 1062.00. The later the lower end is reached (if it is reached), the less chance it has of holding. If this is a shakeout of weak longs, the ES should rally out of the gate, or push down to the lower end in the first 30 minutes and reverse strongly.

Today's volume profile:



Day Trading Guide

Daily Gaps

1073.75 (4:00 pm close)
1071.25 (4:15 pm settlement)

Daily Pivots

1076.50 (day-session-only)
1078.25 (day & overnight sessions)

Unfilled Gaps

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

Upside Targets

1073.25, 1089.25, 1097.50, 1106.75,
1119.25, 1132.00, 1143.75, 1150.75

Downside Targets

1022.75, 1035.25, 1053.50, 1060.50,
1065.75, ~~1073.25~~, ~~1079.75~~

Today's Scheduled News

Major Market Movers

Options Expiration
Minor Market Movers
None

Tomorrow's Scheduled News

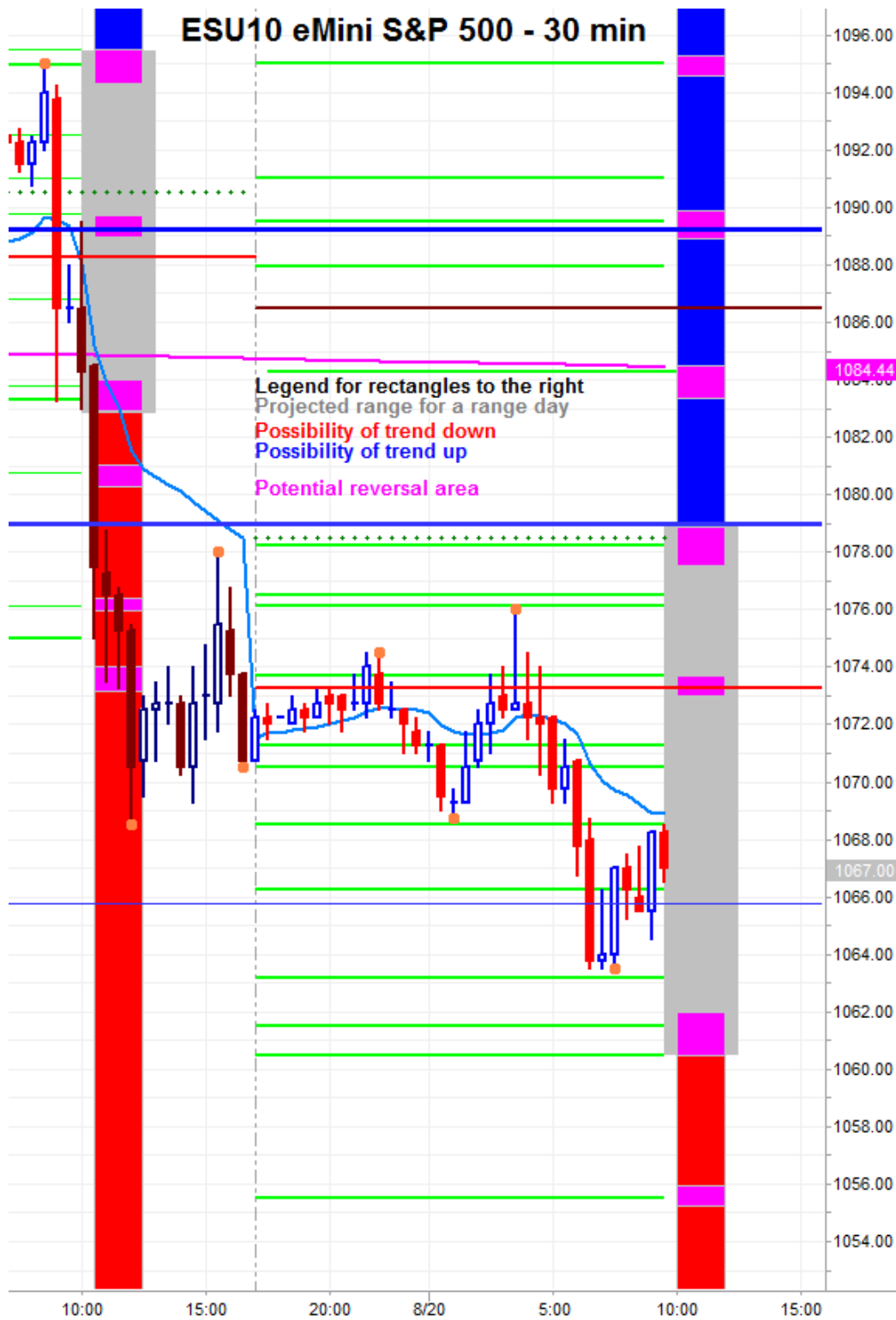
Major Market Movers

Chicago Fed Nat'l Activity Idx at
8:30 am
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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