

# The PRECISION REPORT

Precise Market Timing



August 24, 2010

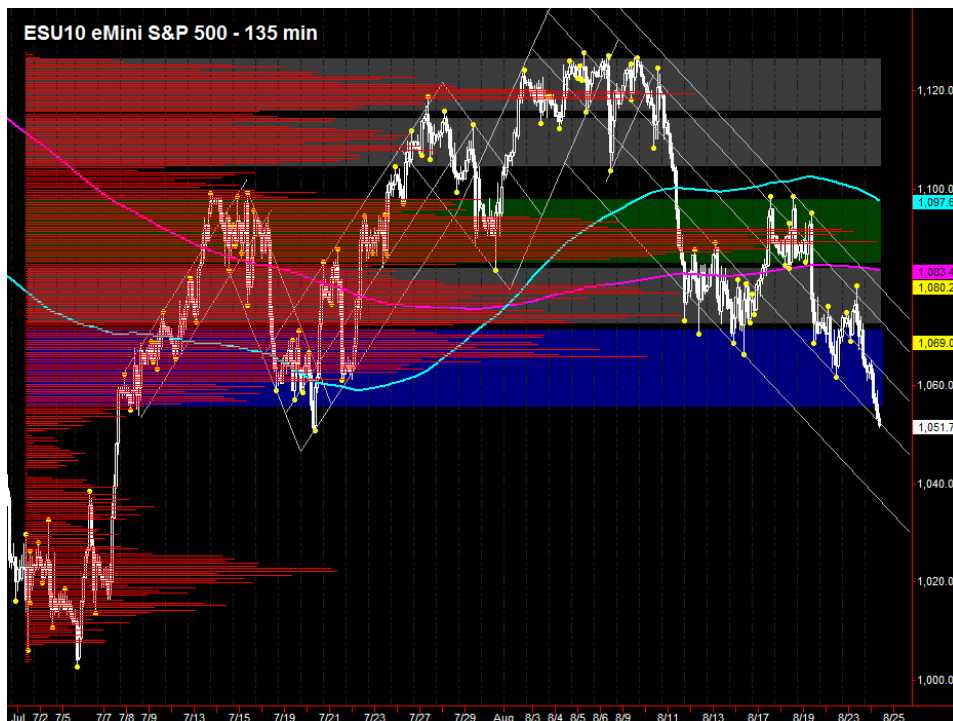
## COMMENTARY FOR THE eMINI S&P 500 MAR 2010 CONTRACT (the "ES")

**The Precise Take** – Equity futures tumble overnight after failing to hold critical support

**Big Picture Analysis:** After a quick run-up on yesterday's open to kiss the 50% retracement of last week's range, the ES headed down and closed below critical support at 1069. Overnight, the 1055.50 first target was reached and then some (low of 1051.50). The leaders are similarly ugly, with the EuroYen at lows not seen since September 2001, and 10 Year T-Note futures to new highs (never having closed below the 125'15 trigger). Given the whipsaw nature of the markets over the summer, it would be reasonable to soon expect a sharp reversal to the upside to shakeout late shorts. Our best guess is on a test of the 1045-48 support band from late June/early July price action; however, longs are risky today with this much downside momentum. If 1045 goes, next major support is 1018-25. Only above yesterday's settlement of 1065.50 would we expect to see the beginnings of short covering.

**Trading Today:** The upper end of the projected range contains the daily S1's, from 1059.00 to 1059.75. The lower end contains aforementioned price action, from 1048.00 to 1048.75.

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1065.50 (4:00 pm close)  
1065.50 (4:15 pm settlement)

#### Daily Pivots

1070.00 (day-session-only)  
1070.00 (day & overnight sessions)

#### Unfilled Gaps

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

#### Upside Targets

1077.75, 1089.25, 1097.50, 1106.75,  
1119.25, 1132.00, 1143.75, 1150.75

#### Downside Targets

1022.75, 1037.75, 1045.25, 1055.50,  
1060.50, 1065.25

### Today's Scheduled News

#### Major Market Movers

Existing Home Sales at 10:00 am

#### Minor Market Movers

2 Yr Note Auction at 1:00 pm

### Tomorrow's Scheduled News

#### Major Market Movers

Durable Goods at 8:30 am

New Home Sales at 10:00 am

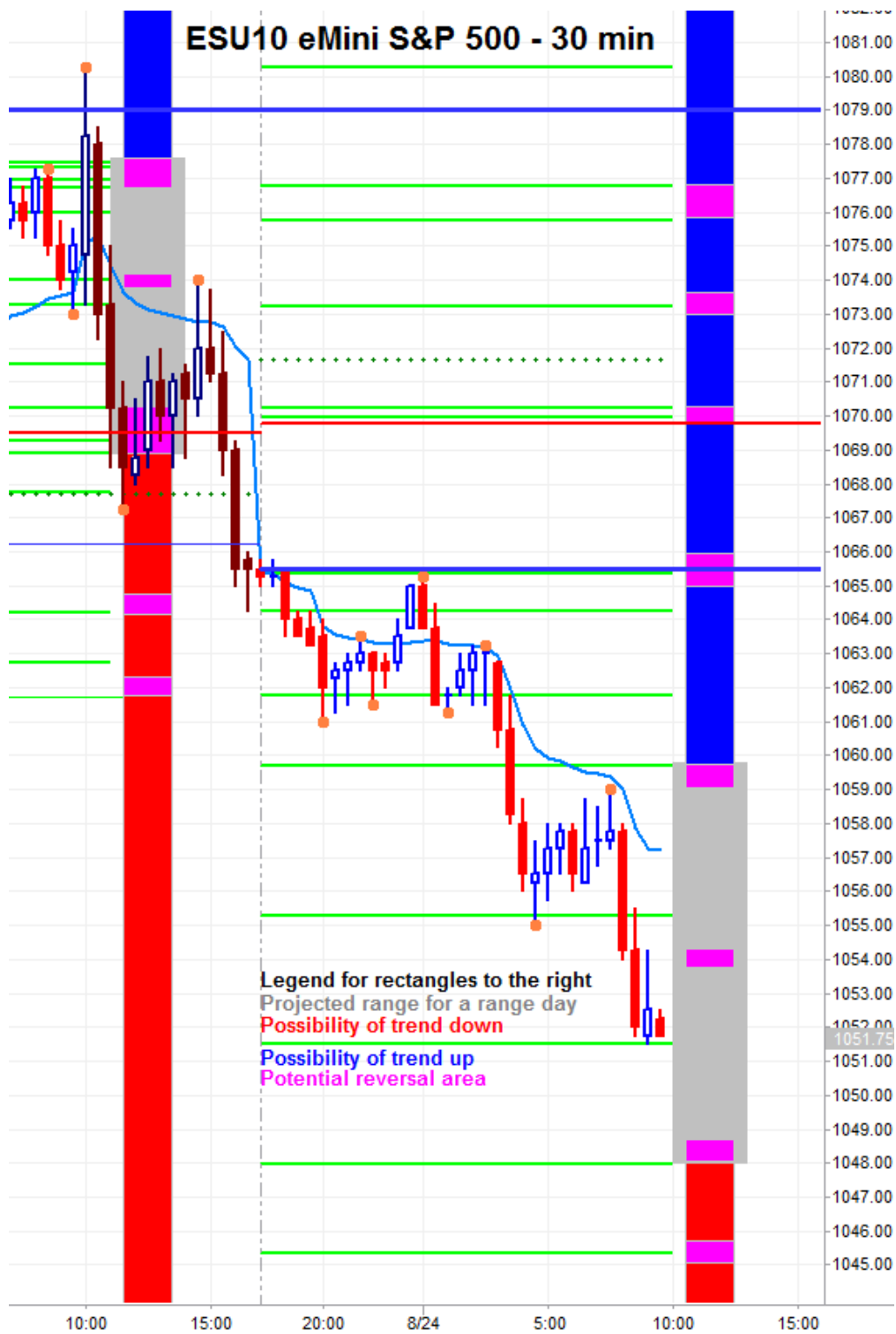
#### Minor Market Movers

5 Yr Note Auction at 1:00 pm

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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