

The PRECISION REPORT

Precise Market Timing



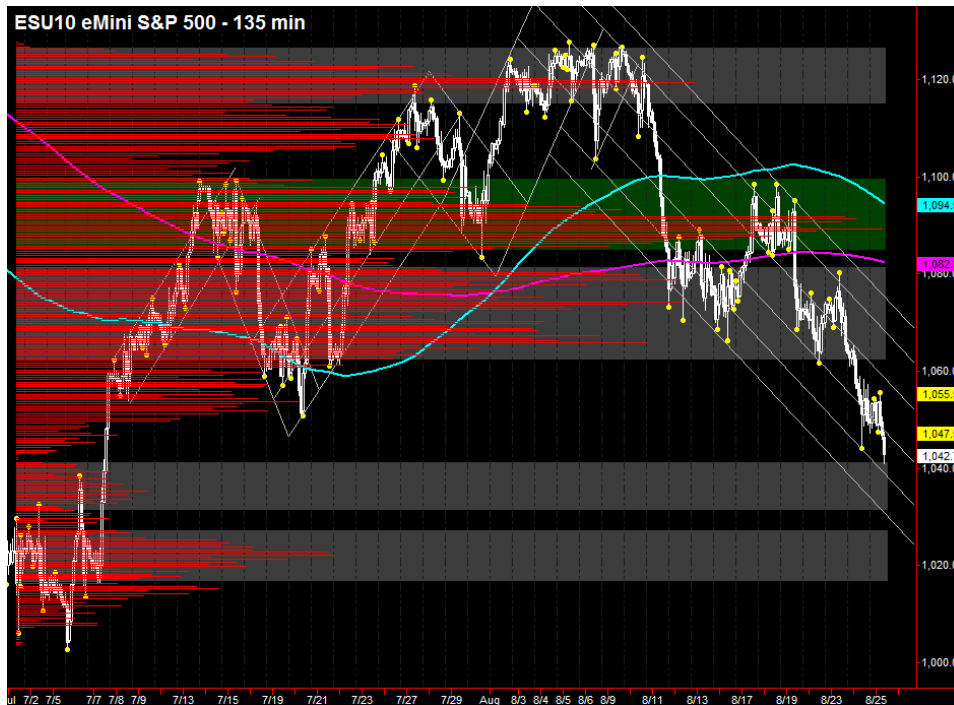
COMMENTARY FOR THE eMINI S&P 500 MAR 2010 CONTRACT (the "ES")

The Precise Take – Equity futures down again overnight on disappointing Durable Goods

Big Picture Analysis: Yesterday's early plunge down to 1044.00 in the ES on the Home Sales report had the makings of a multiday reversal, but proved to be only an intraday bear trap, as the ES hit 1041.00 on this morning's Durable Goods report. Some major technical levels were taken out in the leaders yesterday, which suggests more downside in equities, even if there is a brief respite. A big downside reversal in long term Treasury futures will be an equities bullish sign to watch out for. The ES is now entering the early July base, which should slow the decline and perhaps allow for an oversold pop. The caveat is that the markets are susceptible to bad news and a trend down day could take out the entire base of support, similar to June 29. Despite the bearish outlook, we've yet to see panic selling, suggesting that institutional money is hedged, and until the 1000 level is broken decisively, the markets are simply in a trading range.

Trading Today: The upper end of the projected range contains day-session-only pivot and yesterday's settlement, from 1049.75 to 1050.75. The lower end contains combined session S1, weekly S2 and the current overnight low, from 1040.00 to 1041.00.

Today's volume profile:



Day Trading Guide

Daily Gaps

1050.25 (4:00 pm close)
1049.75 (4:15 pm settlement)

Daily Pivots

1050.75 (day-session-only)
1053.25 (day & overnight sessions)

Unfilled Gaps

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

Upside Targets

1057.00, 1077.75, 1089.25, 1097.50,
1106.75, 1119.25, 1132.00, 1143.75

Downside Targets

1004.25, 1016.50, 1022.75, 1032.75,
1037.75,

Today's Scheduled News

Major Market Movers

New Home Sales at 10:00 am

Minor Market Movers

5 Yr Note Auction at 1:00 pm

Tomorrow's Scheduled News

Major Market Movers

Jobless Claims at 8:30 am

Minor Market Movers

7 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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