



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

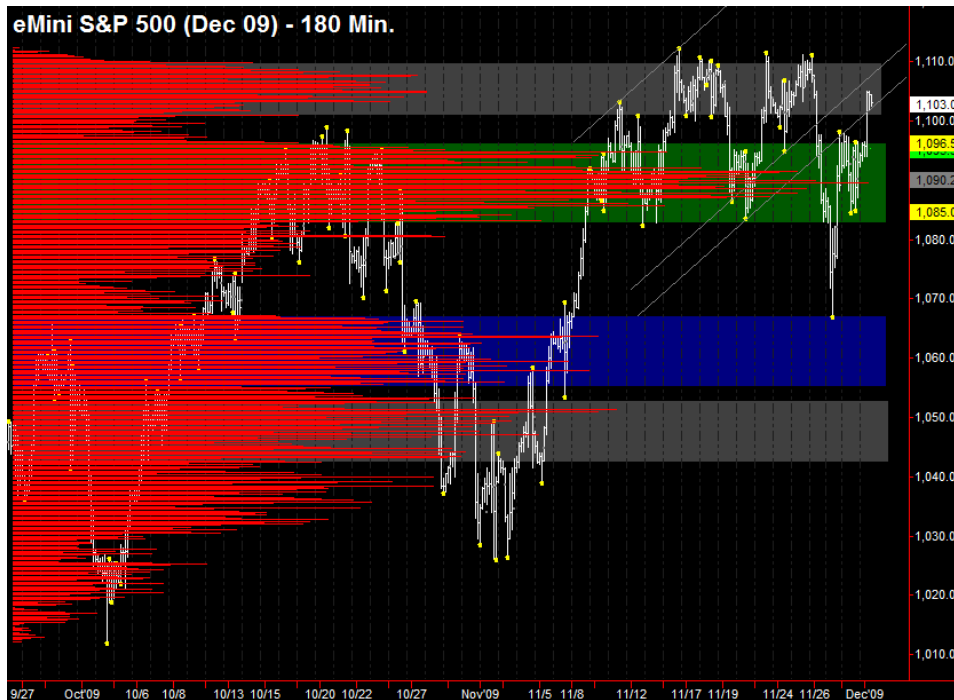
**The Precise Take** – ES back to test highs ahead of Employment Situation Friday

**Leaders Analysis:** Correlations are back in alignment, with equities, the EuroYen and gold (1200!) all advancing and the US Dollar and long term Treasuries retreating.

**Medium Term Analysis:** Yesterday had a small range, but had good volume and a strong close, which setup a continuation of the move overnight. There are a trio of reports today at 10:00 am, which will likely allow traders to either take the ES to new highs or to retrace lower and consolidate ahead of Friday's Employment Situation report.

**Trading Today:** The preferred early trade is to buy from 1096.00 to 1099.75, which includes the daily R1's and overnight VWAP. However, we may simply wait until after the 10:00 am reports to gauge the reaction in the markets. If the ES heads down strongly on the reports, we will be careful with longs because of a possible triple top on the daily. However, 1089.25 to 1093.00 is very strong support, with the weekly pivot, the daily pivots, closing VWAP and yesterday's settlement. Above, and weekly R1 is in confluence with contract highs from 1111.75 to 1112.25. Motor Vehicle sales are also released throughout the day and could surprise the markets at any time.

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1094.75 (4:00 pm close)  
1093.00 (4:15 pm settlement)

#### Daily Pivots

1091.50 (day-session-only)  
1091.75 (day & overnight sessions)

#### Unfilled Gaps

1011.75 to 1014.75 (price)  
1069.25 to 1074.00 (price)  
1098.25 to 1103.25 (price)

#### Upside Targets

1126.25, 1144.75, 1160.75

#### Downside Targets

1063.00, 1022.75, 1004.75, 975.50,  
961.00, 937.25, 899.00, 882.25,  
831.25

#### Countertrend Longs\*

1031.50, 1050.50, 1056.50, 1076.00,  
1086.50

#### 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

#### Major Market Movers

ISM Mfg Idx at 10:00 am  
Pending Home Sales at 10:00 am

#### Minor Market Movers

Motor Vehicle Sales (released throughout the day)  
Redbook at 8:55 am  
Construction Spending at 10:00 am

### Tomorrow's Scheduled News

#### Major Market Movers

Beige Book at 2:00 pm

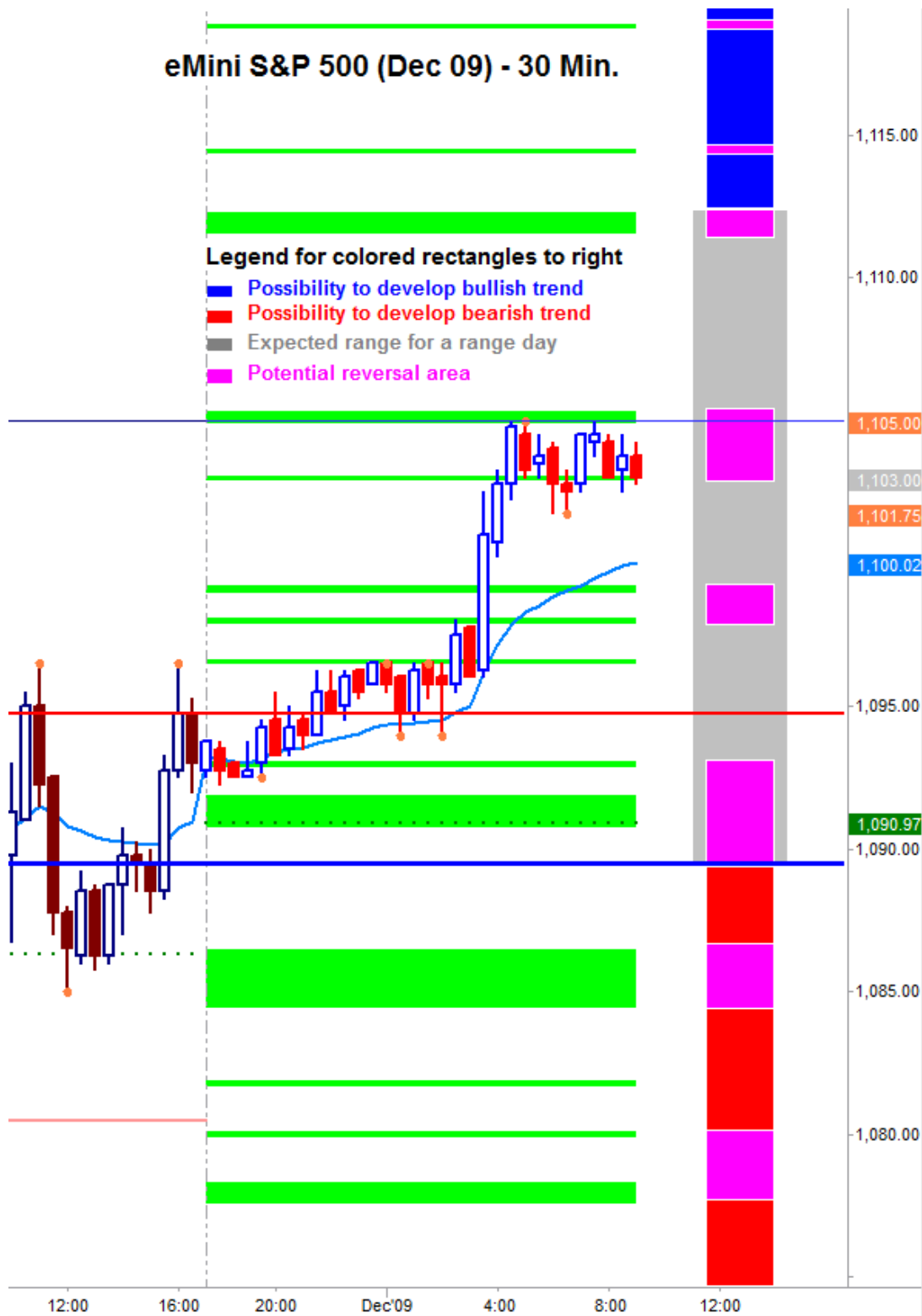
#### Minor Market Movers

MBA Purchase Apps at 7:30 am  
ADP Employment Report at 8:15 am  
EIA Petroleum Stats at 10:30 am

Free intraday updates at <http://www.precisioncapmgt.com>.

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Today's Support and Resistance:



**Legend:** Market Profile points of control (POC's) 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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