



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

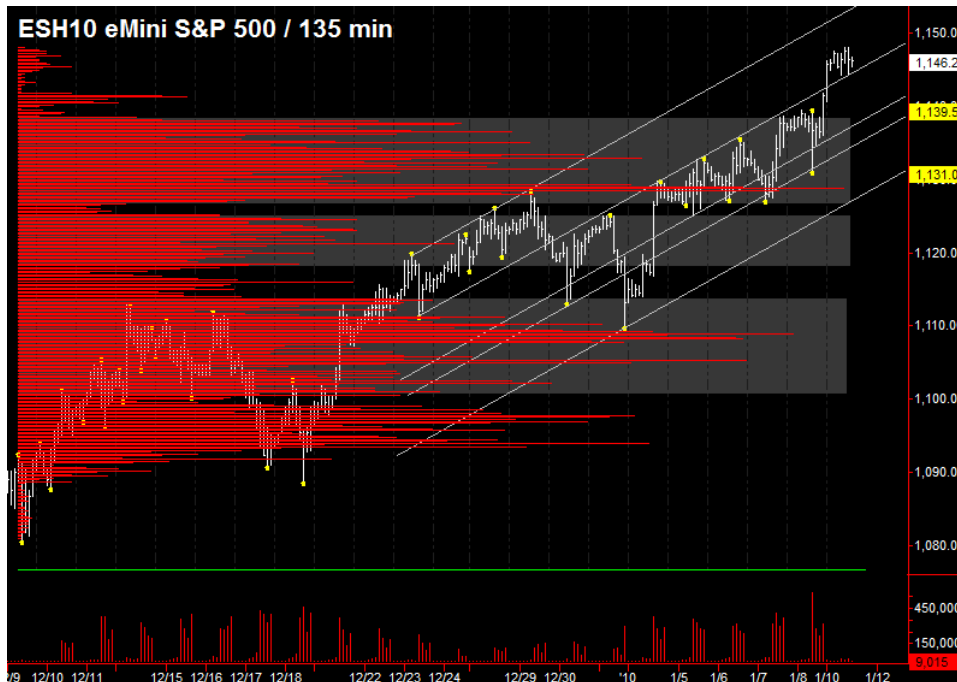
**The Precise Take** – Equities to gap up Monday, on schedule

**Leaders Analysis:** Overnight, the EuroYen advanced to the early Dec 08 pivot high and the US Dollar Index gapped down through ~77 support and is now testing the 61.8% retracement (76.84) of the breakout from the 75.88 level. If support breaks, a retest of the large congestion area of 74.17 to 75.88 is likely. This would allow for an easy continuation of the move up in equities. Also, the Nasdaq 100, which had been lagging, finally caught up Friday. All in all, the leaders are strongly equities bullish, though there is a possibility of a reversal here given the stance of the US Dollar Index and the EuroYen. This would not necessarily lead to a reversal in equities, but would make large material gains less likely.

**Medium Term Analysis:** There is little way in terms of scheduled news until Thursday's Retail Sales and Friday's CPI, though Alcoa kicks off earnings season after the close today. Friday is also options expiration. If the longs are going to continue the run-up, they have little resistance through Wednesday.

**Trading Today:** Friday, the ES was able to close on a strong note at the upper end of the projected range, and has continued the move overnight up to just shy of day-session-only R2. Given the [bullish seasonality of Mondays recently](#), the ES should be able to reach weekly R1 at 1151.00 or, perhaps monthly R2 at 1154.50, which is the upper end of the projected range today. The lower end of the projected range is today's gap area from 1141.25 to 1141.50. Ordinarily, we would allow for a move down to the daily pivots (1138.00 to 1138.50); however, given the overbought stance for the ES, we consider longs below 1141.25 to be aggressive. Also, the gap should fill in the first 30 minutes. The longer it takes, the more likely it will not hold as support.

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1141.25 (4:00 pm close)  
1141.50 (4:15 pm settlement)

#### Daily Pivots

1138.50 (day-session-only)  
1138.00 (day & overnight sessions)

#### Unfilled Gaps

1063.00 to 1069.25 (price)  
1099.00 to 1103.00 (price)

#### Upside Targets

1154.50, 1196.00, 1235.00

#### Downside Targets

1128.75, 1109.00, 1063.00, 1022.75,  
1004.75, 975.50, 961.00

#### Countertrend Longs\*

1126.50

#### Countertrend Shorts\*

1134.75

\* 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

None

#### Minor Market Movers

None

### Tomorrow's Scheduled News

#### Major Market Movers

Int'l Trade at 8:30 am

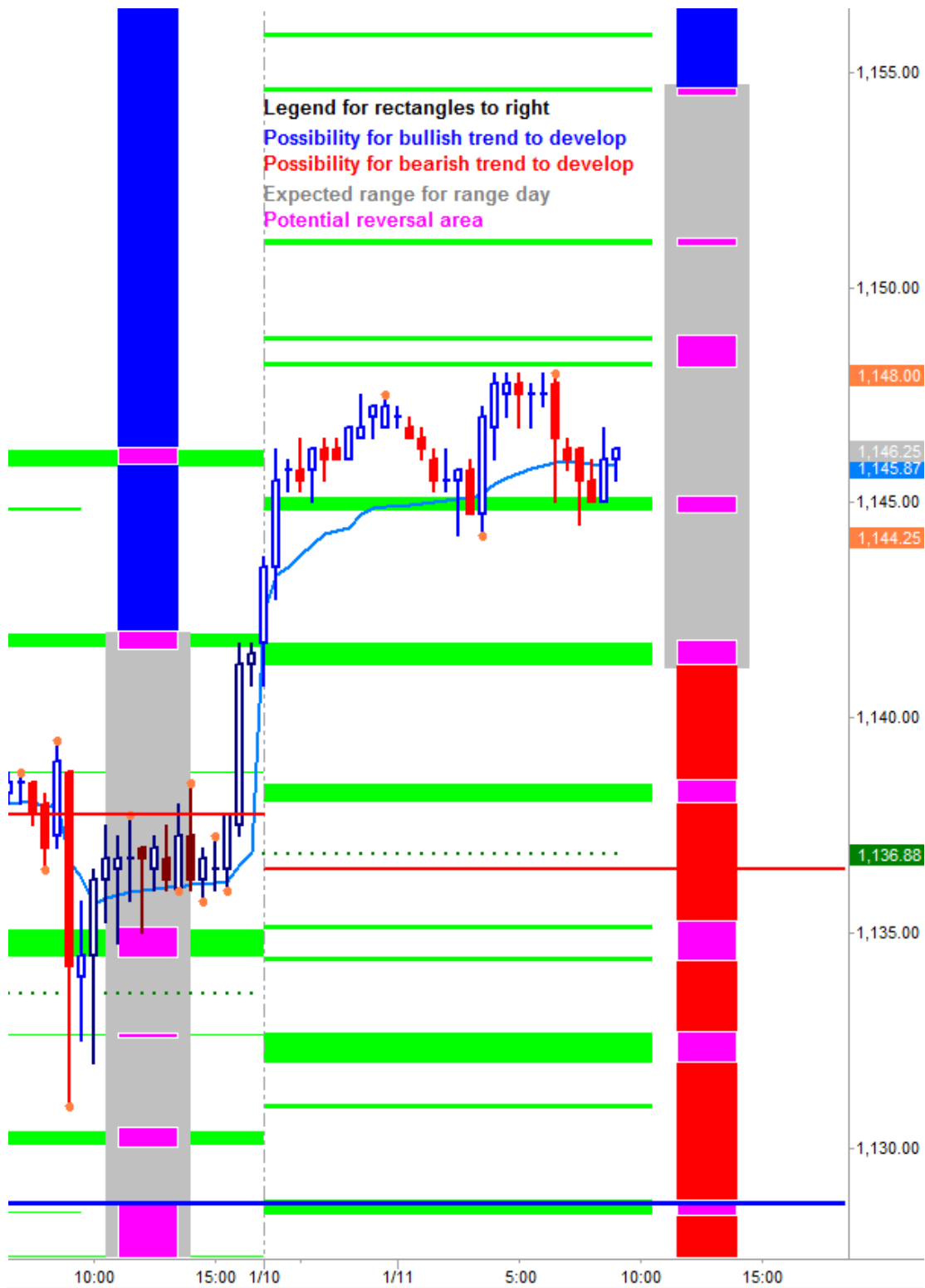
#### Minor Market Movers

3 Yr Note Auction at 1:00 pm

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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