

The PRECISION REPORT

Precise Market Timing



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

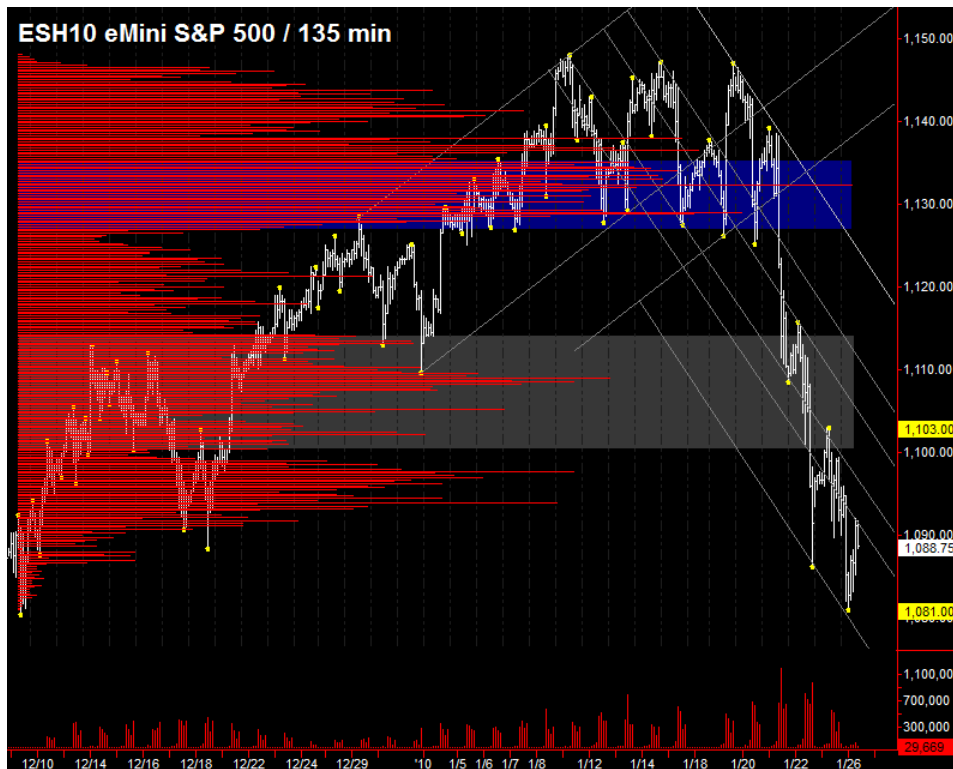
The Precise Take – ES floundering at lows on political uncertainty

Leaders Analysis: The US Dollar is strong overnight on more China tightening hype and has refused to sell off from key resistance. The EuroYen forex cross, as a barometer of global risk appetite, has sold off through support. 30 Year T-Bond futures have capitalized on the flight to quality and are up overnight. All in all, slightly equities bearish, the "slightly" only because of the potential for reversal in the Dollar from the current level.

Medium Term Analysis: While we expected some chopping around until the close today before the bullish FOMC seasonality kicks in, the material move down overnight puts a slight damper on the rebound scenario. Having said that, the ES has retraced a good portion of the overnight losses as we write. With Bernanke covering both the FOMC meeting today and tomorrow and meeting with senators to save his job, anything can happen.

Trading Today: The day prior to an FOMC Announcement is typically subdued, but political news could change that. Further, given the numerous clusters of support and resistance and volatile overnight action, the projected range today is a bit arbitrary. It could easily be as low as 1080.00 and as high as 1101.00. We will instead focus on some key areas, the first of which is resistance in the form of yesterday's settlement to the day-session-only pivot of 1092.50 to 1094.00, which also includes yesterday's high volume level. If the ES cannot clear it, more downside action is possible into the close. To the downside, longs need to support 1084.25 to 1084.75, which is day-session-only S2 to monthly S1. Below that, there is not strong support until 1067.00 to 1069.00.

Today's volume profile:



Day Trading Guide

Daily Gaps

1093.00 (4:00 pm close)
1092.50 (4:15 pm settlement)

Daily Pivots

1094.00 (day-session-only)
1095.00 (day & overnight sessions)

Unfilled Gaps

1063.00 to 1069.25 (price)
1138.50 to 1143.00 (price)

Upside Targets

1126.25, 1132.25, 1154.50, 1196.00,
1235.00

Downside Targets

1069.00, 1022.75, 1004.75, 975.50,
961.00

Countertrend Longs*

None

Countertrend Shorts*

1109.75, 1118.75

* 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

Consumer Confidence at 10:00 am

Minor Market Movers

S&P Case-Shiller HPI at 9:00 am

State St. Investor Confidence at 10:00 am

2 Yr Note Auction at 1:00 pm

Tomorrow's Scheduled News

Major Market Movers

New Home Sales at 10:00 am

Geithner speaks at 10:00 am

Minor Market Movers

5 Yr Note Auction at 1:00 pm

FOMC Meeting at ~2:15 pm

Major Market Movers

Consumer Confidence at 10:00 am

Minor Market Movers

S&P Case-Shiller HPI at 9:00 am

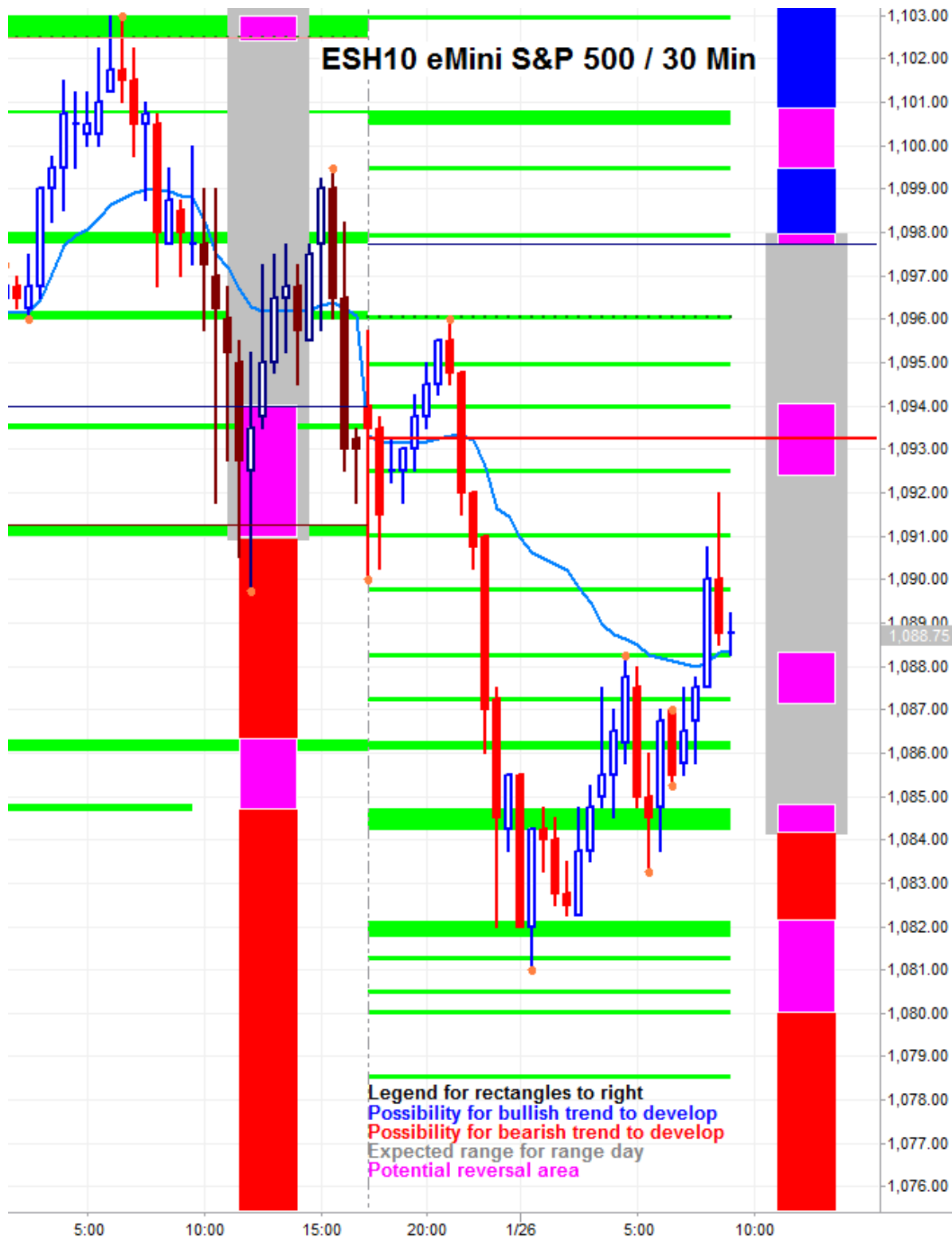
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Free intraday updates at <http://www.precisioncapmgt.com>.

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Today's Support and Resistance:



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