

The PRECISION REPORT

Precise Market Timing



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

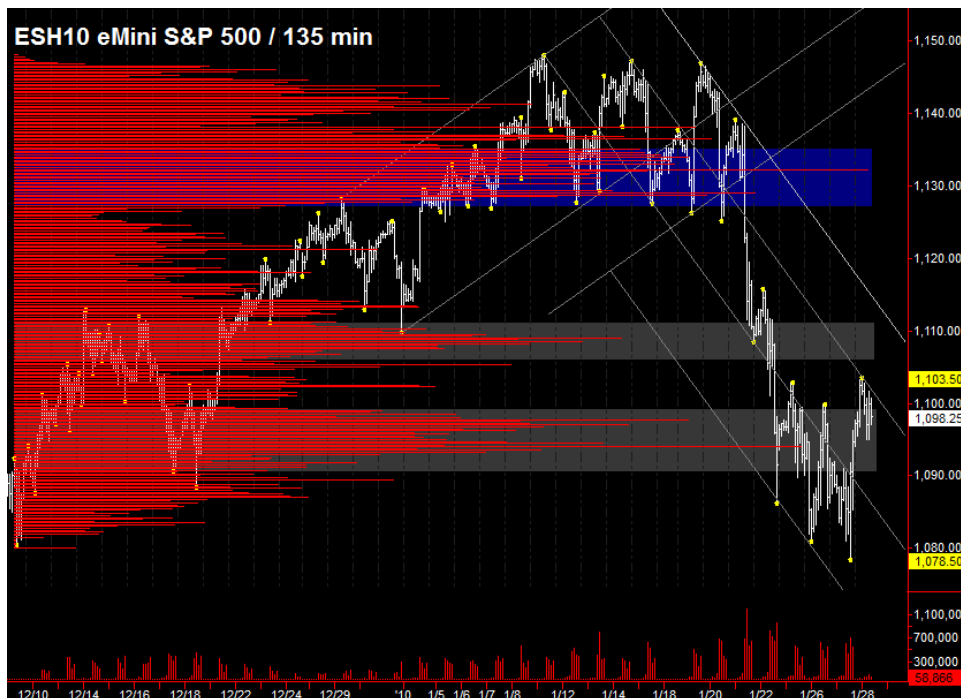
The Precise Take – Equities poised to rally on any favorable news

Leaders Analysis: The US Dollar Index managed to close yesterday just above its 200 day moving average, but is back to its closing level after making a new high overnight. The EuroYen forex cross, which is usually negatively correlated to the Dollar, has also sold off after being up overnight. 30 Year T-Bond futures have corrected off the 119 6/32 high and are down to 200 day moving average support. All in all, the leaders are slightly equities bullish.

Medium Term Analysis: After making a new nominal low on the FOMC report yesterday, the ES rallied into the close, not unlike the Mar 6 2009 [corrected 9:22 am] FOMC Employment Situation day, which kicked off the 2009 rally. Bernanke's fate will likely be decided by tomorrow and, should he be confirmed, we would expect an equities rally. Non confirmation could lead to a selloff. Tomorrow's GDP would have to disappoint strongly to get an equities selloff, and it would actually be more bullish in the medium term to get a rally off a 3% to 4% number than a 5% one. Wildly bullish numbers on major reports have tended to get reversed after a few days.

Trading Today: Just above the overnight high is very strong resistance from the monthly and weekly pivots and a high volume level (1106.50 to 1109.00), and this marks the upper end of the projected range today. It will probably take either GDP tomorrow or Bernanke's confirmation to punch through. To the downside, the lower end of the projected range is yesterday's high volume level in confluence with the daily pivots and last week's settlement, from 1089.50 to 1091.00. However, if the bulls are strong today, the potential reversal area of 1093.75 to 1095.00, which includes the daily gaps, could be capture the low.

Today's volume profile:



Day Trading Guide

Daily Gaps

1093.75 (4:00 pm close)
1094.50 (4:15 pm settlement)

Daily Pivots

1089.75 (day-session-only)
1089.75 (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*

1082.75

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

None

Minor Market Movers

7 Yr Note Auction at 1:00 pm

Tomorrow's Scheduled News

Major Market Movers

GDP at 8:30 am

Minor Market Movers

Employment Cost Idx at 8:30 am

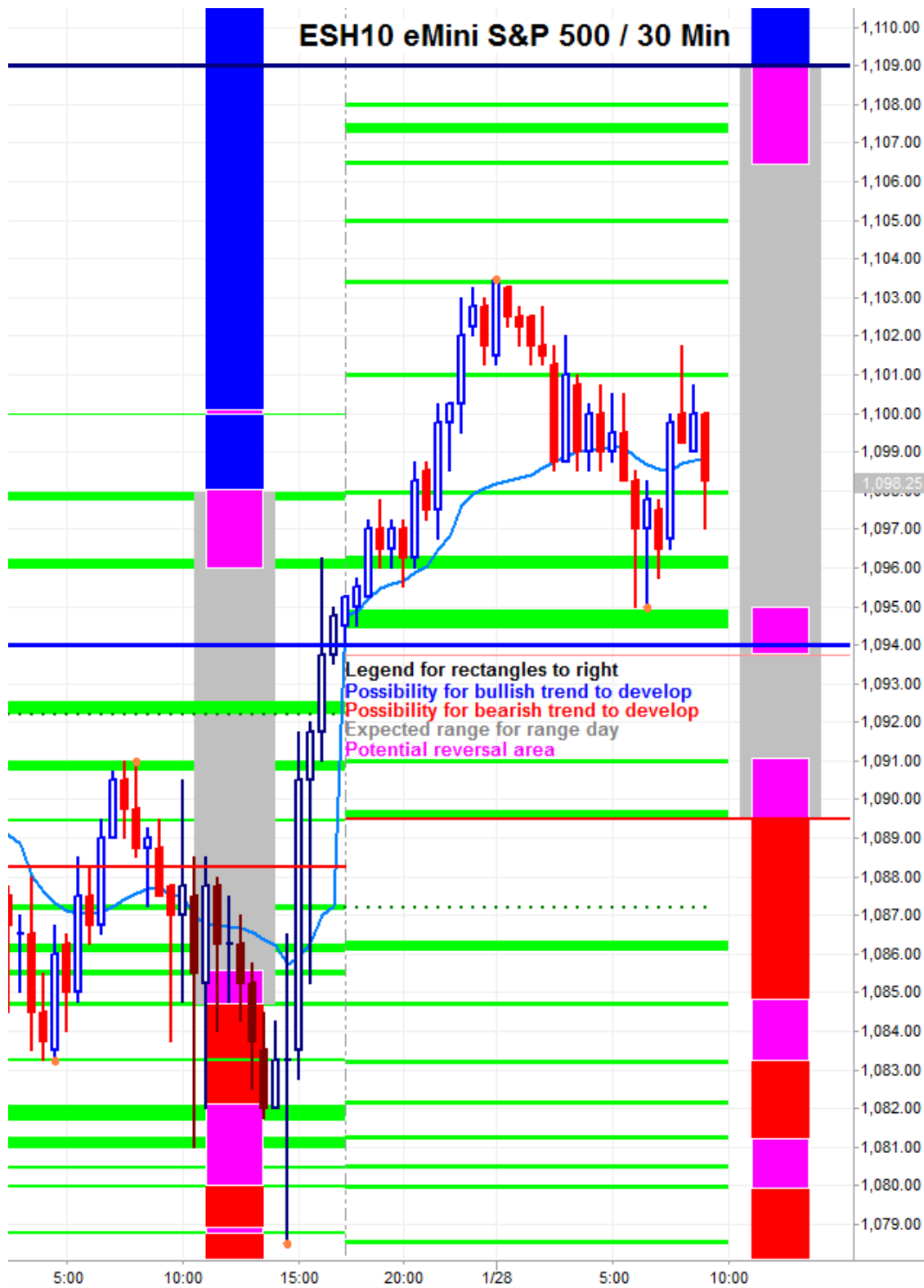
Chicago PMI at 9:43 am

Consumer Sentiment at 9:55 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), 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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