

# The PRECISION REPORT

Precise Market Timing



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

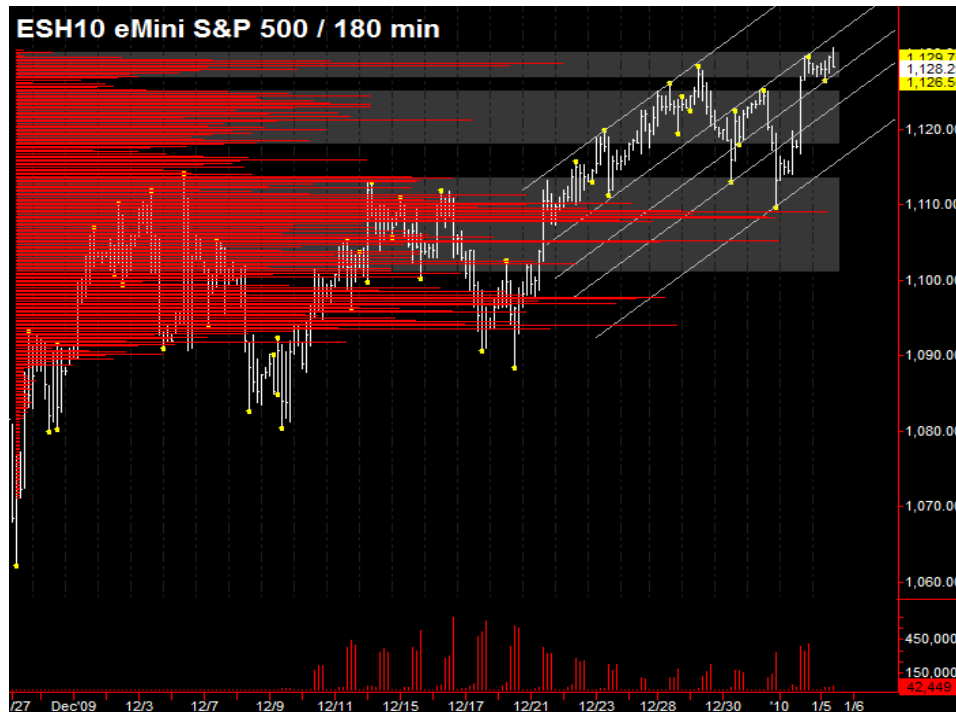
**The Precise Take** – ES looking to consolidate Monday's gains

**Leaders Analysis:** The EuroYen forex cross took out the prior two days' lows, but is using the 50 day moving average as support. The US Dollar is a bit lower, but has now entered the fib support area of 76.85 to 77.16 measured from its breakout of the 75.88 resistance level. Our guess is it will likely bounce around in this support box, then rally again until at least the 79.00 area. Less likely is a return to the 75.75 to 76.00 area. When the Dollar rallied in December, equities were able to make gains, but they were more labored then when the Dollar was in freefall. 30 Year T-Bond futures have been consolidating and a break through 116 should facilitate a move to the 118 to 118'16 area. With the 30 Year yield testing June highs, this is the more likely scenario, but a break higher in yields (lower in the futures) could make for another substantial move. For today, the leaders are neutral.

**Medium Term Analysis:** The ES has substantial pivot resistance from monthly R1 (1132.75) and weekly R2 (1135.00) overhead. If it can break through, however, a move to monthly R2 at 1154.50 is in the cards. If the ES flounders here, it will probably return to at least the 1116.00 to 1121.00 area. If the US Dollar starts exhibiting strength again over the next few days, this is the more likely scenario. If the Dollar makes a run for lower resistance, the 1154.50 target should be easily reached.

**Trading Today.** There's some scheduled news at 10:00 am, but surprises are unlikely, so we expect range bound action today. As such, the lower end of the projected daily range is 1122.00 [to 1124.00], which includes day-session-only S1, weekly R1 and the combined session pivot. The upper end is combined session R1 and weekly R2. However, we will also consider a long from 1125.50 to 1126.25 (closing VWAP and day-session-only pivot) or a short from 1123.75 (day-session-only R1 and monthly R1).

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1128.50 (4:00 pm close)  
1128.75 (4:15 pm settlement)

#### Daily Pivots

1126.00 (day-session-only)  
1124.00 (day & overnight sessions)

#### Unfilled Gaps

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

#### Upside Targets

1144.75, 1154.50, 1196.00, 1235.00

#### Downside Targets

1109.00, 1063.00, 1022.75, 1004.75,  
975.50, 961.00, 937.25, 899.00,  
882.25, 831.25

#### Countertrend Longs\*

None

#### 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

None

#### Minor Market Movers

Pending Home Sales at 10:00 am  
Factory Orders at 10:00 am  
Motor Vehicle Sales throughout day

### Tomorrow's Scheduled News

#### Major Market Movers

ADP Employment Report at 8:15 am

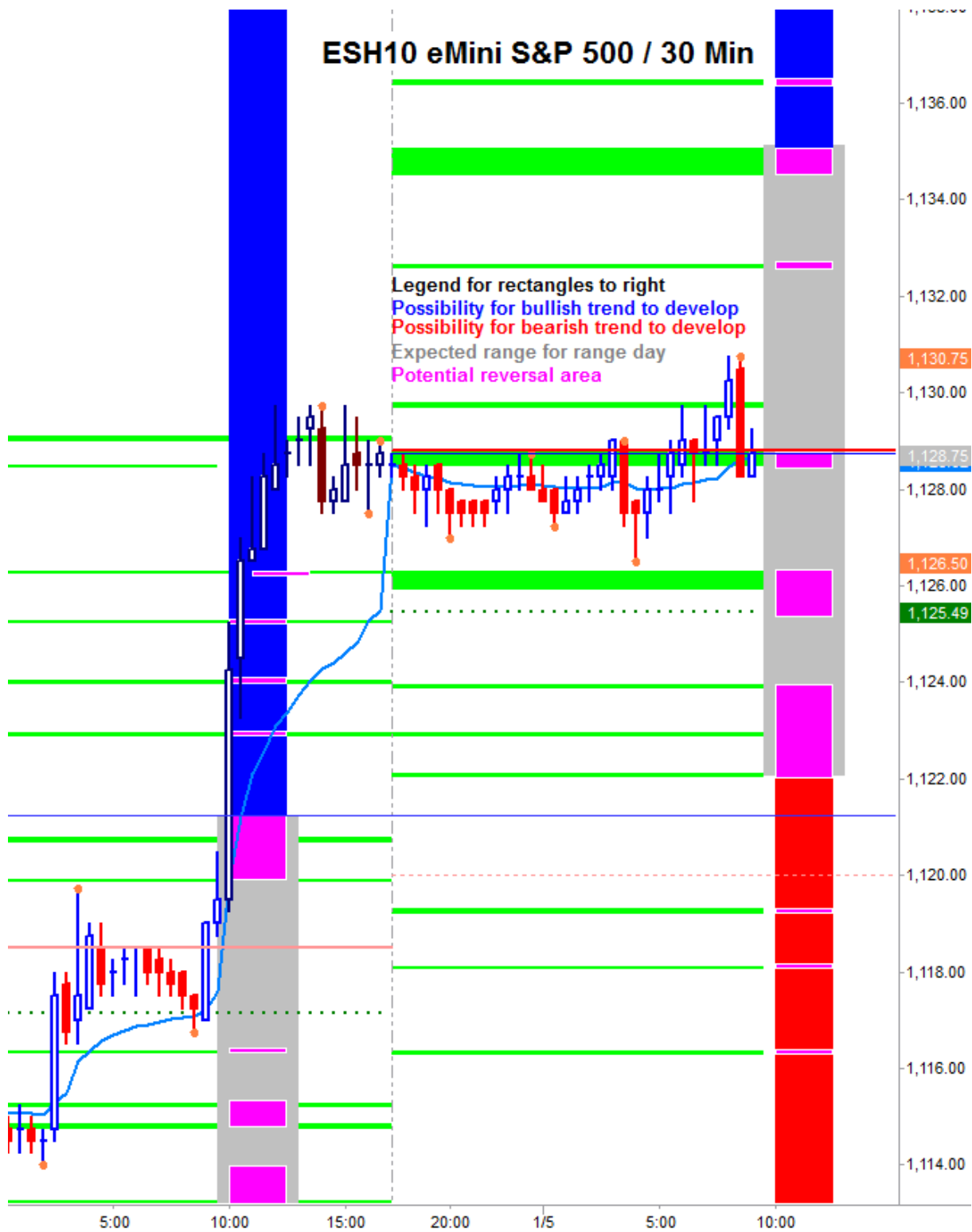
#### Minor Market Movers

Challenger Job-Cut Report at 7:30 am  
ISM Non-Mfg Report at 10:00 am  
FOMC Minutes at 2:00 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) 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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