

# The PRECISION REPORT

Precise Market Timing



March 12, 2010

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

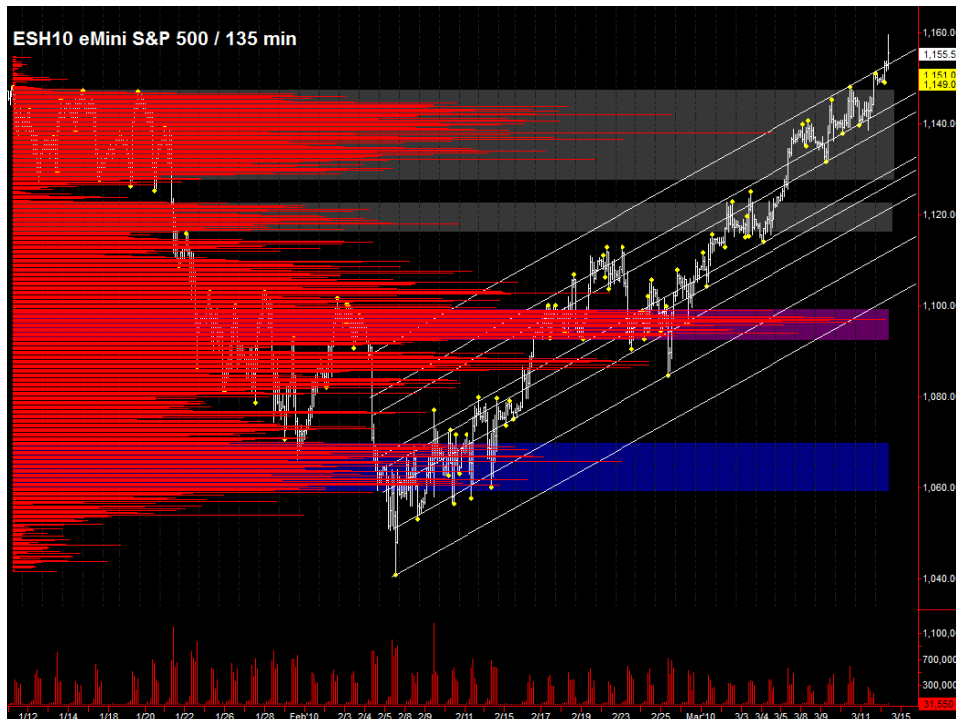
**The Precise Take** – Equity futures spike higher on Retail Sales

**Leaders Analysis:** The US Dollar Index broke down through its consolidating wedge and has reached support. While we expect it to go lower next week, there is a good chance it will retrace upwards a bit first. The EuroYen has traded up to its 20 day moving average and 30 Year T-Bond yields are up after going down on yesterday's 30 year auction and hitting support. Because of the extended moves into support/resistance and possibility of reversal, for today, the leaders are slightly equities bearish.

**Medium Term Analysis:** As of Monday, we will switch to the June 2010 contract. Yesterday's afternoon rally finally produced the breakout from the January high, which was continued overnight and extended on the Retail Sales report. The spike up on the report into strong resistance and subsequent retracement is a bit bearish, and given the overbought status of the ES, we would not be surprised to see a top today that lasts for a few days.

**Trading Today:** Given the price action this morning, it has been difficult to pinpoint the projected range today. Most likely, the upper end is somewhere between 1157.75 and 1161.00, which includes monthly R2, the daily R2's and weekly R2. For the lower end we are targeting 1148.00 to 1149.25, which includes the old contract high, the overnight low and weekly R1. Contract rollover can produce some tricky moves intraday, so caution is warranted.

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1149.75 (4:00 pm close)  
1150.50 (4:15 pm settlement)

#### Daily Pivots

1146.75 (day-session-only)  
1146.75 (day & overnight sessions)

#### Unfilled Gaps

1138.50 to 1143.00 (price)

#### Upside Targets

1154.50, 1196.00, 1235.00

#### Downside Targets

1118.00, 1097.00, 1083.00, 1065.75,  
1022.75, 1004.75, 975.50, 961.00

#### Countertrend Longs\*

1041.75, 1060.50, 1080.50, 1086.25,  
1101.00, 1126.25, 1140.25

#### Countertrend Shorts\*

1144.25

\* 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

Consumer Sentiment at 9:55 am  
Business Inventories at 10:00 am

### Tomorrow's Scheduled News

#### Major Market Movers

Industrial Production at 9:15 am

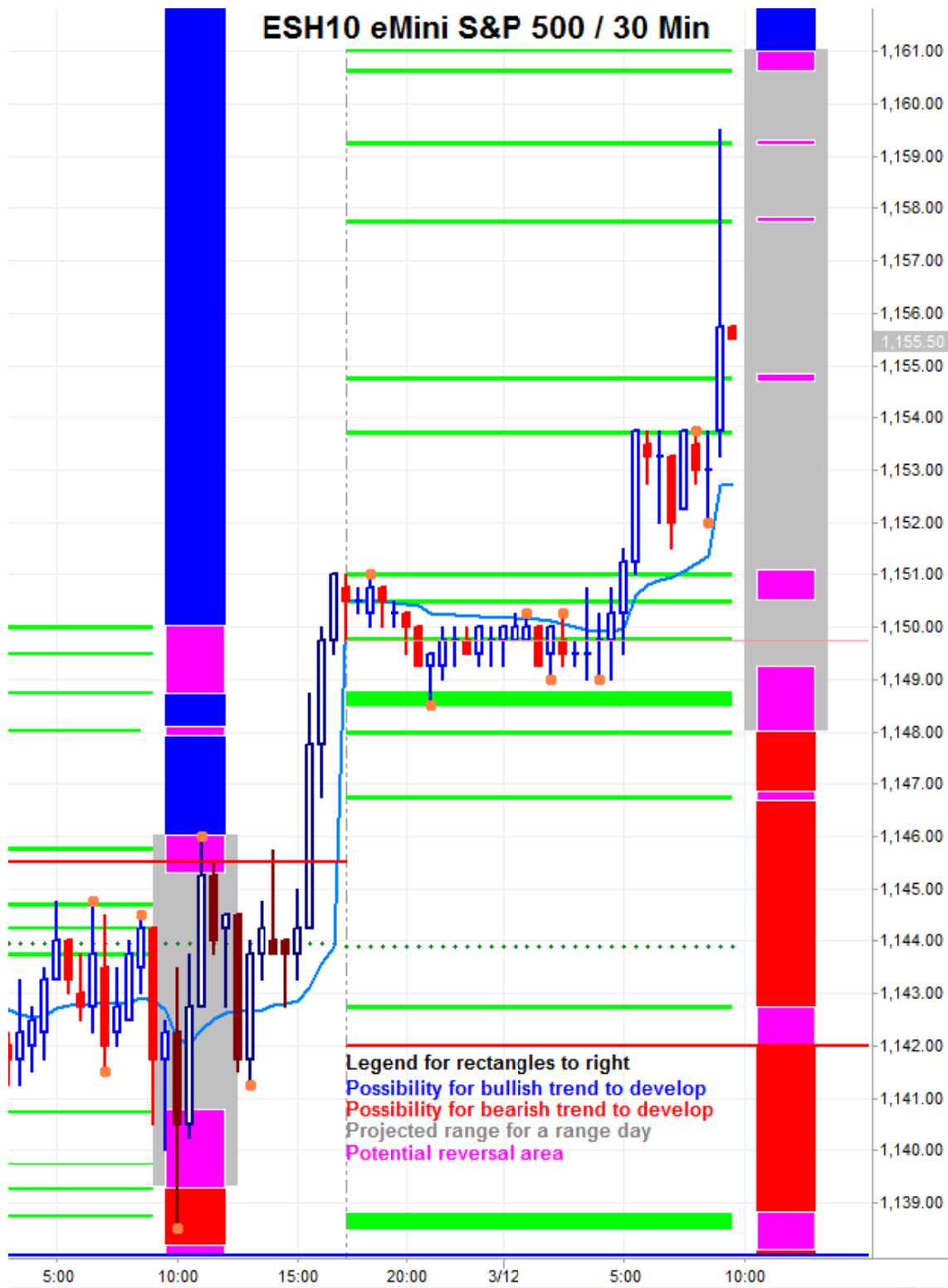
#### Minor Market Movers

Empire State Mfg Survey at 8:30 am  
Treas Int'l Capital at 9:00 am  
Housing Mkt Idx at 1:00 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), 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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