

# The PRECISION REPORT

Precise Market Timing



March 18, 2010

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

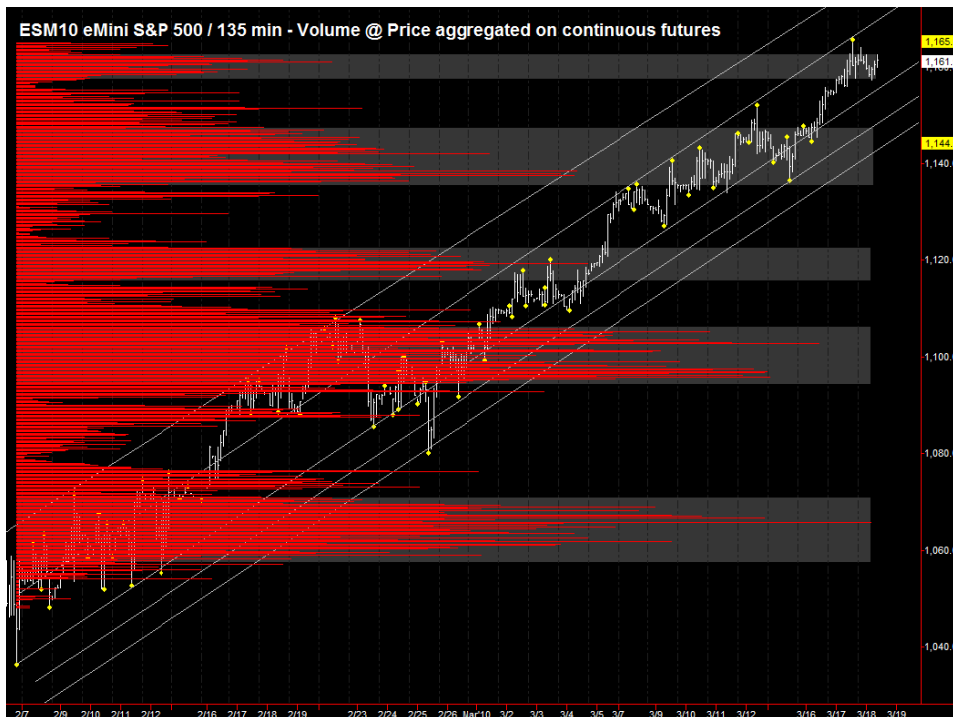
**The Precise Take** – Markets calm after flat CPI

**Leaders Analysis:** The leaders threw us a big curve yesterday, but correlations appear to have righted overnight, with the EuroYen and ES falling, then rising in synch, and the US Dollar Index following inversely as well. With the EuroYen at support and the Dollar at resistance, the leaders are equities neutral for today.

**Medium Term Analysis:** CPI was a non-event this morning, so focus will be on tomorrow's quadruple witching options expiration. Next week is news-light until Friday's preliminary GDP for Q4 2010, though there are some large Treasury auctions in the middle of the week. The latter is notable because the only stumble in the equities rally that began in February was concurrent with the same auctions in the final week of February. Besides being overbought, there's really nothing else in the way of this rally. However, the eventual correction will probably accelerate quickly as traders will be quick to book profits.

**Trading Today:** The upper end of the projected range is from 1165.00 to 1166.75 and includes yesterday's high, the daily R1's and weekly R2. The lower end is from 1156.75 to 1157.50 and includes day-session-only S1, the overnight low and weekly R1. There's some minor news at 10:00 am, but nothing likely to stir the markets much.

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1161.75 (4:00 pm close)  
1161.00 (4:15 pm settlement)

#### Daily Pivots

1161.25 (day-session-only)  
1160.25 (day & overnight sessions)

#### Unfilled Gaps

1120 to 1121.50 (price)

#### Upside Targets

1166.75, 1196.00, 1235.00

#### Downside Targets

1119.25, 1097.00, 1083.00, 1065.75,  
1022.75, 1004.75, 975.50, 961.00

#### Countertrend Longs\*

1146.00, ~~1141.75~~, ~~1151.50~~

#### Countertrend Shorts\*

1164.75

\* 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

Leading Indicators at 10:00 am  
Phili Fed Survey at 10:00 am

### Tomorrow's Scheduled News

#### Major Market Movers

None

#### Minor Market Movers

None

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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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