

The PRECISION REPORT

Precise Market Timing



March 22, 2010

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

The Precise Take – Equity futures to gap down into support

Leaders Analysis: The US Dollar Index is up marginally overnight after rallying strongly the previous two days. Though intraday it has been higher this year, it has yet to close above 80.85. Accordingly, on the first test of this area in several weeks, it is unlikely to break through. The EuroYen is hugging its 20 day moving average and 30 year T-Bond yields are at resistance. All in all, the leaders are slightly equities bullish today; however, the overnight low in the EuroYen forex cross needs to hold intraday.

Medium Term Analysis: With no scheduled news today, the markets will digest the health bill passed over the weekend. This will be the first Monday since September 21, 2009 to materially gap down. Last Monday began with a minor down gap and, after a flush of weak longs, closed the day strongly. We could see a similar setup today. Durable goods Wednesday will be a sneak peak of Friday's GDP. We would expect to see the bottom of this minor correction early this week, possibly today, after which we should get at least a retest of last Wednesday's high.

Trading Today: The projected range was a bit difficult to pinpoint today, so we settled on the most extreme values. This means, there is a good chance that actual range will be inside our projected range. The lower end is the daily S2's in confluence with a long term high volume level, from 1142.50 to 1144.50. The upper end includes Friday's settlement, closing VWAP and the daily pivots, from 1156.00 to 1157.25. 1152.75 is the weekly pivot along with monthly R2, and is also strong resistance.

Today's volume profile:



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

Day Trading Guide

Daily Gaps

1154.75 (4:00 pm close)
1156.25 (4:15 pm settlement)

Daily Pivots

1157.25 (day-session-only)
1157.25 (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

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

None

Tomorrow's Scheduled News

Major Market Movers

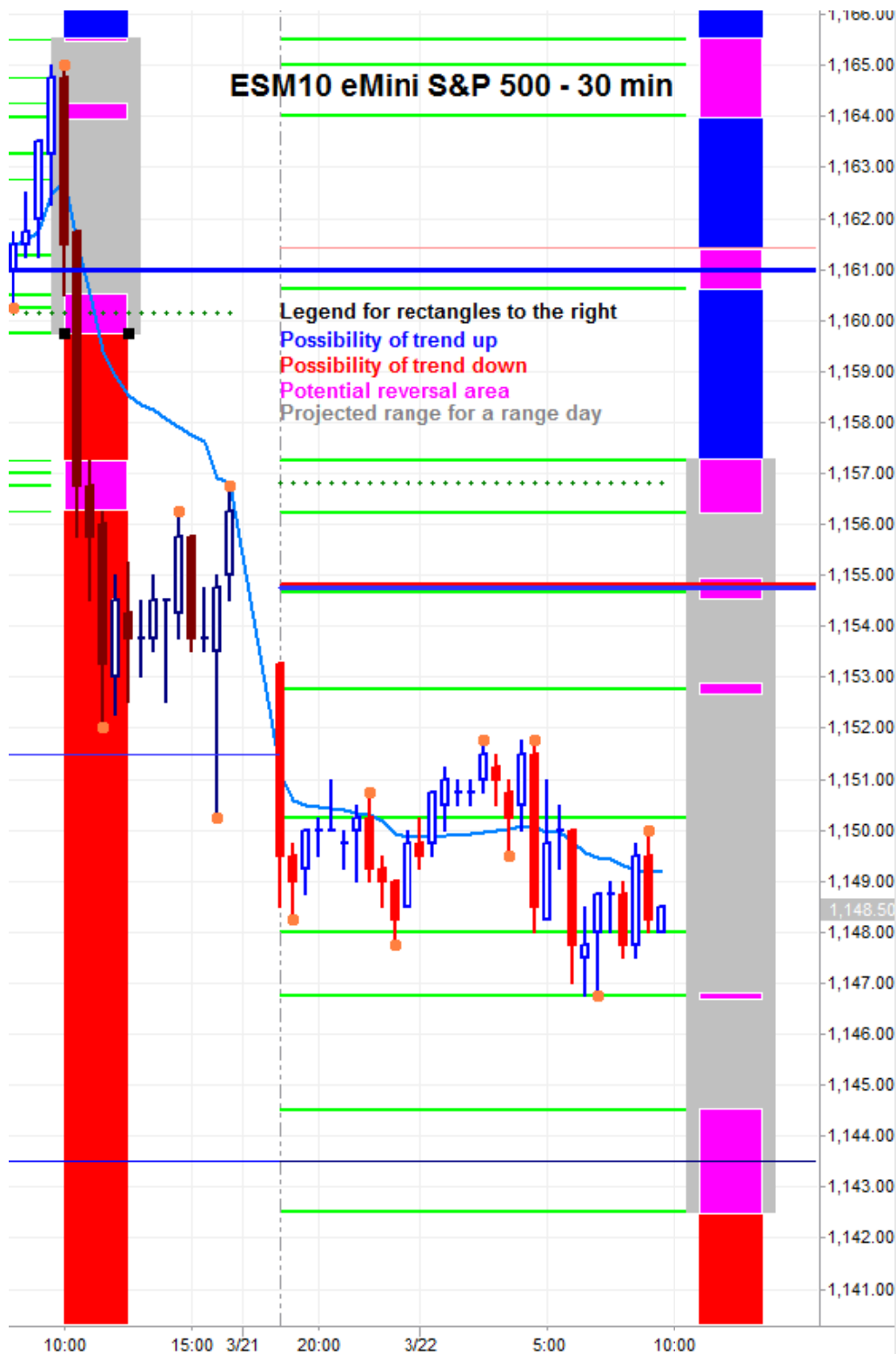
Existing Home Sales at 10:00 am

Minor Market Movers

2 Yr Note Auction at 1:00 pm
Yellen speaks at 3:00 pm

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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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