

The PRECISION REPORT

Precise Market Timing



March 29, 2010

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

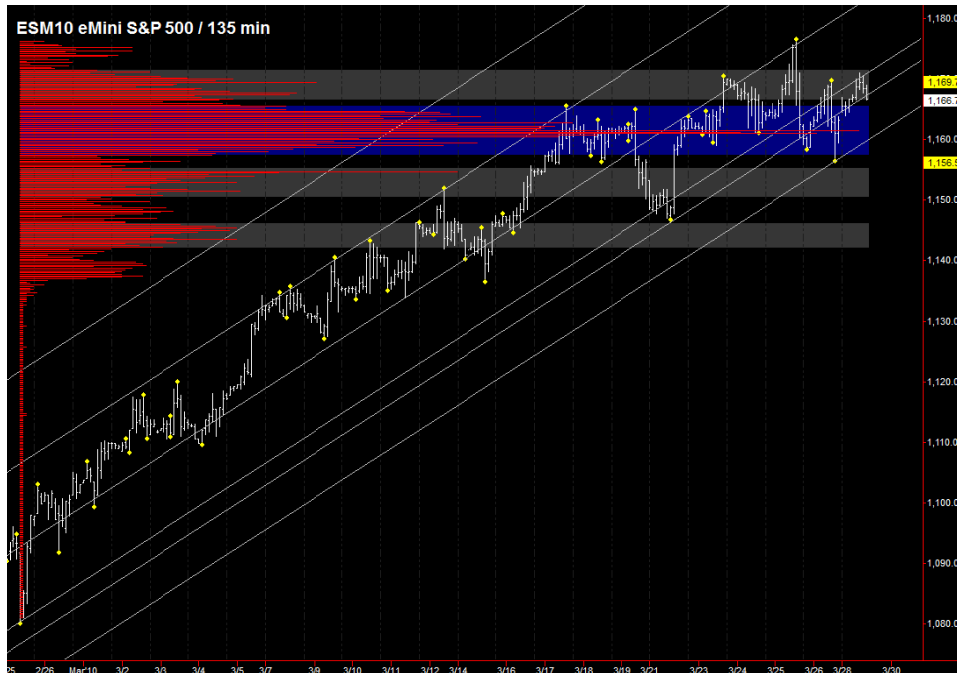
The Precise Take – Equity futures to gap up marginally as Q1 2010 draws to a close

Leaders Analysis: After closing lower Friday, the US Dollar Index sold off further overnight and entered its previous trading range, the upper end of which is serving as support. It is still premature to confirm a false breakout, but so far that appears to be the case. The EuroYen traded up through its 50 day moving average to the neckline of an inverse head and shoulders. Should it close above, it would signal further equities gains in the coming weeks. A potential blight is the 30 Year T-Bond yield, which stubbornly refuses to back away from long term resistance. A break would generate significant follow through, which may spook the markets. For today, the leaders are equities neutral.

Medium Term Analysis: After a brief breach of the lower end of its current market profile value area (blue, below) Friday afternoon, the ES managed to close above its high volume level and continued to rally overnight. Equities need to move higher soon or risk a profit taking drop, which needn't be protracted in terms of time, but could be in terms of price, likely to at least the 1148 to 1150 level. End of quarter is Wednesday, when focus will shift to the monthly employment numbers on Friday.

Trading Today: The upper end of the projected range contains the overnight high, Friday's high and the daily R1's, from 1169.50 to 1171.00. Should it break, the ES should be able to test last week's high of 1176.50. The lower end contains long term and Friday's high volume levels and the weekly pivot, from 1160.75 to 1162.25. There's also strong support from 1163.25 to 1164.50, which contains the daily pivots, last week's settlement, the overnight low and closing VWAP. Unfortunately, the wide band of strong support makes bottom fishing tricky today.

Today's volume profile:



Day Trading Guide

Daily Gaps

1161.75 (4:00 pm close)
1163.50 (4:15 pm settlement)

Daily Pivots

1163.25 (day-session-only)
1163.25 (day & overnight sessions)

Unfilled Gaps

1120 to 1121.50 (price)

Upside Targets

1196.00, 1235.00

Downside Targets

1148.25, 1112.75, 1097.00, 1083.00,
1065.75, 1022.75, 1004.75, 975.50

Countertrend Longs*

1146.00

Countertrend Shorts*

1175.50

* 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

S&P Case-Shiller HPI at 9:00 am

Minor Market Movers

Consumer Confidence at 10:00 am

State St. Investor Confidence Idx at 10:00 am

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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