

The PRECISION REPORT

Precise Market Timing



March 5, 2010

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

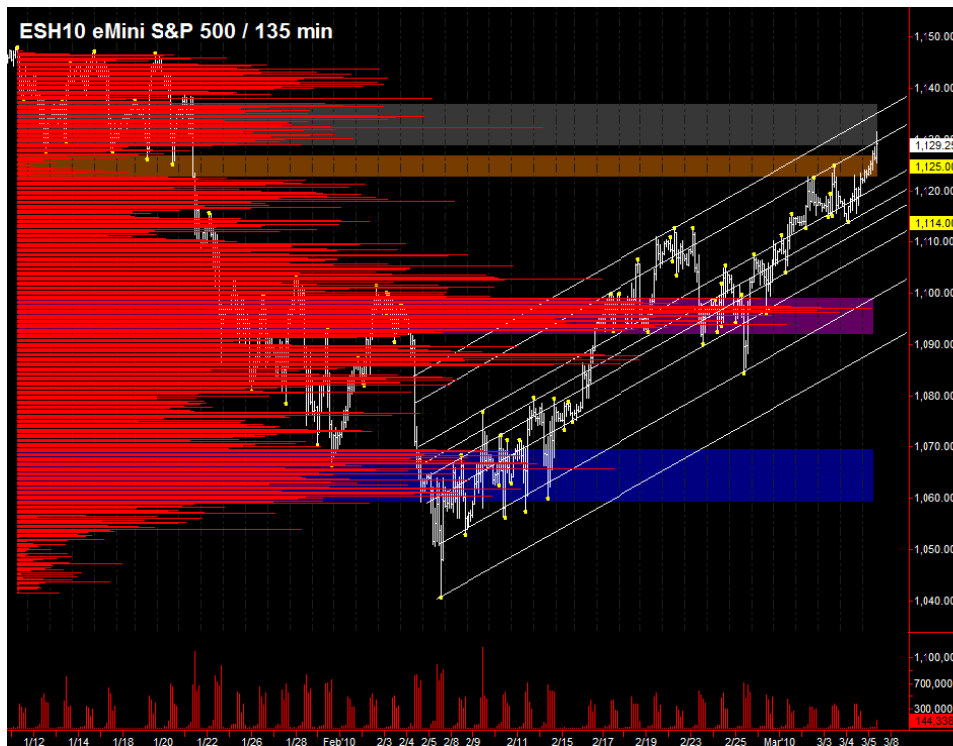
The Precise Take – Will Employment Situation gains hold?

Leaders Analysis: After a volatile reaction to the report, it is too early to tell what the leaders are saying. However, the US Dollar Index is up, along with the EuroYen and equities. It is unlikely that correlations that have persisted for greater than a year have broken, and it may take a day or two for them to get back in line.

Medium Term Analysis: The move of the ES into the 1127 to 1147 January high range is good for equity longs, but there is a historical tendency for gaps on the Employment Situation report to not only be filled intraday, but also get continuation in the direction of the gap fill. For the medium term, the report can mark interim highs and lows. The December 2009 report precipitated a mild two day correction. The January 2010 report precipitated a seven day consolidation that became the 2009 rally highs. We should note that this is only a seasonality, and we don't wish to be too bearish as equities have exhibited great strength recently.

Trading Today: There will likely be continued volatility after the open, so there is a good chance the projected range will be broken. Longs will need to defend the lower end, which includes the daily R1's and the spike low off the report, from 1125.00 to 1126.25. If that is broken, the ES has a good chance of at least a gap fill. Value longs should come in to support 1119.25 to 1120.50 (daily pivots and yesterday's high volume level). The upper end of the projected range is the long term high volume level of 1132.25 up to day-session-only R3 at 1133.25.

Today's volume profile:



Day Trading Guide

Daily Gaps

1121.50 (4:00 pm close)
1122.25 (4:15 pm settlement)

Daily Pivots

1120.50 (day-session-only)
1120.00 (day & overnight sessions)

Unfilled Gaps

1138.50 to 1143.00 (price)
1122.75 to 1127.00 (volume)

Upside Targets

1127.00, 1132.25, 1154.50, 1196.00,
1235.00

Downside Targets

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

Countertrend Shorts*

1124.50

* 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

Consumer Credit at 3:00 pm

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.

