



March 9, 2010

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

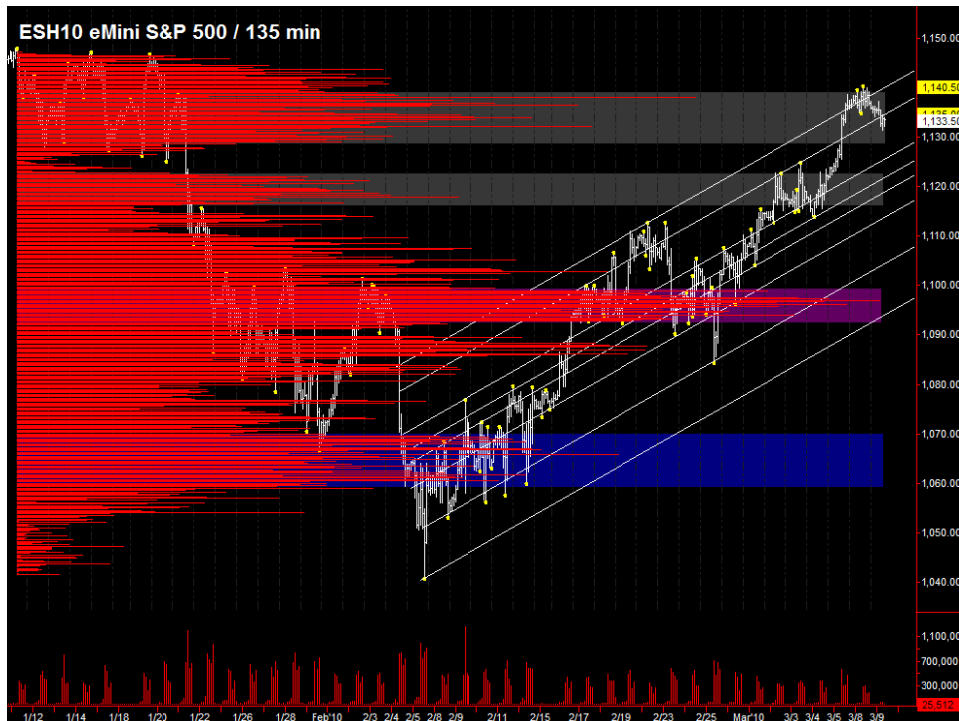
**The Precise Take** – Equity futures correcting mildly overnight into news vacuum

**Leaders Analysis:** Our focus is on the US Dollar, as it appears to be making a consolidating wedge formation on the daily rather than extending the down move initiated last week. Under the consolidation scenario, it should sell off when the index hits 81.00 to 81.25 by tomorrow, then find support between 80.00 to 80.25. If it breaks through these levels on a closing basis, a large move could get underway again, with equities following inversely. With the EuroYen down overnight and not quite yet to support, for today, the leaders are slightly equities bearish.

**Medium Term Analysis:** The ES is down overnight for the first time since late February, so it looks like equities will correct a bit before attempting to head higher. We mentioned the weekly pivot at 1126.50 as the likely target yesterday and stand by it. The rally is not in jeopardy, however, unless the value area centered around the 1118.00 high volume level gives way. With no scheduled news, traders will become introspective and question whether we have a double top on the weekly, which should turn sentiment bearish over the next few days unless the rally resumes. It is exactly this bearish sentiment that led to the late February minor correction and set up a short covering rally to the present price level.

**Trading Today:** The upper end of the projected range is from 1137.00 to 1138.00 and includes the daily pivots and gap area, along with a long term high volume level. The lower end is from 1130.50 to 1132.00 and includes monthly R1, day-session-only S3 and combined session S2. We would also be willing to entertain a short from 1134.75 to 1135.25 if price action supports, or a long around the 1126.50 weekly pivot.

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1138.00 (4:00 pm close)  
1137.00 (4:15 pm settlement)

#### Daily Pivots

1137.75 (day-session-only)  
1137.50 (day & overnight sessions)

#### Unfilled Gaps

1138.50 to 1143.00 (price)

#### Upside Targets

1148.00, 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

#### Countertrend Shorts\*

1139.75

\* 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

None

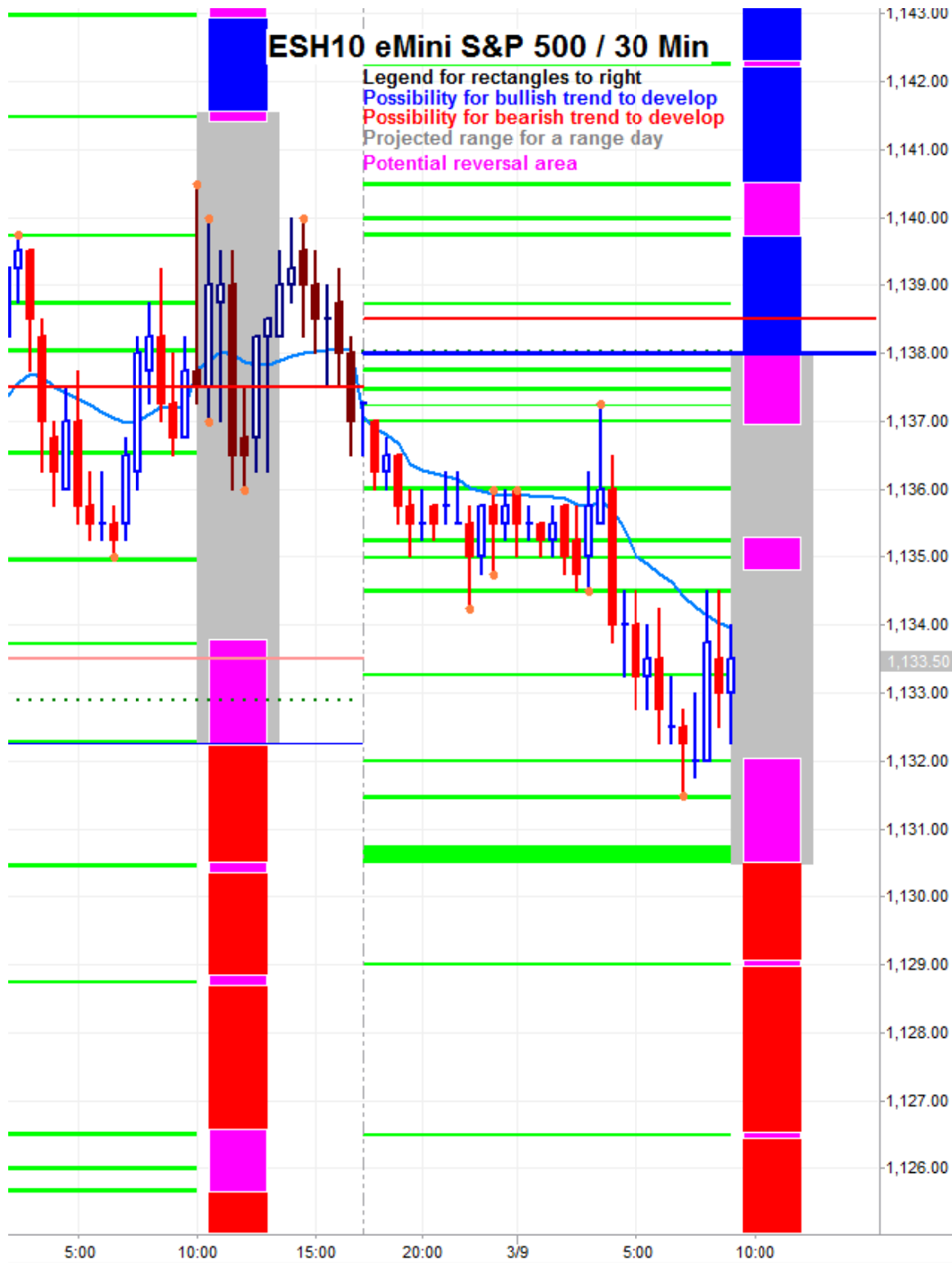
#### Minor Market Movers

Wholesale Trade at 10:00 am  
Treasury Budget at 2:00 pm

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

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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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