

# The PRECISION REPORT

Precise Market Timing



## COMMENTARY FOR THE eMINI S&P 500 DEC 2009 CONTRACT (the "ES")

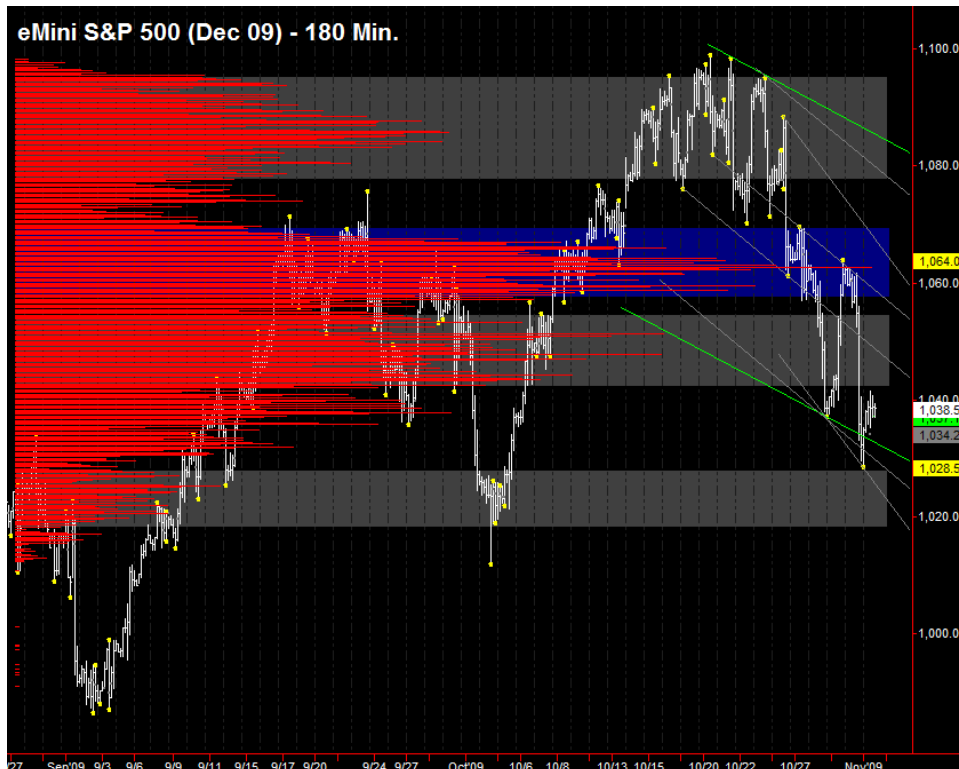
**The Precise Take** – ES trying to stabilize ahead of heavy news morning

**Leaders Analysis:** The EuroYen has now retraced to and bounced off its 200 day moving average, which has acted as support since May. A close below would make the case for a more prolonged equities downturn. 30 Year T-Bond futures closed above their downward trend channel, confirming a breakout, though the yield is near the 20 and 50 day moving averages support. Gold looks the strongest overnight, having rallied from the 1026.90 low of last Wednesday and Thursday.

**Medium Term Analysis:** Today will likely be the most difficult news day of the week, with three reports at 10:00 am. After Friday's inability to rally on a bullish Chicago PMI report, today's ISM Manufacturing report will be watched closely. Next week is light on news, so equities may be able to retrace some of last week's losses after today, building on what should be a friendly FOMC announcement Wednesday. New highs are unlikely, though.

**Trading Today:** The early preferred trade is to be long into the daily pivots at 1041.50 to 1041.75, with an entry between 1033.00 to 1033.75, which includes Friday's settlement. However, if the ES opens near the pivots, we may instead short with Friday's settlement as a target. Above, and there is strong resistance from 1048.00 to 1055.50, which contains the monthly pivot, weekly pivot and a long term point of control. This will be the first major test for longs. We will update shortly after the 10:00 am reports.

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1031.75 (4:00 pm close)  
1033.00 (4:15 pm settlement)

#### Daily Pivots

1041.50 (day-session-only)  
1041.75 (day & overnight sessions)

#### Unfilled Gaps

1011.75 to 1014.75 (price)  
1038.50 to 1042.50 (price)

#### Upside Targets

1063.00, 1099.00, 1126.25, 1144.75,  
1160.75

#### Downside Targets

1022.75, 1004.75, 975.50, 961.00,  
937.25, 899.00, 882.25, 831.25

#### Countertrend Longs\*

1045.75, 1050.25

#### Countertrend Shorts\*

\* 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

ISM Mfg Idx at 10:00 am  
Pending Home Sales Idx at 10:00 am

#### Minor Market Movers

Construction Spending at 10:00 am

### Tomorrow's Scheduled News

#### Major Market Movers

None

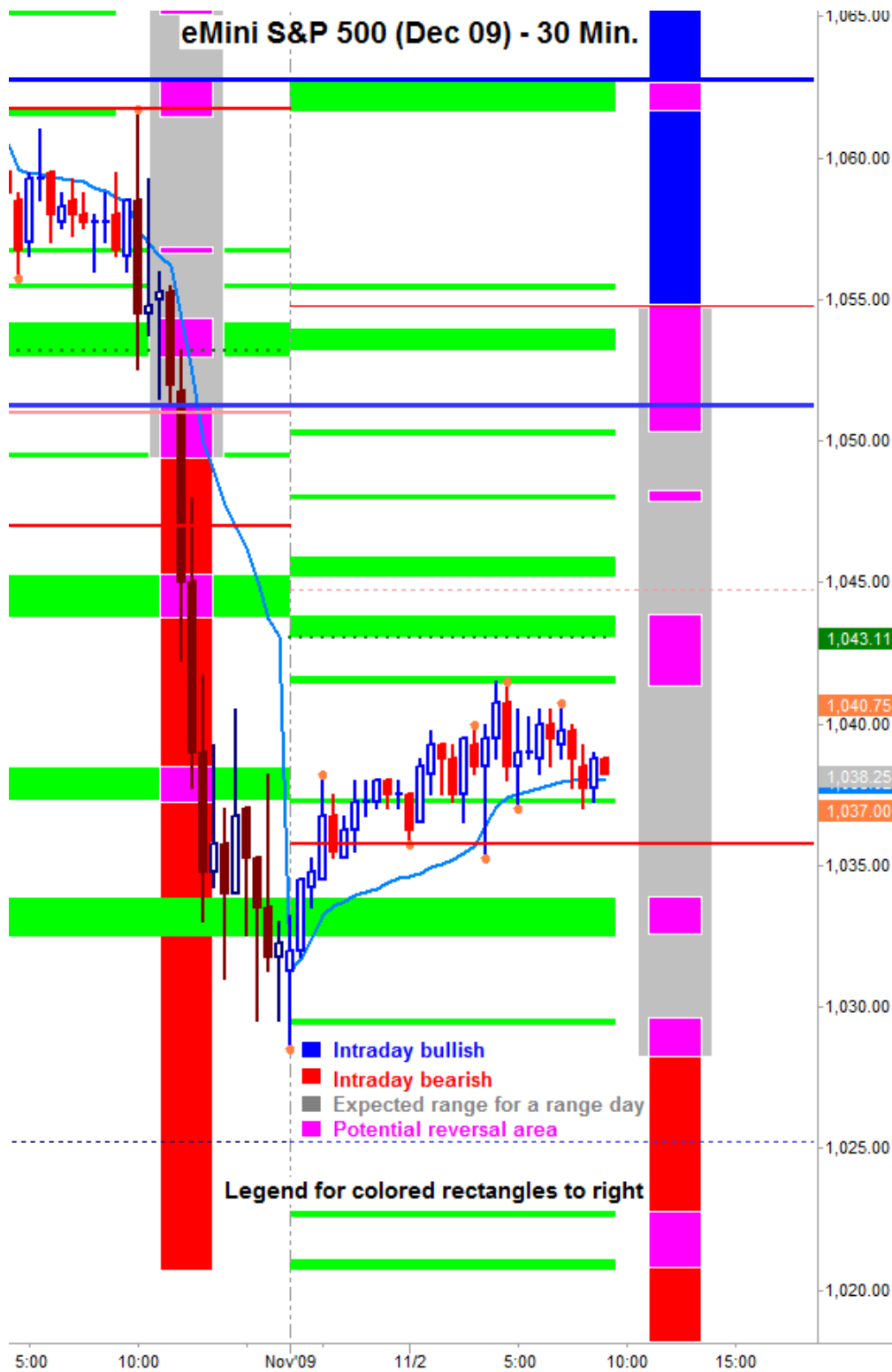
#### Minor Market Movers

ICSC-Goldman Store Sales at 7:45 am  
Redbook at 8:55 am  
Factory Orders 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) 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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