



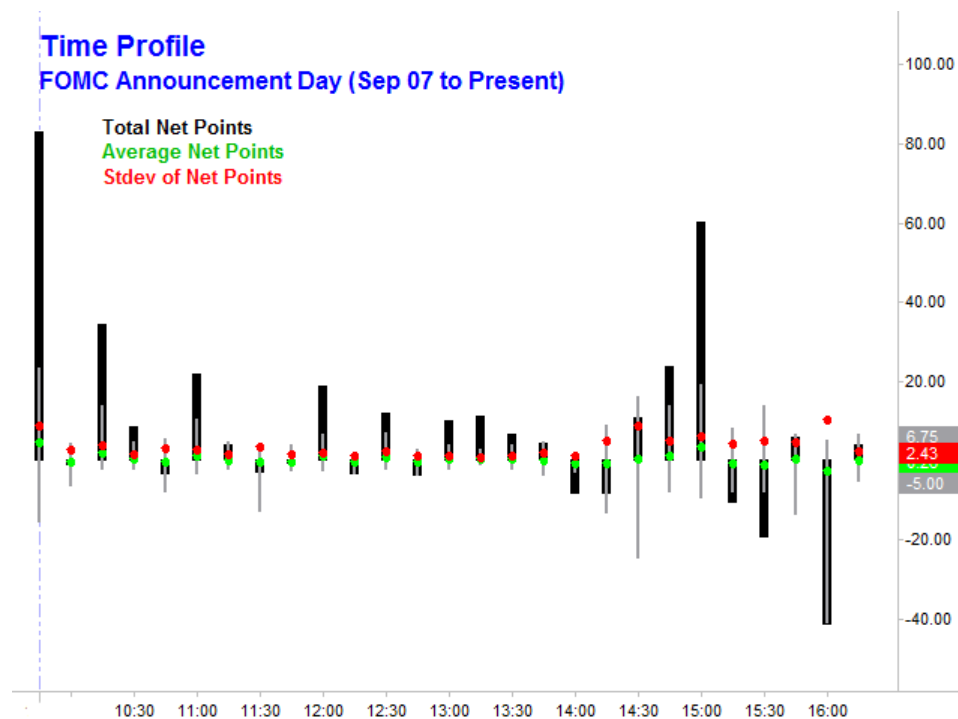
November 4, 2009

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

The Precise Take – ES climbs to critical resistance overnight ahead of FOMC Announcement

Leaders Analysis: All leaders are equities bullish.

FOMC Analysis & Time Profile: Below illustrates the net points (and other statistics) for each 15 minute period on FOMC days going back to the beginning of easing in Sep 2007 (n = 17). There is a heavy statistical bias for a gap open (as indicated by the large black bar for the opening 15 minutes, which includes gap points), with a trailing bullish edge until about 2:00 pm. Upon the announcement at 2:15 pm, the first 15 minutes tends to be very volatile, there is then a bullish edge until 3:00 pm, with a bearish edge into the close. Keep in mind these are statistical biases only. For the prior FOMC announcement date on Sep 23, equities reversed sharply at 2:30 pm and closed down for the day.



Day Trading Guide

Daily Gaps

1041.75 (4:00 pm close)
1041.75 (4:15 pm settlement)

Daily Pivots

1038.75 (day-session-only)
1037.50 (day & overnight sessions)

Unfilled Gaps

1011.75 to 1014.75 (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*

1031.50

Countertrend Shorts*

~~1049.00~~

* 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

FOMC Announcement at 2:15 pm

Minor Market Movers

Treasury Refunding Announcement at 9:00 am
ISM Non-Mfg Idx at 10:00 am

Tomorrow's Scheduled News

Major Market Movers

Jobless Claims at 8:30 am
Productivity & Costs at 8:30 am

Minor Market Movers

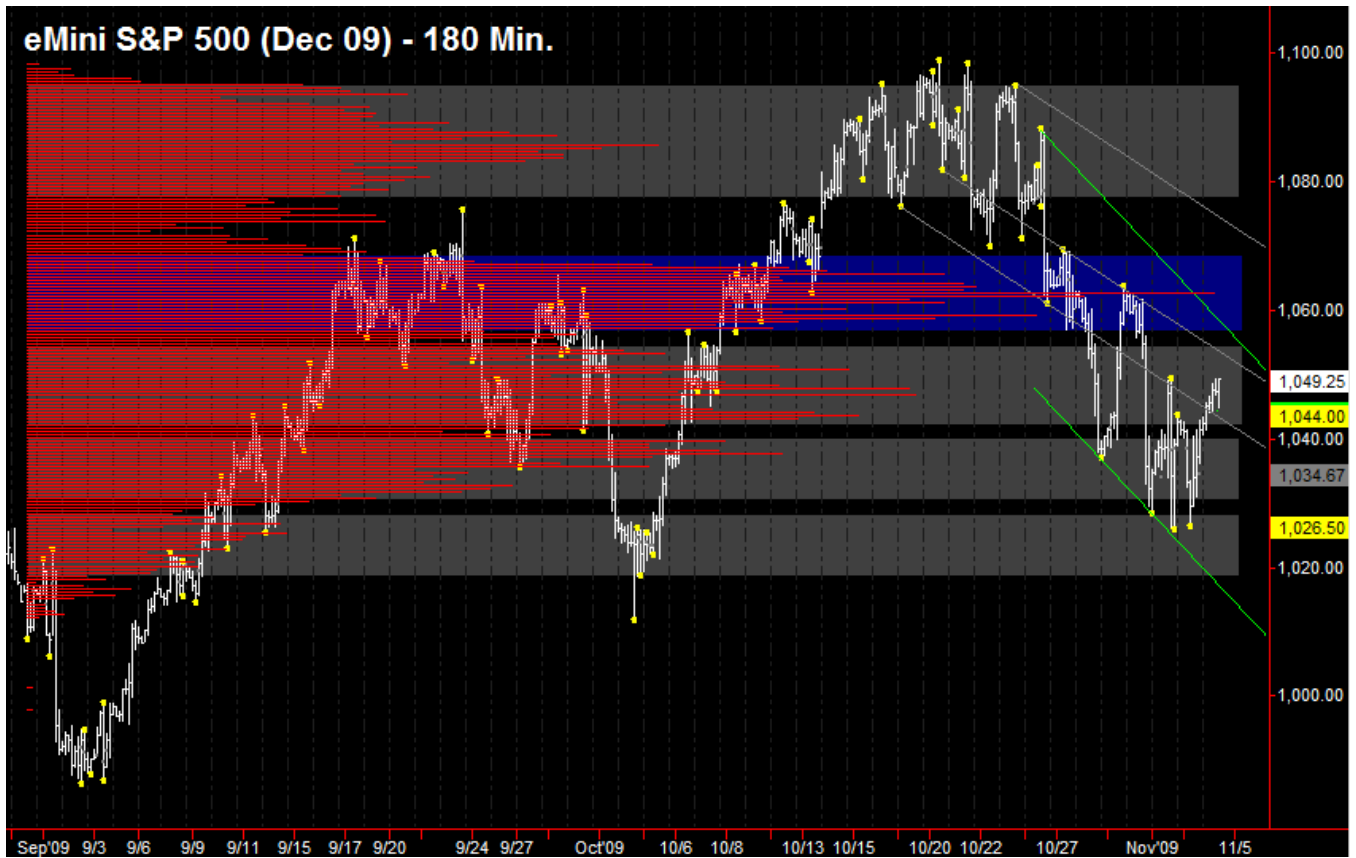
BOE Announcement at 7:00 am
ECB Announcement at 7:45 am
RBC CASH Idx at 9:00 am

Trading Today: As we write, the ES has advanced to test Monday's high (actual overnight high 1049.75) between the monthly and weekly pivots, which today contains combined session daily R1 and day-session-only R2 and a long term point of control. This area, which spans 1047.75 to 1050.75 is key resistance to watch early. We prefer to be early buyers down to yesterday's settlement in confluence with yesterday's market profile point of control at 1041.75. We may be buyers at the confluence of closing VWAP to the daily pivots from 1036.50 to 1038.50, but this is a bit far down to get excited about. Above, and 1055.00 to 1055.50 is a potential reversal area, but significant resistance does not come until the 1063.00 highest volume long term point of control in confluence with day-session-only R3, where value shorts will start re-establishing positions.

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 volume profile:

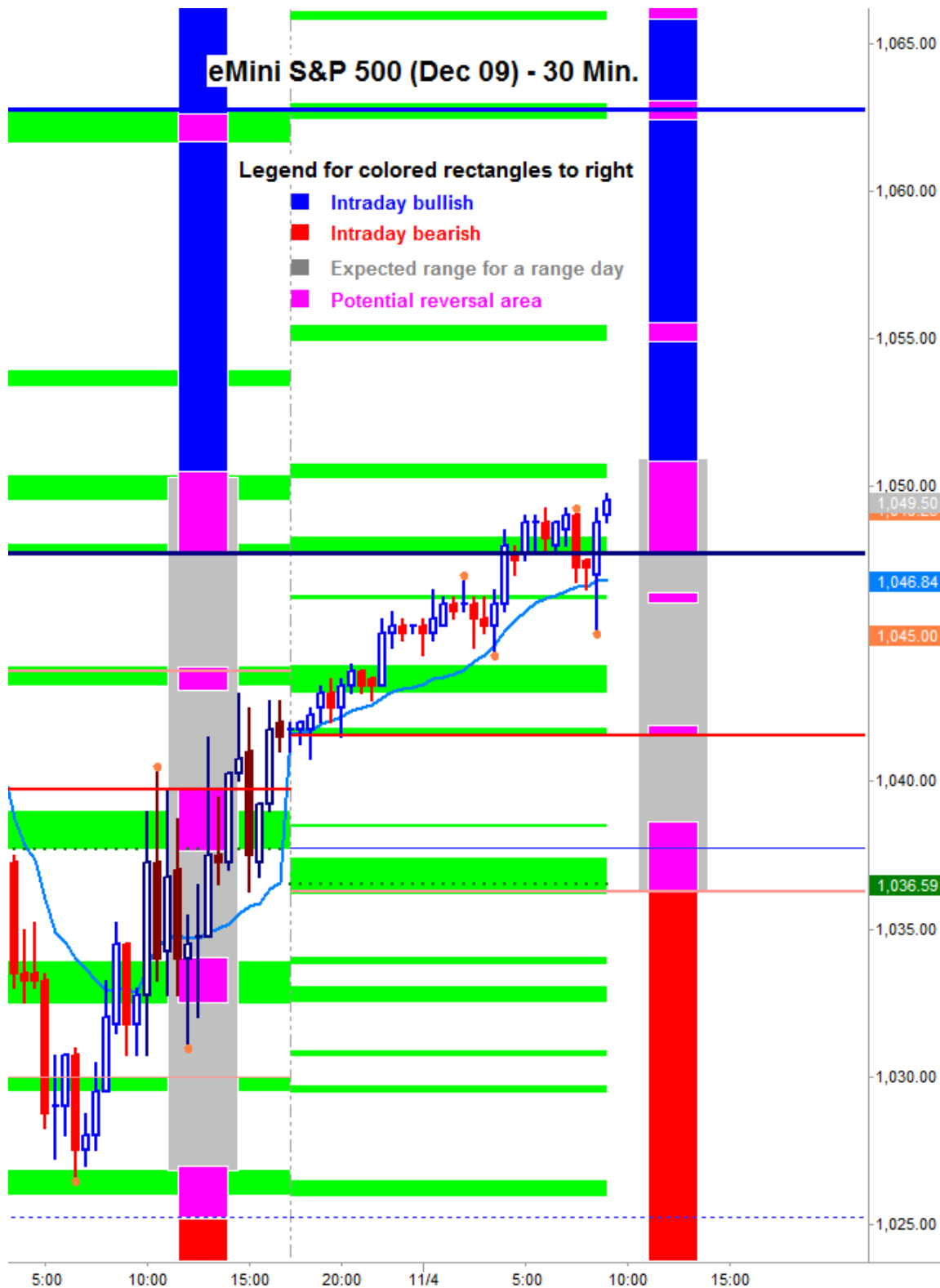


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Today's Support and Resistance:



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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