



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

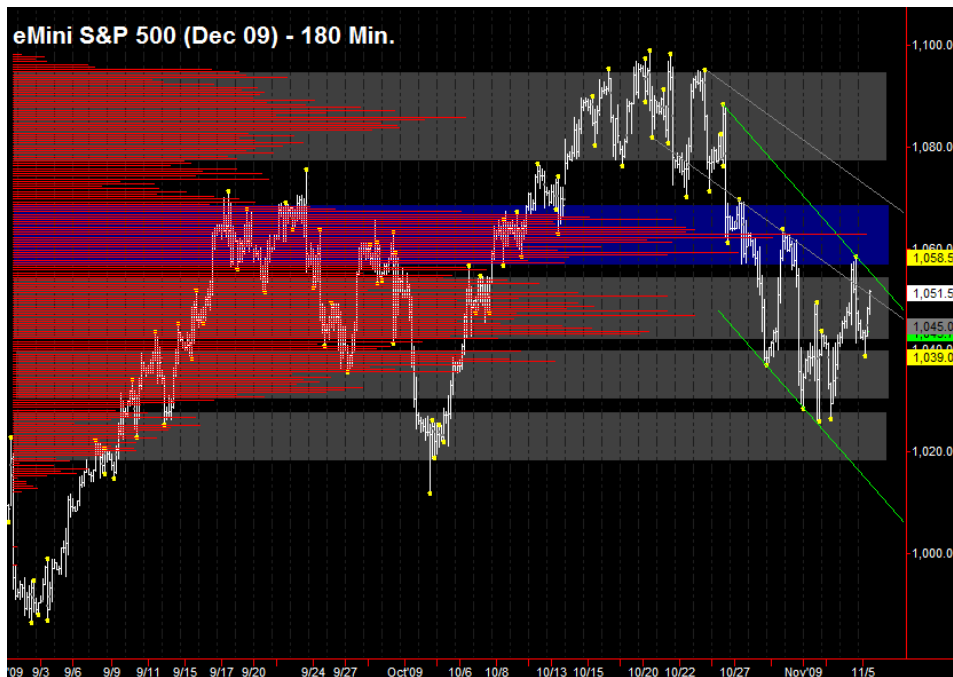
The Precise Take – It's all about the jobs, short term

Leaders Analysis: The 30 Year looks weak while it's at support, and it could easily break three big points to the August low. Gold hit the upper boundary of its upward sloping trend channel yesterday and has backed off a bit. The US Dollar was down materially yesterday, having retraced the gains made since the previous Tuesday. Unfortunately for equities, none of this has been able to ignite them.

Medium Term Update: After the negative reaction to yesterday's FOMC Announcement, the only thing remaining to commence an equities rally is a positive Employment Situation report tomorrow – not just bullish, but an actual positive number indicating gains in jobs instead of losses. We see this as a possibility only because the headline number is so volatile and potentially skewed because of the birth/death adjustment. Next week, the 10 and 30 Year Treasury auctions will dominate until Friday's Int'l Trade and Consumer Sentiment reports. There are a lot of interesting press releases emanating from the Washington bureaucracies, so unscheduled news could also play a factor.

Trading Today: As we write, Jobless Claims and Productivity at 8:30 am have given the ES a boost. We prefer to attempt to get short today by the daily R1's in confluence with yesterday's point of control at 1056.00 to 1056.75 (also near yesterday's high of 1058.50). We may also buy an early dip to not lower than yesterday's settlement of 1047.00 to attempt to ride to this higher resistance area, but will do so cautiously as yesterday's late day weakness looms and we could see a reversal to the downside beginning at any price within the first 30 minutes.

Today's volume profile:



Day Trading Guide

Daily Gaps

1043.50 (4:00 pm close)
1047.00 (4:15 pm settlement)

Daily Pivots

1049.00 (day-session-only)
1048.75 (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*

1056.50

* 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

RBC CASH Idx at 9:00 am

Tomorrow's Scheduled News

Major Market Movers

Employment Situation at 8:30 am

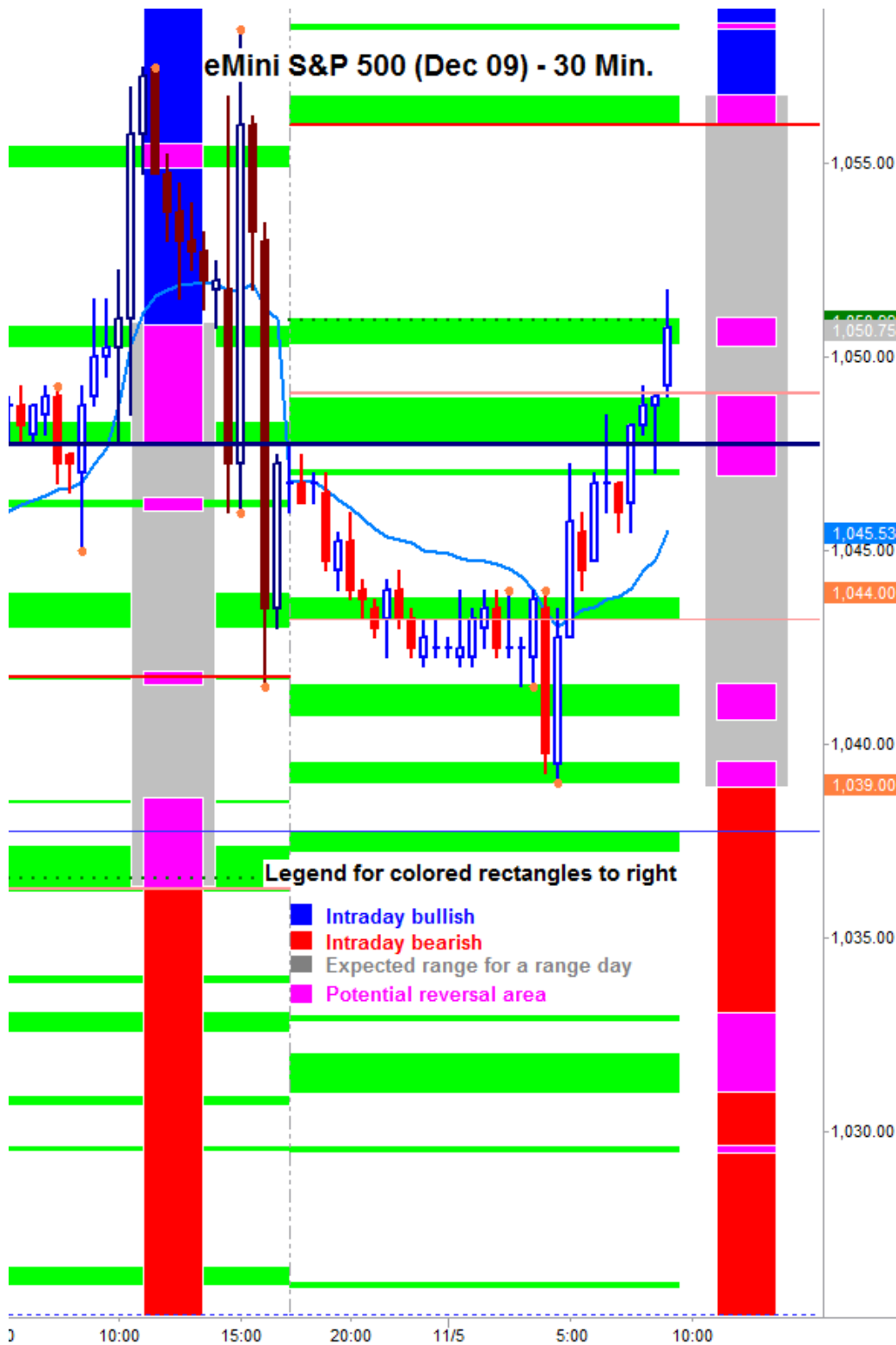
Minor Market Movers

Wholesale Trade at 10:00 am
Consumer Credit at 3:00 pm

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.

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.