

# The PRECISION REPORT

Precise Market Timing



October 7, 2009

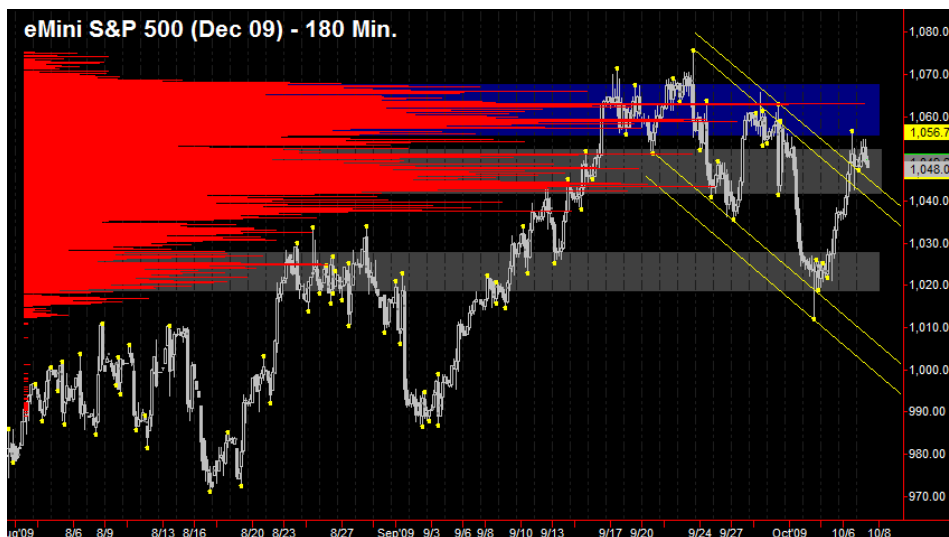
## COMMENTARY FOR THE eMINI S&P 500 DEC 2009 CONTRACT (the "ES")

**The Precise Take** – ES consolidating at resistance

**Leaders Analysis:** As we [updated yesterday \(free registration\)](#), gold's strength has been confirmed in other currencies, including the CAD and AUD, despite the Australian central bank's tightening announcement yesterday. We are still seeing Yen strength, with the USDYen and EuroYen in danger of breaching strong support. For equities to continue the rally, we would like to see a definitive move away from support in the Yen crosses. Perhaps the global risk/carry trade is being delevered from the Yen and primarily into the USD, but we see no inherent strength in the Yen or BOJ tightening ahead that would cause this.

**Trading Today:** Yesterday's rally traded into last week's market profile value area and sold off sharply, only to see an impressive late day rally to recover much of the early gains. We would be buyers down to the combined session pivot at 1047.00. There is still the risk of selloff, so we would wait to see how price reacts in the 1041.75 to 1044.00 area before stepping in with lower longs. Below that, and 1035.00 to 1038.25 is another potential reversal area. Should the ES trade higher, the 1056.00 to 1058.25 should be the limit today.

**Today's volume profile:**



### Day Trading Guide

#### Daily Gaps

1050.75 (4:00 pm close)  
1048.50 (4:15 pm settlement)

#### Daily Pivots

1049.25 (day-session-only)  
1047.00 (day & overnight sessions)

#### Unfilled Gaps

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

#### Upside Targets

1126.25, 1144.75, 1160.75

#### Downside Targets

991.00, 948.75, 922.25, 913.00,  
854.75, 846.00, 828.00, 811.75,  
777.25

#### Countertrend Longs\*

None

#### Countertrend Shorts\*

1064.50, 1071.25

\* 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

10 Yr Note Auction at 1:00 pm

#### Minor Market Movers

EIA Petroleum Stats at 10:30 am  
Consumer Credit at 3:00 pm

### Tomorrow's Scheduled News

#### Major Market Movers

BOE Announcement at 7:00 am  
ECB Announcement at 7:45 am  
Jobless Claims at 8:30 am  
30 Yr Bond Auction at 1:00 pm

#### Minor Market Movers

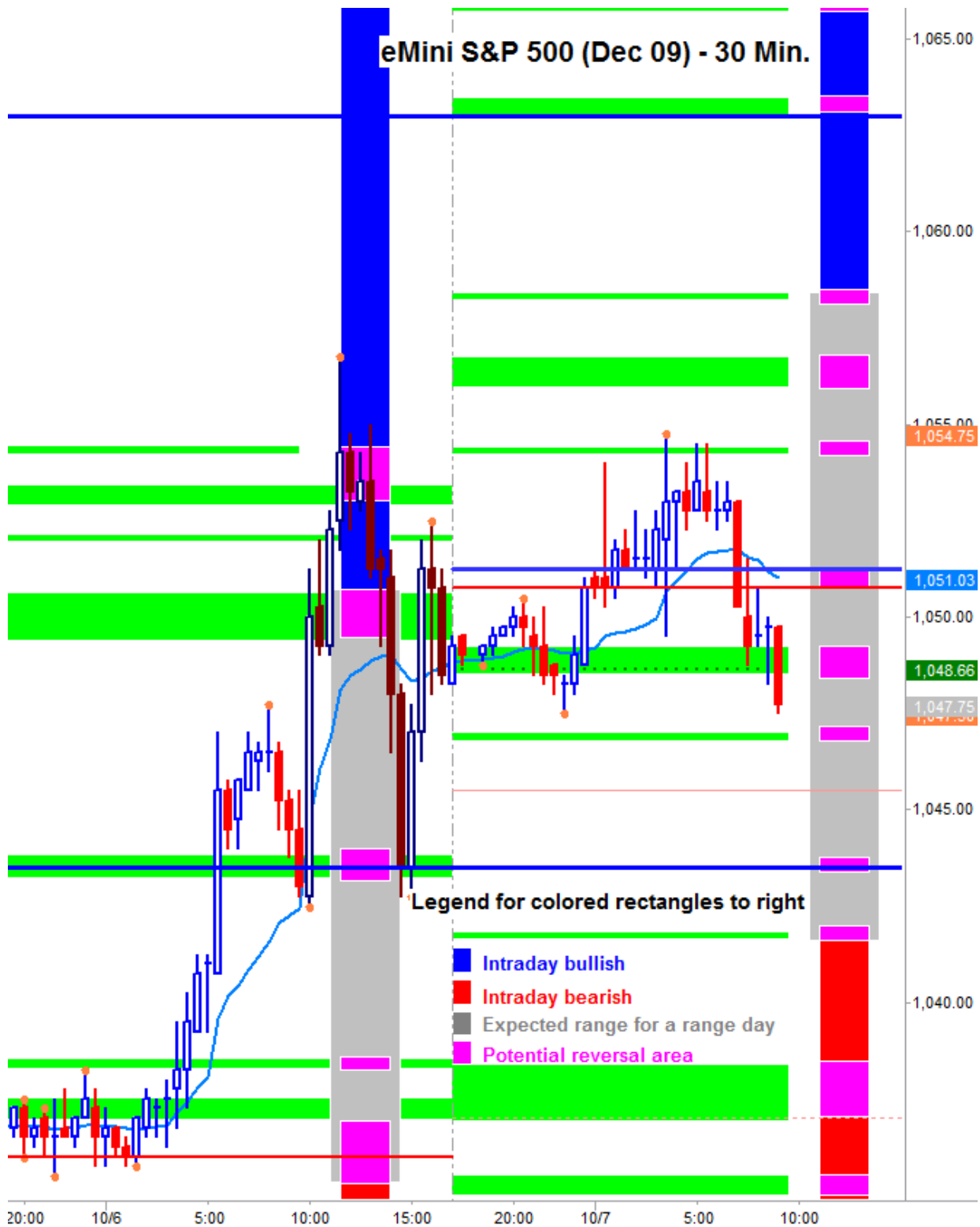
RBC CASH Index at 9:00 am  
Wholesale Trade at 10:00 am



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) 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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