

The PRECISION REPORT

Precise Market Timing



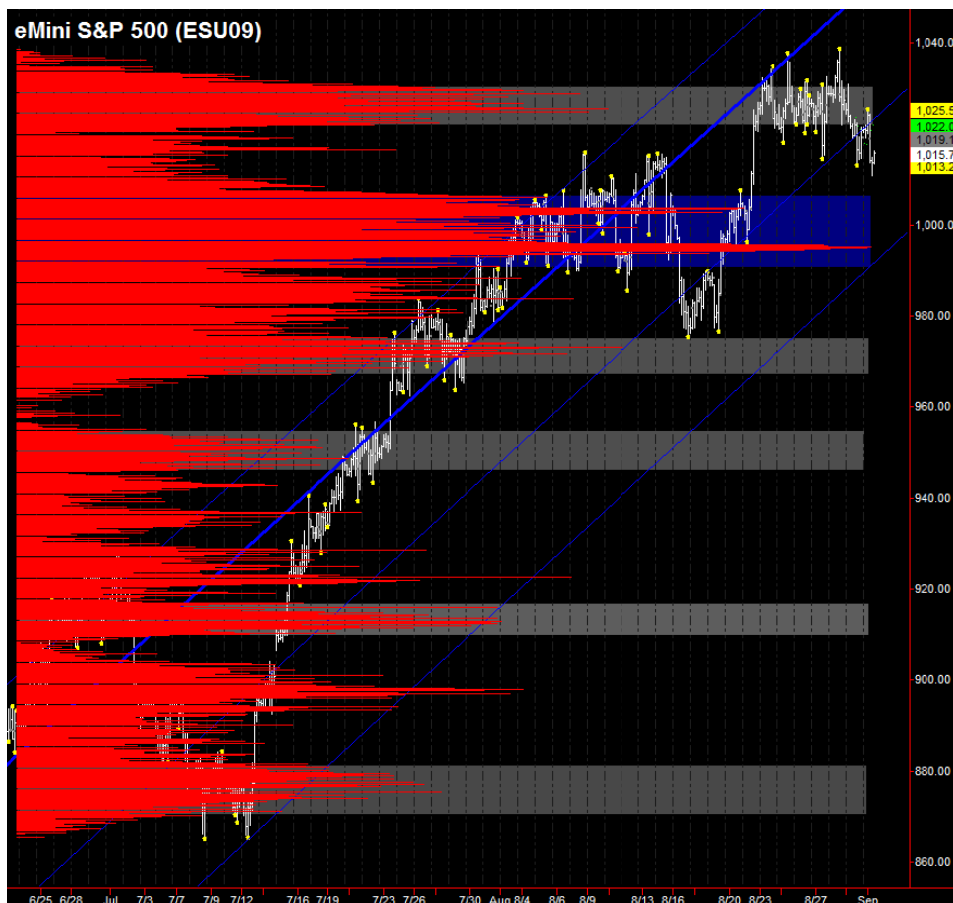
September 1, 2009

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

The Precise Take – Continued overnight weakness – will the day session get follow through?

Time Profile: Today, the Federal Reserve Bank of New York conducts permanent open market operations (POMO) for Treasury securities. The POMO tape-painting effect has all but disappeared, as evidenced by the charts on page 2. While the noticeable edge was a bullish first hour in July, August reversed the trend with a bearish first hour, mainly due to opening gaps. Today, we expect an opening gap to the downside, continuing the August trend; however, we can offer nothing more as to the balance of the day from the Time Profile alone.

Trading Today: Overnight, the ES filled within a tick the market profile volume gap that extended to 1010.50 after selling off at the September 09 contract's highest point of control at 1025.50. We would be sellers on an early retracement to the daily gap/pivot area of 1018.50 to 1021.75. We would also sell a spike high and subsequent reversal on the 10:00 am reports as long as price has not exceeded 1027.50. We would fade long the 1002.00 to 1004.00 support area, but only become outright intraday bullish above 1027.50.



Day Trading Guide

Daily Gap

1020.50 (4:00 pm close)
1020.75 (4:15 pm settlement)

Daily Pivot

1018.50 (day-session-only)
1021.75 (day & overnight sessions)

Unfilled Gaps

903.50 to 912.50 (price)
955.00 to 962.50 (volume)
1007.75 to 1011.75 (price)
1021.50 to 1025.50 (price)

Upside Targets

1053.50, 1066.00, 1126.25

Downside Targets

995.25, 973.25, 948.75, 922.25,
913.00, 854.75, 846.00, 828.00,
811.75, 777.25

Countertrend Longs*

917.75, 933.25, 940.75, 945.25,
963.25

Countertrend Shorts*

None

* 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 Index at 10:00 am
Pending Home Sales Index at 10:00 am

Minor Market Movers

Redbook at 8:55 am
Construction Spending at 10:00 am

Tomorrow's Scheduled News

Major Market Movers

ADP Employment at 8:15 am
Productivity and Costs at 8:30 am
FOMC Minutes at 2:00 pm

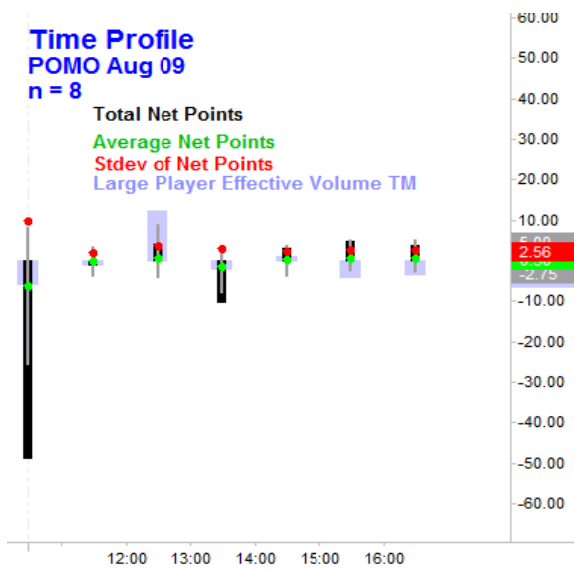
Minor Market Movers

MBA Purchase Apps at 7:00 am
Challenger Job-Cut Report at 7:30 am
Factory Orders at 10:00 am
EIA Petroleum Stats at 10:30 am

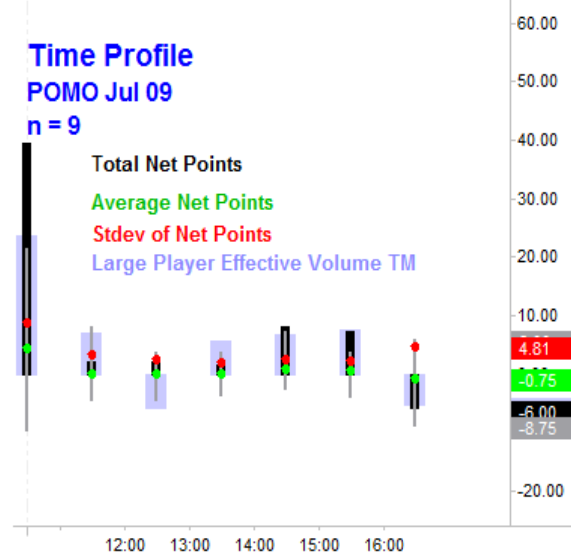
Free intraday updates at <http://www.precisioncapmgt.com>.

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 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.

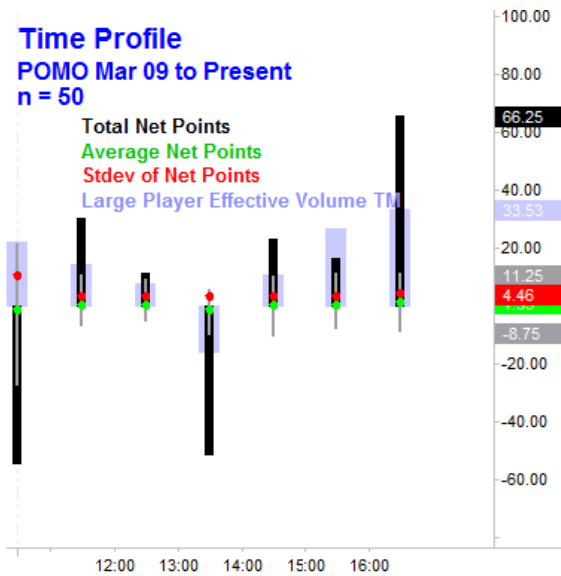
Time Profile for August 2009 only:



Time Profile for July 2009 only:



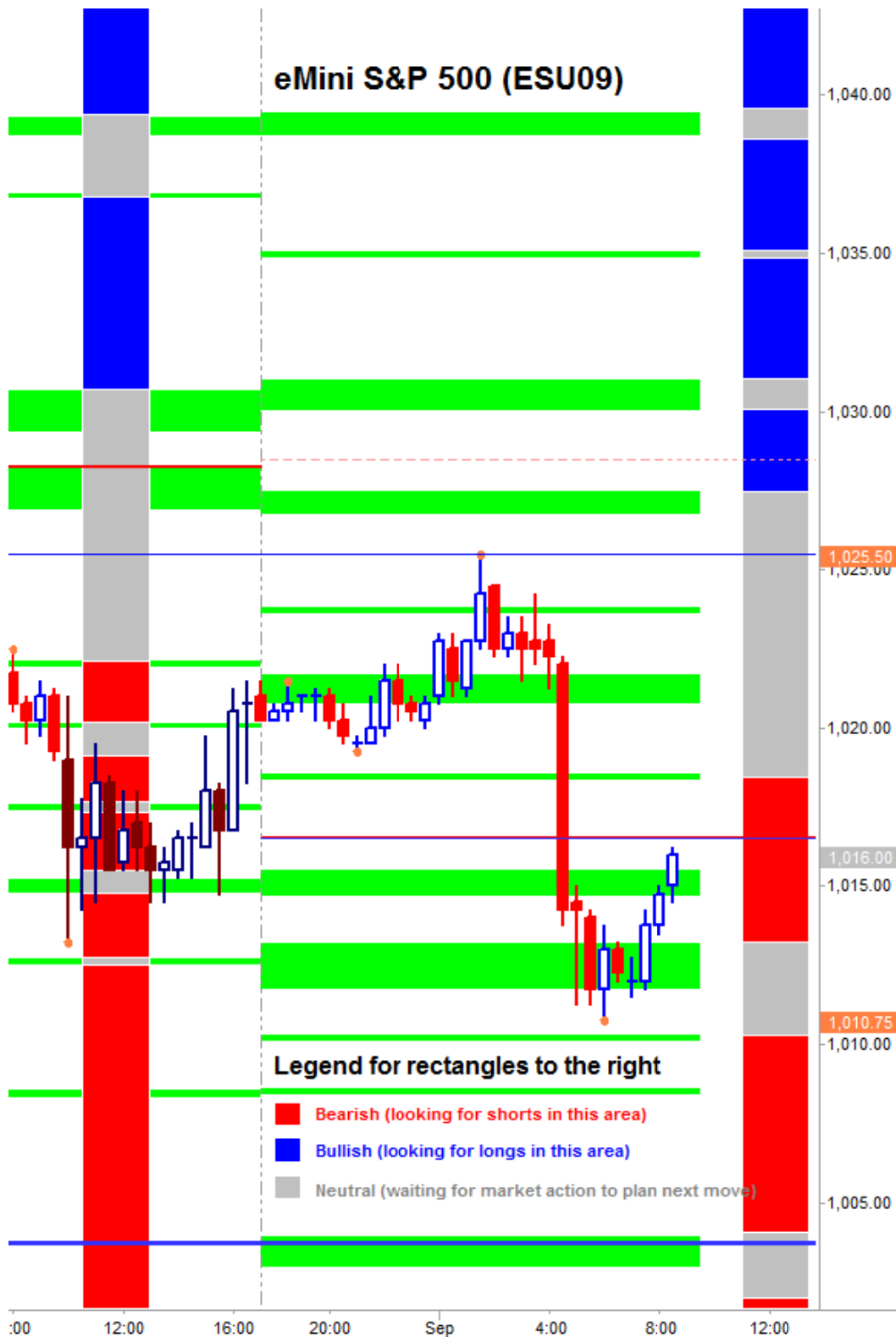
Time Profile for March 2009 to Present:



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Support and resistance is as follows:



Legend: Market Profile points of control (POC's) are calculated each day and displayed as lines colored shades of green 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. They areas are drawn as shaded green boxes. Previously drawn areas have not been adjusted retroactively.

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