

# The PRECISION REPORT

Precise Market Timing



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

**The Precise Take** – Expecting consolidation today

**Time Profile:** For days on which the prior day closed down 2% or more, the Time Profile for the March rally (page 2) suggests a bullish bias throughout most of the day, with the final 45 minutes going either way. However, the Time Profile going back to October 2007 (market top), for which we present down to the 15 minute level, has mainly a bullish bias only in the first 15 minutes (possibly because of gap ups) and from 2:30 to 4:00 pm. If we are indeed beginning a material market correction, the Time Profile for March 09 onwards may be less relevant than the longer term one.

**Trading Today:** Yesterday, the ES reached our first downside target, which was the highest volume market profile point of control (995.25), and which was the low of the day. Overnight, the ES has traded below this level and we expect oscillation around it today. Accordingly, there should be a range day with maximum low of 984.00 and maximum high of 1006.50. FOMC minutes are released at 2:00 pm today. With the Fed making fewer waves on announcement day and, instead, electing to make policy changes outside the meeting (such as [yesterday's Agency and TALF announcements](#)), the minutes could be more important than the actual announcement. However, we don't expect the same volatility in the markets as on announcement day. We are intraday bullish above 1006.50 (daily pivot) and bearish below the overnight low of 992.25 (as we write). We would fade long 984.00 to 986.00 and fade short 1005.00 to 1006.50.

### Day Trading Guide

**Daily Gap**  
 1020.50 (4:00 pm close)  
 1020.75 (4:15 pm settlement)

**Daily Pivot**  
 1006.50 (day-session-only)  
 1006.50 (day & overnight sessions)

**Unfilled Gaps**  
 903.50 to 912.50 (price)  
 955.00 to 962.50 (volume)

**Upside Targets**  
 1053.50, 1066.00, 1126.25

**Downside Targets**  
 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

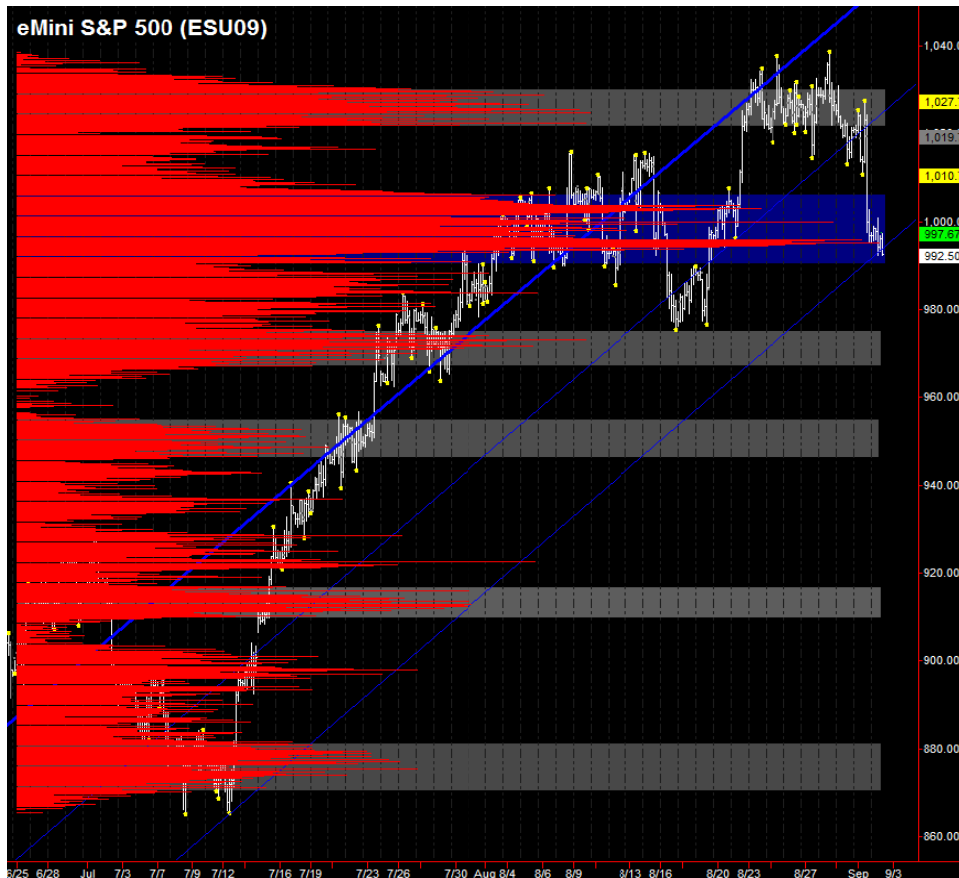
**Major Market Movers**  
 FOMC Minutes at 2:00 pm

**Minor Market Movers**  
 Factory Orders at 10:00 am  
 EIA Petroleum Stats at 10:30 am

### Tomorrow's Scheduled News

**Major Market Movers**  
 Jobless Claims at 8:30 am

**Minor Market Movers**  
 ECB Announcement at 7:45 am  
 RBC CASH Index at 9:00 am  
 ISM Non-Mfg Index at 10:00 am  
 Fed Balance Sheet & Money Supply at 4:30 pm



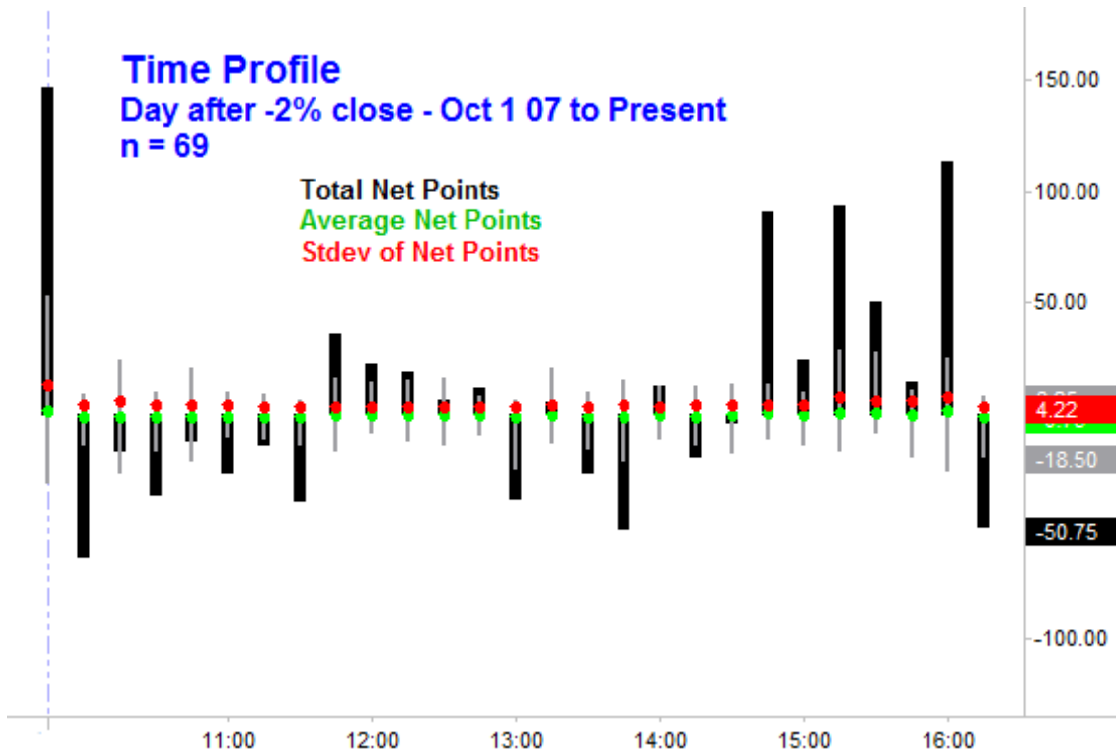
Free intraday updates at <http://www.precisioncapmgt.com>.

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 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

Day after -2% close - Oct 1 07 to Present  
n = 69

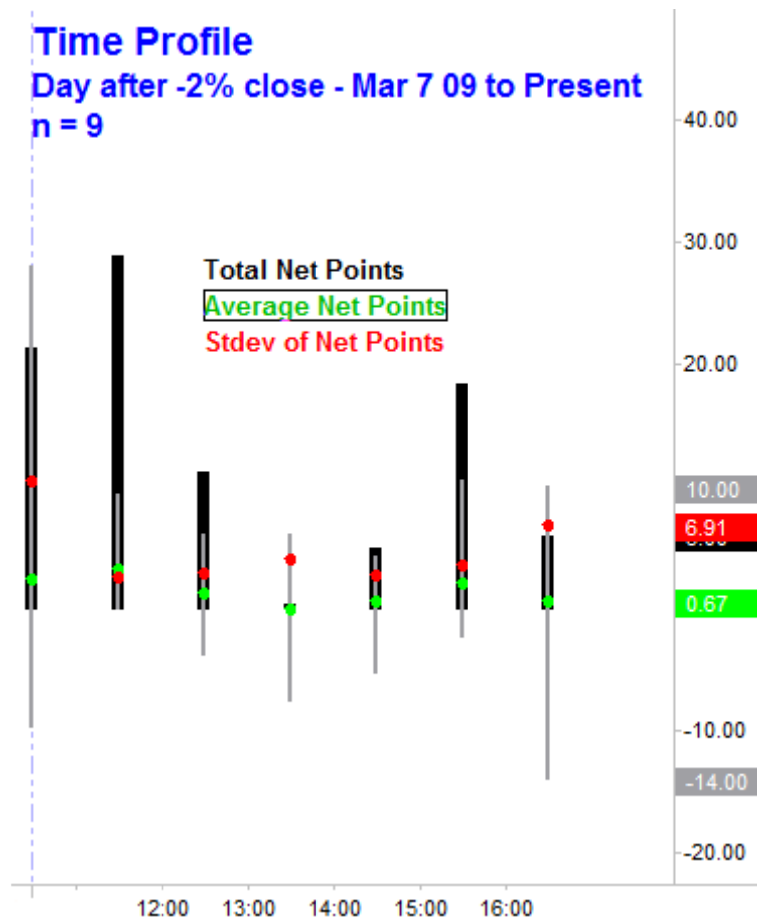
Total Net Points  
Average Net Points  
Stdev of Net Points



## Time Profile

Day after -2% close - Mar 7 09 to Present  
n = 9

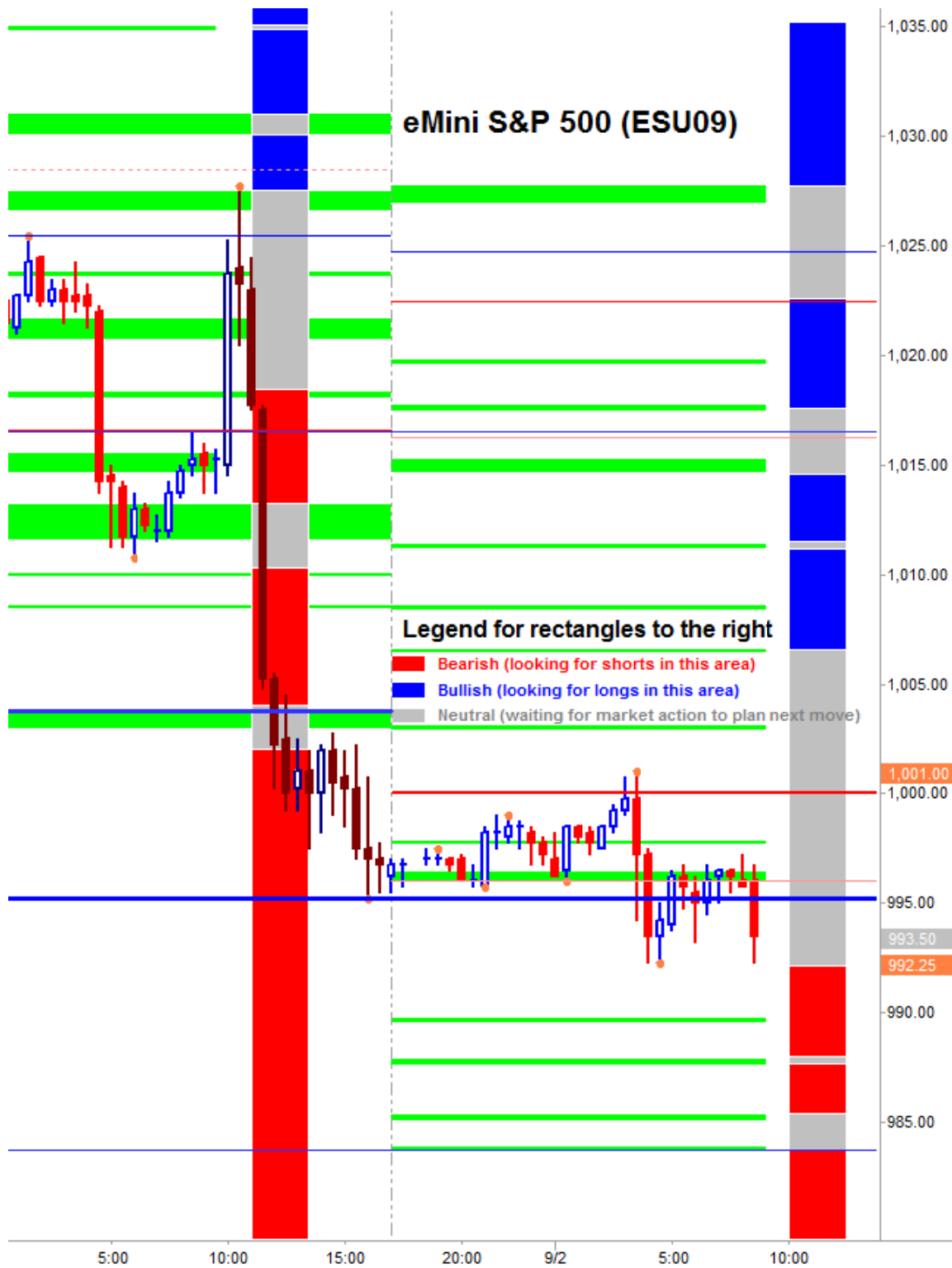
Total Net Points  
Average Net Points  
Stdev of Net Points



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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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