



research@lakefrontfutures.com

1.312.347.3888

# US Futures Daily Report

Tuesday, March 1<sup>st</sup>, 2016

## PIVOT POINTS

Contract	2 <sup>nd</sup> Support	1 <sup>st</sup> Support	Neutral Pivot Zone	1 <sup>st</sup> Resistance	2 <sup>nd</sup> Resistance
ES H5	1899.50	1913.50	1927.75-1934.75	1949.25	1970.50
NQ H5	4130.50	4163.50	4196.75-4213.50	4246.50	4296.50
TF H5	1016.0	1024.2	1032.6-1034.3	1042.7	1052.8
CL J5	31.70	32.78	33.40-33.87	34.49	35.12
GC J5	1216.6	1231.2	1240.2-1245.9	1254.8	1263.8
6E H5	1.0835	1.0860	1.0885-1.0887	1.0912	1.0940
ZB H5	165'01	165'21	166'05-166'10	166'25	167'09
ZN H5	130'135	130'245	130'315-131'030	131'105	131'175

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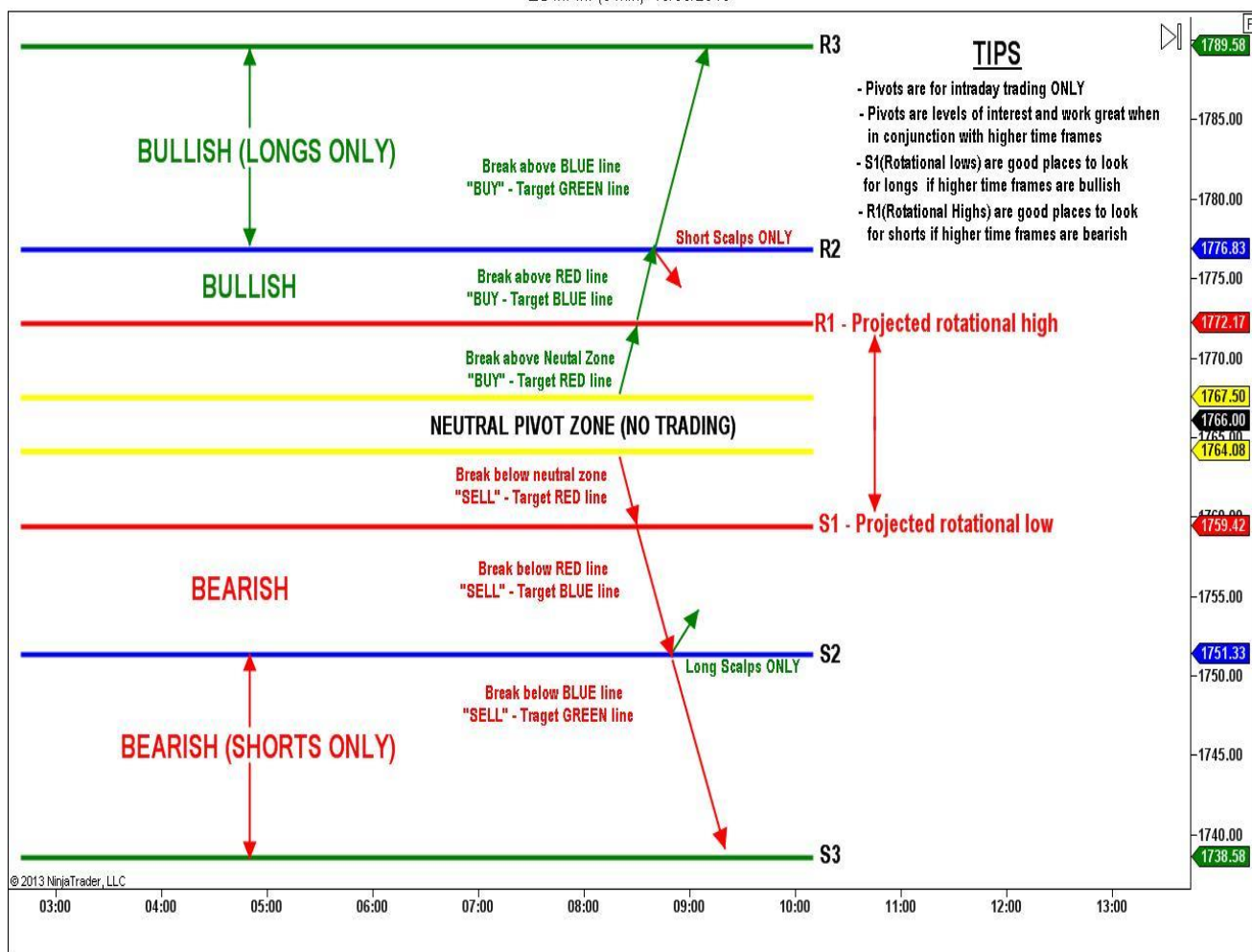
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# Pivot Points Explained

Pivot points are used by traders as a predictive indicator and denote levels of technical significance. When used in conjunction with other technical indicators such as support and resistance or Fibonacci, pivot points can be an effective trading tool. Pivot points are calculated using the high, low and close prices of a previous day, week or month. Three different levels of support and resistance are calculated above and below the pivot point. The three levels of resistance are referred to as R1, R2, and R3 while the three levels of support are referred to as S1, S2, and S3. When the current price is trading above the daily pivot point, this serves as an indication to initiate long positions. Conversely, when the current price is trading below the daily pivot point, this serves as an indication to initiate short positions. The support and resistance levels are used primarily as trade exits. For example, if the market price breaks above the pivot point, R1 and R2 may be used as trade targets. Should the market move to R3, traders may consider exiting the long position and even reversing the position if other technical indicators show a strong reversal trend.

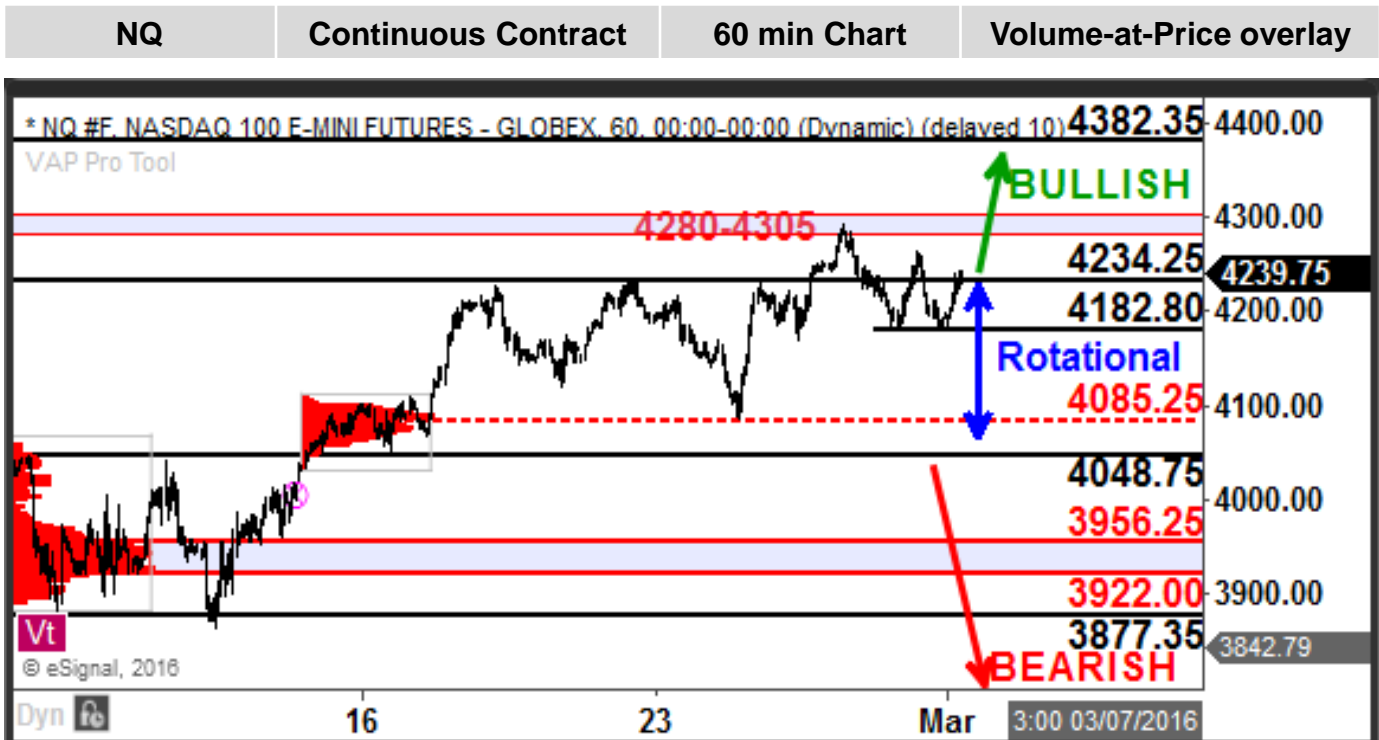
ES ### (5 Min) 10/30/2013



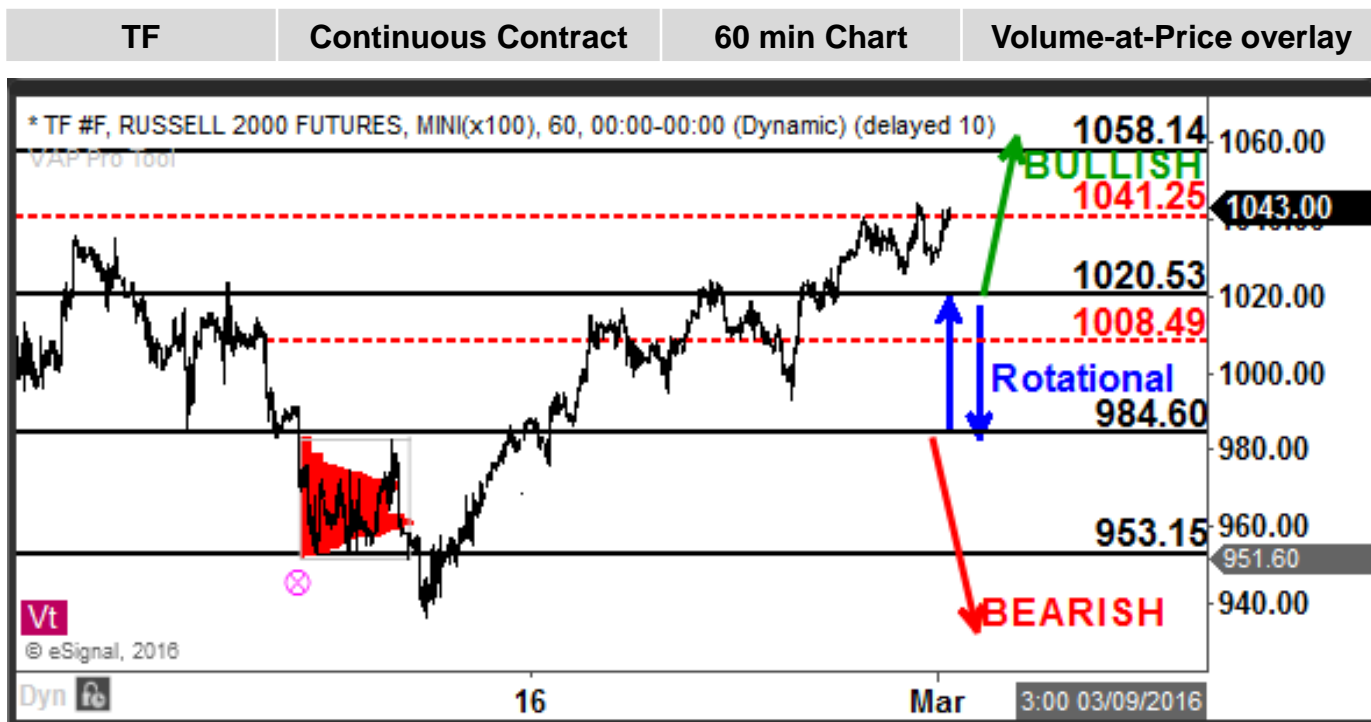
**S&P 500 E-mini** We favor a further move higher above 1943 targeting 1970-1975/1997. Failure to establish above 1943 would favor a drop back into 1885-1895. Intraday support is 1934/1927/1913.



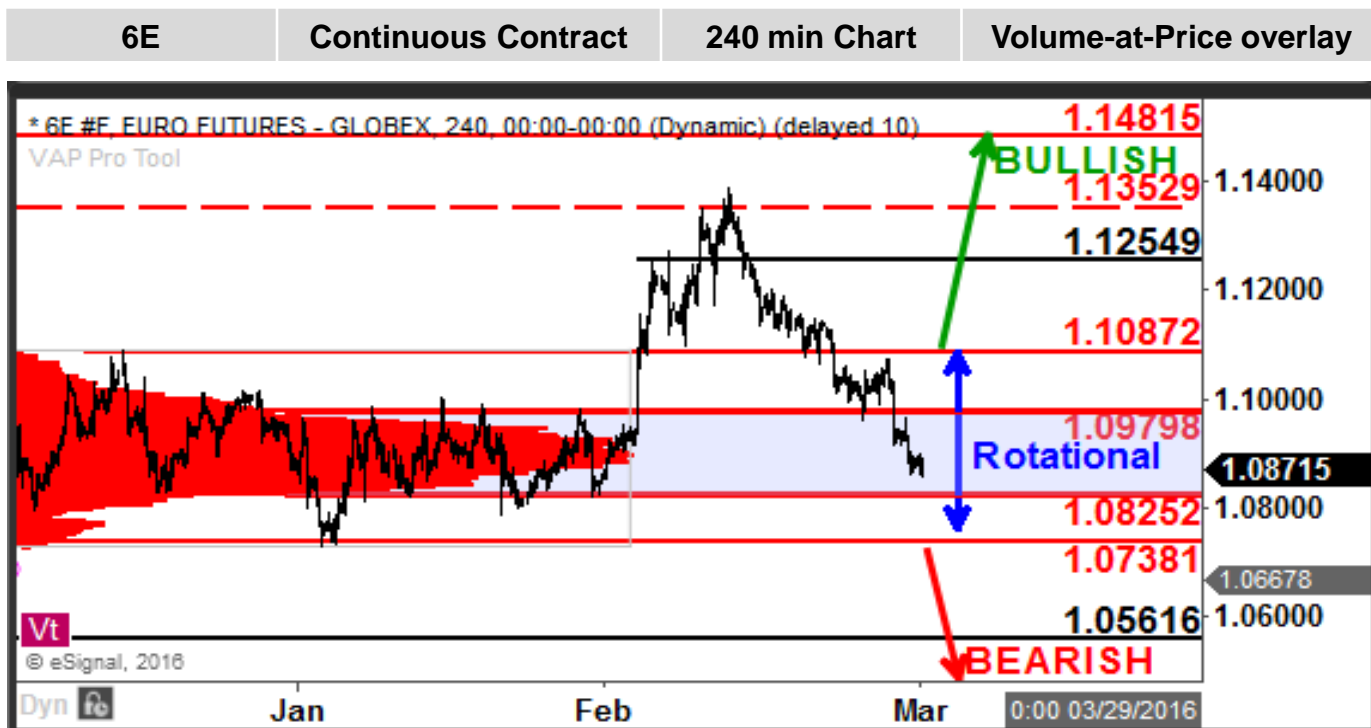
**Nasdaq-100 E-mini** We favor a further move higher above 4234 targeting 4280-4305/4389. Below 4234 would favor a pullback into 4085. Intraday support is 4182.



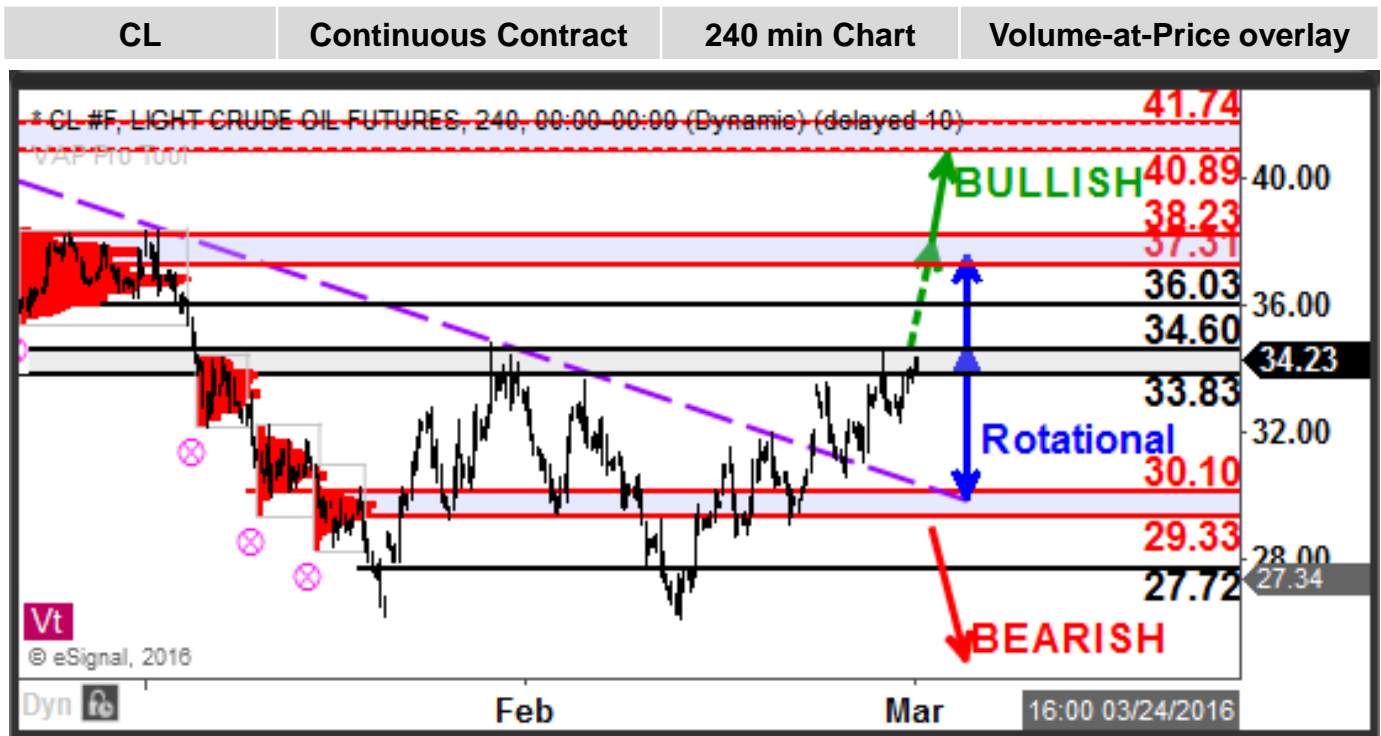
**Russell 2000 E-mini** We favor a further move higher above 1020 targeting 1041/1058.



**The Euro** has pulled back from 1.1352 and has dropped into the 1.0825-1.0979 zone where we can expect a bounce at some point. Near-term resistance shifts lower to 1.0979 with support at 1.0825.



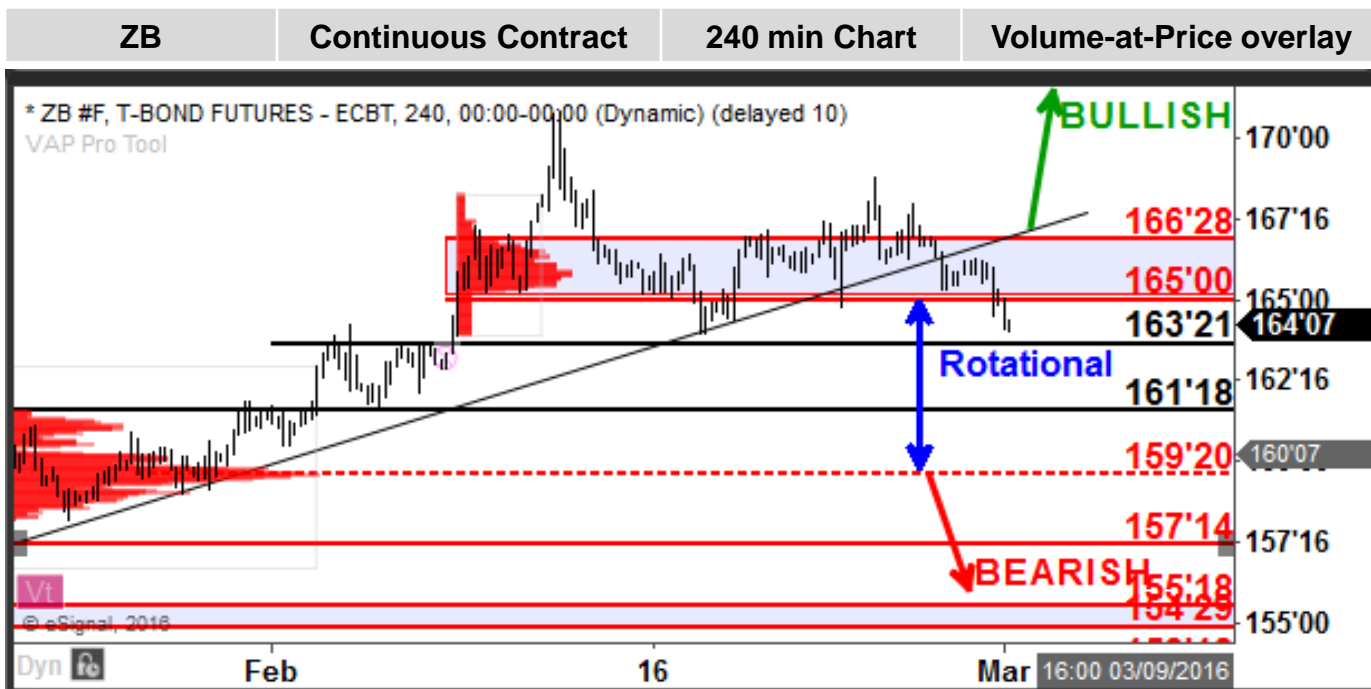
**Crude Oil** has bounced this morning and has traded back into the 33.83-34.60 area of resistance. The near term trend remains bullish and a breach of this area would target 36.03/37.31-38.23 next. Support remains 29.33-30.10.



**Gold** has moved back into the 1230-1245 resistance zone and has been consolidating between 1202 and 1245. A breach of this zone is needed to determine the next directional move.



**30-yr Bonds** We favor a further decline now that 165'00 has been breached targeting 163'21 and then 161'18.



**Ten-year Notes** have moved back below 131'190, which remains near-term resistance as price consolidates with support at 129'305. Establishment above 131'190 would favor a move back higher into 132'230 with further resistance at 133'260. Below 129'305 would favor a further pullback.



# **Core Methodology**

In performing our analyses and making trading decisions, Lakefront Futures & Options, LLC utilizes volume-at-price information and the concepts of Auction Market Theory. Volume-at-price is a valuable tool similar in some ways to Market Profile, which utilizes time-at-price. Volume-at-price is displayed as a histogram along the price (vertical) scale and builds across the chart as traded volume occurs at each price. This view is sometimes referred to as a volume profile or VAP (volume-at-price) profile.

Volume-at-price analysis provides valuable information about what prices have seen the heaviest institutional interest and can give insight into where the smart money is accumulating and distributing. While traditional indicators are often simply derivations of price information, volume-at-price provides unique additional information that is not available to traders only using traditional technical analysis methods.

By applying volume profiles to specific areas of the chart, information can be drawn out of the price action identifying areas of support and resistance as well as trend information. We refer to the areas of heaviest volume within the volume profile histogram as high-volume areas, or HVA's. The location of HVA's and the price action around them are determinants in forming trade setups and determining expectations and the probabilities of subsequent price action.

Volume-at-price analysis is applicable and useful at all degrees of scale, from weekly charts to 1-minute charts and everything in between. Performing this type of analysis in multiple timeframes allows us to integrate the broad view of what the market is doing with the immediate movements at a more granular level. This allows us to take positions that not only have favorable odds of success but that also have very favorable risk/reward metrics.

In performing our analyses for our published reports as well as for our trading calls, we focus only on opportunities that have a minimum expected reward/risk ratio of 2-to-1 or better.

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