

BUILDING A TRADING STRATEGY WITH MARKET PROFILE

ROBIN MESCH

MESCH CAPITAL
MANAGEMENT, INC.

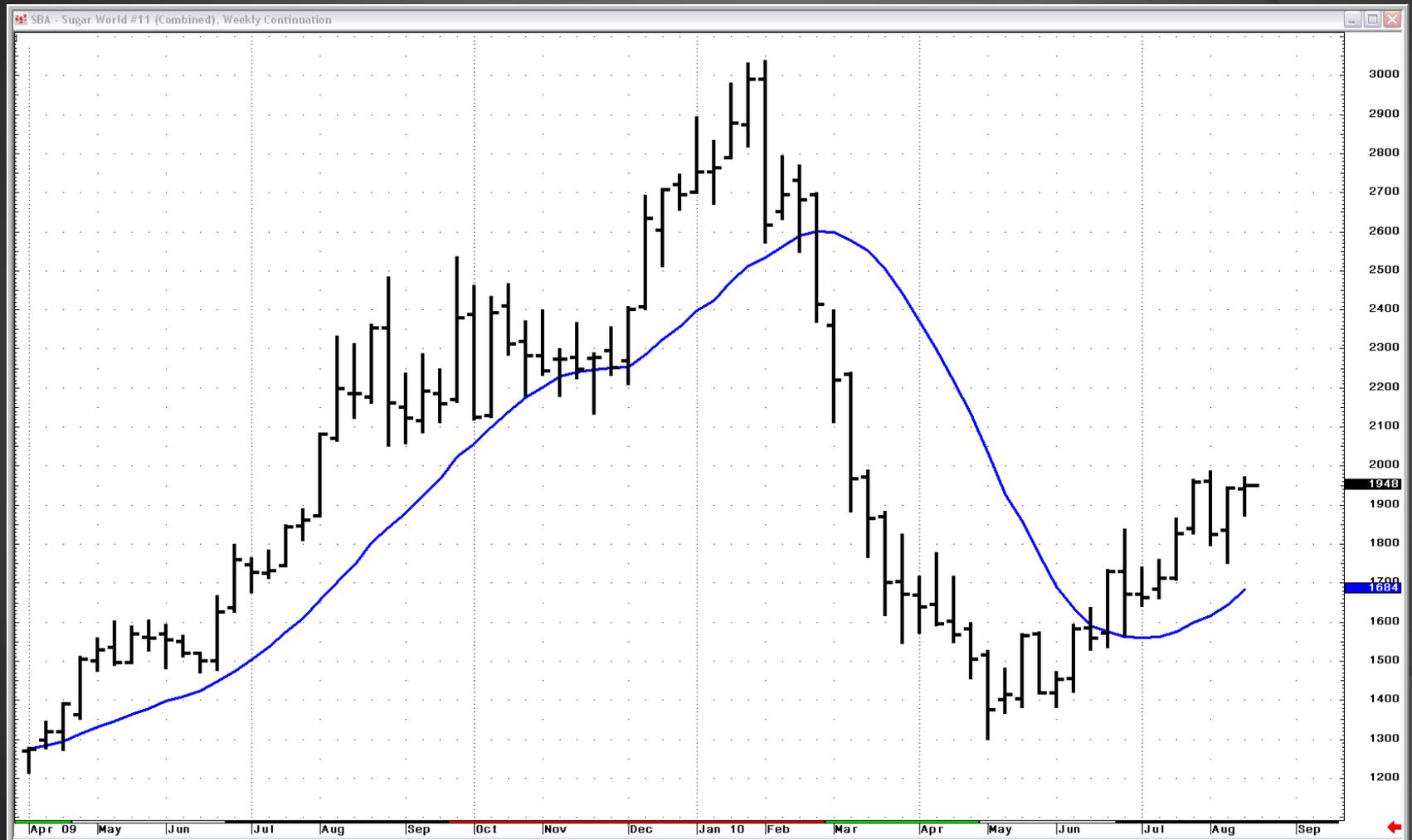


Overview:

- Representing and Organizing the data with Market Profile
- Practical Application: Using Market Profile to build a trading strategy & Current outlooks on Key Markets

All Charts Courtesy of CQG

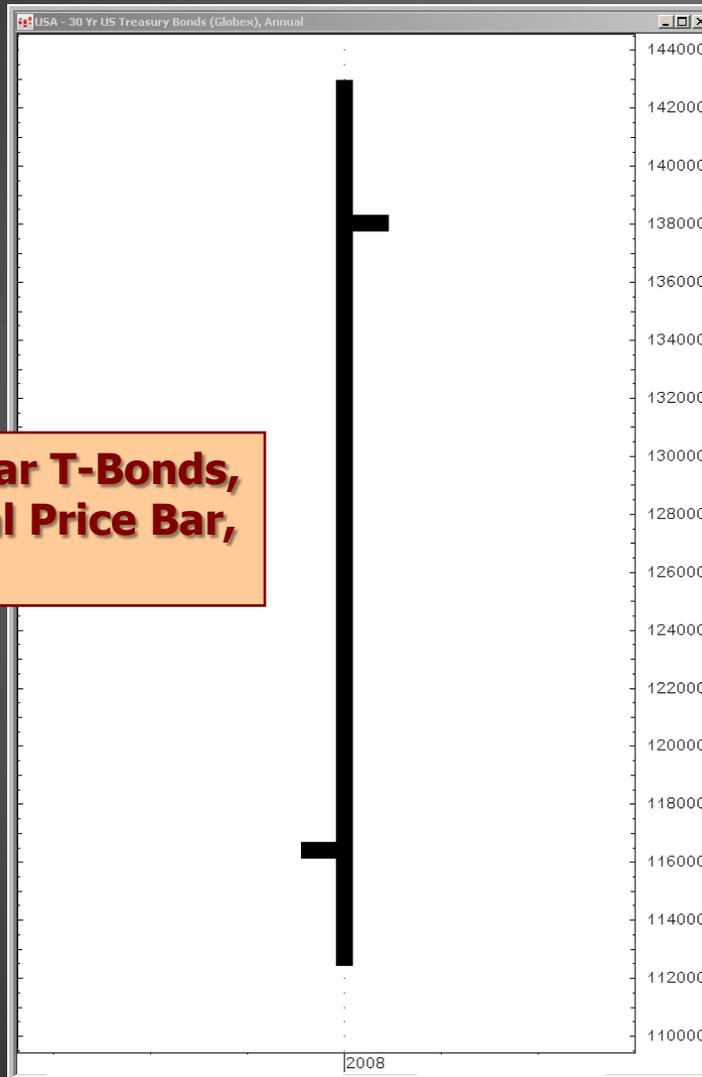
Data Representation: Price Bars



Sugar #11, Weekly Price Bars, April 2009 – August 2010

How We Organize the Market Determines How We See It.

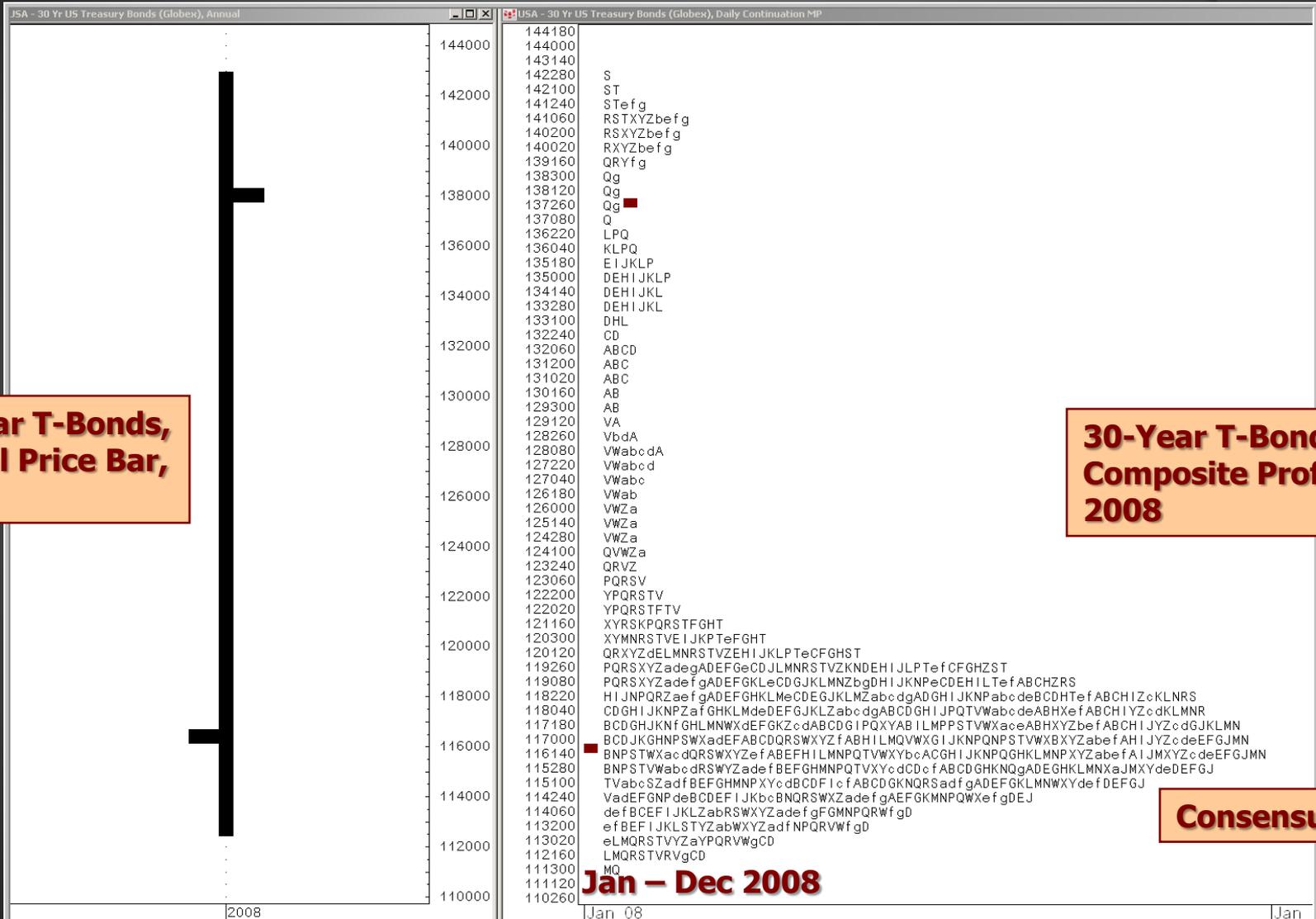
Data Representation: Price Bar



**30-Year T-Bonds,
Annual Price Bar,
2008**

30-Year T-Bonds, Annual Price Bar, 2008

Data Representation: Time Spent at Price



30-Year T-Bonds, Annual Price Bar, 2008

30-Year T-Bonds, Composite Profile, 2008

Consensus

Jan - Dec 2008

30-Year T-Bonds, Annual Price Bar, 2008 30-Year T-Bonds, Profile, 2008

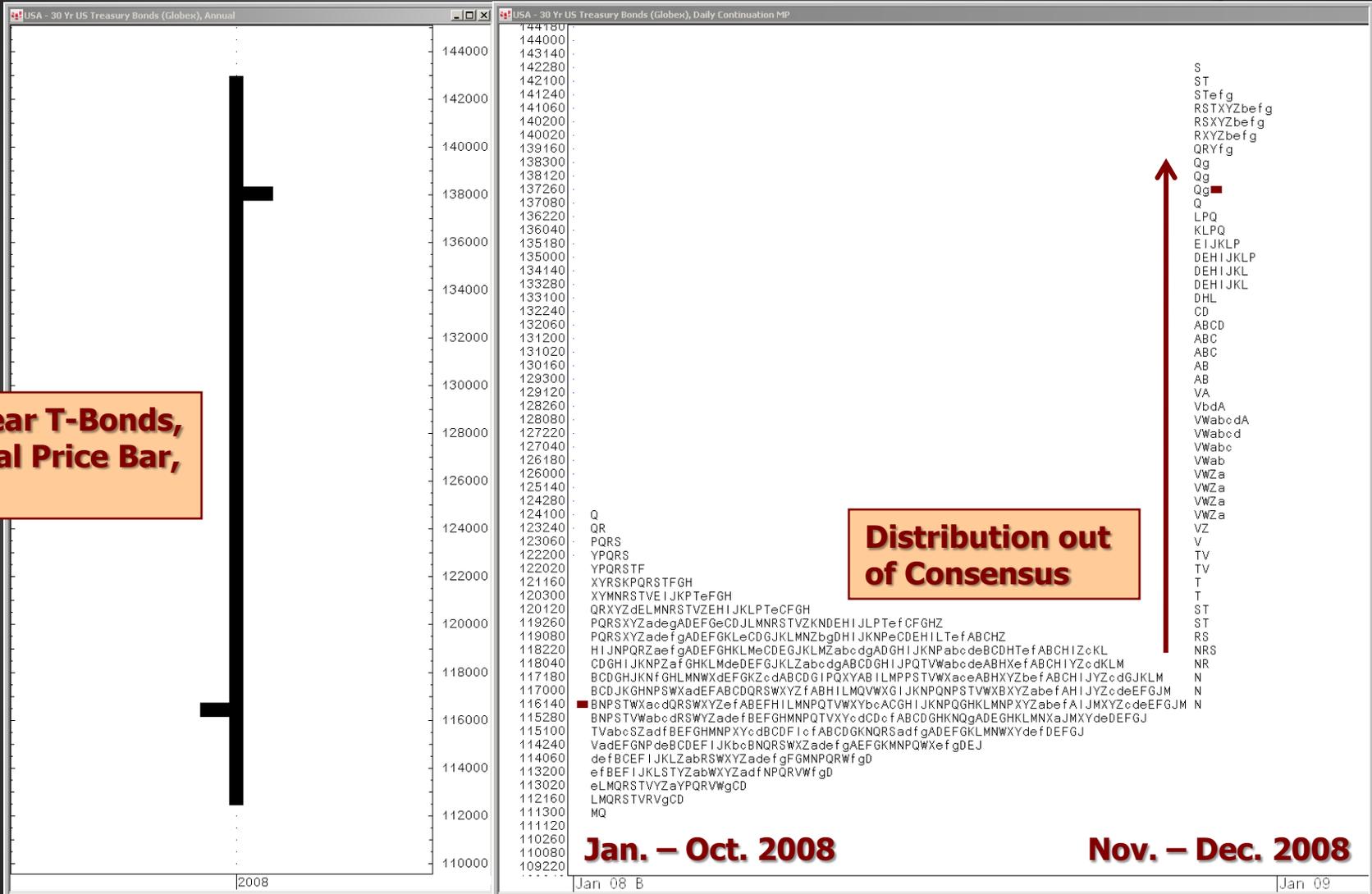


Usage = Acceptance

**The process of building
Price Acceptance
naturally organizes into
a bell curve**

Data Representation: Price Bar vs. Bell Curve

30-Year T-Bonds, Annual Price Bar, 2008



Jan. – Oct. 2008

Nov. – Dec. 2008

30-Year T-Bonds, Annual Price Bar, 2008 30-Year T-Bonds, Profile, 2008



Seeing Determination of Value

CAA - Canadian Dollar-All Sessions, Daily Continuation MP	CAA - Canadian Dollar-All Sessions, Daily Continuation MP
<p>Canadian Dollar</p> <p>9828 9816 9804 9792 P 9780 P 9768 NP 9756 NP 9744 NP 9732 MNPV 9720 MNPV 9708 MNPQTV 9696 MNPQTV 9684 LMNPQTV 9672 LMNPQTV 9660 LMPQTV 9648 LMPQTV 9636 LMPQTVW 9624 LQTVW 9612 LQTVW 9600 ILQTVWX 9588 ILQTVWXLQ 9576 ILQVWXKLQ 9564 ILVWXYKLQSa 9552 IVWXYKLQRSa 9540 IVWXYKLMQRSa 9528 IVWXYJKLMQRSa 9516 H I V W X Y b J K L M Q R S a 9504 H I V W X Y b J L M Q R S a 9492 G H I V W X Y b J L M Q R S a 9480 F G H I W X Y b I J L M R S T Y a 9468 F G H I W b I J L M R S T Y a 9456 F G H W b I J L M R S T Y a 9444 F G H W b I J L R S T Y a 9432 F G H b d I J R T Y Z 9420 F G H b D E F I J R T V Y Z 9408 F G H b c D E F I R T V Y Z 9396 F G H b c d E F I T V Y Z 9384 F G b c d e f C D E F I T V Y Z 9372 F b c d e f C D E F I T V Y 9360 A F b c d e f C D E F I T V Y 9348 A E F b c d e f C D F I T V Y 9336 A E F b c d e f C F I V Y 9324 A E F c d e f B C F I V Y 9312 A E d e f B C F I V 9300 A E d e f B C F I 9288 A E d e f B C F 9276 A E d e f B C F 9264 A B E d e f B C F 9252 A B E d e f B C 9240 A B E d e f B C 9228 A B E f B C 9216 A B f B C 9204 B B C 9192 B 9180 B 9168 B 9156 B 9144 B 9132 B 9120 B 9108 B</p>	<p>9828 LPQ 9816 LPQ 9804 LPQ 9792 LP 9780 JLP 9768 IJKLP 9756 IJKL 9744 EHIJK 9732 CDEHIJK 9720 CDEHIJK 9708 CDEHIJK 9696 BCDEIK 9684 BCDEIK 9672 BCDE 9660 BCD 9648 BC 9636 B 9624 B 9612 B 9600 AB 9588 AB 9576 AB 9564 AB 9552 A 9540 A 9528 A 9516 A 9504 A 9492 A 9480 A 9468 A 9456 A 9444 A 9432 A 9420 A 9408 A 9396 A 9384 A 9372 A 9360 A 9348 A 9336 A 9324 A 9312 A 9300 A 9288 A 9276 A 9264 A 9252 A 9240 A 9228 A 9216 A 9204 A 9192 B 9180 B 9168 B 9156 B 9144 B 9132 B 9120 B 9108 B</p>
<p>Determining Value</p>	<p>Acceptance – New Direction</p>
<p>Composite Profile Jan. 9-16, 2007 October to November 2009</p>	<p>October 2009 to March 2010</p>
Oct 09 A	Mar 10 A



Seeing Determination of Value

EUA - Euro FX - All Sessions, 60 Min Continuation MP

Euro

13065
13062
13059
13056
13053 w
13050 w
13047 w
13044 w
13041 rtw
13038 Tkmrtww
13035 TWkmptrww
13032 TWkmptrwyyw
13029 Wgkmptrwyywyy
13026 Wgikmprrwyywyy
13023 Wgikmpyywyy
13020 Wgikmpyywyy
13017 WgimyApwyy
13014 WYegiyAprwy
13011 WYcegyAprwy
13008 WYacegyAkmptrwy
13005 WYacyAkmptrwy
13002 WYacAei kmptrwy
12999 WYacAei kmptrwy
12996 YaAcegi kmy
12993 YaAYacegi kmyk
12990 YACEYacgi kmyktwgi
12987 YACEYakmyktwgi
12984 YACEWYkykmptrwyAgi
12981 YACEGIKWYyACkmptrwyAegi
12978 YACEGIKMPTWkyACkmprrwyACGeg
12975 ACEGIKMPTWYAccegkmpwyACEGTeg
12972 CEGIPTWyAACcegi kmpyACEGTWce
12969 CyAAceGacegi kmACEGTWace
12966 yAyACEGTWaci kACGWYac
12963 yAyACEGTWYacWYa
12960 yAyACEGTWYacY
12957 yAyAEGIMTWyA
12954 AkmpyAGIKMPWY
12951 AkmpryIKMPWY
12948 AEGIkmprryIKM
12945 AEGegi kmprrwy
12942 ACEGaegi kmprrwy
12939 ACEGacegimrtwy
12936 ACEGIacegimrtwy
12933 ACEGIKPTYacegiwyy
12930 ACEGIKMPTWYacgwyy
12927 ACEGIKMPTWYwyy
12924 CIKMTWYwyy
12921 CKTWYy
12918 KWYy
12915 Yy
12912 Yy
12909 y
12906 y
12903 y
12900 y
12897 y
12894

Determining Value

1/9 T

EUA - Euro FX - All Sessions, 60 Min Continuation MP

Consensus is reached & market seeks new value

13065
13062
13059
13056
13053 w
13050 w
13047 w
13044 w
13041 rtw
13038 Tkmrtww
13035 TWkmptrwwe
13032 TWkmptrwyyweg
13029 Wgkmptrwyywyycegi
13026 Wgikmprrwyywyyrcegi k
13023 Wgikmpyywyyrci k
13020 Wgikmpyywyyrtaci kmp
13017 WgimyApwyyrtaci kmp
13014 WYegiyAprwyrtaci kmpk
13011 WYcegyAprwyprtweackmpk
13008 WYacegyAkmptrwykprtweackmpk
13005 WYacyAkmptrwykprwcegekmyAprEiWYacegi kmp
13002 WYacAei kmptrwykprwyycegekmyAprEgiKPWYae gi kmp
12999 WYacAei kmptrwykmprrwyycegi kmCMPWYprtwyEGIKMPWYagi kmpC
12996 YaAcegi kmykmprrwyycegi kmACKMPTWrtwyyEGIKMPWi kpC
12993 YaAYacegi kmykmpyyAaci kmpACKMPTWrtwyyEGKMTwprCE
12990 YACEYacgi kmyktwgi kmpyyAaci kmpACEKMWrtwyyEGTWprCEGK
12987 YACEYakmyktwgi kyyACGakprACEGIKrtYEprTCEGIKMT
12984 YACEWYkykmptrwyAgi kyyACEGaprACEGIKyErtwCEGIKMPTW
12981 YACEGIKWYyACkmptrwyAegi yACEGIYaprtACEGIyAerTAcGIKMPTWi
12978 YACEGIKMPTWkyACkmprrwyACGegyACACEGIYprtACEIyACerTAcIMPTWaei
12975 ACEGIKMPTWYAccegkmpwyACEGTegyACEIACEGIYprtACEYACerTAcITWYacegi
12972 CEGIPTWyAACcegi kmpyACEGTWceACEIACEIKMPTWYrtwYAEyACrwyACWYacegi
12969 CyAAceGacegi kmACEGTWaceACEI mpryACIKMPTWYrtwYAEyACWyyACWYacegi
12966 yAyACEGTWaci kACGWYacACEegi kmprryACIKMrrwyAEACWyyACWacei
12963 yAyACEGTWYacWYaACEcegi kmprryAkwyAEACWYacCac
12960 yAyACEGTWYacYCEKMPWYacegkmprryAwyyAACWa
12957 yAyAEGIMTWYACEGIKMPWYacekmprryAwyyAACW
12954 AkmpyAGIKMPWYCEGIKMPTWYakmrrtwyAwyyAC
12951 AkmpryIKMPWYEGIMPTWYartwyyAwyyC
12948 AEGIkmprryIKMEITryAwyyC
12945 AEGegi kmprrwyEyyAy
12942 ACEGaegi kmprrwyyAy
12939 ACEGacegimrtwyyy
12936 ACEGIacegimrtwyyy
12933 ACEGIKPTYacegiwyyy
12930 ACEGIKMPTWYacgwyyy
12927 ACEGIKMPTWYwyyy
12924 CIKMTWYwyyy
12921 CKTWYy
12918 KWYy
12915 Yy
12912 Yy
12909 y
12906 y
12903 y
12900 y
12897 y
12894

Acceptance – New Direction

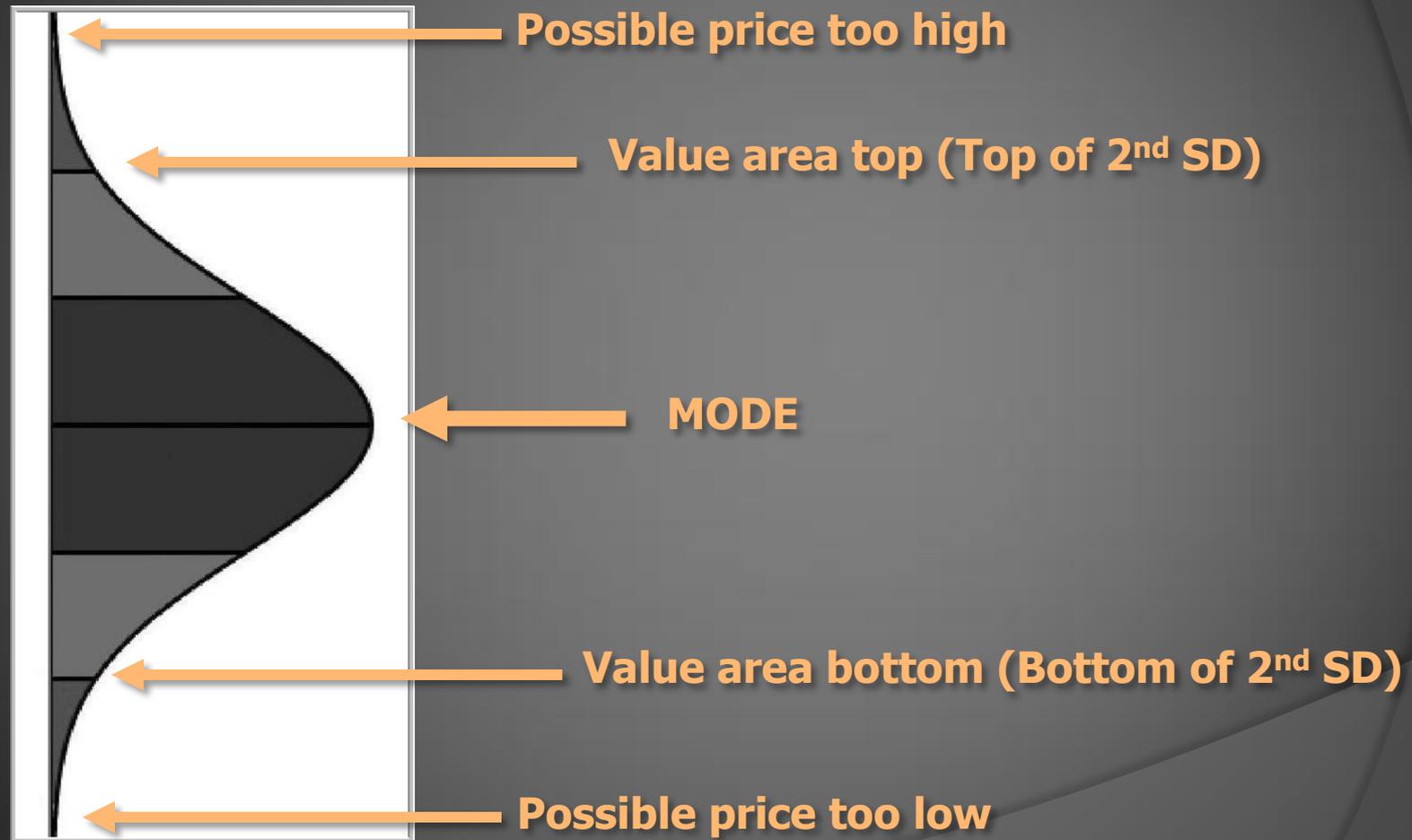
1/23 k



Market Profile Tracks Market Consensus

- The beginning of the auction represents a **determination** of value
- The completion of the auction marks the **acceptance of value**
- **Market consensus** looks like a **completed Bell curve.**

Profiles are Bell Curves that are vertically oriented



Profile Structure

**1 Week of
Market Activity**

Contract ID	Contract Name
4376	C
4374	C
4372	C
4370	AC
4368	AC
4366	AC
4364	AEC
4362	AECA
4360	AECA
4358	EAECAEG
4356	EyAECAEG
4354	EyAECAEG
4352	EyACECAEG
4350	EyACECyAEG
4348	EyACEACyAEG
4346	EyACEACyAEG
4344	EyACEACyAEG
4342	ENyACEACKyAEG
4340	ENTyACEACKyAEG
4338	ENQTyACEGaACKyAEG
4336	EGNQTyACEGaACKQwyACEG
4334	EGNQTyacyACEGagACKNQwyACEG
4332	EGNQTYacyACEGagiACGKNQwyACEG
4330	EGNQTYacyACEGacegiACGKNQwyACEGm
4328	EGLNQTYceyACEGWacegiACGKLNQpyACEGkmA
4326	EGKLNQTYceyACEGITWacegiACGKLNQTemprtwACEGikmprA
4324	EGKLNQWceyACEGITWacegiACGKLNQTemprtwACEGikmprA
4322	EGKLWceyACEGINQTYacegiACGKLNQTemprtwACEGikmprAE
4320	EGKLeYACEGINQTYaciACEGikLNQTwacemprtwACEGimprLAE
4318	EGKLegwyACEGINQTYairACEGikLNQTYacemprtwACEGimprLAE
4316	EGKLegwyACEGikLNQTYirtyACEGikLNQTYaceikmrACEGimprLAE
4314	EGKLegiwyACEGikLNQTYirtyACEGikLNQTYaegikrACEGimprLAE
4312	EGKLegiwyACEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4310	EGIKLegiwyACEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4308	EGIKLeiwACEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4306	EGIKLeiwACEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4304	GIKikrLwACEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4302	GIKikmprLwACEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4300	GIKkmpLwACEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4298	GIKkmpLwACEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4296	GIKkmpLwACEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4294	IKkmpwAEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4292	IKkmpwAEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4290	IKkmpwAEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4288	IKwAEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4286	IKwAEGikLNQTYirtyACEGikLNQTYaegikACEGimprLAE
4284	IKAEGLtwyACCKQTYacyAC
4282	IKAEGLtwyACCKQTYacyAC
4280	IKEGltwyACCTWYayAC
4278	IKEGltwyACCTWYayAC
4276	IKEGyACCTWYayA
4274	IyACCTWyA
4272	IyACCTWyA
4270	IyACTy
4268	IACy
4266	IAC
4264	IAC
4262	IA
4260	A
4258	A
4256	A

Price too high

Value area top

MODE

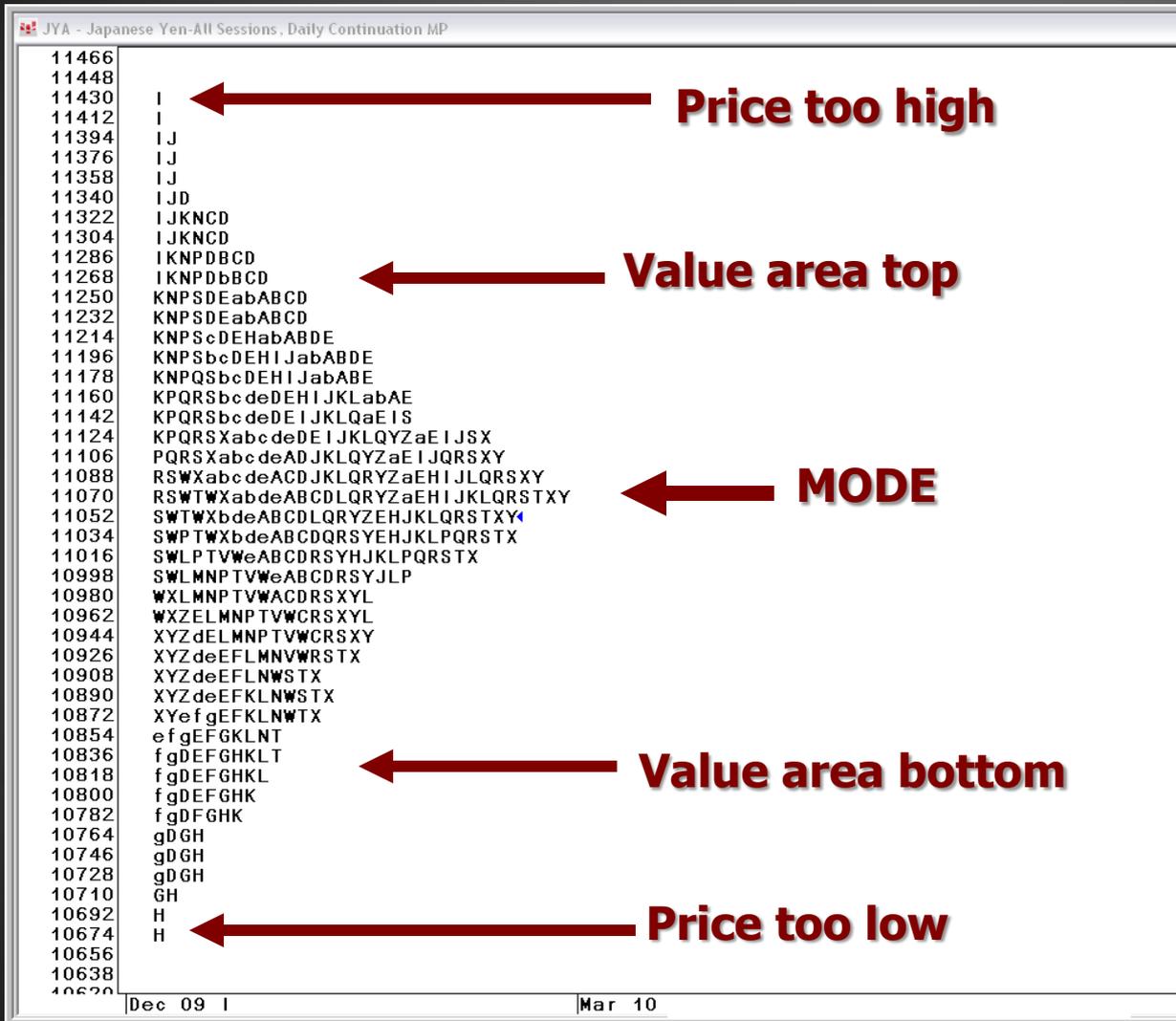
Value area bottom

Price too low

Natural Gas, Composite Profile, August 9th – 13th 2010



Profile Structure



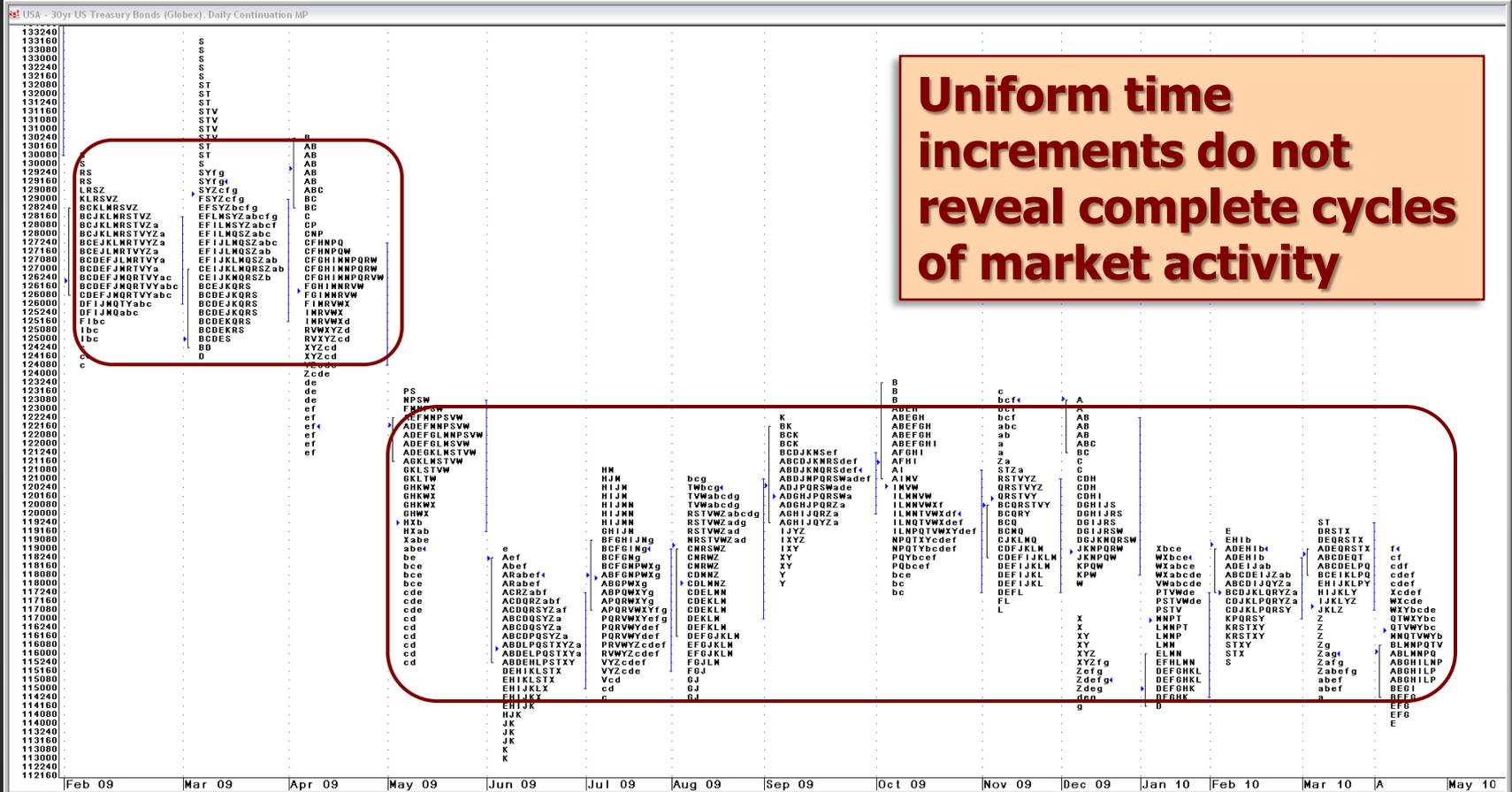
Over 3 Months of Market Activity

Japanese Yen, Composite Profile, Dec. 2009 – March 2009



**How do we organize the
Data to see the progress
toward Consensus and
Determine the new
Direction?**

Organizing the Data into Bell Curves

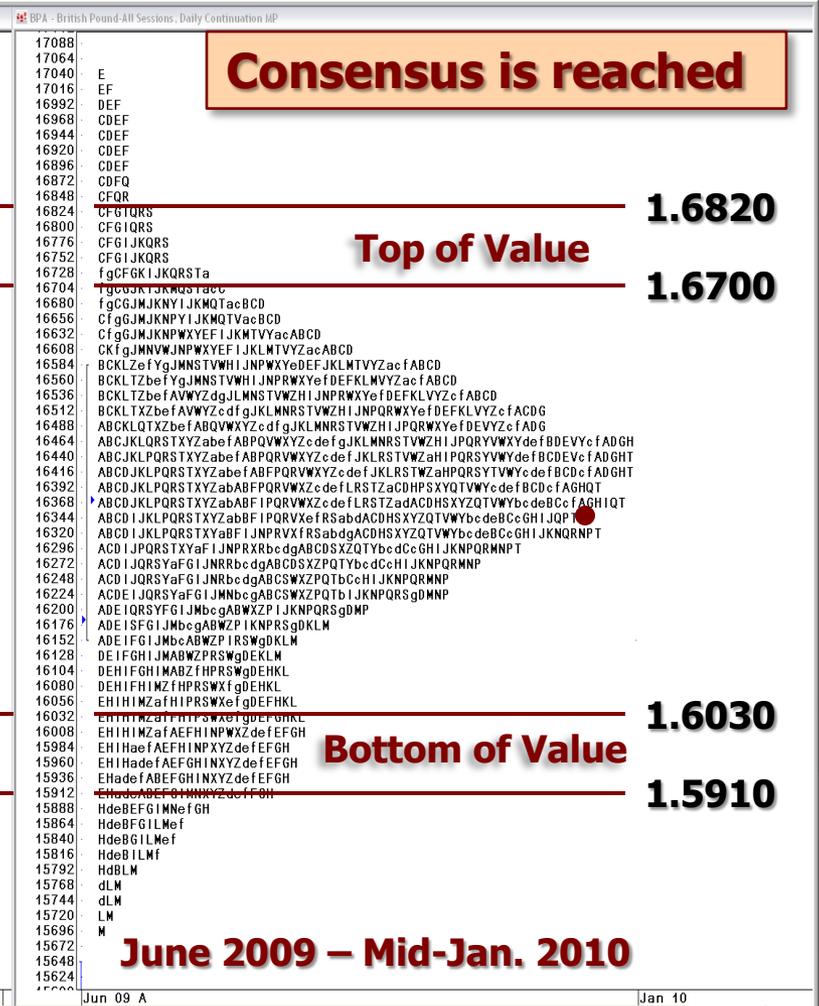
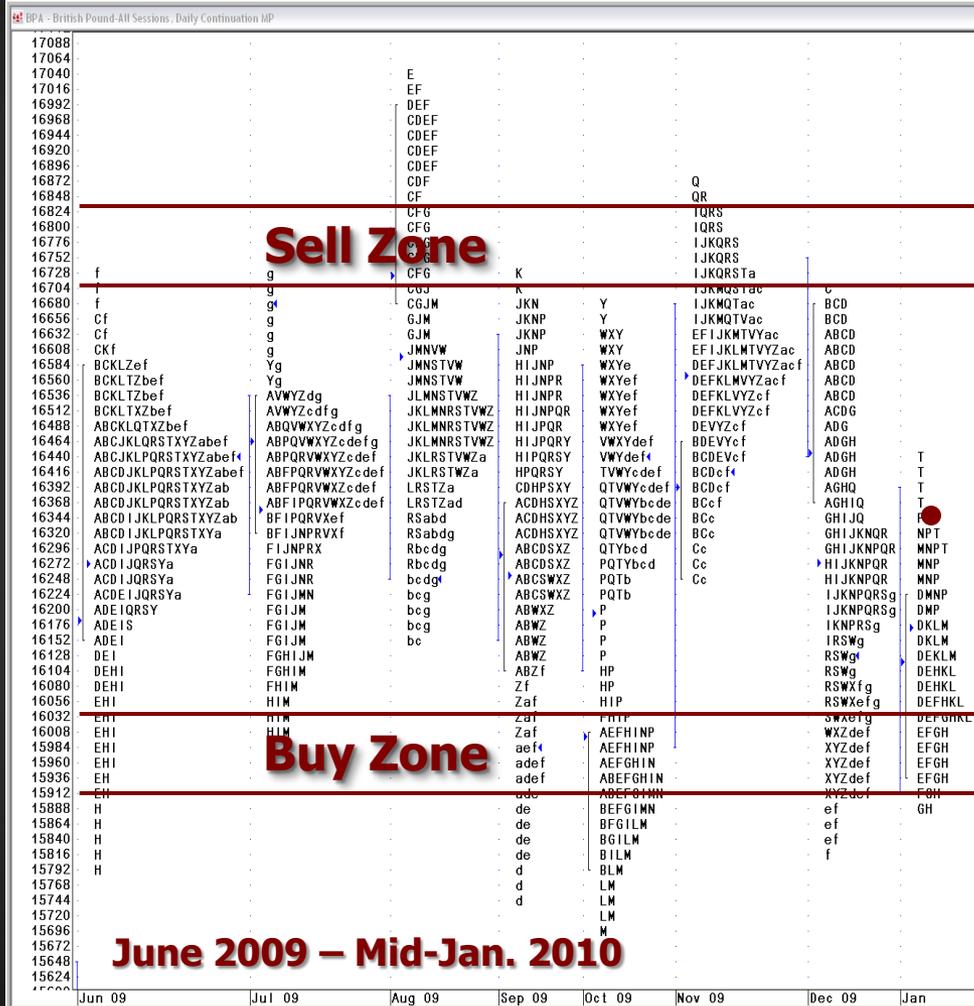


30-Year T-Bonds, Monthly Profiles, Feb. 2009 – April 2010



Organizing the Data into Bell Curves

British Pound

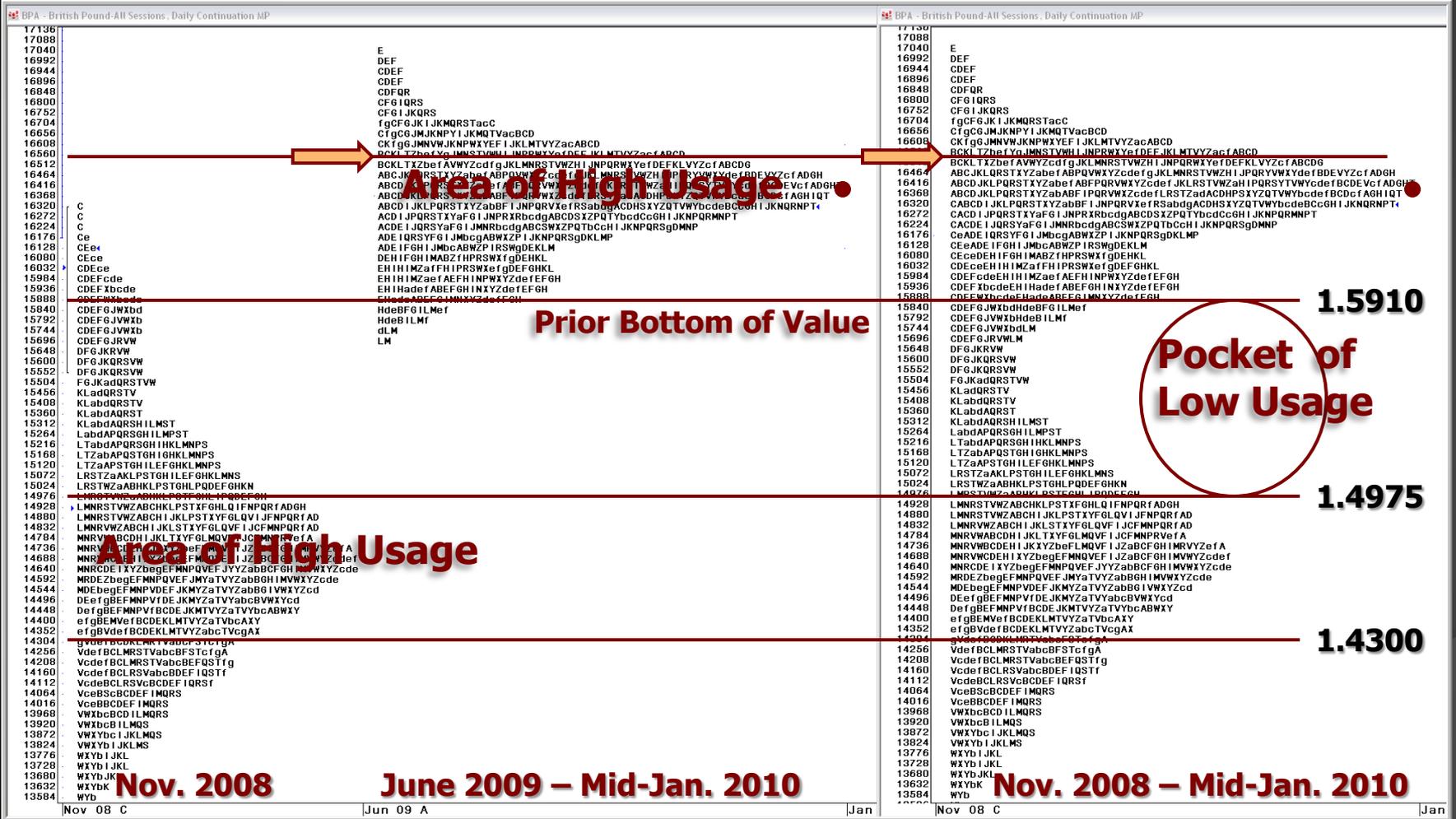


British Pound, June 2009 – Jan. 2010

British Pound, June 2009 – Jan. 2010



Putting the Bell Curve into Context British Pound



British Pound, Nov. 2008 – Jan. 2010

British Pound, Nov. 2008 – Jan. 2010

Recognizing Pockets of Low Usage British Pound

BPA - British Pound-All Sessions - Daily Continuation MP	
17040	E
16992	DEF
16944	CDEF
16896	CDEF
16848	CDfQR
16800	CFgIQRs
16752	CFgIJKRS
16704	fgCFgJKIJKMQRSTacC
16656	CfCGJMJKNPYIJKMQTVacBCD
16608	CKfGJMNVWJKNPWXYEF IJKLMTVYZacABCD
16560	BCKLTZbefYgJMNSTVWHI JNPRWXYefDEFJKLMTVYZacfABCD
16512	BCKLTZbefAVWYZcdfgJKLMNRSTVWZH IJNPQRWXYefDEFKLVYZcfABCDG
16464	ABCJKLQRSTXYZabefABPQVWXYZcdfgJKLMNRSTVWZH IJPQRVWXYZefBDEVYZcfADGH
16416	ABCDJKLQRSTXYZabefABPQRVWXYZcdfgJKLRSVWXYZahIPQRSVWXYZefBCDEVcfADGHT
16368	ABCDJKLQRSTXYZabefIPQRVWXYZde(LRSTZadACDHPSXYZQTVWYbcde)BCDcfAGHIQT
16320	CABCDIJKLQRSTXYZabefIIPQRVXYZRSabdnACDHSXYZQTVWYbcdeBCCGHILKNRNPST
16272	CACDIJPQRSTXYaFgI JNPRXRbcdgABCDSXZPQTYbcdCcGH IJKNPQRMNPT
16224	CACDEIJKRSYafG IJMNRRbcdgABCDSXZPQTbCcH IJKNPQRSgDMNP
16176	CeADEIQRSYfG IJMbcbgABWZP IJKNPQRSgDKLMP
16128	CeEADeIFGH IJMcABWZP IRSWgDEKLM
16080	CeCdeEhIFGH IMAZfHPRSWIgdEhKL
16032	CDeceEhIHIMZafFH IPRSWIgdEFGHKL
15984	CDEFcdeEhIHIMZaeFAEFHINPWXYZdeFEFGH
15936	CDEFXbcdeEhIHadeFAEFGHINXYZdeFEFGH
15888	CDEFWxbcdeEhadeABEFGIMNXYZdeFEFGH
15840	CDEFJWxbdhdeBFGILMeF
15792	CDEFJWxbdhdeBILMf
15744	CDEFJWxbdlM
15696	CDEFJRVWLM
15648	DFGJKRVW
15600	DFGJKRSVW
15552	DFGJKRSVW
15504	FgJkaQRSTVW
15456	KLadQRSTV
15408	KLabdQRSTV
15360	KLabdAQRST
15312	KLabdAQRSHILMST
15264	LabdAPQRSghILMPST
15216	LTabdAPQRSghIHKL MNPS
15168	LTabdAPQSTGH IGHKL MNPS
15120	LTabdAPSTGH ILEFGHKL MNPS
15072	LRSTZaAKLPSTGH ILEFGHKL MNS
15024	LRSTWZaABHKLPSTGH ILEFGHKL MN
14976	LMNRSTVWZaABHKLPSTGH ILEFGHKL
14928	LMNRSTVWZaBCHKLPSTGH ILEFGHKL I FNPRQfADGH
14880	LMNRSTVWZaBCH IJKLPSTXYfGLQV IJFNPRQfAD
14832	LMNRVWZaBCH IJKLPSTXYfGLQV IJCFMNPQRfAD
14784	MNRVWZaBCH IJKLPSTXYfGLQV IJCFMNPQRfAD
14736	MNRVWZaBCH IJKLPSTXYfGLQV IJCFMNPQRfAD
14688	MNRVWZaBCH IJKLPSTXYfGLQV IJCFMNPQRfAD
14640	MNRVWZaBCH IJKLPSTXYfGLQV IJCFMNPQRfAD
14592	MRDEZbegEFMNPQVEFJMYaTVYZabbGHIMVWXYZcde
14544	MDebegEFMNPQVEFJMYaTVYZabbGHIMVWXYZcde
14496	DeFgBEFNMNPVDEJKMYZaTVYabcbWXYcd
14448	DeFgBEFNMNPVDEJKMYZaTVYabcbWXYcd
14400	eFgBEMVefBCDEKLMTVYZaTVbcAXY
14352	eFgBVdefBCDEKLMTVYZabcTVcgAX
14304	qVdefBCDKLMRTVabcFSTcTgA
14256	VdeTBCLMNSTVabcbFSTcTgA
14208	VcdeTBCLMNSTVabcbFSTcTgA
14160	VcdeTBCLRSVabcBDEF IQRST
14112	VcdeTBCLRSVabcBDEF IQRST
14064	VceBScBCDEF IQRST
14016	VceBScBCDEF IQRST
13968	VWxbcBCDILMQRs
13920	VWxbcBILMQRs
13872	VWxYbcIJKLMQRs
13824	VWxYbIJKLMQRs
13776	WXYbIJKL
13728	WXYbIJKL
13680	WXYbJKL
13632	WXYbk
13584	WYb
13536	Yb
Nov 08 C	
Jan 10 V	
May 10	

Pocket of Low Usage

1.5930

1.4975

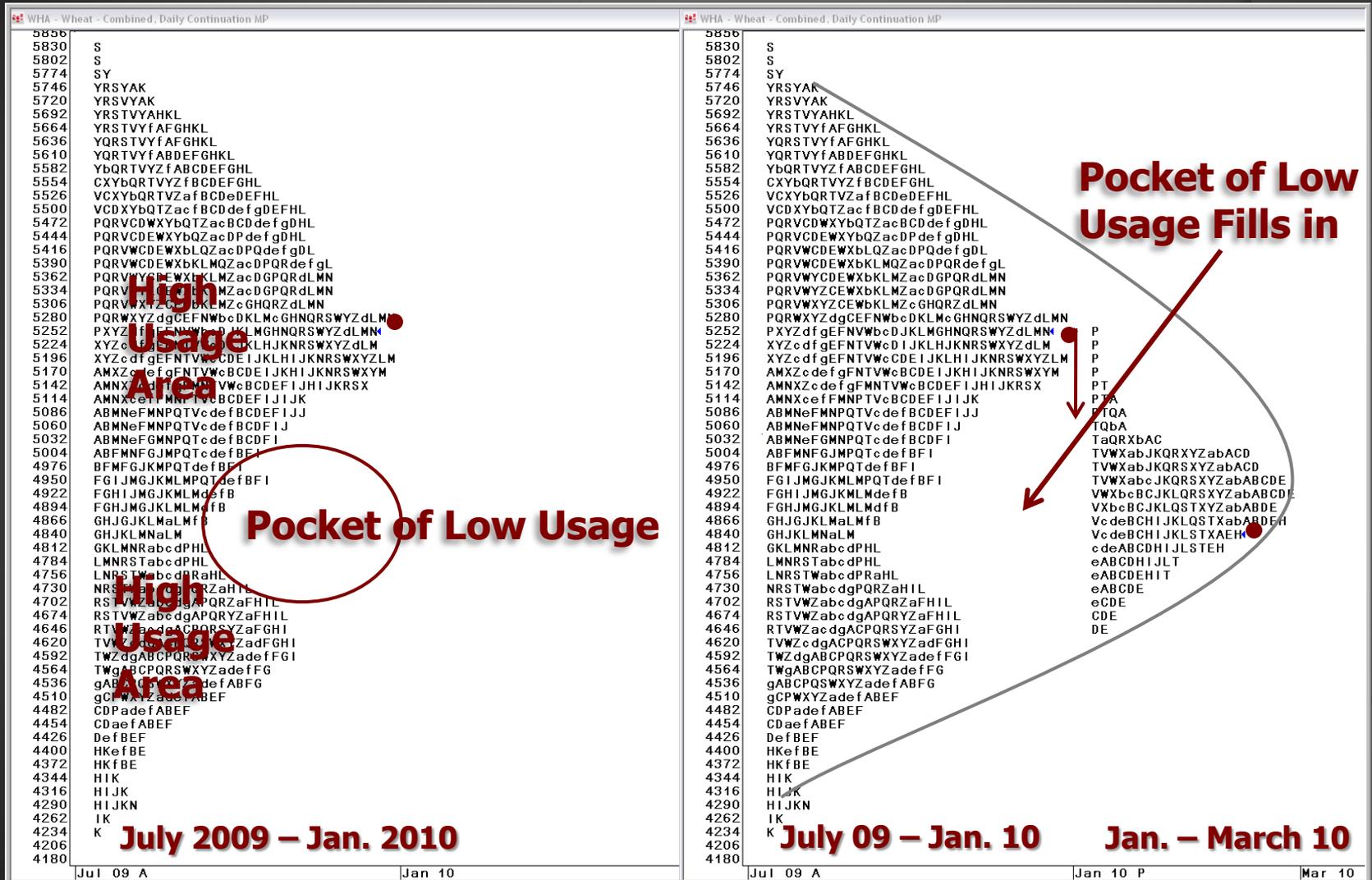
1.4300

Filling in the Pocket of Low Usage created by combining prior data to reveal a context for development.

British Pound, Nov. 2008 – May 2010



Recognizing Pockets of Low Usage



Wheat, July 2009 to Jan. 2010

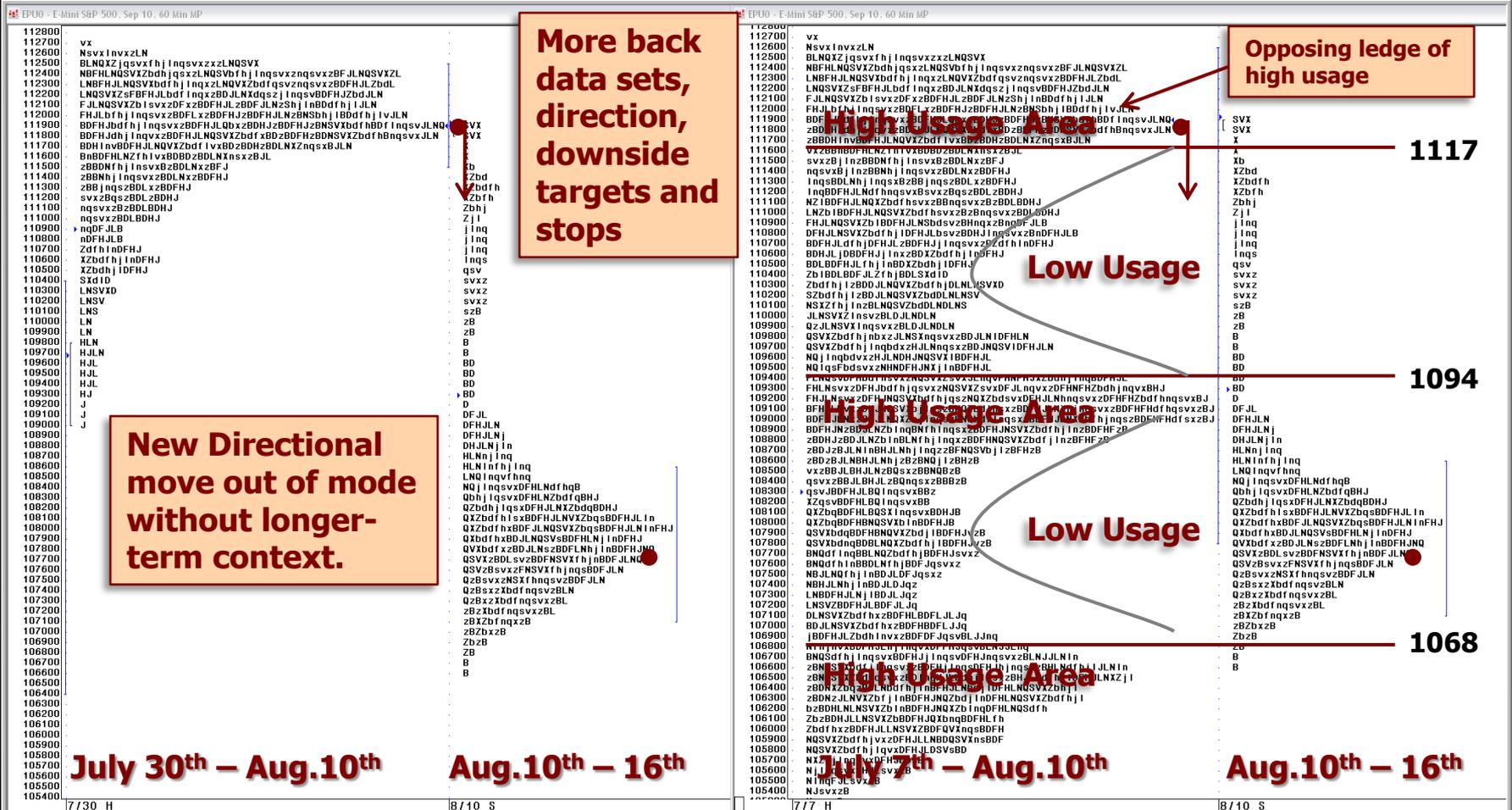
Wheat, July 2009 to March 2010



Organizing the Data

- “Cycle of Market Activity” is when the market completes a Bell Curve
- Once the Bell Curve is complete, a new directional move begins in search of new value
- In order to anticipate the new direction, the complete “Cycle of Market Activity” must be put into context of a larger incomplete cycle
- We look for where low usage areas exist either above or below the completed bell curve to determine the next directional move

High & Low Usage Determine Context



E-Mini S&P 500, July 30th - August 10th 2010

E-Mini S&P 500, July 7th - August 10th 2010



Using Market Profile to Build a Strategy

Elements of the Method:

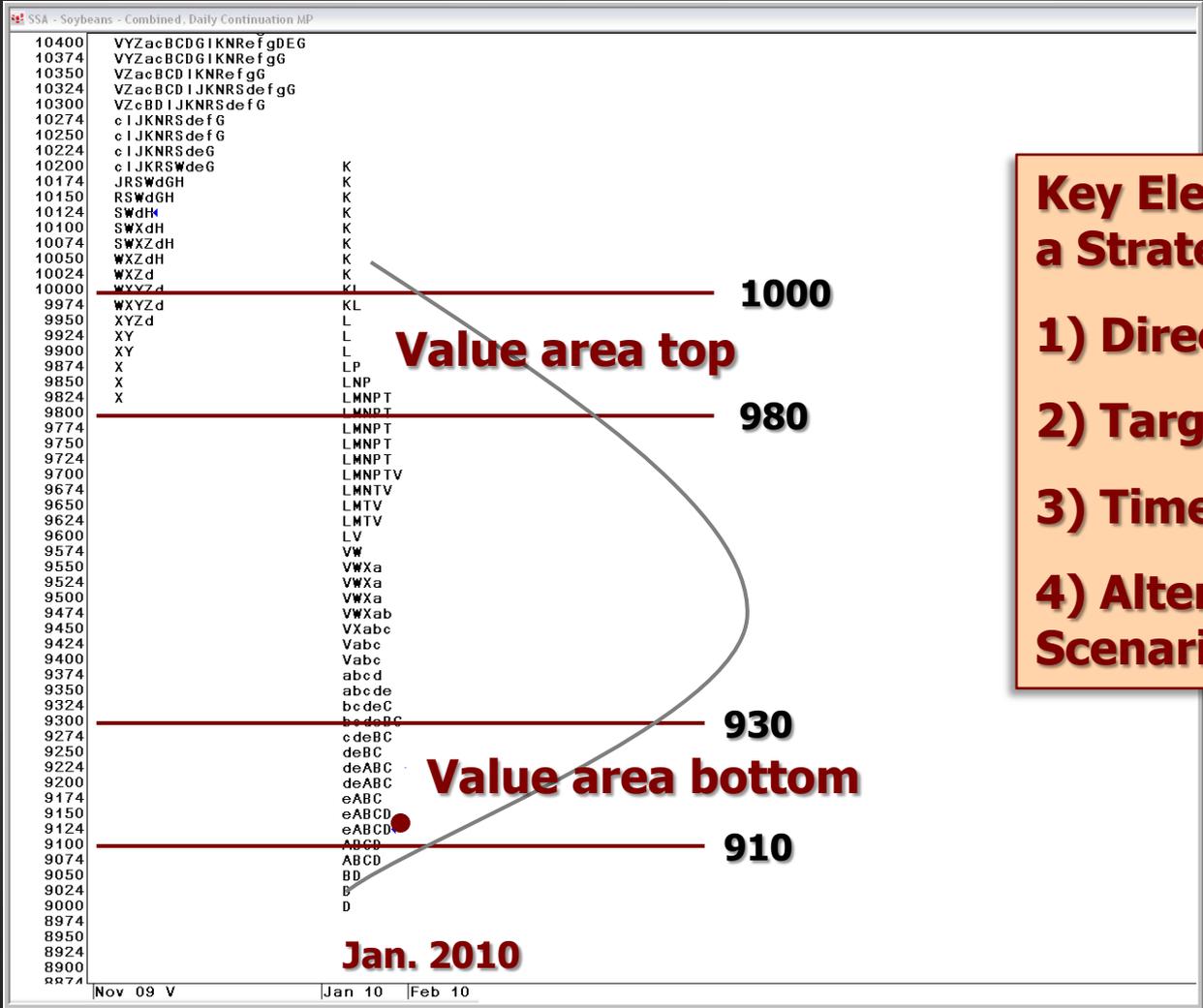
- Range Trade underdeveloped Bell curves until they are complete
- Put small completed bell curves into a larger under-developed context
- Trade for Development of low-usage areas until the larger under-developed context is integrated into a completed bell curve

Market Example

Soybeans

January – July 2010

Market Profile Trading Strategy Soybeans



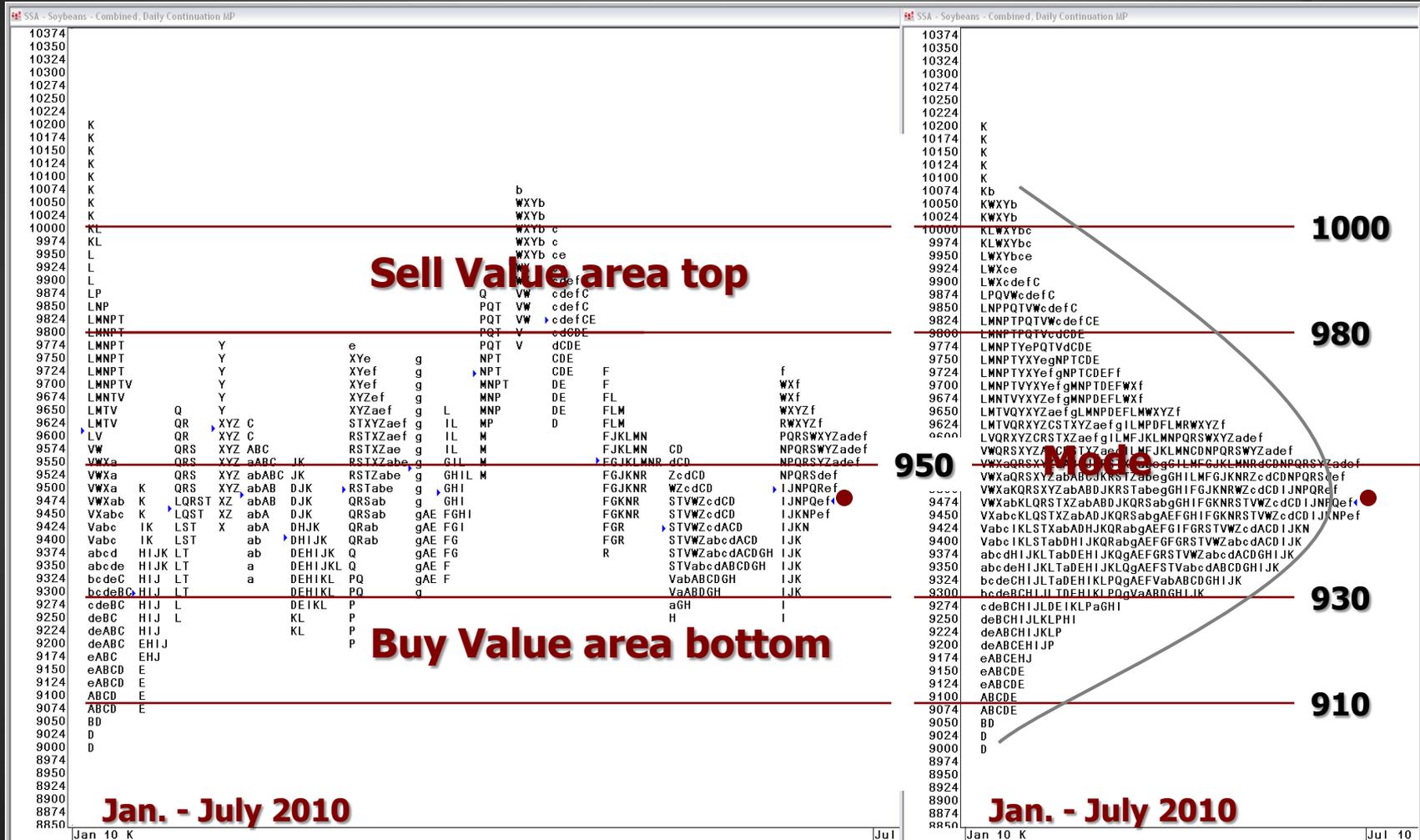
Key Elements of a Strategy:

- 1) Direction
- 2) Target
- 3) Timeline
- 4) Alternative Scenario

Soybeans, Nov. 2009 – Jan. 2010



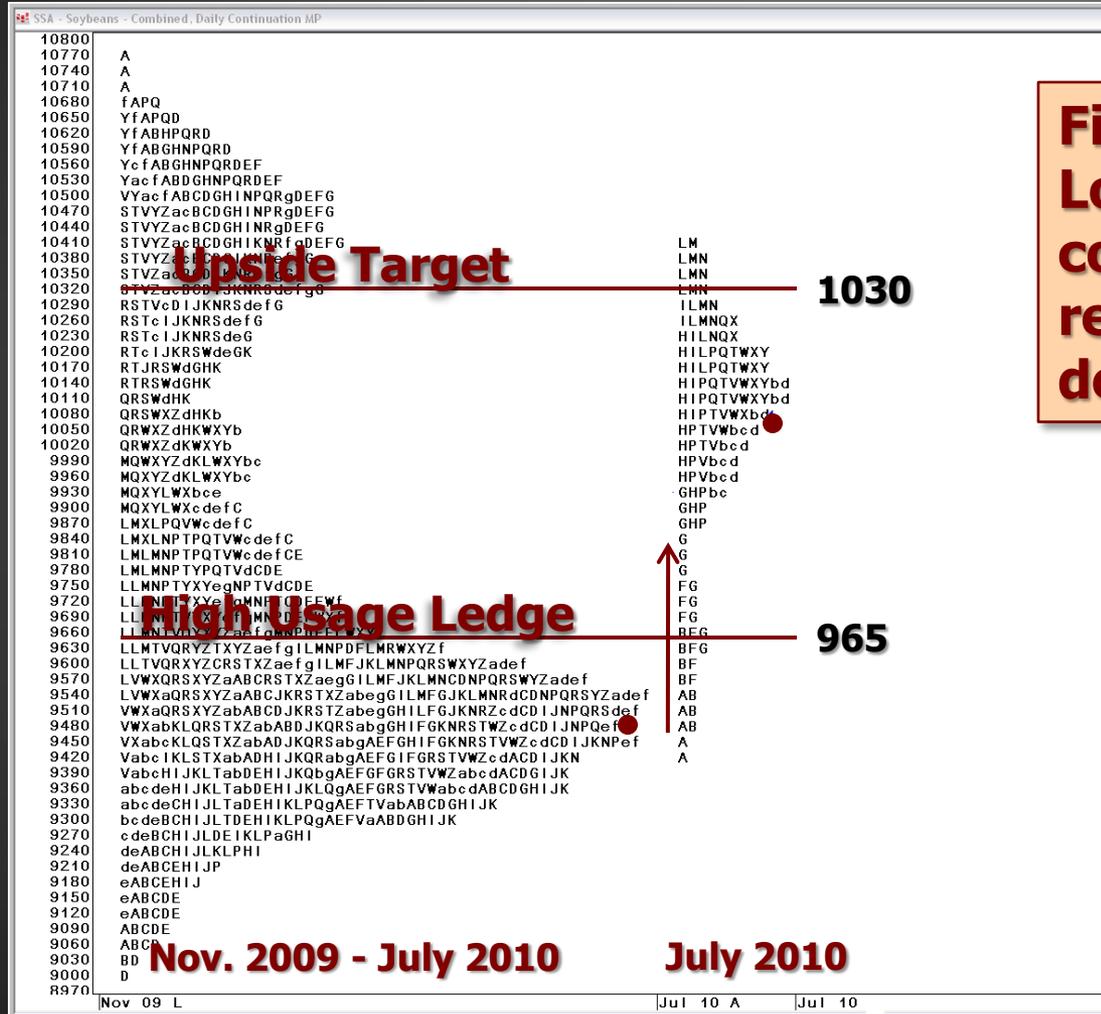
Market Profile Trading Strategy Soybeans



Soybeans, Jan. - July 2010



Market Profile Trading Strategy Soybeans



Filling in the Pocket of Low Usage created by combining prior data to reveal a context for development.

Soybeans, Nov. 2009 – July 2010

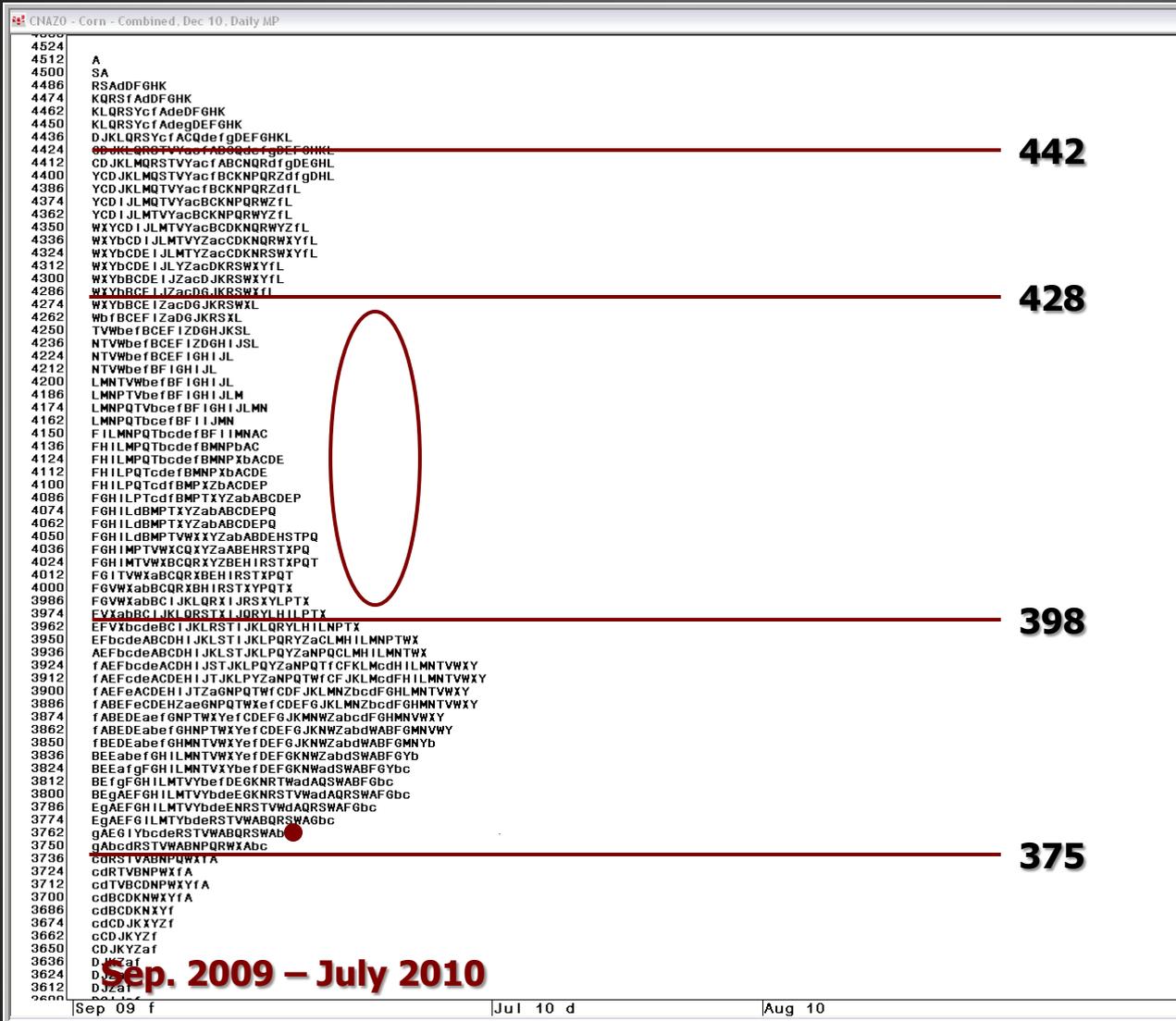


Market Example

Corn

July – Aug. 2010

Market Profile Trading Strategy: Corn



Corn, Sep. 2009 – July 2010

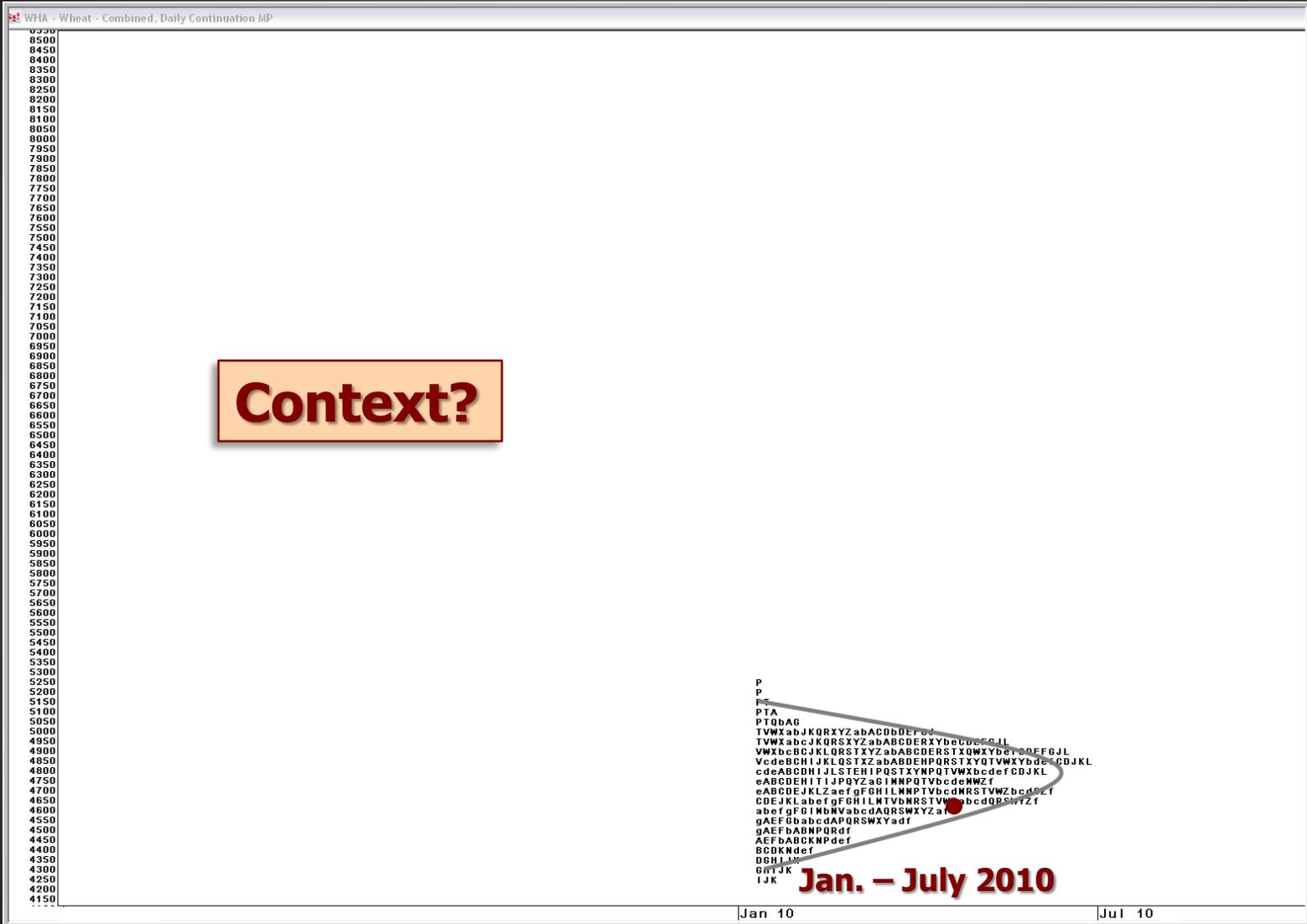


Market Example

Wheat

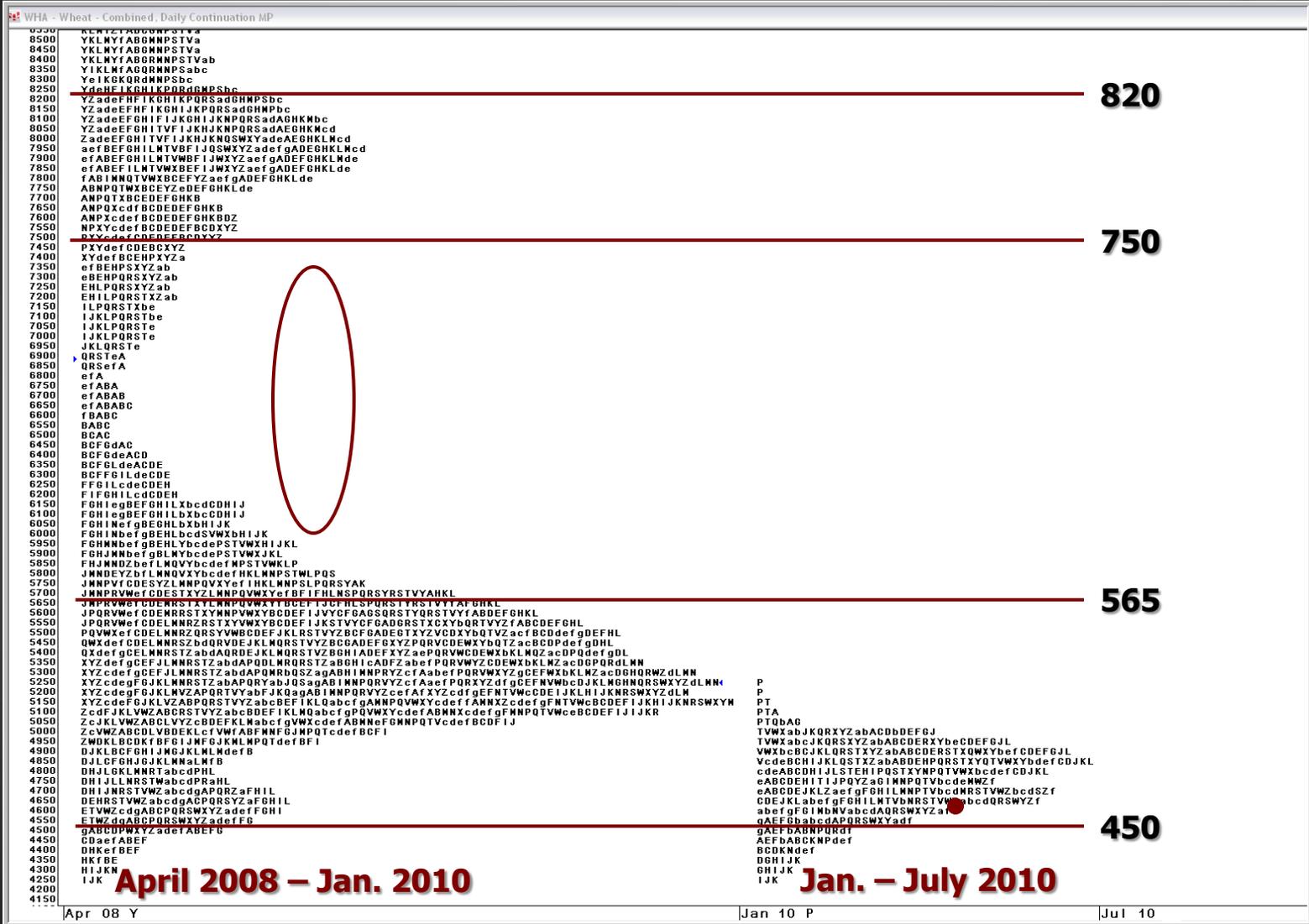
Jan. – Aug. 2010

Market Profile Trading Strategy: Wheat



Wheat, Jan. – July 2010

Market Profile Trading Strategy: Wheat



Wheat, April 2008 – July 2010

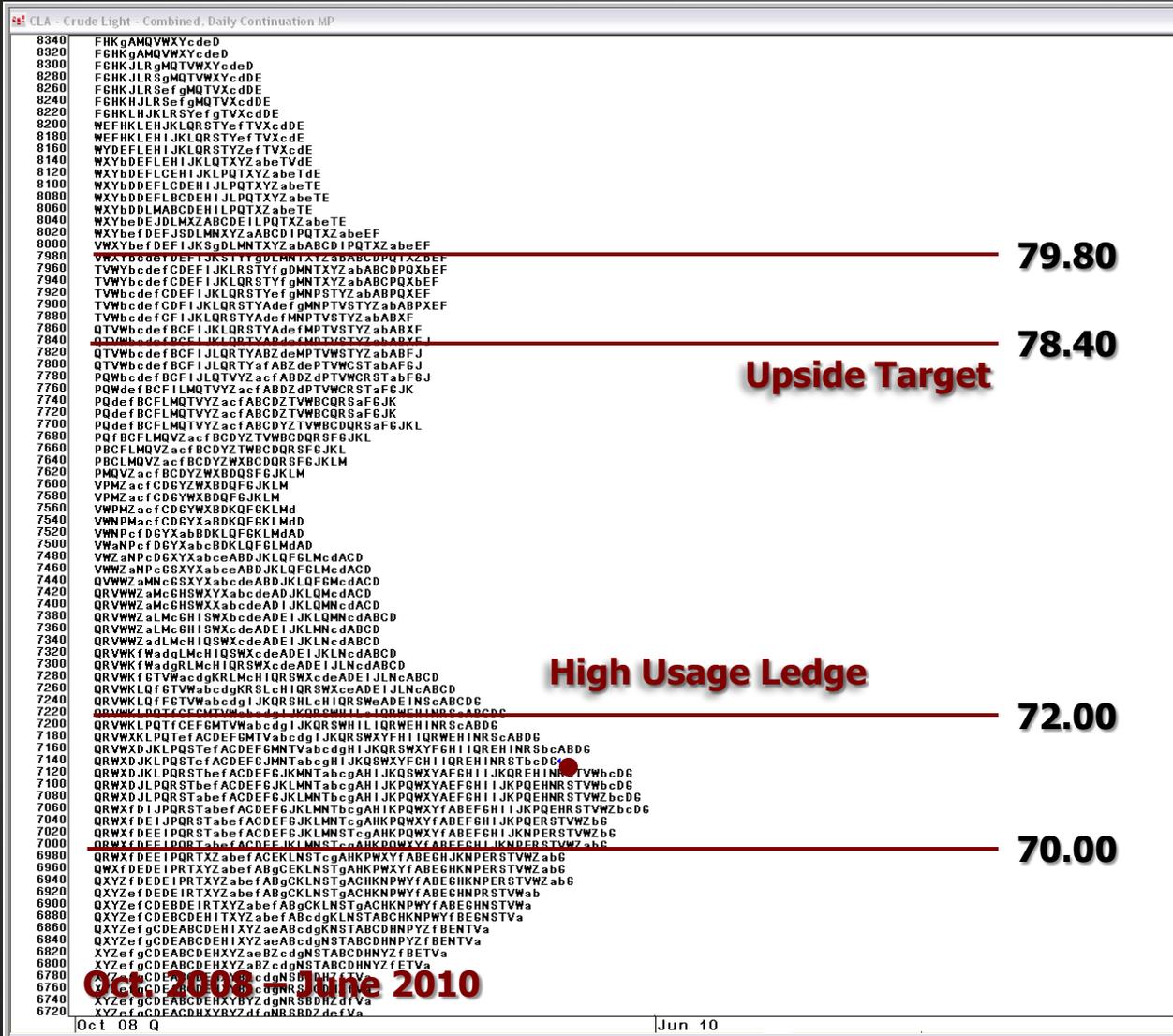


Market Example

Crude

June – Aug. 2010

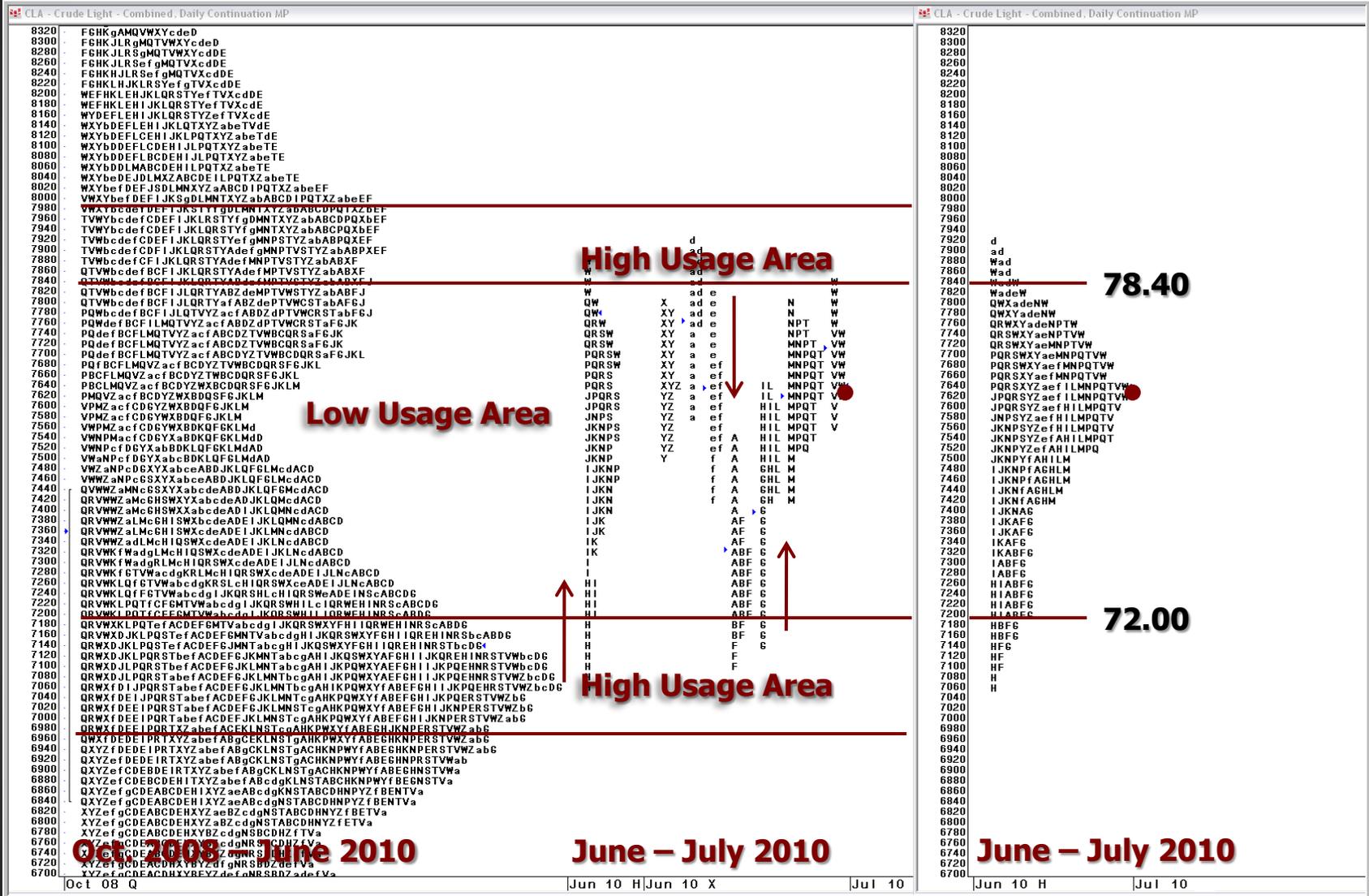
Market Profile Trading Strategy: Crude



Crude Light, Oct. 2008 to June 2010



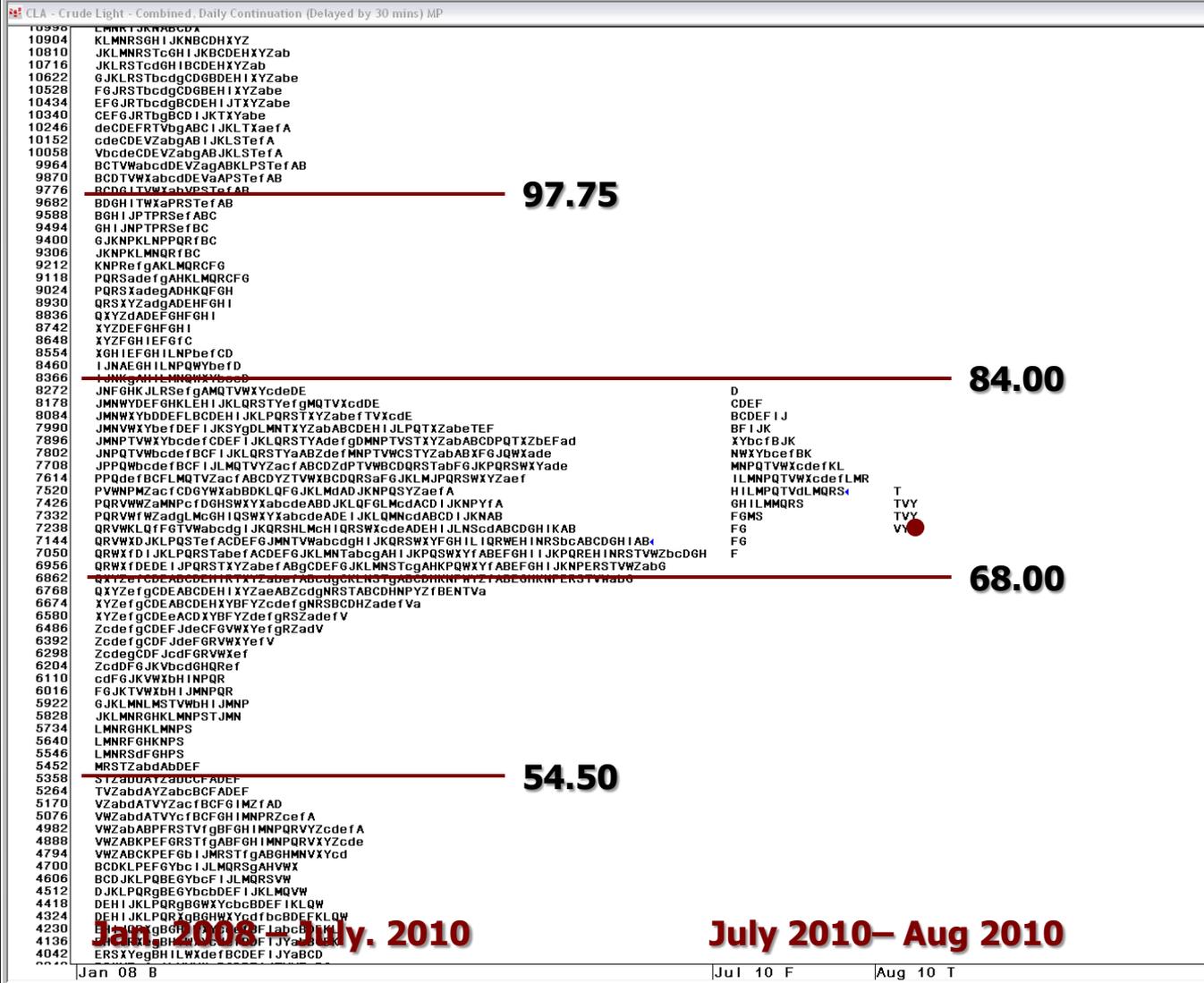
Market Profile Trading Strategy: Crude



Crude Light, Oct. 2008 to July 2010



Market Profile Trading Strategy Crude: Current Read



Crude Light, Jan. 2008 to Aug. 2010

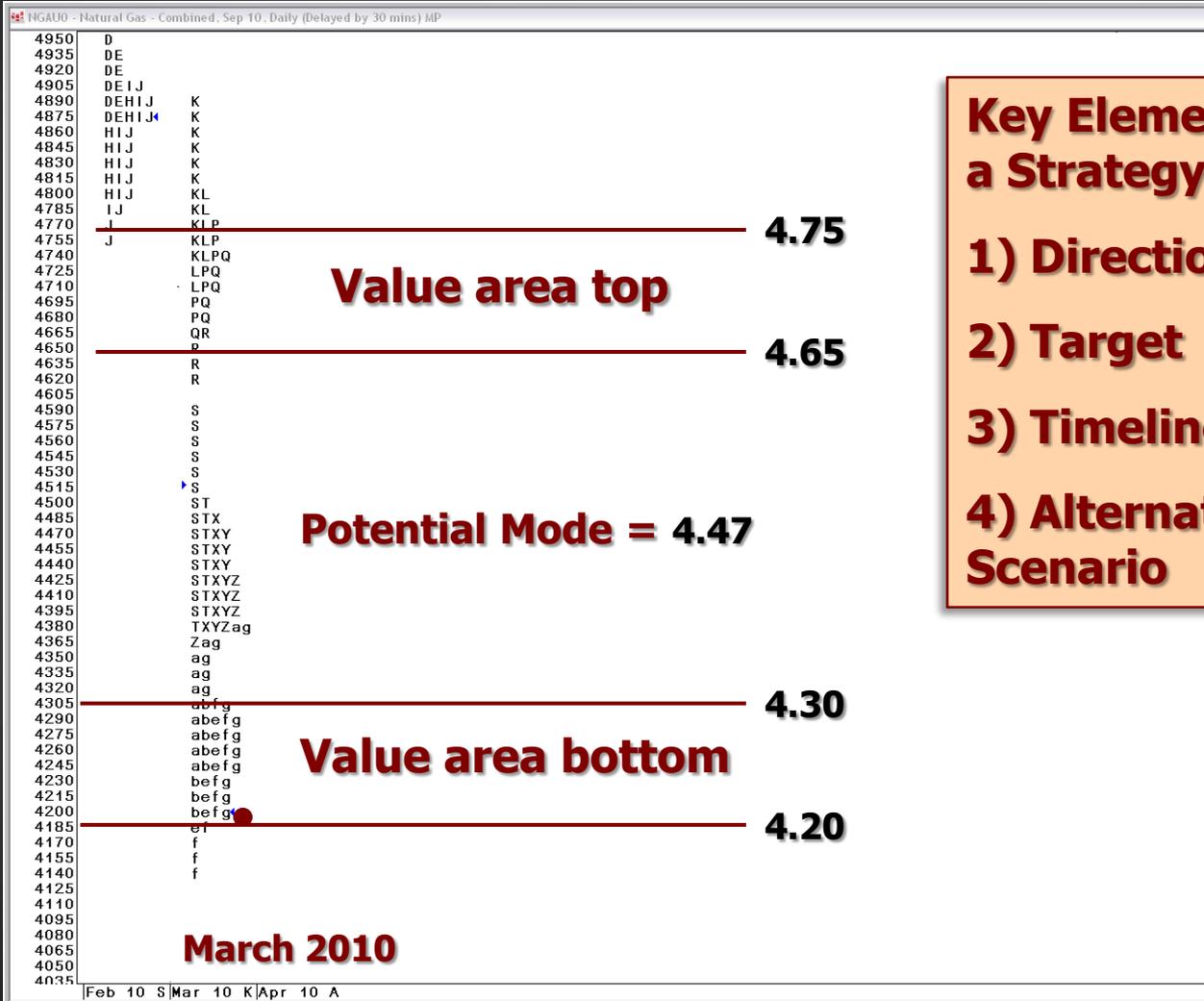


Market Example

Natural Gas

March – August 2010

Market Profile Trading Strategy Natural Gas



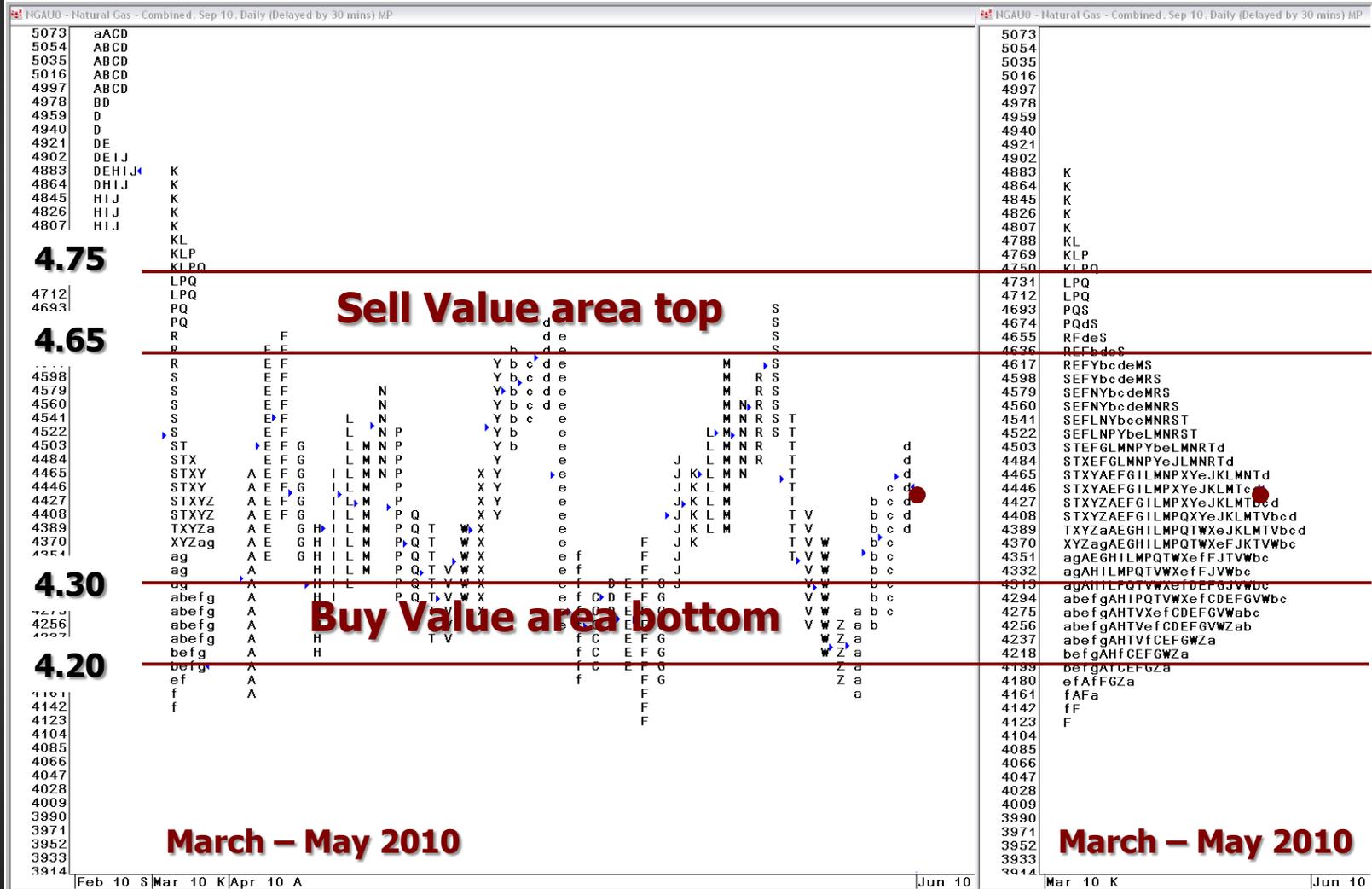
Key Elements of a Strategy:

- 1) Direction
- 2) Target
- 3) Timeline
- 4) Alternative Scenario

Natural Gas, March 2010



Market Profile Trading Strategy Natural Gas

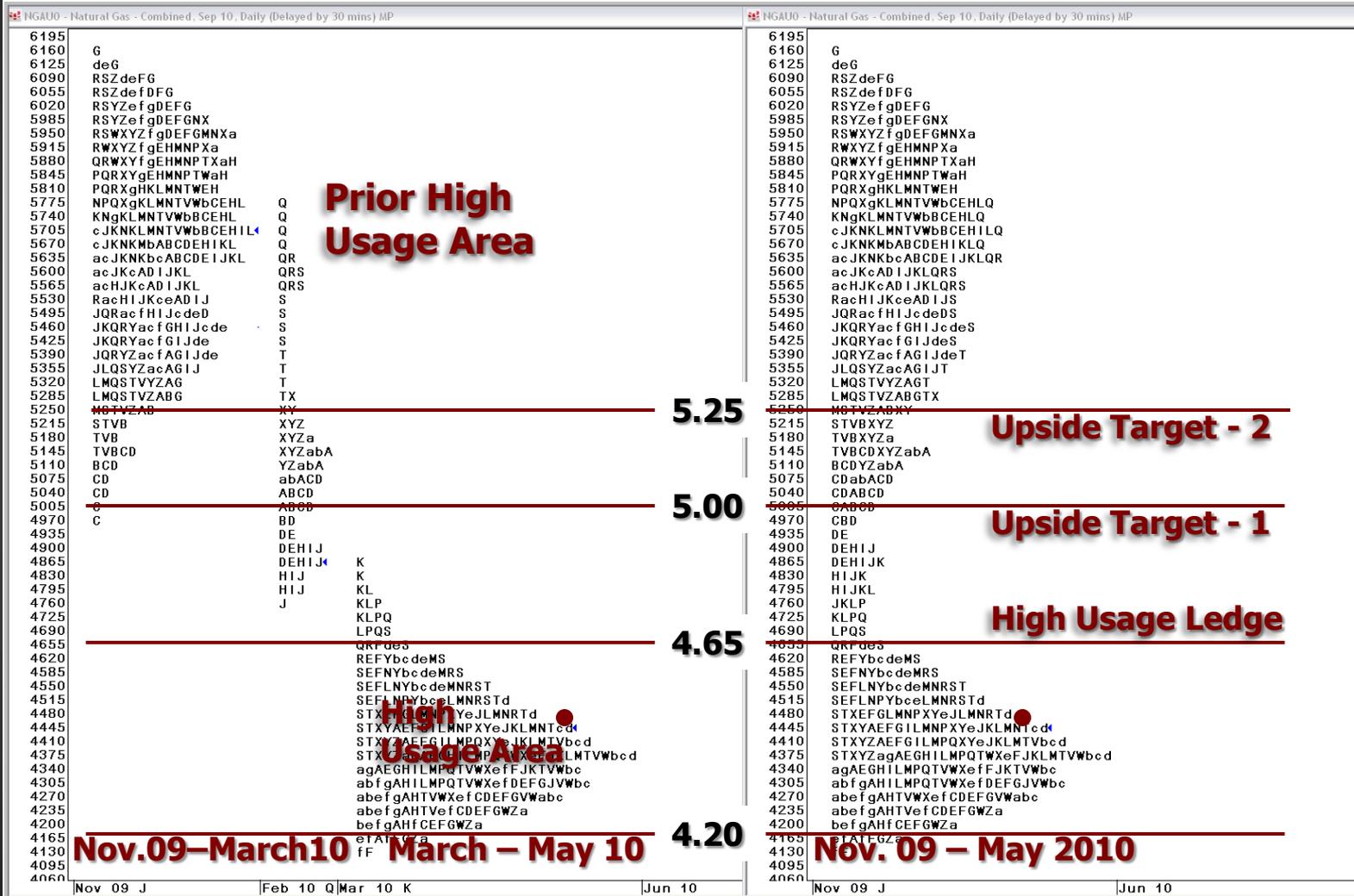


Natural Gas, March – May 2010



Market Profile Trading Strategy

Natural Gas



Natural Gas, Nov. 2009 – May 2010



Market Profile Trading Strategy

Natural Gas

HGAI00 - Natural Gas - Combined, Sep 10, Daily (Delayed by 30 mins) HP	
6195	G
6160	deG
6125	RSZdeFG
6090	RSZdeDFG
6055	RSYZefgDEFG
6020	RSYZefgDEFGX
5985	RSWXYZfgDEFGMNXa
5950	RWXYZfgEHMNPXa
5915	QRWXYfgEHMNPXaH
5880	PQRXYgEHMNPXaH
5845	PQRXgHKLMTWEH
5810	NPQXgKLMNTVWbCEHLQ
5775	KNgKLMNTVWbBCEHLQ
5740	cJKNKLMNTVWbBCEHLQ
5705	cJKNKMBABCEHIKQL
5670	acJKNKbcABCEIJKLQR
5635	acJKcAD IJKLQRS
5600	acHJKceAD IJS
5565	JQRacFHIJcdeS
5530	JKQRYacFGI JdeS
5495	JKQRYacFGI JdeS
5460	JQRZacFAGI JdeT
5425	JLQSYZacAGI JT
5390	LMQSTVYZAGT
5355	LMQSTVZABGT
5320	MSTVZABXY
5285	STVBXYZ
5250	TVBXYZa
5215	TVBXYZaPQRSW
5180	TVBXYZaPQRSW
5145	BCDYZaba
5110	CDabACD
5075	CDABCD
5040	CDABCD
5005	CDABCD
4970	CDABCD
4935	DEHJ N WX
4900	DEHJ N WX
4865	DEHJ K XYZa dAF
4830	DEHJ K XYZa dAF
4795	DEHJ K XYZa dAF
4760	DEHJ K XYZa dAF
4725	DEHJ K XYZa dAF
4690	DEHJ K XYZa dAF
4655	DEHJ K XYZa dAF
4620	DEHJ K XYZa dAF
4585	DEHJ K XYZa dAF
4550	DEHJ K XYZa dAF
4515	DEHJ K XYZa dAF
4480	DEHJ K XYZa dAF
4445	DEHJ K XYZa dAF
4410	DEHJ K XYZa dAF
4375	DEHJ K XYZa dAF
4340	DEHJ K XYZa dAF
4305	DEHJ K XYZa dAF
4270	DEHJ K XYZa dAF
4235	DEHJ K XYZa dAF
4200	DEHJ K XYZa dAF
4165	DEHJ K XYZa dAF
4130	DEHJ K XYZa dAF
4095	DEHJ K XYZa dAF
4060	DEHJ K XYZa dAF

Upside Target - 2

Upside Target - 1

High Usage Ledge

Nov. 09-May 10 May - Aug. 2010

HGAI00 - Natural Gas - Combined, Sep 10, Daily (Delayed by 30 mins) HP	
6195	G
6160	deG
6125	RSZdeFG
6090	RSZdeDFG
6055	RSYZefgDEFG
6020	RSYZefgDEFGX
5985	RSWXYZfgDEFGMNXa
5950	RWXYZfgEHMNPXa
5915	QRWXYfgEHMNPXaH
5880	PQRXYgEHMNPXaH
5845	PQRXgHKLMTWEH
5810	NPQXgKLMNTVWbCEHLQ
5775	KNgKLMNTVWbBCEHLQ
5740	cJKNKLMNTVWbBCEHLQ
5705	cJKNKMBABCEHIKQL
5670	acJKNKbcABCEIJKLQR
5635	acJKcAD IJKLQRS
5600	acHJKceAD IJS
5565	JQRacFHIJcdeS
5530	JKQRYacFGI JdeS
5495	JKQRYacFGI JdeS
5460	JQRZacFAGI JdeT
5425	JLQSYZacAGI JT
5390	LMQSTVYZAGT
5355	LMQSTVZABGT
5320	MSTVZABXY
5285	STVBXYZ
5250	TVBXYZa
5215	TVBXYZaPQRSW
5180	TVBXYZaPQRSW
5145	BCDYZaba
5110	CDabACD
5075	CDABCD
5040	CDABCD
5005	CDABCD
4970	CDABCD
4935	DEHJ N WX
4900	DEHJ N WX
4865	DEHJ K XYZa dAF
4830	DEHJ K XYZa dAF
4795	DEHJ K XYZa dAF
4760	DEHJ K XYZa dAF
4725	DEHJ K XYZa dAF
4690	DEHJ K XYZa dAF
4655	DEHJ K XYZa dAF
4620	DEHJ K XYZa dAF
4585	DEHJ K XYZa dAF
4550	DEHJ K XYZa dAF
4515	DEHJ K XYZa dAF
4480	DEHJ K XYZa dAF
4445	DEHJ K XYZa dAF
4410	DEHJ K XYZa dAF
4375	DEHJ K XYZa dAF
4340	DEHJ K XYZa dAF
4305	DEHJ K XYZa dAF
4270	DEHJ K XYZa dAF
4235	DEHJ K XYZa dAF
4200	DEHJ K XYZa dAF
4165	DEHJ K XYZa dAF
4130	DEHJ K XYZa dAF
4095	DEHJ K XYZa dAF
4060	DEHJ K XYZa dAF

5.25

5.00

4.65

4.20

Nov. 09-May 10 May - Aug. 2010

HGAI00 - Natural Gas - Combined, Sep 10, Daily (Delayed by 30 mins) HP	
6195	G
6160	deG
6125	RSZdeFG
6090	RSZdeDFG
6055	RSYZefgDEFG
6020	RSYZefgDEFGX
5985	RSWXYZfgDEFGMNXa
5950	RWXYZfgEHMNPXa
5915	QRWXYfgEHMNPXaH
5880	PQRXYgEHMNPXaH
5845	PQRXgHKLMTWEH
5810	NPQXgKLMNTVWbCEHLQ
5775	KNgKLMNTVWbBCEHLQ
5740	cJKNKLMNTVWbBCEHLQ
5705	cJKNKMBABCEHIKQL
5670	acJKNKbcABCEIJKLQR
5635	acJKcAD IJKLQRS
5600	acHJKceAD IJS
5565	JQRacFHIJcdeS
5530	JKQRYacFGI JdeS
5495	JKQRYacFGI JdeS
5460	JQRZacFAGI JdeT
5425	JLQSYZacAGI JT
5390	LMQSTVYZAGT
5355	LMQSTVZABGT
5320	MSTVZABXY
5285	STVBXYZ
5250	TVBXYZa
5215	TVBXYZaPQRSW
5180	TVBXYZaPQRSW
5145	BCDYZaba
5110	CDabACD
5075	CDABCD
5040	CDABCD
5005	CDABCD
4970	CDABCD
4935	DEHJ N WX
4900	DEHJ N WX
4865	DEHJ K XYZa dAF
4830	DEHJ K XYZa dAF
4795	DEHJ K XYZa dAF
4760	DEHJ K XYZa dAF
4725	DEHJ K XYZa dAF
4690	DEHJ K XYZa dAF
4655	DEHJ K XYZa dAF
4620	DEHJ K XYZa dAF
4585	DEHJ K XYZa dAF
4550	DEHJ K XYZa dAF
4515	DEHJ K XYZa dAF
4480	DEHJ K XYZa dAF
4445	DEHJ K XYZa dAF
4410	DEHJ K XYZa dAF
4375	DEHJ K XYZa dAF
4340	DEHJ K XYZa dAF
4305	DEHJ K XYZa dAF
4270	DEHJ K XYZa dAF
4235	DEHJ K XYZa dAF
4200	DEHJ K XYZa dAF
4165	DEHJ K XYZa dAF
4130	DEHJ K XYZa dAF
4095	DEHJ K XYZa dAF
4060	DEHJ K XYZa dAF

High Usage Area

5.60

High Usage Area

5.14

High Usage Area

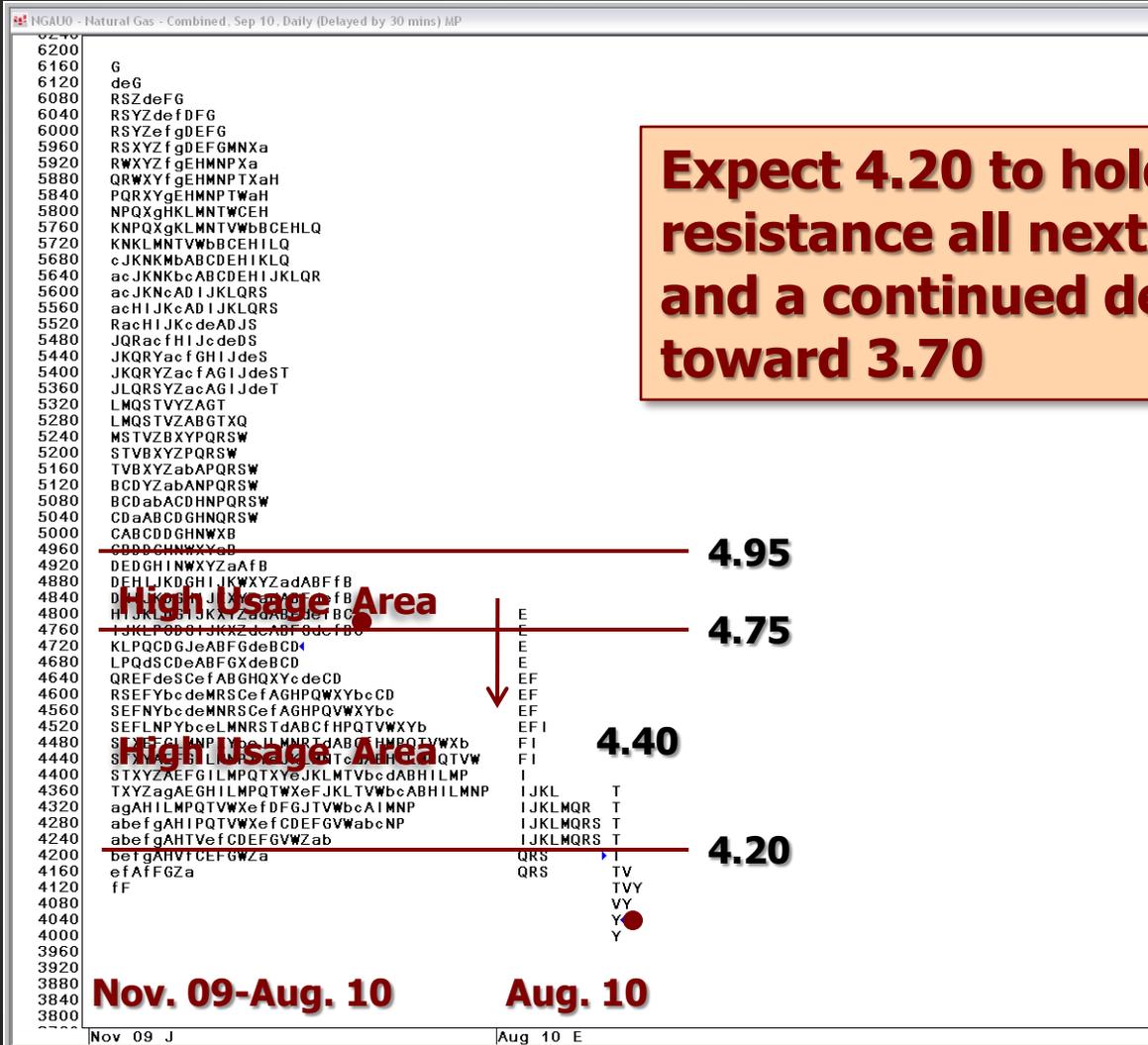
Nov. 09-Aug.10

Natural Gas, Nov. 2009 – Aug. 2010



Market Profile Trading Strategy

Natural Gas: Current Read



Expect 4.20 to hold resistance all next month and a continued decline toward 3.70

Natural Gas, Nov. 2009 – Aug. 2010

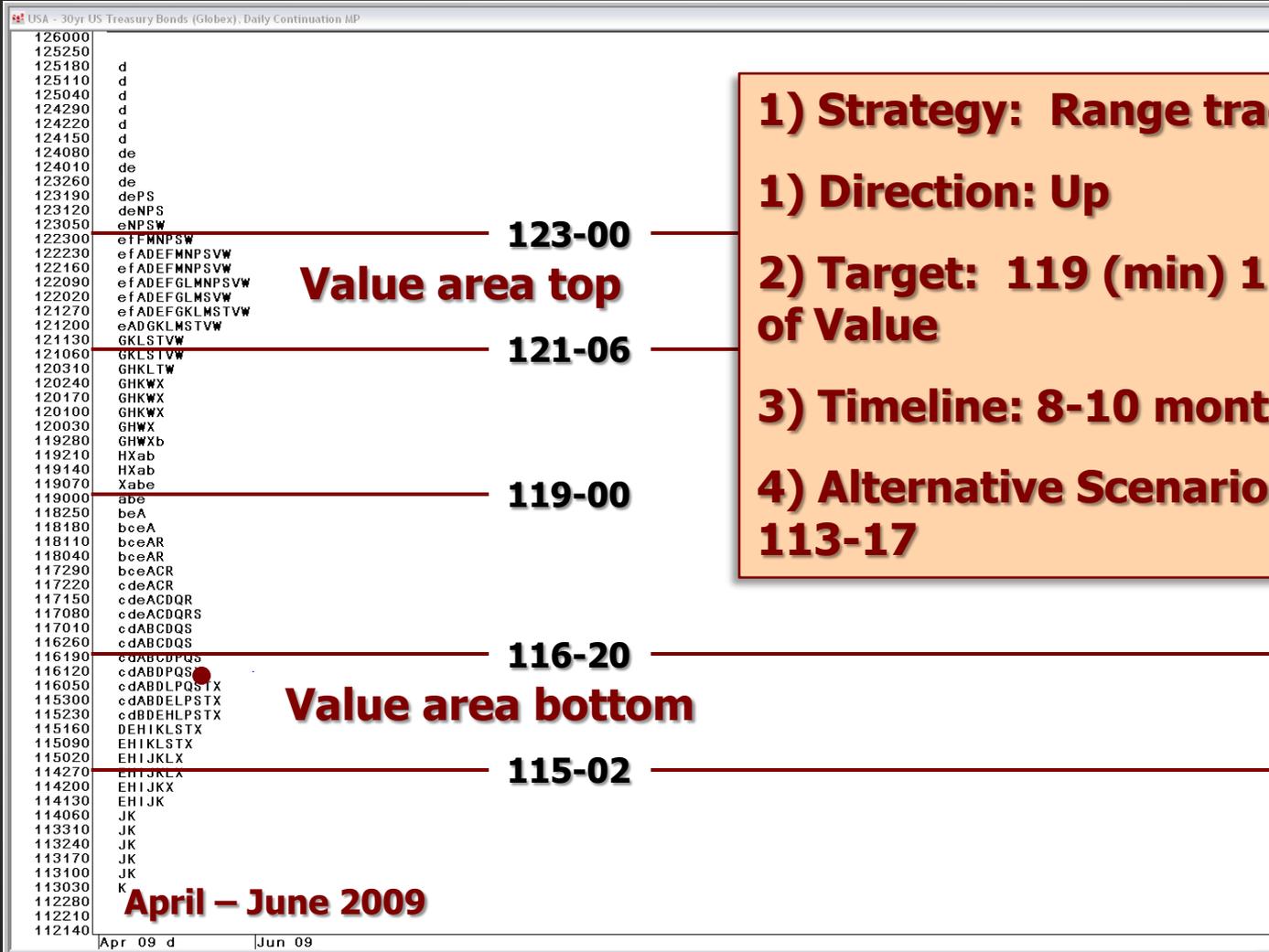


Market Example

30-Year

June 2009 – June 2010

Market Profile Trading Strategy 30-Year T-Bonds



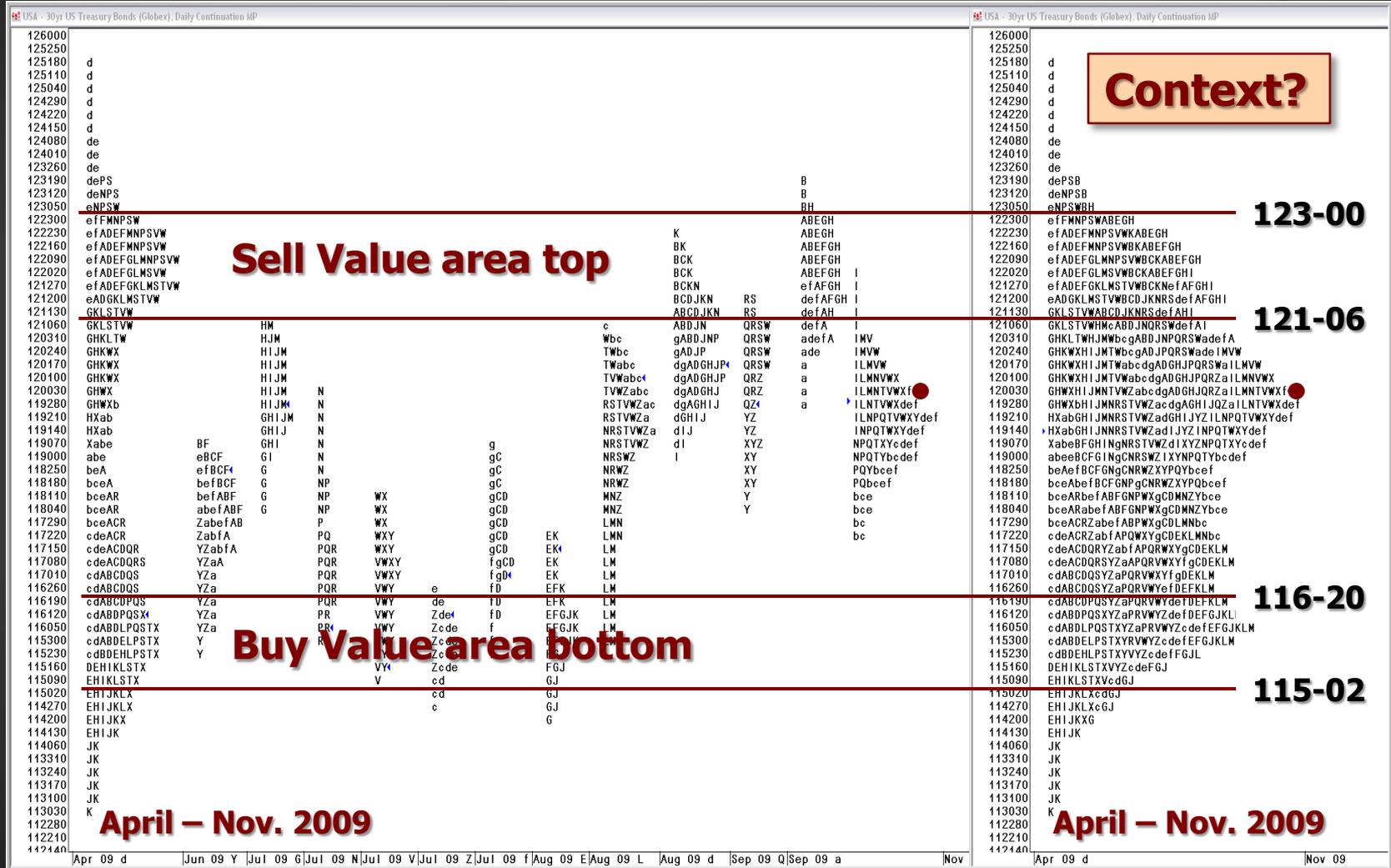
- 1) Strategy: Range trade**
- 1) Direction: Up**
- 2) Target: 119 (min) 121-06 Top of Value**
- 3) Timeline: 8-10 months**
- 4) Alternative Scenario : Under 113-17**

30-Year T-Bonds, April – June 2009



Market Profile Trading Strategy

30-Year T-Bonds

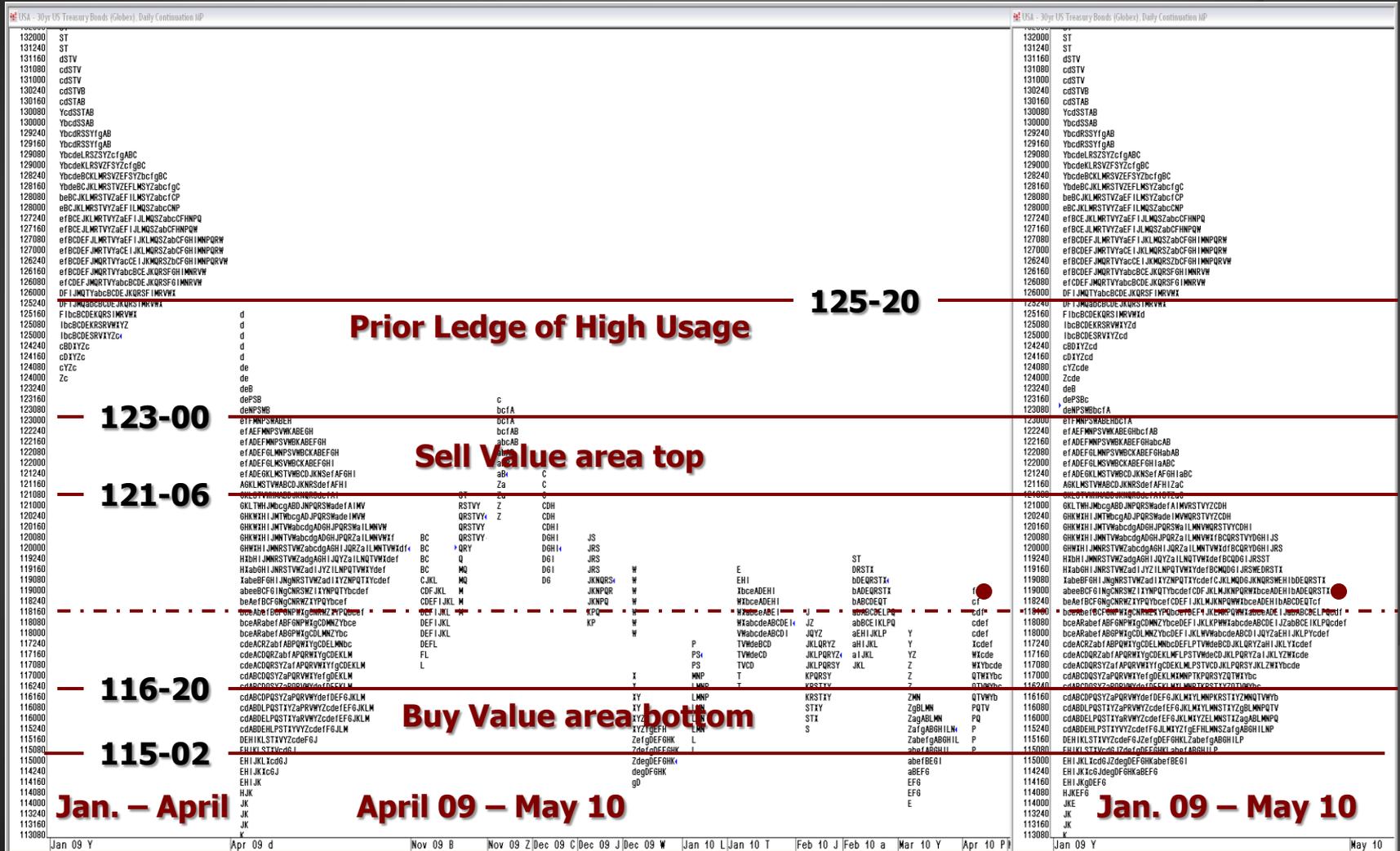


30-Year T-Bonds, April - Nov. 2009



Market Profile Trading Strategy

30-Year T-Bonds



30-Year T-Bonds, Jan. 2009 – May 2010

Market Profile Trading Strategy

30-Year T-Bonds

USA - 30yr US Treasury Bonds (Globex), Daily Continuation MP		USA - 30yr US Treasury Bonds (Globex), Daily Continuation MP	
129000	YbcSSfGAB	129000	YbcSSfGAB
129000	YbcRSYfGAB	129000	YbcRSYfGAB
129160	YbcdLRSZYcfGAB	129160	YbcdLRSZYcfGAB
129090	YbcdeLRSZYcfGAB	129090	YbcdeLRSZYcfGAB
129020	YbcdeBCKLRSZYcfGBC	129020	YbcdeBCKLRSZYcfGBC
128270	YbcdeBCKLRSZYcfGBC	128270	YbcdeBCKLRSZYcfGBC
128200	YbcdeBCKLRSZYcfGBC	128200	YbcdeBCKLRSZYcfGBC
128130	YbcdeBCKLRSZYcfGBC	128130	YbcdeBCKLRSZYcfGBC
128060	eBCJKLMRSTVZaEFILMSYzabcfCP	128060	eBCJKLMRSTVZaEFILMSYzabcfCP
127310	eFBCJKLMRSTVZaEFILMQSzbacCNP	127310	eFBCJKLMRSTVZaEFILMQSzbacCNP
127240	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ	127240	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ
127170	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ	127170	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ
127100	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ	127100	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ
127030	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ	127030	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ
126280	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ	126280	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ
126210	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ	126210	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ
126140	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ	126140	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ
126070	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ	126070	eFBCEJLMRTVYZaEFILMQSzbacFHNPQ
126000	DFILMabcbCDEJKRSIMRVW	126000	DFILMabcbCDEJKRSIMRVW
125250	DFILMabcbCDEJKRSIMRVW	125250	DFILMabcbCDEJKRSIMRVW
125180	FibcbCDEKRSIMRVWXd	125180	FibcbCDEKRSIMRVWXd
125110	FibcbCDEKRSIMRVWXd	125110	FibcbCDEKRSIMRVWXd
125040	FibcbCDEKRSIMRVWXd	125040	FibcbCDEKRSIMRVWXd
124290	IbcdeSRXYZcd	124290	IbcdeSRXYZcd
124220	cdXYZcd	124220	cdXYZcd
124150	cdXYZcd	124150	cdXYZcd
124080	cYZcde	124080	cYZcde
124010	Zcde	124010	Zcde
123260	cde	123260	cde
123190	dePSB	123190	dePSB
123120	deNPSBcf	123120	deNPSBcf
123050	eNPSWBhbcfA	123050	eNPSWBhbcfA
122300	eFMNPSWABEGHbcfA	122300	eFMNPSWABEGHbcfA
122230	eFADEFMNPQSWABEGHbcfAB	122230	eFADEFMNPQSWABEGHbcfAB
122160	eFADEFMNPQSWABEGHbcfAB	122160	eFADEFMNPQSWABEGHbcfAB
122090	eFADEFMNPQSWABEGHbcfAB	122090	eFADEFMNPQSWABEGHbcfAB
122020	eFADEFMNPQSWABEGHbcfAB	122020	eFADEFMNPQSWABEGHbcfAB
121270	eFADEFMNPQSWABEGHbcfAB	121270	eFADEFMNPQSWABEGHbcfAB
121200	eADGKLMSTVWBCDEJKRSIMRVW	121200	eADGKLMSTVWBCDEJKRSIMRVW
121130	GKLSTVWBCDEJKRSIMRVW	121130	GKLSTVWBCDEJKRSIMRVW
121060	GKLSTVWBCDEJKRSIMRVW	121060	GKLSTVWBCDEJKRSIMRVW
120310	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	120310	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
120240	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	120240	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
120170	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	120170	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
120100	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	120100	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
120030	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	120030	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
119280	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	119280	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
119210	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	119210	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
119140	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	119140	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
119070	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	119070	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
119000	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	119000	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
118250	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	118250	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
118180	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	118180	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
118110	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	118110	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
118040	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	118040	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
117290	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	117290	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
117220	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	117220	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
117150	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	117150	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
117080	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	117080	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
117010	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	117010	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
116260	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	116260	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
116190	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	116190	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
116120	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	116120	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
116050	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	116050	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
115300	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	115300	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
115230	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	115230	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
115160	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	115160	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
115090	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	115090	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
115020	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	115020	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
114270	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	114270	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
114200	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	114200	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
114130	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	114130	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
114060	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	114060	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
113310	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	113310	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
113240	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	113240	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH
113170	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH	113170	GHLKLTWHJMNbcgABDJPQRSWadeFIMVWQRSTVYZCDH

Upside Target

High Usage Edge

125-20

121-06

Upside Target

High Usage Edge

125-20

121-06

Jan. 09 – May 10

Jan. 09 – May 10

May – June 10

30-Year T-Bonds, Jan. 2009 – June 2010



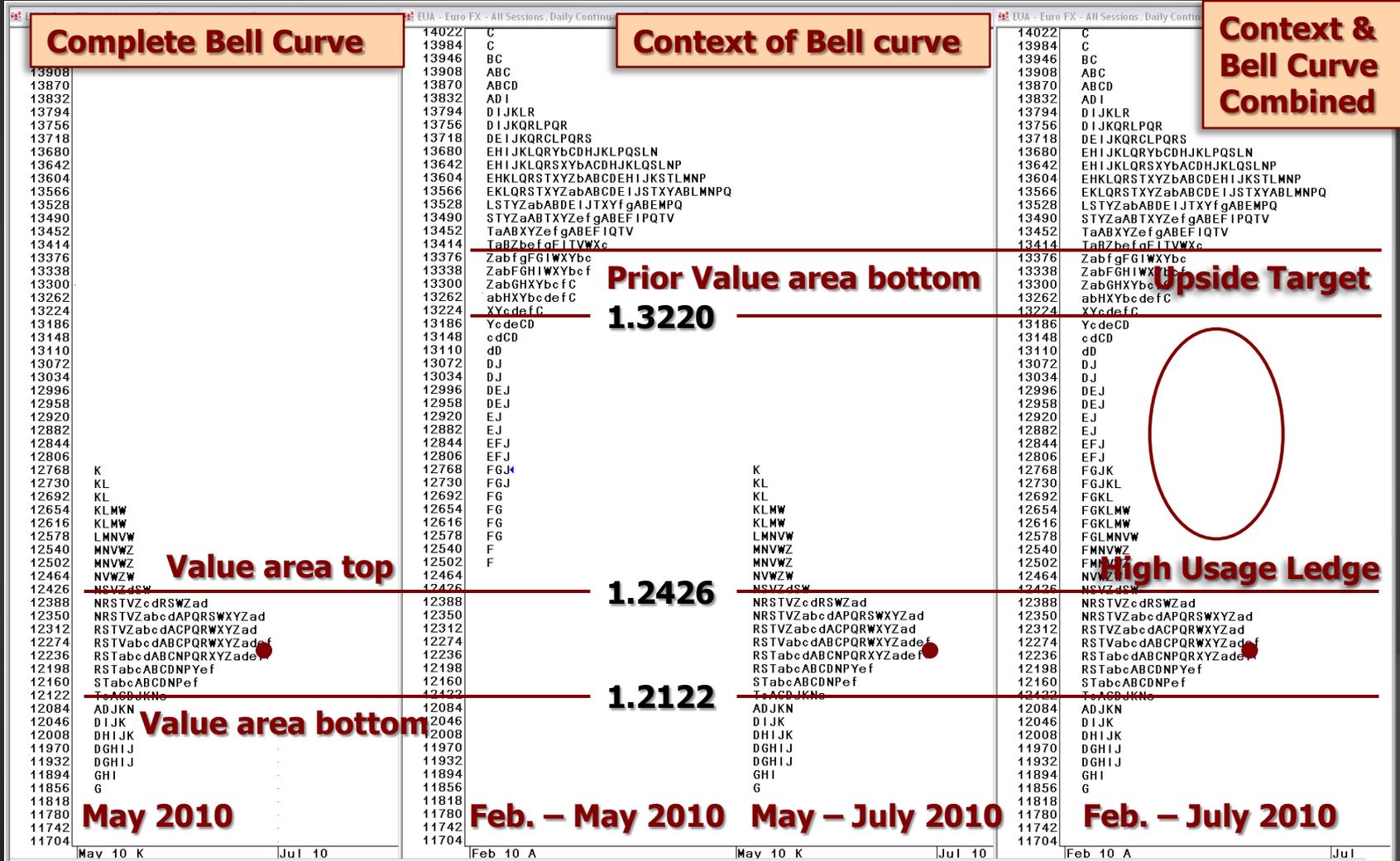
Market Example

Euro

May – August 2010

Market Profile Trading Strategy

Euro

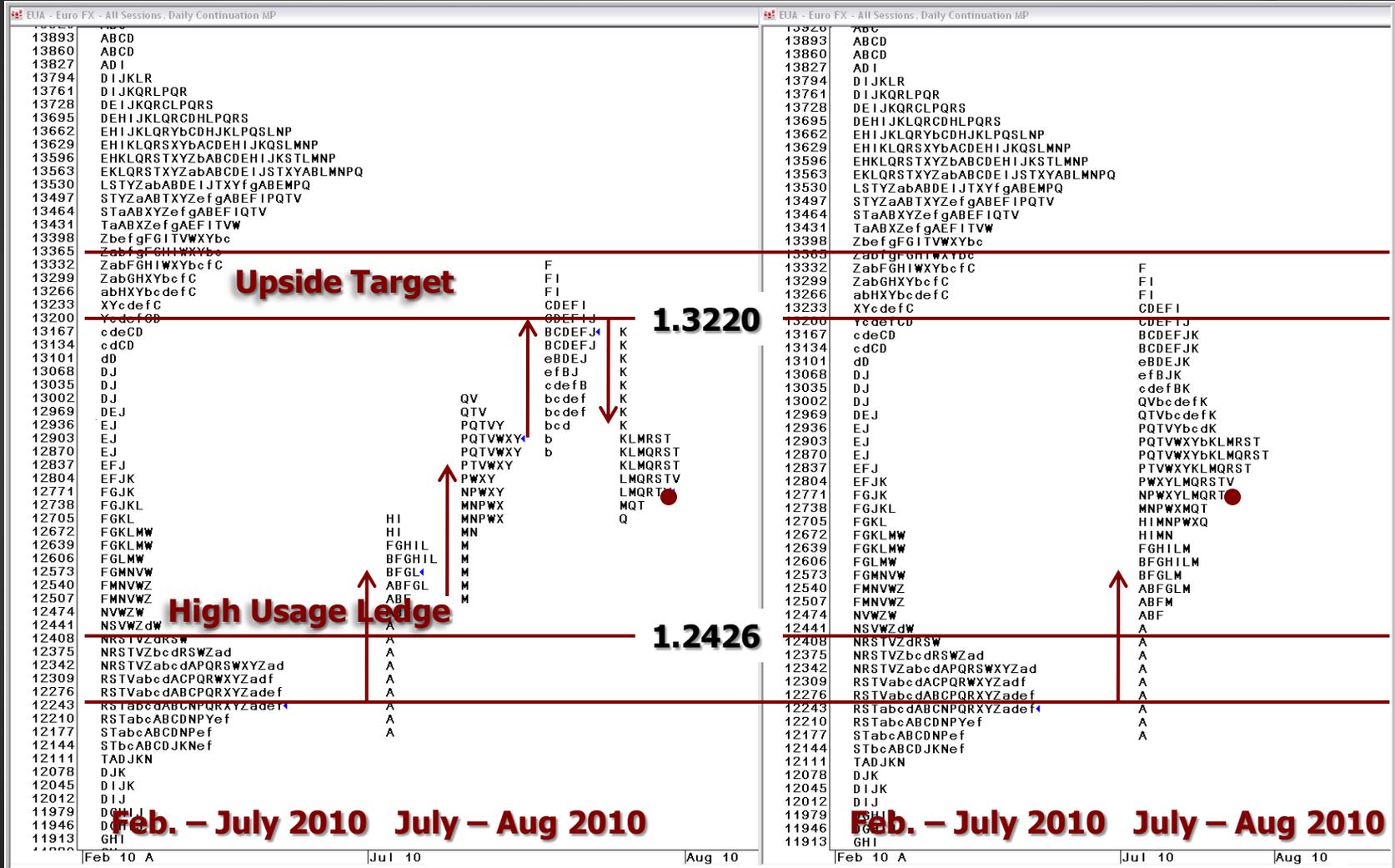


Euro, Feb. – July 2010



Market Profile Trading Strategy

Euro: Current Read



Euro, Feb. – Aug. 2010

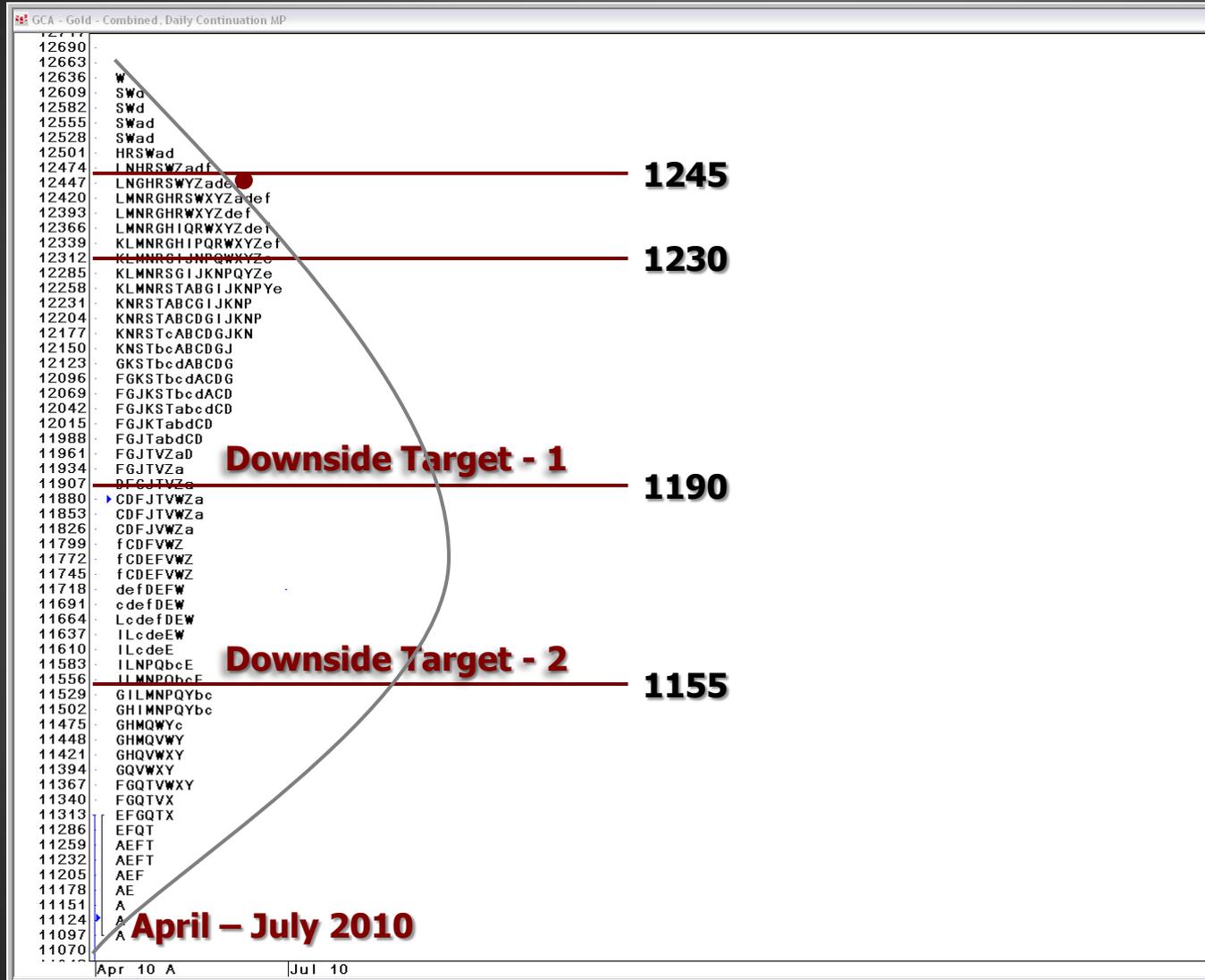


Market Example

Gold

July – August 2010

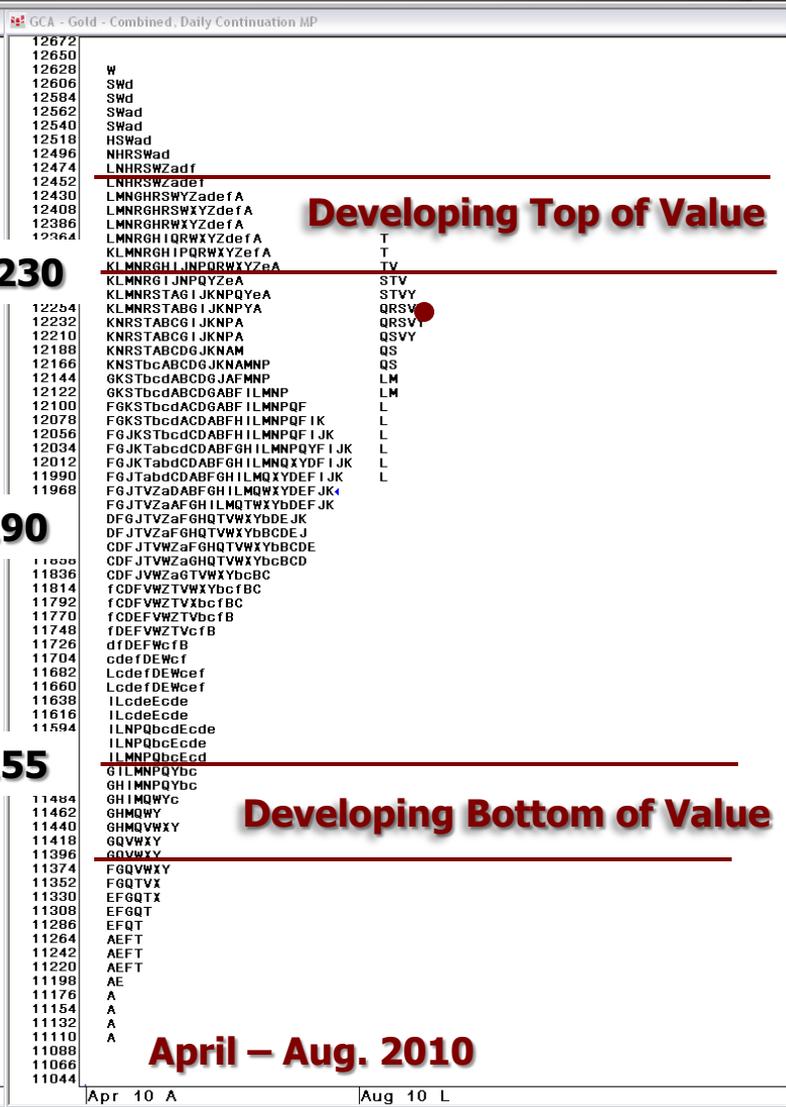
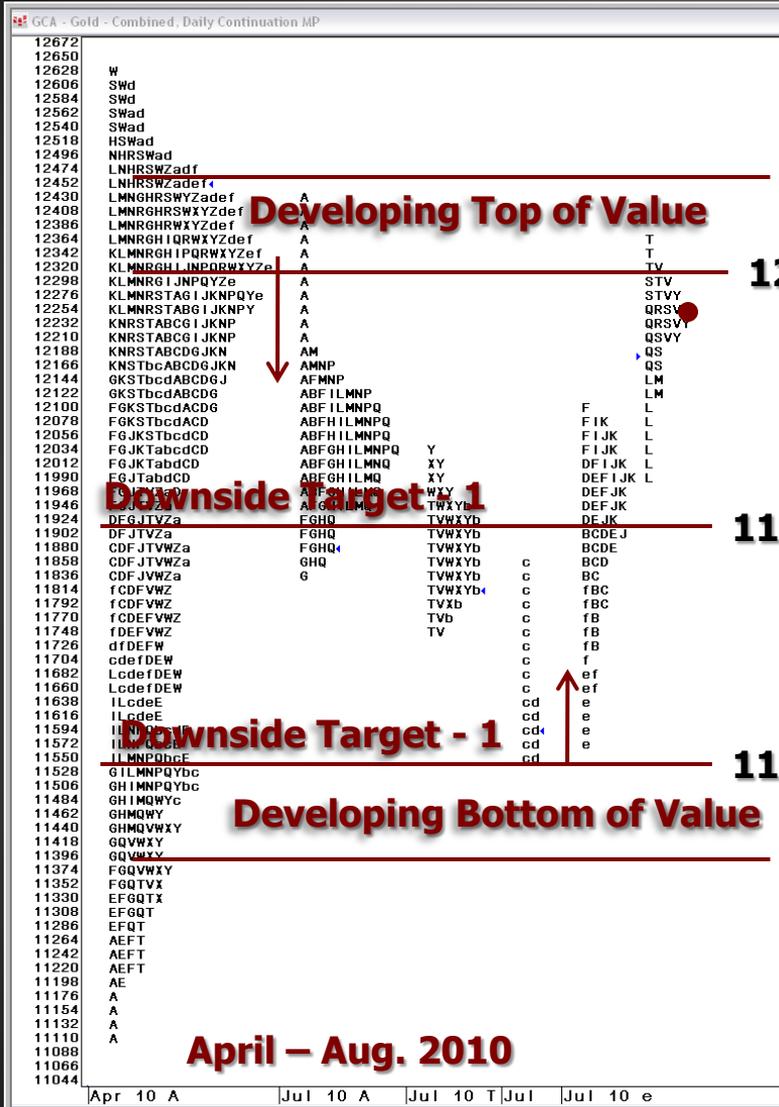
Market Profile Trading Strategy: Gold



Gold, April – July 2010



Market Profile Trading Strategy: Gold Current Read



Gold, April – Aug. 2010

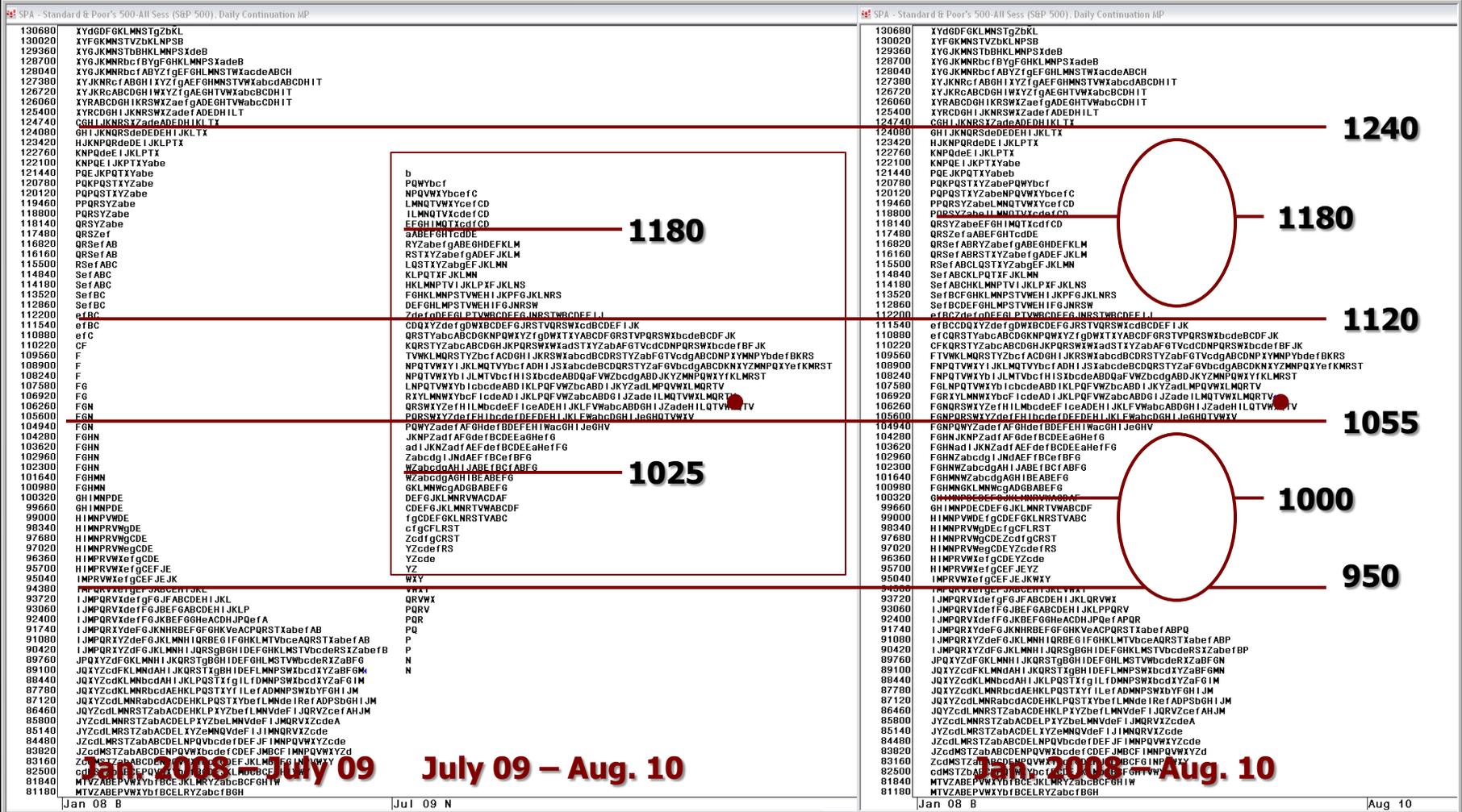
Gold, April – Aug. 2010



S&P 500

Current Outlook

Market Profile Provides Context S&P 500, Jan. 2008 – Aug. 20th 2010



Jan 2008 July 09 July 09 – Aug. 10

Jan 2008 July 09 July 09 – Aug. 10

S&P 500, Jan. 2008 – August 20th 2010



Summary

- Market Profile:
 - Represents and Organizes the data so that you can see how Market Participants are using price.
 - Tracks the negotiation process toward consensus
- A completed negotiation forms a Bell Curve
- Our Method is to put completed Bell Curves into larger contexts
 - Allows us to create a strategy:
 - Trend or Congestion
 - Direction
 - Targets
 - Time
 - Stops



ROBIN MESCH
ASSOCIATES