

The Context Report ^{BETA} | September 4, 2020

Daily Contextual Analysis for the E-Mini S&P500 Futures

Bias / Directional Inclination / Control			
Timeframe	Bias	Line in the Sand	Note
Right Now / Short-Term	Neutral	3493.25	Bullish-neutral above.
Larger / Intermediate	Bearish	3506.25	Neutral above.
Big Picture	Bullish		

Key Support and Resistance Zones		
Name	Zone	Note
Key resistance	3506.25-3502.25	Intermeditate timefrmae line in the sand. Expecting larger sellers to defend.
Initial resistance	3493.25-3484.25	
Initial support	3429-3421.75	
Support	3412.25-3409.75	
Strong support	3396-3391	Expecting larger timeframe buyers to defend this area.

Context and Scenarios	
Context Summary	
<ul style="list-style-type: none"> - Massive down move yday. Was it strong selling or liquidation? - Overnight session had over 200% normal volume and a wide, swinging range - Set to open in yday's range 	
Scenarios	Conditions
Upside Scenario 1:	<ul style="list-style-type: none"> - Buyers active from the middle of the range up to initial resistance. - Expecting sellers at initial resistance first test. If there is strong upside price action, best to wait for the back of the zone given the zone is larger. - Expecting sellers to be able to push price down to the 3455s. If they are unable to do that off initial resistance, potential for a break above intial resistance for the 3506s zone, where I expect larger sellers to be defending and active on first test. I'd expect the move off here to be push below initial resistance. If sellers are unable to push price off the 3506s, potential for balance up here and the intermediate timeframe bias becomes neutral. At that point, it's best to just stop trading.
Downside Scenario 1:	<ul style="list-style-type: none"> - Sellers push into initial support on choppy price action and buyers are active first test for a push up to the 3455s. - How buyers act off the 3455s is key to know if the larger timeframe is interested in these prices or if we need to go lower to attract them. - If the 3455s can't be tested off initial support, potential to break below initial support.
Downside Scenario 2:	<ul style="list-style-type: none"> - Strong selling into initial support and I'd expect break below for a test of the 3396s zone below, where I expect larger timeframe buyers to be active. - If downside price action becomes slow and choppy at the 3412s zone, buyers likely to be active there for rotation back up above initial support.

Volatility Analysis	
Minimum Stop Size	5 points

10-Day Range Analysis				
Period	Minimum	Maximum	Average	Previous Day
Regular Trading	20	139	41.375	139
24-Hour Session	27	162	51.025	162
Overnight	12.25	36.75	26.75	29.75
1st Hour	7.5	44.25	16.45	44.25

Prior Day	
Close (CME)	3461.5
Cash Close (4 PM ET close. Estimated)	3454
VPOC (Estimated)	3455

Economic Events
Employment Situation - 8:30 AM ET
Baker-Hughes Rig Count - 1:00 PM ET

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