

# The Context Report <sup>BETA</sup> | September 11, 2020

## Daily Context Analysis and Strategy for the E-Mini S&P500 Futures

Bias / Directional Inclination / Control		
Timeframe	Bias	Line in the Sand
Short-term	Neutral	3220.25. Bearish below. 3383.75. Bullish above.
Intermediate-term	Bearish	3425.5. Neutral above.
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> <li>- <b>Still using September contract based on overnight volume.</b></li> <li>- Opening in range.</li> <li>- Sellers unable to push above the low volume area in the 3372s overnight. This area becomes initial key resistance for today. Buyers were just unwilling to continue buying up here.</li> <li>- 100% long inventory. Could lead to liquidation at the open.</li> </ul>	
Scenarios	Details and Conditions
Upside Scenario	<ul style="list-style-type: none"> <li>- Sellers expected to be active at initial key resistance.</li> <li>- On a strong push above initial key resistance, expecting buyers to be able to push price up to the VPOC at 3420.25. To trade with this move, would want to see strong upside price action and sustained upside momentum given buyers have been unimpressive and unwilling lately.</li> <li>- The 3407s zone can bring in some sellers, so if price action is choppy up to there, that area has potential to cap upside for the day.</li> <li>- I expect larger timeframe sellers to be active first test of the 3420s zone for rotation down to day's VPOC.</li> </ul>
Downside Scenario	<ul style="list-style-type: none"> <li>- Sellers active first test of initial key resistance for rotation down to initial key support.</li> <li>- If buyers fail to hold above the 3367s key area, sellers expected to step in for rotation down to initial key support.</li> <li>- If strong selling into initial key support, best not fade it. If choppy action, can buy for a bounce up to the days VPOC.</li> <li>- On a CLEAR and CLEAN break below initial key support, expecting test of 3302s. Should be strong downside price action and sustained downside momentum.</li> </ul>

Key Support and Resistance Zones		
Name	Zone	Note
Upside extension and good resistance	3425.75-3420.25	Larger timeframe sellers expected first test.
Resistance	3412-3407	
Initial key resistance	3383.75-3374.75	
Key resistance	3367	VPOC of current range.
Current price when report is being written		
Support	3342.5-3338	
Initial key support	3328.75-3320.25	
Good support	3302.5-3295.5	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	23	139	64.8	97
24-Hour Session	28.75	162	86.975	97
Overnight Session	24	85.25	45.55	42.75
1st Hour (RTH)	8.5	87.5	29.225	13.25

Previous Day Reference Areas	
Close (CME)	3340.5
Cash Close (4 PM ET close. Estimated)	3339.5
High	3424.25
Low	3327.25
VPOC (Estimated)	3420.25

Key Economic Events
CPI - 8:30 AM ET
Quarterly Services Survey - 10:00 AM ET
Baker-Hughes Rig Count - 1:00 PM ET
Treasury Statement - 2:00 PM ET