

# The Context Report <sup>BETA</sup> | November 06, 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	Bearish-neutral	3451.50. Bearish below. 3491. Neutral-bullish above.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> <li>- Pull-back overnight.</li> <li>- Below average volume and above average range. Still quite volatile.</li> <li>- Is the market too long and needs a further pull-back or will the rally continue? The 3434.75 area is key.</li> </ul>	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> <li>- On choppy price action into initial key resistance, expecting sellers to step in for push down to initial key support and possibly down to the 3434s.</li> <li>- If strong upside price action into initial key resistance, I will not be fading. I will look for a flip long of initial key resistance for a push into the 3514s and 3525s and possibly higher.</li> <li>- On choppy price action, I will look to fade the 3514s and 3525s and the zones above first test for short-term reversal to the day's VPOC.</li> </ul>
Downside scenario	<ul style="list-style-type: none"> <li>- On strong downside price action into initial key support, I will not be fading. I will expect a test of the 3434s zone, where I expect buyers to be active first test. On a clear break below initial key support with clear underlying weakness, I will look for a flip short of the zone if the r:r is good for a test of the 3434s and possibly lower.</li> <li>- On strong downside price action into the 3434s, I will fade near the back of the zone for a reversal. I do expect responsive buyers to be active at this zone. Off this zone, buyers should be able to push above the 3460s, otherwise I expect sellers to be able to push below the 3434s. On a struggle at the 3460s or intraday resistance, look for a short if underlying is not strong.</li> <li>- On a clear break below the 3434s with underlying weakness, I expect sellers to push price down to the 3363s ultimately. I will be looking for a short flip at the 3434s zone.</li> </ul>

Key Support and Resistance Zones		
Name	Zone	Note
Strong resistance	3541.50-3539.25	
Good resistance	3536.00-3530.50	
Good resistance	3525.00-3520.25	
Good resistance	3514.00-3509.75	
Initial key resistance	3491.00-3486.00	
Current price when report is being written		
Initial key support	3460.25-3451.50	
Good support	3434.75-3423.50	

Support	3400.75-3395.75	
Strong support	3363.00-3356.00	
Strong support	3332.00-3318.75	
Good support	3283.00-3271.75	
Strong support	3206.75-3198.00	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	25.25	84.25	57.125	33.75
24-Hour Session	31	161	84.975	94.25
Overnight Session	20	113.25	59.65	80.25
1st Hour (RTH)	14.75	69.25	37.2	33.75

Previous Day Reference Areas	
Close (CME)	3504.75
Cash Close (4 PM ET close. Estimated)	3501.75
High	3522.5
Low	3488.75
VPOC (Estimated)	3511.25

Key Economic Events
Employment Situation 8:30 AM ET
Wholesale Inventories (Preliminary) 10:00 AM ET
Baker Hughes Rig Count 1:00 PM ET
Consumer Credit 3:00 PM ET