

The Context Report ^{BETA} | October 28, 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	3339. Bullish-neutral above.
Intermediate-term	Neutral	3339. Bullish-neutral above. 3330.75. Bearish-neutral below.
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Overnight breakdown of yday's tight range. Larger timeframe sellers active overnight and will likely be active into today's session, so don't be playing "short-term" setups as you will likely be ran over. - 100% short inventory on above avg overnight volume. - Will be opening with substantial true gap down. 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - Right now, price is pushing below initial key support. - On strong upside price action into initial key support, potential to churn and it is best to wait on the sidelines for this battle to resolve. - On a strong and clear push above initial key support, I would look to go long, expecting rotation up to initial key support and possibly higher. - On choppy price action into any of the resistance zones above initial key support, I expect short-term reversal to the day's VPOC. I would not expect price to hug/stick to these zones, though.
Downside scenario	<ul style="list-style-type: none"> - Right now, price is pushing below initial key support. I expect sellers to be active on a test from below for a push lower. Target down is strong support at 3296. I expect buyers to be active there on first test for short-term reversal not to be faded. - On choppy price action into any of the support zones below initial key support, I expect a short-term reversal to the day's VPOC. I would not expect price to hug/stick to these zones, though.

Key Support and Resistance Zones		
Name	Zone	Note
Resistance	3462.50-3458.50	
Good resistance	3449.00-3441.75	
Good resistance	3436.50-3428.25	
Strong resistance	3416.25-3408.50	
Resistance	3401.75-3398.00	
Resistance	3382.75-3378.75	
Resistance	3373.25-3368.50	
Initial key resistance	3361.25-3356.00	
Current price when report is being written		
Initial key support	3339.00-3330.75	
Support	3322.25-3319.75	
Support	3311.50	

Support	3305.50-3300.00	
Strong support	3296.00-3286.50	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	25.25	83	47.825	25.25
24-Hour Session	31	90.25	52.95	33.75
Overnight Session	20	52.75	31	20
1st Hour (RTH)	14.75	26	21.575	19.75

Previous Day Reference Areas	
Close (CME)	3383.00
Cash Close (4 PM ET close. Estimated)	3384
High	3401.5
Low	3376.25
VPOC (Estimated)	3388.25

Key Economic Events
MBA Mortgage Applications 7:00 AM ET
International Trade in Goods (Advance) 8:30 AM ET
Retail Inventories (Advance) 8:30 AM ET
Wholesale Inventories (Advance) 8:30 AM ET
State Street Investor Confidence Index 10:00 AM ET
EIA Petroleum Status Report 10:30 AM ET
Survey of Business Uncertainty 11:00 AM ET