

The Context Report ^{BETA} | September 2, 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 | Bullish | 3541.5 | Neutral below. |
| Larger / Intermediate | Bullish | | |
| Big Picture | Bullish | | |

| Key Support and Resistance Zones | | |
|----------------------------------|-----------------|------|
| Name | Zone | Note |
| Initial Resistance | 3556.5-3553.75 | |
| Initial Support | 3544.75-3541.5 | |
| Support | 3532-3530 | |
| Good Support | 3527.5-3524 | |
| Strong Support | 3519.25-3513 | |
| Prior Day's VPOC | 3509 | |
| Strong Support | 3506.25-3502.25 | |
| Support | 3494.25-3490.25 | |

| Context and Scenarios | |
|---|--|
| Context Summary | |
| <ul style="list-style-type: none"> - Breakout overnight in continuation of yday's move with above average volume - 100% net long overnight inventory, so could lead to some liquidation at the open | |
| Scenarios | Conditions |
| Upside Scenario 1: | <ul style="list-style-type: none"> - Buyers expected at initial support first test for push into and above initial resistance for new all-time highs. The all-time highs are a magnet and I do not expect larger timeframe sellers to be standing in the way until structure is built up here. |
| Downside Scenario 1: | <ul style="list-style-type: none"> - On weak upside price action and failed breakout above initial resistance, potential for liquidation move down below initial support for a test of the 3527s zone or the strong support at 3519s, both at which I expected larger buyers to be active first test. Both can present good long opportunities with 3519s being more ideal. If price action is still strong to the downside into the 3519s zone, can wait for rejection test of the 3509s for a great r:r long. - Watch for the initial balance high to form near initial resistance for more intraday confluence to lean on. - If strong downside price action move below initial support, can look for a flip to short there as well. Would want to see underlying weakness and sustained downside momentum. - This liquidation break could also occur on strong downside price action from the open for a push below initial support. |

| Volatility Analysis | |
|-----------------------|----------|
| Minimum Stop Size | 5 points |
| 10-Day Range Analysis | |

| Period | Minimum | Maximum | Average | Previous Day |
|-----------------|---------|---------|---------|--------------|
| Regular Trading | 20 | 40 | 28.75 | 35.75 |
| 24-Hour Session | 27 | 44.25 | 35.925 | 43.25 |
| Overnight | 10.5 | 36.75 | 24.475 | 32 |
| 1st Hour | 6 | 21.75 | 13.175 | 21.75 |

| Prior Day | |
|---------------------------------------|---------|
| Close (CME) | 3527 |
| Cash Close (4 PM ET close. Estimated) | 3526.25 |
| VPOC (Estimated) | 3509 |

| Economic Events |
|---|
| ADP Employment Report - 8:15 AM ET |
| Factory Orders - 10:00 AM ET |
| EIA Petroleum Status Report - 10:30 AM ET |
| Beige Book - 2:00 PM ET |

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