

# The Context Report <sup>BETA</sup> | September 16, 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	Bullish-neutral	3400. Bearish-Neutral below.
Intermediate-term	Neutral	3484.25. Bullish above.
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> <li>- FOMC day. Likely to balance ahead of a wild move at 2:00 PM ET.</li> <li>- Mostly long inventory overnight. Expecting long liquidation at open given it is FOMC day. Initial key resistance is likely to attract this selling.</li> </ul>	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> <li>- Gap up open into initial key resistance. Expecting short-term sellers here first test for push down into initial key support for balance remainder of day into FOMC event. If strong price action right from the open, not looking to fade the gap up, but would look for a failure above initial key resistance for push down. Not expecting a strong push beyond initial key resistance.</li> <li>- If we do get strong push up above initial key resistance ahead of the FOMC event, then expecting sellers first test at the 3435 good resistance above first test for rotation down to day's VPOC and possibly lower.</li> </ul>
Downside scenario	<ul style="list-style-type: none"> <li>- Push down into initial key support. Expecting churn here due to FOMC day. If price chops down to the 3395s, expecting buyers there first test. If strong downside price action below initial key support, would hold off long until good support at the 3385s.</li> </ul>

Key Support and Resistance Zones		
Name	Zone	Note
Strong resistance	3484.25-3475.00	
Good resistance	3444.00-3435.00	
Initial key resistance	3419.75-3414.00	
Current price when report is being written		
Initial key support	3404.75-3400.00	High volume area. Expect churn here.
Support	3395.00-3392.25	Overnight pull-back area with some confluence.
Good support	3385.25-3378.50	Yday's buying tail area.

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	30.5	139	69.05	30.5
24-Hour Session	42.75	162	92.9	42.75
Overnight Session	29.75	85.25	48.875	40

1st Hour (RTH)	11.5	87.5	32.675	11.5
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Previous Day Reference Areas	
Close (CME)	3395
Cash Close (4 PM ET close. Estimated)	3390
High	3409
Low	3378.5
VPOC (Estimated)	3405

Key Economic Events
Retail Sales - 8:30 AM ET
Business Inventories - 10:00 AM ET
Housing Market Index - 10:00 AM ET
Atlanta Fed Business Inflation Expectations - 10:00 AM ET
EIA Petroleum Status Report - 10:30 AM ET
FOMC Announcement - 2:00 PM ET
Fed Chair Press Conference - 2:30 PM ET
Treasury International Capital - 4:00 PM ET