

The Context Report ^{BETA} | September 8, 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	3436.75. Neutral above.
Intermediate-term	Bearish-neutral	3505. Neutral if chopping this area. Bullish above.
Long-term	Bullish	

Context and Scenarios	
Context Summary	
<ul style="list-style-type: none"> - Above average overnight range and volume - Friday's afternoon rally was not maintained. Sellers still active. - Larger timeframes active and this is not the time to be leaning on poor support/resistance nor fading strong price action nor trading short-term patterns. 	
Scenarios	Conditions
Upside Scenario	<ul style="list-style-type: none"> - Buyers active at initial support on choppy price action for push up into initial resistance. Good r:r long at initial support. - Expecting sellers at initial resistance first test. - If strong upside price action into initial resistance, potential for this area to be churned, so would be best to wait for back of the zone or failure above for a short down to the 3419s area.
Downside Scenario	<ul style="list-style-type: none"> - Strong downside price action into initial support and I'd expect it to break. - Do not short the flip of initial support given this area is prime for larger timeframe buyers to be active and prices below initial support can be quickly rejected. - Wait for clear rejection below initial support for push higher. Target up would be initial resistance, but there is minor resistance before that may bring in sellers in the short-term. - If rotation down to the 3353s zone occurs on choppy price action, that is a good r:r long opportunity for push back above initial support. Otherwise, looking to short flip of the 3353s zone on strong downside price action for further push lower.

Key Support and Resistance Zones		
Name	Zone	Note
Initial Resistance	3455.5-3446.75	May churn if strong upside price action into this zone.
Resistance	3436.75-3431	
Resistance	3426-3417.5	
Initial Support	3380.5-3371	Watch for rejection below here.
Support	3353.25-3344.75	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Minimum	Maximum	Average	Previous Day

Regular Trading Session	20	139	52.175	129.5
24-Hour Session	27	162	62.95	58.25
Overnight Session	12.25	57.75	30.35	45.5
1st Hour	7.5	87.5	23.95	87.5

Previous Day Reference Areas	
Close (CME)	3417.5
Cash Close (4 PM ET close. Estimated)	3423.75
High	3477.25
Low	3347.75
VPOC (Estimated)	3402

Key Economic Events
Investor Movement Index - 12:30 PM ET
Consumer Credit - 3:00 PM ET