

# The Context Report | March 05, 2021

## Daily Context Analysis, Zones, and Strategy for the E-Mini S&P500 Futures (CME: ES and MES)

Bias / Directional Inclination / Control		
Timeframe	Bias	Line in the Sand
Short-term	Neutral-bearish	Bullish above 3790. Bearish below 3715.75.
Intermediate-term	Neutral-bullish	Bullish-neutral above 3790.
Long-term	Bullish	

Context and Trading Scenarios	
Context Summary	
<ul style="list-style-type: none"> <li>- Balanced overnight session on above avg overnight volume.</li> <li>- Breakdown remains in-tact.</li> <li>- Bullish larger timeframe is still -in-tact. Let's see if sellers dry up down here and we get aggressive buying or will we just continue to balance around the 3761s?</li> </ul>	
Scenario	Expectation
Upside scenario	<ul style="list-style-type: none"> <li>- Sellers expected at initial key resistance first test for rotation down to the 3761s. If sellers fail below the 3756s, potential for push up to and above initial key resistance. We would need to see momentous buying for a successful break and hold above initial key resistance. Above initial key resistance, target is the 3814s zone for chop and balance.</li> </ul>
Downside scenario	<ul style="list-style-type: none"> <li>- Chop and churn around the 3761s. Expecting push down to initial key support. If selling is choppy and weak, potential for selling to dry up into the 3739s support and potentially down to the 3731s area. If selling dries up there, expect reversal up to the 3761s and possibly up to initial key resistance. If selling is aggressive below the 3761s, expect push down to initial key support. I expect selling to shut off there for reversal to the 3761s. Initial key support is likely to cap the downside, but if we get overly aggressive sellers push below initial key support, expect a push down to good support below there and wild and whippy action. Buyers are expected to be active at good support zones first test for reversal up.</li> </ul>

Key Support and Resistance Zones		
Name	Zone	Note
All-time highs resistance	3959.50-3958.00	
Resistance	3955.75-3954.00	
Resistance	3946.50-3945.00	
Good resistance	3937.50-3934.25	
Resistance	3927.50-3922.00	
Good resistance	3912.00-3908.50	
Resistance	3903.75-3897.50	
Resistance	3895.50	
Good resistance	3870.50-3865.50	
Resistance	3860.75-3857.75	
Resistance	3846.25-3840.75	
Resistance	3835.75	
Resistance	3814.75-3810.50	

Initial key resistance	3790.00-3785.25	
Resistance	3781.75-3776.75	
Current price when report is being written		
Support	3761.75-3756.25	
Support	3745.00-3739.25	
Support	3731.25	
Initial key support	3720.75-3715.75	
Support	3706.50-3703.50	
Good support	3686.50-3680.50	
Good support	3656.75-3650.75	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	29.25	111.50	59.12	121.75
24-Hour Session	40.75	124.25	73.92	121.75
Overnight Session	31.25	56.00	44.70	44.50
1st Hour (RTH)	12.50	66.75	31.02	47.75

Previous Day Reference Areas	
Close (CME)	3765.50
Cash Close (4 PM ET close. Estimated)	3769.00
High	3842.25
Low	3720.50
VPOC (Estimated)	3769.25

Key Economic Events
Employment Situation 8:30 AM ET
International Trade in Goods and Services 8:30 AM ET
Baker Hughes Rig Count 1:00 PM ET
Consumer Credit 3:00 PM ET