

The Context Report | March 16, 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	Bullish	Neutral-bearish below 3945.25. Bearish below 3930.
Intermediate-term	Bullish-neutral	
Long-term	Bullish	

Context and Trading Scenarios	
Context Summary	
<ul style="list-style-type: none"> - Balanced session overnight above the key breakout area at initial key support. - Buyers remain in control in multiple timeframes. - Will the breakout remain intact and we'll see continuation or will we see a failed breakout pattern? 	
Scenario	Expectation
Upside scenario	<ul style="list-style-type: none"> - Buyers expected to defend initial key support. Expecting push for new all-time highs off here.
Downside scenario	<ul style="list-style-type: none"> - Sellers active from the open for push into initial key support. Balance occurs at initial key support and ultimately, we see sellers pushing price below initial key support. Expect to see some liquidation below initial key support for a push down to the 3930s good support zone. Selling is expected to shut off here and buyers are expected to reject this area if we are to see any further upside. If sellers remain aggressive into this area, expect balance and possibly a further push lower.

Key Support and Resistance Zones		
Name	Zone	Note
Initial key resistance	3964.25-3960.00	
Current price when report is being written		
Initial key support	3949.25-3945.25	
Support	3939.25-3937.50	
Good support	3932.50-3930.00	
Support	3926.00-3920.75	
Support	3913.00	
Good support	3906.50-3900.50	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	32.75	121.75	60.70	47.25
24-Hour Session	37.75	121.75	78.92	47.25
Overnight Session	36.00	83.25	48.45	23.50
1st Hour (RTH)	15.50	48.25	32.23	13.00

Previous Day Reference Areas	
Close (CME)	3958.25
Cash Close (4 PM ET close. Estimated)	3957.75
High	3960.25
Low	3913.00
VPOC (Estimated)	3930.00

Key Economic Events
FOMC Meeting Begins
Retail Sales 8:30 AM ET
Import and Export Prices 8:30 AM ET
Redbook 8:55 AM ET
Industrial Production 9:15 AM ET
Business Inventories 10:00 AM ET
Housing Market Index 10:00 AM ET