

The Context Report ^{BETA} | November 12, 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	Neutral	3569.25. Bullish above. 3538.25. Bearish below.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Neutral overnight session, balancing above key support at the 3545s. Lots of positions being accumulated above this zone and if initial key resistance cannot be successfully broken today, then likely to see liquidation break down. 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - Buyers active for push up into initial key resistance. On strong upside price action, do not fade at this zone. Instead wait for a clear failure above for a short. On a clear break above, this area is good for a flip long for a test higher if the underlying and price action is supporting the idea that buyers are strong and confident. - On choppy price action into initial key resistance, look for a fade short for a test of initial key support and possibly below. This would be a liquidation idea given I expect longs that have accumulated over the past two sessions to liquidate if initial key resistance cannot be broken. - Above initial key resistance, on choppy price action I expect the resistance zones to attract sellers for rotation down to the day's VPOC.
Downside scenario	<ul style="list-style-type: none"> - Expecting buyers to be active first test of initial key support. Off initial key support, the target is initial key resistance. On strong downside price action into initial key support, do not fade. Instead wait for a clear failure below for a long. On a clear break below initial key support, look for a short flip of the zone down to the 3507s potentially. - Below initial key support, if price starts chopping, the support zones below can attract buyers for rotation to the day's VPOC. The 3507s is the stronger of the support zones below.

Key Support and Resistance Zones		
Name	Zone	Note
All-time highs	3668.00-3662.00	
Resistance	3645.25-3641.50	
Resistance	3631.50-3622.00	
Resistance	3598.25-3588.00	
Initial key resistance	3577.25-3569.25	
Current price when report is being written		
Initial key support	3545.50-3538.25	
Support	3533.00-3530.75	
Support	3522.75-3516.25	
Good support	3507.00-3499.50	

Support	3494.00-3489.75	
Support	3480.75-3476.25	
Good support	3460.25-3451.50	
Good support	3434.75-3423.50	
Good support	3283.00-3271.75	
Strong support	3206.75-3198.00	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	25.5	104	59.025	25.5
24-Hour Session	45.75	161	89.225	45.75
Overnight Session	43.25	152.25	75.95	43.25
1st Hour (RTH)	15.25	69.25	38.4	15.25

Previous Day Reference Areas	
Close (CME)	3568.00
Cash Close (4 PM ET close. Estimated)	3568.5
High	3576.75
Low	3551.25
VPOC (Estimated)	3557

Key Economic Events
CPI 8:30 AM ET
Jobless Claims 8:30 AM ET
Atlanta Fed Business Inflation Expectations 10:00 AM ET
EIA Petroleum Status Report 11:00 AM ET
Treasury Statement 2:00 PM ET
Fed Balance Sheet 4:30 PM ET
Money Supply 4:30 PM ET