

The Context Report | March 17, 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	Bearish	Bullish-neutral above 3948.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trading Scenarios	
Context Summary	
<ul style="list-style-type: none"> - Balanced overnight and then breakdown below initial key support. - Potentially the larger timeframe pattern is a failed breakout. Initial key support is key to that idea. Below initial key support, expecting liquidation down. If initial key support holds, potential to push above initial key resistance. - FOMC day. Expect balance and then random, violent moves around 2 PM ET. 	
Scenario	Expectation
Upside scenario	<ul style="list-style-type: none"> - Buyers expected at initial key support for push up above initial key resistance. If buyers fail above initial key resistance, look for a further push down below initial key support. FOMC can change everything.
Downside scenario	<ul style="list-style-type: none"> - Sellers active from the open and off initial key support, holding price against the zone. Will expect an eventual break below here for a strong move down. FOMC can change everything.

Key Support and Resistance Zones		
Name	Zone	Note
All-time highs resistance	3971.25-3968.50	
Resistance	3964.25-3962.00	
Resistance	3955.75-3952.75	
Initial key resistance	3948.00-3942.75	
Current price when report is being written		
Initial key support	3932.50-3930.00	
Support	3926.00-3920.75	
Support	3913.00	
Good support	3906.50-3900.50	
Support	3888.75	
Support	3883.50-3879.75	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	32.75	121.75	60.02	28.00
24-Hour Session	37.75	121.75	73.70	28.00
Overnight Session	23.50	83.25	46.15	15.00
1st Hour (RTH)	13.00	48.25	30.68	9.25

Previous Day Reference Areas	
Close (CME)	3952.50
Cash Close (4 PM ET close. Estimated)	3950.75
High	3970.75
Low	3942.75
VPOC (Estimated)	3964.00

Key Economic Events
MBA Mortgage Applications 7:00 AM ET
Housing Starts and Permits 8:30 AM ET
EIA Petroleum Status Report 10:30 AM ET
FOMC Announcement 2:00 PM ET
Fed Chair Press Conference 2:30 PM ET