

The Context Report ^{BETA} | September 25, 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-bearish	
Intermediate-term	Bearish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> Overnight buyers were unable to test yday's high and ultimately sellers took control and push price back down below yday's close where we are now after buyers were active in the 3207s area. 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> I expect churn at initial key resistance initially given recent action. Only on a clean break with strong upside price action and sustained upside momentum will a flip of initial key resistance be a good long opportunity. The resistance zones above are targets. If price is choppy and buyers are clearly drying up at the 3261s zone or the 3271s zone, expecting selling to come in there for a rotation down to initial key resistance. If there is strong upside price action above initial key resistance, expecting push for the 3294s zone. But need to see strong upside price action and sustained upside momentum. I expect sellers first test of the 3294s for a decent rotation down. If buyers cannot hold price above initial key resistance and price fails above, expecting push down into initial key support. Looking for a spike above initial key resistance with no follow-through for a short down.
Downside scenario	<ul style="list-style-type: none"> Expecting buyers at initial key support. On strong downside price action, either take long at back of zone or do not fade at all. The fade here is looking good based on yday's session and the overnight session. To push below initial key support, need to see strong downside price action and sustained downside momentum. Below initial key support, I won't be fading any move unless price action is choppy into the 3189s strong support zone. I expect larger timeframe buyers to be active here.

Key Support and Resistance Zones		
Name	Zone	Note
Resistance	3320.50-3312.75	
Good resistance	3294.00-3287.00	
Resistance	3271.25-3267.00	
Resistance	3261.00-3256.00	
Initial key resistance	3238.00-3232.75	
Current price when report is being written		
Initial key support	3206.75-3198.00	
Strong support	3189.25-3180.75	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	30.5	91.5	56.575	70.25
24-Hour Session	42.75	108.5	70.025	70.25
Overnight Session	28.25	79	43.6	39.75
1st Hour (RTH)	10.75	48.5	28	48.5

Previous Day Reference Areas	
Close (CME)	3238
Cash Close (4 PM ET close. Estimated)	3234
High	3268.25
Low	3198
VPOC (Estimated)	3237.25

Key Economic Events	
Durable Goods Orders 8:30 AM ET	
Baker-Hughes Rig Count 1:00 PM ET	