

The Context Report ^{BETA} | November 23, 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	3590.50. Bullish above. 3556.50. Bearish below.
Intermediate-term	Bullish-neutral	3590.50. Bullish above.
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Above average overnight range, mostly long inventory. - Market is in same position it was in on Friday morning. No change from there. This range from the 3590s to the 3540s is churning and chopping. Lots of volatility just entered the market as this report is being written, which further supports taking caution today and trading the edges. - Any break in either direction above initial key resistance or below the 3530s is likely to move quite a bit and will not be faded. 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - Expecting sellers at initial key resistance first test for a rotation down to initial key support. On strong upside price action into this zone, wait for a deeper test and a pause for a short. Expecting sellers to be easily able to push down to the 3569s and initial key support. - On a clear break above initial key resistance, look for a long flip of the zone for a push up to the 3608s and possibly above. Break above should be clear and supported by underlying, otherwise there is potential for a failed breakout, which will swiftly reverse and in that case, we will look for a short. Assume it is a failed breakout until proven wrong.
Downside scenario	<ul style="list-style-type: none"> - Expecting churn and chop at the 3569s as has been the theme the last two sessions. - Expecting buyers active at initial key support first test for push up to initial key resistance. Off initial key support, buyers should be able to push above the 3569s. If they are unable to push and hold above here, exit long as there is potential for a break below initial key support, but do not short this area as this is a chop zone. - On strong downside price action, do not fade at initial key support. On a clear and strong push below initial key support, look for a short flip down to the 3548s for a potential break below. - On a break below the 3548s, do not flip short unless clear that sellers have control as a poke below this zone could be appealing to larger timeframe buyers. Assume it is a failed breakdown until proven wrong.

Key Support and Resistance Zones		
Name	Zone	Note
All-time highs	3668.00-3662.00	
Good resistance	3645.25-3636.75	
Good resistance	3631.50-3629.50	
Good resistance	3623.50-3619.75	

Resistance	3616.50-3612.25	
Good resistance	3608.00-3604.00	
Initial key resistance	3590.50-3580.00	
Current price when report is being written		
Support	3569.00-3564.00	
Initial key support	3561.75-3556.50	
Support	3548.25-3542.50	
Support	3536.50-3530.50	
Support	3519.50-3513.50	
Strong 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	47.1	34.75
24-Hour Session	39.75	152.25	63.1	39.75
Overnight Session	31.25	152.25	53.2	38.5
1st Hour (RTH)	10.25	40.25	19.625	15.5

Previous Day Reference Areas	
Close (CME)	3554.25
Cash Close (4 PM ET close. Estimated)	3553.75
High	3577.5
Low	3542.75
VPOC (Estimated)	3569

Key Economic Events
Chicago Fed National Activity Index 8:30 AM ET
PMI Composite Flash 9:45 AM ET