

The Context Report | February 11, 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	Neutral-bullish	3919.75. Bullish above.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trading Scenarios	
Context Summary	
<ul style="list-style-type: none"> - Above avg overnight range on below avg volume. - Balanced inventory. - Will be opening in yday's large/volatile range. - After yday's shake-up, market may balance in yday's range and possibly continue the uptrend now that there has been a correction. 	
Scenario	Expectation
Upside scenario	<ul style="list-style-type: none"> - Sellers expected at initial key resistance first test for a rotation off the zone towards the 3900s support area. Not expecting aggressive buying up here today. If buyers are aggressive and supporting prices just below initial key resistance, expect ultimate rotation above initial key resistance. If there is a lot of momentum on the push above initial key resistance, expect push to new all-time highs, otherwise market is likely to chop off all-time high resistance at the 3928s and close in-between there and initial key resistance.
Downside scenario	<ul style="list-style-type: none"> - Choppy price action down to initial key support. If selling shuts off there, expecting buyers to be active for rotation up. If strong selling into initial key support, potential to chop initial key support and push down to the 3895s or good support at the 3885s where I expect selling to shut off for reversal back up.

Key Support and Resistance Zones		
Name	Zone	Note
All-time highs resistance	3928.75-3925.75	
Initial key resistance	3919.75-3916.50	
Current price when report is being written		
Support	3906.25-3904.25	
Initial key support	3901.25-3900.00	
Support	3895.00	
Good support	3890.25-3885.50	
Support	3880.25-3878.25	
Support	3875.50-3874.00	
Support	3869.00-3866.25	
Strong support	3862.25-3858.00	

Volatility Analysis	
Minimum Stop Size	5 points
10-Day Range Analysis	

	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	17.25	100.25	47.25	47.75
24-Hour Session	18.25	146.5	72.425	50.25
Overnight Session	15	94.75	43.85	21.25
1st Hour (RTH)	7.75	47.25	26.45	35.75

Previous Day Reference Areas	
Close (CME)	3903.00
Cash Close (4 PM ET close. Estimated)	3905.5
High	3926
Low	3878.25
VPOC (Estimated)	3901.25

Key Economic Events
Jobless Claims 8:30 AM ET
EIA Natural Gas Report 10:30 AM ET
Fed Balance Sheet 4:30 PM ET
Money Supply 4:30 PM ET