

The Context Report | March 12, 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 above 3936.50.
Intermediate-term	Bullish-neutral	
Long-term	Bullish	

Context and Trading Scenarios	
Context Summary	
<ul style="list-style-type: none"> Sellers active overnight pushing down into initial key support area. Both buyers and sellers were active there and buyers eventually won, pushing price up to where market is trading now, within yday's range and below its VPOC. 	
Scenario	Expectation
Upside scenario	<ul style="list-style-type: none"> Sellers expected first test of initial key resistance. Strength of sellers will be key information off initial key resistance. If there is strong buying into initial key resistance, it is likely to be stuck to and to break. Above initial key resistance, expecting chop and ultimately push up to new all-time highs.
Downside scenario	<ul style="list-style-type: none"> Sellers expected to hold initial key resistance first test for push down to intimal key support. Expecting buyers there first test for a bounce to the 3924s. If buyers are very weak into the 3894s and they struggle to hold price above there, expect push down below initial key support on aggressive selling for a test of the 3898s and 3889s support below where I expect a swift reversal. If that area is not swiftly rejected, then expect chop and churn there for the remainder of the session.

Key Support and Resistance Zones		
Name	Zone	Note
All-time highs resistance	3959.50-3955.75	
Resistance	3947.25-3944.75	
Initial key resistance	3936.50-3932.50	
Resistance	3924.25	
Current price when report is being written		
Support	3919.00	
Initial key support	3916.25-3910.25	
Support	3898.50	
Support	3893.25-3889.50	
Support	3884.00-3879.00	
Support	3871.00-3865.50	
Good support	3856.50-3850.50	
Support	3839.75-3834.00	
Support	3826.25	
Support	3816.25-3809.75	
Support	3801.50-3795.50	
Good support	3782.50-3777.50	
Support	3772.00-3766.75	
Support	3733.50-3728.25	

Good support	3720.75-3715.75	
Support	3706.50-3703.50	
Good support	3686.50-3680.50	
Good support	3656.75-3650.75	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	32.75	121.75	71.85	39.50
24-Hour Session	41.00	124.25	88.35	65.50
Overnight Session	31.25	83.25	49.00	36.00
1st Hour (RTH)	25.25	66.75	38.12	15.50

Previous Day Reference Areas	
Close (CME)	3936.75
Cash Close (4 PM ET close. Estimated)	3936.75
High	3958.50
Low	3919.00
VPOC (Estimated)	3936.25

Key Economic Events
PPI-Final Demand 8:30 AM ET
Consumer Sentiment 10:00 AM ET
Quarterly Services Survey 10:00 AM ET
Baker Hughes Rig Count 1:00 PM ET