

The Context Report ^{BETA} | November 19, 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	Bearish-neutral	3578.75. Neutral above. 3592.25. Bullish above.
Intermediate-term	Bullish	3553.75. Neutral below.
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Yday's end of day sell-off held overnight and lower prices were tested and what appears to be rejection going into the open. - Balanced overnight inventory on average volume. - Key question today is if the selling yday was confident selling and not just long liquidation. If so, sellers should be easily able to hold below initial key support otherwise expecting rotation up to the 3592s and possibly higher. Initial key resistance does stand in the way of that idea, though. 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - Expecting sellers at initial key resistance first test. Off here, sellers should be able to push below initial key support and the 3547s zone if sellers are confident. If sellers are unable to push and hold below these zones, expecting larger timeframe buyers to step in for a push up to the 3592s and possibly higher. - On strong upside price action, do not fade at initial key resistance. Instead, wait for a failure above. - Expecting sellers first test at the 3592s. Off here, I would expect sellers to be able to push below initial key resistance. If the VPOC has been pulled up above initial key resistance and sellers cannot push below initial key resistance, then I expect a break above the 3592s for a test of the 3608s.
Downside scenario	<ul style="list-style-type: none"> - Expecting buyers first test at initial key support. On strong downside price action, do not fade this zone. Instead wait for a failure below. If that happens, will be targeting a push up to initial key resistance and likely above. - On a clear break below initial key support with supporting underlying, looking for a flip of the zone down to the 3507s ultimately. If price is choppy at support zones below initial key support, potential for a short-term reversal to the day's VPOC and possibly to initial key support. Below initial key support the key support areas are the 3547s zone and the strong support zone at the 3507s.

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	
Good resistance	3592.25-3584.25	
Initial key resistance	3578.75-3570.00	
Current price when report is being written		
Initial key support	3559.50-3553.75	
Support	3547.50-3542.50	
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	46.875	56.75
24-Hour Session	45.75	152.25	70.725	63.75
Overnight Session	37.5	152.25	60.475	37.5
1st Hour (RTH)	10.25	40.25	21.875	10.25

Previous Day Reference Areas	
Close (CME)	3565.00
Cash Close (4 PM ET close. Estimated)	3563.25
High	3616.25
Low	3559.5
VPOC (Estimated)	3612.25

Key Economic Events
Jobless Claims 8:30 AM ET
Philadelphia Fed Manufacturing Index 8:30 AM ET
Existing Home Sales 10:00 AM ET
E-Commerce Retail Sales 10:00 AM ET
Leading Indicators 10:00 AM ET
EIA Natural Gas Report 10:30 AM ET
Kansas City Fed Manufacturing Index 11:00 AM ET
Fed Balance Sheet 4:30 PM ET
Money Supply 4:30 PM ET