

The Context Report ^{BETA} | September 24, 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	3241. Neutral above. 3209.75. Bearish below.
Intermediate-term	Bearish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Sellers remained in control all night, balancing at the lows of yday - Above average overnight volume - Both buyers and sellers active at these prices, so expecting a larger move today 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - Larger timeframe responsive buyers active at initial key support and push price up for initial key resistance. Expecting sellers off initial key resistance first test, but if upside price action is strong, not looking to fade it and expecting a break above initial key resistance for a push higher, with the first target being the 3259s. Above 3259s, next target is the 3287s zone, but we'd need to see strong upside price action and sustained upside momentum for that to happen. - I expect sellers at each resistance zone above initial key resistance, so on each test look to scale or exit any long. Look to fade either the 3259s or the 3287s on first test if price action is choppy into them.
Downside scenario	<ul style="list-style-type: none"> - Sellers continue to be active and push price down strongly from the open into initial key support. Expecting buyers here first test. On strong downside price action, either fade to long at the back of the zone or wait for a failure below. - On a clear break below initial key support, look to flip the zone short for a test into the 3189s strong support zone below. Downside price action should be clearly strong and there should be sustained downside momentum. - Not looking to fade a break below initial key support unless price action chops into the 3189s but be careful on fading an intraday balance breakout into this 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	3272.25-3270.25	
Good resistance	3259.25-3252.00	
Initial key resistance	3241.00-3234.50	
Current price when report is being written		
Initial key support	3216.75-3209.75	
Support	3203.00	

Strong support	3189.25-3181.75	
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Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	30.5	97.25	59.275	91.5
24-Hour Session	42.75	108.5	72.725	98.75
Overnight Session	28.25	79	43.875	28.25
1st Hour (RTH)	10.75	40.5	24.5	23.25

Previous Day Reference Areas	
Close (CME)	3231.25
Cash Close (4 PM ET close. Estimated)	3225.5
High	3312.5
Low	3221
VPOC (Estimated)	3226.25

Key Economic Events
Jobless Claims 8:30 AM ET
New Home Sales 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