

The Context Report ^{BETA} | November 13, 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	Bullish-neutral	3543.50. Bearish below.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Mostly long inventory on below average volume. - Bottom half of yday's range was rejected overnight. Buyers pushed above the 3556s overnight, which was key resistance. How price behaves between the 3577s and the 3556s is key today. There is potential for breakout above initial key resistance, which could lead to a large push up. 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - Strong upside price action into initial key resistance, then do not fade at this zone. On a clear break above this zone, look for a long flip of initial key resistance. Waiting for a perfect 50% pullback is unlikely to happen as I expect a lot of short covering above initial key resistance. - On choppy price action into initial key resistance and buyers seem to be lacking confidence, then fade the zone for a push down into initial key support and possibly below.
Downside scenario	<ul style="list-style-type: none"> - On choppy price action into initial key support, look for a long fade for test of initial key resistance and possibly above. Stop should be below the 3543s for this long. - On strong downside price action, do not fade at initial key support. This area can be churned. On a clear break below initial key support AND the 3543s (overnight midpoint area), then look for a short for ultimate test of the 3507s. - On choppy price action into the support zones below initial key support, buyers can enter for rotation up to the day's VPOC. Only fade on choppy price action if the VPOC is NOT shifting down and remains above the 3543s. - Expecting buyers first test of the 3507s. On strong downside price action into this zone, wait for failure below to initiate a long.

Key Support and Resistance Zones		
Name	Zone	Note
All-time highs	3668.00-3662.00	
Resistance	3645.25-3641.50	
Resistance	3631.50-3622.00	
Resistance	3598.25-3588.00	
Initial key resistance	3577.25-3569.25	
Current price when report is being written		
Initial key support	3556.50-3546.75	
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	55.9	52.25
24-Hour Session	45.75	161	87.225	63.5
Overnight Session	38.25	152.25	74.275	38.25
1st Hour (RTH)	15.25	69.25	35.95	16

Previous Day Reference Areas	
Close (CME)	3532.50
Cash Close (4 PM ET close. Estimated)	3534.75
High	3565.25
Low	3513
VPOC (Estimated)	3553.5

Key Economic Events
PPI-Final Demand 8:30 AM ET
Consumer Sentiment 10:00 AM ET
EIA Natural Gas Report 10:30 AM ET
Baker Hughes Rig Count 1:00 PM ET