

The Context Report ^{BETA} | October 23, 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	3435.25. Neutral-bearish.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Balanced overnight session on below average volume - Buyers active overnight at key volume nodes and buyers rejected those prices. 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - Expecting sellers at initial key resistance first test for a short-term reversal down to the 3457s zone and possibly lower. Potential for initial key resistance to be broken above on strong upside price action. Target above initial key resistance is the 3514s strong resistance, where I expect larger timeframe sellers to be active.
Downside scenario	<ul style="list-style-type: none"> - On choppy price action into the 3457s zone, I expect buyers to be active there for a swift push up to initial key resistance. - Below the 3453s, I expect buyers to be active at initial key support for a reversal up to initial key resistance. If there is failure below the 3445s without testing initial key support, I would expect the same. - Off initial key support, if buyers are unable to push back above the 3445s or the 3453s, then potential to push below initial key support on strong downside price action for a test of yday's low area at the 3407s strong support zone, where I expect buyers to be active first test for reversal up. Ahead of that zone, if there is choppy price action into the 3421s zone, potential to reverse to the day's VPOC and balance.

Key Support and Resistance Zones		
Name	Zone	Note
Strong resistance	3514.00-3508.50	
Good resistance	3500.25-3493.75	
Resistance	3485.50-3480.00	
Initial key resistance	3474.50-3469.00	
Current price when report is being written		
Support	3457.25-3450.75	Yday's high area.
Support	3445.00	Key volume area.
Initial key support	3442.00-3435.25	Key volume area.
Support	3421.25-3415.75	
Strong support	3407.50-3402.25	
Support	3399.00-3394.75	
Good support	3387.00-3380.75	
Support	3365.25-3359.75	
Strong support	3339.00-3330.75	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	24.5	83	45.75	46.25
24-Hour Session	37.25	85.75	53.275	50.5
Overnight Session	22.25	52.75	31.5	32.5
1st Hour (RTH)	11.5	26	20.625	22.5

Previous Day Reference Areas	
Close (CME)	3449.25
Cash Close (4 PM ET close. Estimated)	3446.75
High	3453
Low	3406.75
VPOC (Estimated)	3446.5

Key Economic Events	
PMI Composite Flash 9:45 AM ET	
Baker Hughes Rig Count 1:00 PM ET	