

The Context Report ^{BETA} | November 18, 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	3602.25. Bearish below. 3645.25. Bullish above.
Intermediate-term	Bullish	3546.75. Neutral below.
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> Sellers active overnight, tested yday's low area and then buyers stepped in and took price up to yday's high area where we are now. This resistance area continues to be tested. Will it break or will buyers ultimately liquidate their positions? 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> On strong upside price action, do not fade at initial key resistance. Will expect a break above for a test of the 3645s zone. I expect sellers to be active there first test for a push below initial key resistance. If sellers are unable to push below initial key resistance and the VPOC is pulled and solidified above initial key resistance, expecting an ultimate break above the 3645s and a push higher. On choppy price action into initial key resistance, I expect sellers to be active for a push down to initial key support and possibly below. If buyers cannot hold above yday's high area at the 3620s, expecting sellers to step in. A liquidation break could occur from these higher prices for push down to the 3590s.
Downside scenario	<ul style="list-style-type: none"> Buyers expected at initial key support. If strong downside price action into this zone, do not fade here. Wait for a failure below. On a clear break below initial key support, look for a flip short down to the 3591s. Expecting buyers to be active at the 3591s on first test for a push up to initial key support. On strong downside price action, wait for a test below of maybe the 3591s. Below the 3591s, I expect buyers at both the 3578s and the 3557s zones for a reversal up.

Key Support and Resistance Zones		
Name	Zone	Note
All-time highs	3668.00-3662.00	
Resistance	3645.25-3636.75	
Initial key resistance	3631.50-3623.25	
Resistance	3620.50-3618.75	
Current price when report is being written		
Initial key support	3607.75-3602.50	
Support	3590.50-3584.75	
Good support	3578.75-3569.25	
Support	3557.25-3546.75	

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	49.625	36
24-Hour Session	45.75	161	80.45	46.75
Overnight Session	38	152.25	68.05	38
1st Hour (RTH)	12.25	69.25	27.775	18.25

Previous Day Reference Areas	
Close (CME)	3606.75
Cash Close (4 PM ET close. Estimated)	3608.75
High	3620.25
Low	3584.25
VPOC (Estimated)	3607.75

Key Economic Events
MBA Mortgage Applications 7:00 AM ET
Housing Starts and Permits 8:30 AM ET
Quarterly Services Survey 10:00 AM ET
EIA Petroleum Status Report 10:30 AM ET