

The Context Report ^{BETA} | September 14, 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 | 3352. Bearish-neutral below. |
| Intermediate-term | Bearish-neutral | 3352. Bearish below. |
| Long-term | Bullish | |

| Context and Trade Plan | |
|--|--|
| Context Summary | |
| <ul style="list-style-type: none"> - Switched to December contract. - Likely to open at top of Friday's range or gap up. - Buyers active overnight from Friday's close making 100% net long inventory, so likely to have long liquidation at open. - | |
| Scenarios | Details and Conditions |
| Upside scenario | <ul style="list-style-type: none"> - Buyers take price up from initial key support for push above initial key resistance and up to the 3397s, then the 3410s. - I expect a bounce off the 3397s if choppy price action into this zone. - I expect larger sellers at the 3410s first test, but if price action is strong to the upside, then don't fade to short here until failure above. |
| Downside scenario | <ul style="list-style-type: none"> - Either test of initial key resistance and sellers active or struggle at initial key support for chop until sellers take over in larger timeframe + liquidation in short-term and push below the 3352s cleanly for a push down into the overnight low around the 3338s, then lower into 3318s good support. - Good short would be on clean break below 3352s initial key support with strong downside price action and ideally sustained downside momentum and underlying weakness. - Watch the bounce off the 3338s. Could produce a decent fade to short at initial key support area. Ideally the day's VPOC has been pulled down below initial key support at that time. - If strong selling price action into the 3318s, not looking to fade here until selling shuts off (chop) and/or failure below. Chop into this zone would be a decent long for the day's VPOC area. - Below 3318s, expecting test of the 3292s good support and I'd expect larger buyers to be active there first test, but if strong selling price action into this zone, not looking to fade here until selling shuts off (chop) and/or failure below. |

| Key Support and Resistance Zones | | |
|--|-----------------|----------------------|
| Name | Zone | Note |
| Good resistance | 3416.25-3410 | |
| Resistance | 3404.00-3397.25 | |
| Initial key resistance | 3375.50-3370.75 | Overnight high area. |
| Current price when report is being written | | |

| | | |
|---------------------|-----------------|--|
| Initial key support | 3359.00-3352.00 | Key HVN at 3357s. Partial overnight half-back area. |
| Support | 3338.25-3335.00 | Partial overnight low area. |
| Good support | 3318.75-3311.00 | |
| Support | 3298.25 | Friday's low area. Was a poor low. Sellers just gave up down here (not great support). |
| Good support | 3293.00-3285.00 | |

| Volatility Analysis | | | | |
|-----------------------------|------|-------|----------|--------------|
| Minimum Stop Size | | | 5 points | |
| 10-Day Range Analysis | | | | |
| | Min | Max | Avg | Previous Day |
| Regular Trading Hours (RTH) | 23 | 139 | 67.475 | 60 |
| 24-Hour Session | 34.5 | 162 | 90.775 | 66.5 |
| Overnight Session | 24 | 85.25 | 46.6 | 36 |
| 1st Hour (RTH) | 8.5 | 87.5 | 30 | 28 |

| Previous Day Reference Areas | |
|---------------------------------------|----------------|
| Close (CME) | 3323.25 |
| Cash Close (4 PM ET close. Estimated) | 3329.25 |
| High | 3358.25 |
| Low | 3298.25 |
| VPOC (Estimated) | 3338 / 3330.75 |

| Key Economic Events |
|---------------------|
| None |