

# The Context Report <sup>BETA</sup> | December 03, 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	Neutral-bullish	3655.25. Neutral below.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> <li>- Balanced overnight session in upper portion of yday's range on below avg volume.</li> <li>- Question today is: will buyers push to new highs? Likely a dip will need to occur before that happens. Will initial key support bring in enough buyers or does a liquidation break need to occur for buyers to be interested?</li> </ul>	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> <li>- Buyers active at initial key support for push to new all-time highs. If price action is choppy off this zone and sluggishly moving up, do not have huge expectations for long target. Buyers should be able to push and hold above the overnight VPOC at the 3668s of initial key support otherwise exit long and possibly look for short for break below initial key support.</li> </ul>
Downside scenario	<ul style="list-style-type: none"> <li>- Strong selling from the open on liquidation for break below initial key support. If underlying momentum is sustained to downside on break below, look for short for push down to possibly the 3625s zone where I expect buyers to be active first test and where I will be looking for a long. If underlying is balanced and price action is choppy, then expecting buyers at the 3640s first test for reversal up, so look for a long.</li> </ul>

Key Support and Resistance Zones		
Name	Zone	Note
Initial key resistance	3677.50-3673.50	
Current price when report is being written		
Initial key support	3661.25-3655.25	
Good support	3646.50-3640.00	
Good support	3633.25-3625.25	
Support	3611.75-3606.75	
Good support	3599.00-3592.25	
Good support	3588.25-3583.25	
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)	16.5	56.75	34.8	30.5

24-Hour Session	30	65	46.35	30.5
Overnight Session	23.5	49.25	34.725	23.5
1st Hour (RTH)	7	27.75	17.8	15.5

Previous Day Reference Areas	
Close (CME)	3667.25
Cash Close (4 PM ET close. Estimated)	3668.5
High	3672.75
Low	3642.25
VPOC (Estimated)	3661.25

Key Economic Events
Motor Vehicle Sales
Challenger Job-Cut Report 7:30 AM ET
Jobless Claims 8:30 AM ET
PMI Composite Final 9:45 AM ET
ISM Services Index 10:00 AM ET
EIA Natural Gas Report 10:30 AM ET
Fed Balance Sheet 4:30 PM ET
Money Supply 4:30 PM ET