

The Context Report ^{BETA} | December 04, 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 | 3682.25. Bullish above. 3655. Bearish below. |
| Intermediate-term | Bullish | |
| Long-term | Bullish | |

| Context and Trade Plan | |
|--|---|
| Context Summary | |
| <ul style="list-style-type: none"> - Balanced in upper portion of yday's range on below average volume and 100% long inventory. - Can a breakout to new all-time highs be held today or will buyers again fail and liquidation will occur? | |
| Scenarios | Details and Conditions |
| Upside scenario | <ul style="list-style-type: none"> - Buyers push off initial key support first test for new all-time highs. - If buyers are unable to hold above yday's high and clear signs of liquidation is occurring, look for a short. Will be expecting that move to break below initial key support. |
| Downside scenario | <ul style="list-style-type: none"> - On strong downside price action and clear break below initial key support with underlying momentum sustained to downside, look for flip of initial key support down to the 3640s where I expect buyers to be active. If price starts to chop at or fails to hold below the 3655s, expecting buyers for push back up to initial key support. |

| Key Support and Resistance Zones | | |
|--|-----------------|------|
| Name | Zone | Note |
| Initial key resistance | 3682.25-3679.00 | |
| Current price when report is being written | | |
| Initial key support | 3669.75-3664.25 | |
| Support | 3657.75-3655.00 | |
| 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 | |

| Volatility Analysis | | | | |
|-----------------------------|-------|-------|----------|--------------|
| Minimum Stop Size | | | 5 points | |
| 10-Day Range Analysis | | | | |
| | Min | Max | Avg | Previous Day |
| Regular Trading Hours (RTH) | 16.5 | 45.5 | 31.8 | 26.75 |
| 24-Hour Session | 26.75 | 65 | 42.65 | 26.75 |
| Overnight Session | 17 | 49.25 | 32.675 | 17 |
| 1st Hour (RTH) | 7 | 27.75 | 18.075 | 13 |

| Previous Day Reference Areas | |
|---------------------------------------|---------|
| Close (CME) | 3664.50 |
| Cash Close (4 PM ET close. Estimated) | 3667.5 |
| High | 3682 |
| Low | 3655.25 |
| VPOC (Estimated) | 3670 |

| Key Economic Events |
|--|
| Employment Situation 8:30 AM ET |
| International Trade in Goods and Services 8:30 AM ET |
| Factory Orders 10:00 AM ET |
| Baker Hughes Rig Count 1:00 PM ET |