

The Context Report ^{BETA} | December 07, 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	3367.50 Bearish below. 3394.75. Bullish above.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Overnight below the breakout area from Friday was tested and seemingly rejected. - Above avg overnight range and volume. Neutral overnight session and volatile. - Opening in Friday's range, in the lower half were little volume occurred and below and below the VPOC. 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - Buyers active at initial key support for push up into initial key resistance to either balance for the remainder of the day or slowly push up to new all-time highs. On choppy price action into initial key resistance, expecting sellers first test, but targets should be nimble to the downside (initial key support at most unless strong selling enters). On a dip, off initial key resistance, expecting buyers to be active. On strong upside price action into initial key resistance with momentum, don't fade. - On a push up into yday's high, do not fade and instead wait for a failure above.
Downside scenario	<ul style="list-style-type: none"> - Sellers active from the open for a push below initial key support on strong downside price action for a test of the 3367s good support zone. I expect buyers to be active there for a swift rejection back above initial key support.

Key Support and Resistance Zones		
Name	Zone	Note
Resistance	3705.00-3700.00	
Initial key resistance	3694.75-3689.50	
Current price when report is being written		
Initial key support	3682.25-3678.50	
Good support	3672.75-3667.50	
Support	3665.25-3662.75	
Support	3657.75-3655.00	
Good support	3646.50-3640.00	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	16.5	45.5	30.525	27.75
24-Hour Session	26.75	65	42.05	34.5

Overnight Session	14.5	49.25	31	14.5
1st Hour (RTH)	7	27.75	17.375	15.5

Previous Day Reference Areas	
Close (CME)	3698.00
Cash Close (4 PM ET close. Estimated)	3698.25
High	3700
Low	3672.25
VPOC (Estimated)	3690.5

Key Economic Events
Investor Movement Index 12:30 PM ET
Consumer Credit 3:00 PM ET