

# The Context Report <sup>BETA</sup> | December 17, 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	3702s. Bearish below.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> <li>- Breakout to new all-time highs overnight.</li> <li>- Above avg range on below avg volume.</li> </ul>	
Scenarios	Details and Conditions
Upside	<ul style="list-style-type: none"> <li>- Buyers expected at support at the 3709s and initial key support first test. If buyers can hold these areas, the breakout is valid, and buyers remain in control in the short-term and I will be expecting new all-time highs. Off these support zones, we would need to see sustained upside momentum and a strong underlying broad market. If that is not present, potential to balance or break below initial key support.</li> </ul>
Downside	<ul style="list-style-type: none"> <li>- On strong downside price action into initial key support, the zone is likely not going to hold. Below initial key support, buyers have lost control and the bias turns bearish and expecting larger move down with momentum.</li> </ul>

Key Support and Resistance Zones		
Name	Zone	Note
Initial key resistance	3717.75-3716.00	
Current price when report is being written		
Support	3711.50-3709.50	
Initial key support	3706.50-3702.50	
Support	3694.25-3691.50	
Support	3683.00-3680.00	
Support	3671.00-3668.00	
Support	3659.50-3657.50	
Support	3654.25-3649.50	
Support	3640.25-3636.00	
Good support	3626.00-3618.00	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	19.25	54	33.725	23.25
24-Hour Session	24.5	55.25	40.725	24.5
Overnight Session	13.75	46.25	25.3	21.75
1st Hour (RTH)	6.5	31.5	15.175	12

Previous Day Reference Areas	
Close (CME)	3693.75
Cash Close (4 PM ET close. Estimated)	3693.25
High	3704.5
Low	3681.25
VPOC (Estimated)	3694

Key Economic Events
Housing Starts and Permits 8:30 AM ET
Jobless Claims 8:30 AM ET
Philadelphia Fed Manufacturing Index 8:30 AM ET
EIA Natural Gas Report 10:30 AM ET
Kansas City Fed Manufacturing Index 11:00 AM ET
Fed Balance Sheet 4:30 PM ET
Money Supply 4:30 PM ET