

The Context Report ^{BETA} | December 22, 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	3694.75. Bullish above. 3658.75. Bearish-neutral below.
Intermediate-term	Neutral-bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Overnight tested below the 3676s and buyers stepped in and push price back above. - Above avg overnight volume. - Likely to open in yday's range or slightly above. - Holidays, so do not be aggressive. Be selective with your entries. 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - If buyers can hold the 3665s support zone or initial key support, expecting a rotation up to initial key resistance and likely above. Sellers can be expected there first test, but if buyers are active, that area can be broken through. To see new all-time highs, we will want to see upside momentum and strong upside price action. - Off these support zones, if we do not see upside momentum, there is potential for the market to be contained in between initial key support and the 3694s zone.
Downside scenario	<ul style="list-style-type: none"> - Sellers active from the open and push down into initial key support. To break below initial key support, will need to see strong downside price action and sustained downside momentum. On a break below initial key support, will expect the zone to become resistance for a push lower if momentum stays to the downside otherwise will expect churn and chop in this area around the 3660s.

Key Support and Resistance Zones		
Name	Zone	Note
All-time highs	3723.00-3717.25	
Initial key resistance	3712.75-3706.25	
Resistance	3694.75-3690.50	
Current price when report is being written		
Support	3681.25-3675.75	
Initial key support	3665.50-3658.75	
Support	3627.25-3617.25	
Support	3606.00-3595.75	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis – Having technical difficulties this morning				
	Min	Max	Avg	Previous Day

Regular Trading Hours (RTH)			~32.55	
24-Hour Session			~40.625	
Overnight Session			~26.175	
1st Hour (RTH)			~15.05	

Previous Day Reference Areas	
Close (CME)	3685.75
Cash Close (4 PM ET close. Estimated)	3687.25
High	3694.25
Low	3625
VPOC (Estimated)	3681

Key Economic Events
GDP 8:30 AM ET
Corporate Profits 8:30 AM ET
Redbook 8:55 AM ET
Consumer Confidence 10:00 AM ET
Existing Home Sales 10:00 AM ET
Richmond Fed Manufacturing Index 10:00 AM ET