

# The Context Report <sup>BETA</sup> | January 05, 2021

## 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	3718. Bullish above. 3650.75. Bearish below.
Intermediate-term	Bullish-neutral	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> <li>- Balance overnight in yday's massive range. Buyers and sellers both active on above avg volume.</li> <li>- Will drop continue or will we see balance today and ultimately a push up?</li> <li>- Expecting rotational trading between initial key resistance and initial key support around the 3680s-3686s.</li> <li>- Be selective and since short-term is neutral, let real-time price action and underlying guide you.</li> </ul>	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> <li>- Expecting sellers at initial key resistance and good resistance first test. To break above these resistance zones, would need to see strong upside price action and/or sustained upside momentum.</li> </ul>
Downside scenario	<ul style="list-style-type: none"> <li>- Expecting buyers at initial key support first test. If selling accelerates and we see strong downside price action into support zones and/or sustained downside momentum, do not fade and instead look to get short.</li> </ul>

Key Support and Resistance Zones		
Name	Zone	Note
Resistance	3731.25	
Good resistance	3718.00-3714.50	
Initial key resistance	3709.50-3702.75	
Current price when report is being written		
Volume area	3686.00	
Volume area	3680.75	
Support	3671.25-3666.50	
Initial key support	3659.00-3650.75	
Support	3627.25-3617.25	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	15	69.25	29.1	107.5
24-Hour Session	3.5	128	42.8	120.75
Overnight Session	3.5	128	34.975	35
1st Hour (RTH)	7	45.75	16.425	33.75

Previous Day Reference Areas
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Close (CME)	3692.25
Cash Close (4 PM ET close. Estimated)	3694.75
High	3760
Low	3652.5
VPOC (Estimated)	3690

Key Economic Events	
Motor Vehicle Sales	
Redbook 8:55 AM ET	
ISM Manufacturing Index 10:00 AM ET	