

The Context Report ^{BETA} | January 08, 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	Bullish	3787. Bearish below.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
<ul style="list-style-type: none"> - Rise continued overnight as buyers pushed price to new all-time highs. - Will buyers continue to be aggressive or will we see more passive buyers today causing balance or will they be spooked and liquidate? 	
Scenarios	Details and Conditions
Upside scenario	<ul style="list-style-type: none"> - Buyers holds the 3798s zone and expecting new all-time highs. - Buyers expected at initial key support on first test. Expecting push to initial key resistance off here, but if there is a lack of momentum, the market could balance and chop between initial key support and initial key resistance. Watch for buyers unable to push above the 3803s off initial key support as that could be warning sign of a break below initial key support to come.
Downside scenario	<ul style="list-style-type: none"> - Sellers aggressive either from the open or later in the session for a push down to initial key support on strong downside price action and/or sustained downside momentum. I would expect a break below initial key support and that could trigger a liquidation break down. - If selling momentum has waned, buyers expected at the 3764s support zone first test.

Key Support and Resistance Zones		
Name	Zone	Note
Initial key resistance	3817.75-3816.00	All-time highs
Current price when report is being written		
Support	3803.25-3798.50	
Initial key support	3792.75-3787.00	
Support	3774.25-3764.00	

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	15.5	107.5	39.675	40.25
24-Hour Session	3.5	120.75	48.975	62
Overnight Session	3.5	50.5	28.275	31.25
1st Hour (RTH)	7	48.75	19.125	33.5

Previous Day Reference Areas	
Close (CME)	3795.50
Cash Close (4 PM ET close. Estimated)	3795.5
High	3804
Low	3763.75
VPOC (Estimated)	3795

Key Economic Events
Employment Situation 8:30 AM ET
Wholesale Inventories [Preliminary] 10:00 AM ET
Baker Hughes Rig Count 1:00 PM ET
Consumer Credit 3:00 PM ET