

The Context Report ^{BETA} | December 14, 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	3667. Bearish below.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trade Plan	
Context Summary	
- Breakout of balance and large gap up overnight. Makes the gap more unlikely to fill today.	
Scenarios	Details and Conditions
Upside scenario	- Buyers active at initial key support for push up to initial key resistance and balance off this zone, digesting the gap up and ultimately continuing higher. Underlying internals will be balancing, and price action will be very choppy if the market will balance off initial key resistance.
Downside scenario	- Sellers active from the open for push below initial key support to fill the gap at the 3658s. Watch for an open drive down. Will be expecting buyers at the 3653s zone for a reversal back up above initial key support. If the VPOC is pulled down below initial key support and buyers struggle with initial key support as resistance and intraday resistance, then potential to break below the 3633s to close the day in Friday's range.

Key Support and Resistance Zones		
Name	Zone	Note
Resistance	3708.00-3705.75	
Resistance	3702.50-3700.50	
Resistance	3692.00-3689.75	
Initial key resistance	3685.25-3681.00	
Current price when report is being written		
Initial key support	3673.00-3667.00	
Good support	3659.50-3653.75	
Support	3646.75-3643.75	
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	51	32.175	33.25
24-Hour Session	26.75	59.75	41.875	46.25
Overnight Session	13.75	49.25	29.3	46.25
1st Hour (RTH)	6.5	31.5	17.2	17

Previous Day Reference Areas	
Close (CME)	3661.25
Cash Close (4 PM ET close. Estimated)	3653.75
High	3657.75
Low	3624.5
VPOC (Estimated)	3653.75

Key Economic Events
