

The Context Report | July 07, 2021

Daily Context Analysis, Zones, and Strategy for the E-Mini S&P500 Futures (CME: ES and MES)

Bias / Directional Inclination / Control		
Timeframe	Bias	Line in the Sand
Short-term	Bullish-neutral	Bullish above 4348.25. Bearish below 4303.
Intermediate-term	Bullish	
Long-term	Bullish	

Context and Trading Scenarios	
Context Summary	
<ul style="list-style-type: none"> - Recovery from yday's crash continued overnight on above avg volume and range. - Buyers in control in the short-term. - Given the lack of resistance, new all-time highs are likely as relentless buying continues. 	
Scenario	Expectation
Upside scenario	- Buyers stick price to the 4342s area for an eventual push to new all-time highs.
Downside scenario	- Weak buying into initial key resistance expected to bring in sellers for push down to initial key support. Expecting buyers to be able to push off there swiftly. If sellers are strong and hold price to the zone, this area is likely to chop.

Key Support and Resistance Zones		
Name	Zone	Note
Initial key resistance	4348.25-4345.75	
Resistance	4342.00	
Current price when report is being written		
Initial key support	4334.00-4331.25	
Support	4321.00-4318.00	
Good support	4305.75-4303.00	
Support	4300.75	
Support	4294.00-4292.00	
Good support	4287.25-4284.75	
Support	4282.75-4280.50	
Support	4277.25-4275.25	
Support	4271.75-4269.25	
Good support	4265.50-4260.75	
Support	4256.00	
Good support	4251.25-4245.75	
Support	4240.75-4238.25	
Good support	4231.75-4226.25	
Support	4213.50	
Good support	4206.75-4202.00	
Good support	4187.50-4183.00	
Support	4178.00-4172.00	
Good support	4165.25-4160.25	
Support	4153.50-4147.50	
Support	4143.25-4140.25	

Good support	4123.50-4114.25	
--------------	-----------------	--

Volatility Analysis				
Minimum Stop Size			5 points	
10-Day Range Analysis				
	Min	Max	Avg	Previous Day
Regular Trading Hours (RTH)	5.25	39.75	18.12	40.50
24-Hour Session	13.00	39.75	24.93	42.75
Overnight Session	11.00	23.75	16.80	11.25
1st Hour (RTH)	2.75	13.00	8.43	21.50

Previous Day Reference Areas	
Close (CME)	4334.00
Cash Close (4 PM ET close. Estimated)	4334.75
High	4345.75
Low	4305.25
VPOC (Estimated)	4319.25

Key Economic Events
MBA Mortgage Applications 7:00 AM ET
Redbook 8:55 AM ET
JOLTS 10:00 AM ET
FOMC Minutes 2:00 PM ET