



ADM Investor
Services, Inc.



Daily Futures Market Commentary

Financial Forecast

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September 17, 2020

STOCK INDEX FUTURES

U.S. stock index futures are lower after the Federal Reserve at yesterday's policy meeting was less dovish than expected and offered no promises of new stimulus measures.

However, the central bank signaled that interest rates would stay near zero until 2023.

Jobless claims in the week ended September 12 were 860,000 when 850,000 were expected.

August housing starts were 1.416 million when 1.486 million were anticipated and permits were 1.470 million when 1.530 were estimated.

The September Philadelphia Federal Reserve manufacturing Index was 15 when 15.5 was predicted.

I expect at least a partial recover for stock index futures today.

CURRENCY FUTURES

The U.S. dollar index is only steady when it should be higher after yesterday's less dovish than expected Federal Open Market Committee meeting statement and Fed Chair Powell's press conference.

The euro zone August consumer price index was down 0.4% on the month, as anticipated.

The British pound is lower after the Bank of England left its policy unchanged but hinted it is moving toward setting negative rates. The Bank's Monetary Policy Committee kept the key rate at its current record low of 0.1%.

The Bank of Japan held its policy meeting today. The BoJ's policy board decided to maintain its target for short-term interest rates at minus 0.1% and for the 10-year Japanese government bond yield around zero. The bank reiterated that it is ready to purchase unlimited amounts of Japanese government bonds to maintain the targets.

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The Australian dollar firmed after Australian jobs data came in stronger than estimated. The actual employment change came in at up 111,000, dramatically outpacing the -50,000 estimate. The unemployment rate for August came in lower than anticipated at 6.8%, which compares to the 7.7% estimate.

INTEREST RATE MARKET FUTURES

The Federal Reserve voted to keep interest rates near zero on Wednesday and promised to keep them there until inflation is on track to “moderately exceed” the U.S. central bank’s 2.0% inflation target “for some time.”

Interest rate market futures at the short end of the curve are likely to be supported by ideas that major central banks, including the Federal Reserve, will keep short term interest rates low for an extended period. Some analysts believe it will be several years before the Federal Reserve will be in a position to hike its fed funds rate.

However, futures at the long end of the curve, especially the 30-year Treasury bond futures may be undermined by the inflationary aspects of the Federal Reserve’s “average inflation targeting” policy.

SUPPORT & RESISTANCE

December 20 S&P 500

Support 3302.00 Resistance 3386.00

December 20 U.S. Dollar Index

Support 93.050 Resistance 93.660

December 20 Euro Currency

Support 1.17550 Resistance 1.18500

December 20 Japanese Yen

Support .95110 Resistance .95850

December 20 Canadian Dollar

Support .75470 Resistance .76000

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December 20 Australian Dollar

Support .7250 Resistance .7325

December 20 Thirty-Year Treasury Bonds

Support 176^0 Resistance 177^15

December 20 Gold

Support 1936.0 Resistance 1972.0

December 20 Copper

Support 3.0100 Resistance 3.0800

November 20 Crude Oil

Support 39.55 Resistance 40.77

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