



ADM Investor  
Services, Inc.



## Daily Futures Market Commentary

## Financial Forecast

**Alan Bush**

**September 23, 2020**

### **STOCK INDEX FUTURES**

Some of the gains yesterday in stock index futures were linked to news that U.S. home sales surged to their highest level in almost 14 years in August, as the housing market continued to outperform the broader economy. The National Association of Realtors said on Tuesday that existing home sales increased 2.4% to a seasonally adjusted annual rate of 6 million units last month, which is the highest level since December 2006.

U.S. stock index futures are higher for a second day today, as investors await economic data and a second day of congressional testimony by Federal Reserve Chairman Jerome Powell at 9:00 central time.

Mortgage applications to purchase a home increased 3.0% for the week and were 25% higher from a year ago.

The 8:45 central time September PMI composite index is expected to be 54.5.

### **CURRENCY FUTURES**

The U.S. dollar is higher, and the euro currency is lower. Some of the strength in the greenback is by default as several recent economic reports in Europe have come in on the weak side.

The euro currency came under pressure on news that the euro zone September composite PMI flash was 50.1 when 51.6 was forecast.

German consumer sentiment is likely to stabilize in October, following a downturn in the previous month, according to market-research group GfK.

### **INTEREST RATE MARKET FUTURES**

Futures are steady at the front of the yield curve and are lower at the long end of the curve despite comments from the Fed's Clarida when he said the Fed expects to keep rates lower for longer.

**ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai**

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT Archer Daniels Midland Company. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by the Archer Daniels Midland Company. Copyright © ADM Investor Services, Inc.



## Daily Futures Market Commentary

### Financial Forecast

The Treasury will auction five-year notes today.

In addition to Federal Reserve Chair Powell, other Federal Reserve speakers today are Charles Evans at 10:00, Eric Rosengren at 11:00, Raphael Bostic at 12:00, Neel Kashkari at 12:00 and Mary Daly at 2:00.

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. Many analysts believe it will be several years, possibly not until 2023, 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.

Financial futures markets are predicting there is almost a 100% probability that the Federal Open Market Committee will keep its fed funds rate unchanged at the November 4-5 policy meeting.

### SUPPORT & RESISTANCE

#### December 20 S&P 500

Support 3287.00    Resistance 3326.00

#### December 20 U.S. Dollar Index

Support 93.490    Resistance 94.350

#### December 20 Euro Currency

Support 1.16860    Resistance 1.17450

#### December 20 Japanese Yen

Support .95050    Resistance .95480

#### December 20 Canadian Dollar

Support .74840    Resistance .75330

#### December 20 Australian Dollar

**ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai**

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT Archer Daniels Midland Company. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by the Archer Daniels Midland Company. Copyright © ADM Investor Services, Inc.



ADM Investor  
Services, Inc.



## Financial Forecast

Support .7100      Resistance .7186

### **December 20 Thirty-Year Treasury Bonds**

Support 176^0      Resistance 177^0

### **December 20 Gold**

Support 1873.0      Resistance 1913.0

### **December 20 Copper**

Support 2.9900      Resistance 3.0750

### **November 20 Crude Oil**

Support 39.12      Resistance 40.55

**ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai**

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT Archer Daniels Midland Company. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by the Archer Daniels Midland Company. Copyright © ADM Investor Services, Inc.