



ADM Investor
Services, Inc.



Daily Futures Market Commentary

Financial Forecast

Alan Bush

January 4, 2021

STOCK INDEX FUTURES

S&P 500, NASDAQ and Dow stock index futures advanced to record highs.

Futures advanced on the first day of trading in 2021, continuing last year's rally, due to prospects for continued fiscal stimulus, a large number of merger announcements and vaccine rollouts, which increased investor optimism.

The 8:45 central time U.S. December PMI manufacturing final is expected to be 56.6 and the 9:00 November construction spending report is anticipated to show an increase of 1.0%.

Recent positive technical action suggests follow-through gains are likely for stock index futures.

CURRENCY FUTURES

The U.S. dollar index continues to face heavy selling pressure in the first trading day of 2021. In 2020 the greenback lost approximately 7.0%.

Longer term, the U.S. dollar is likely to trend lower due to expectations for an extended period of low interest rates and concerns over rising U.S. levels of debt.

The euro currency is higher despite news that the euro zone December manufacturing PMI was 55.2 when 55.5 was predicted.

Interest rate differential expectations suggest higher prices for the euro longer term.

The Japanese yen hit a 10-month high.

The Australian dollar is close to a 32-month high and the Canadian dollar hit its highest level since May 2018 against the U.S. dollar.

INTEREST RATE MARKET FUTURES

Futures are steady at the front of the curve and are lower at the long end of the curve.

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.



Financial Forecast

Federal Reserve speakers today are Charles Evans at 9:00, Raphael Bostic at 9:00, Loretta Mester at 11:15 and also at 6:00 p.m.

Financial futures markets are predicting there is a 95.2% probability that the Federal Open Market Committee will keep its key fed funds rate unchanged at 0 to 25 basis points at its January 27, 2021 policy meeting.

In the months ahead the yield curve is likely to steepen, which would put pressure on futures at the long end of the curve, especially the 30-year Treasury bond futures, while futures at the short end of the curve are likely to hold steady.

SUPPORT & RESISTANCE

March 21 S&P 500

Support 3735.00 Resistance 3780.00

March 21 U.S. Dollar Index

Support 89.350 Resistance 89.900

March 21 Euro Currency

Support 1.22460 Resistance 1.23340

March 21 Japanese Yen

Support .96820 Resistance .97500

March 21 Canadian Dollar

Support .78470 Resistance .79050

March 21 Australian Dollar

Support .76800 Resistance .77500

March 21 Thirty-Year Treasury Bonds

Support 172^0 Resistance 173^4

February 21 Gold

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.



Daily Futures Market Commentary

Financial Forecast

Support 1955.0 Resistance 1904.0

March 21 Copper

Support 3.5200 Resistance 3.6150

February 21 Crude Oil

Support 48.00 Resistance 50.13

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.