



ADM Investor
Services, Inc.



Daily Futures Market Commentary

Financial Forecast

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January 20, 2021

STOCK INDEX FUTURES

U.S. stock index futures are higher ahead of a heavy slate of corporate earnings reports.

The 9:00 central time January housing market index is expected to be 86.

Futures are performing well for the news, which suggests higher prices.

CURRENCY FUTURES

Interest rate differential expectations suggest lower prices for the U.S. dollar and higher prices for the euro currency longer term.

The British pound appreciated after economic data showed the U.K. inflation rate increased more than expected in December. The inflation rate edged up to 0.6% in December from 0.3% in November and was slightly above market forecasts of 0.5%.

The Bank of Japan began a two-day policy meeting today. It is widely anticipated that monetary easing will be maintained. Tomorrow the BOJ will announce its quarterly economic outlook report, along with its assessment on the current state of the economy.

The Australian dollar is higher despite news that consumer sentiment in Australia fell 4.5% on a month-to-month basis in January.

INTEREST RATE MARKET FUTURES

The Treasury will auction 20-year bonds.

In light of a likely unchanged fed funds target rate from the Fed at its January 27 policy meeting and its pledge not to hike its fed funds rate until possibly 2023, futures at the short end of the curve are likely to hold steady.

However, the fundamentals at the long end of the curve have changed. Since last August, the fundamentals on balance have been bearish for the 30-year Treasury bond futures and new

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lows for the move were made last week. The fundamentals have now turned mixed, and I am no longer advocating trading the 30-year Treasury bond futures from the short side.

SUPPORT & RESISTANCE

March 21 S&P 500

Support 3784.00 Resistance 3820.00

March 21 U.S. Dollar Index

Support 90.200 Resistance 90.630

March 21 Euro Currency

Support 1.21060 Resistance 1.21800

March 21 Japanese Yen

Support .96200 Resistance .96530

March 21 Canadian Dollar

Support .78450 Resistance .78900

March 21 Australian Dollar

Support .76930 Resistance .77520

March 21 Thirty-Year Treasury Bonds

Support 168^20 Resistance 169^8

February 21 Gold

Support 1829.0 Resistance 1866.0

March 21 Copper

Support 3.6150 Resistance 3.6700

March 21 Crude Oil

Support 53.00 Resistance 53.95

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