



ADM Investor  
Services, Inc.

## Daily Futures Market Commentary Financial Forecast

**by Alan Bush, Senior Financial Economist**

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### **STOCK INDEX FUTURES**

S&P 500 futures advanced to a new historical high on Friday and Dow futures reached a record high today even after a big miss on the April jobs report on Friday.

The weak employment picture made traders believe that easy monetary policies will remain for longer. The Labor Department said nonfarm payrolls increased by only 266,000 in April, which is far less than the 1 million economists were expecting, making it the biggest miss on record. Meanwhile, March's originally estimated total of 916,000 was revised down to 770,000. The unemployment rate rose to 6.1% last month when 5.8% was anticipated.

Most economists were at a loss to explain the weak employment numbers.

Recent strength in futures is linked to comments from Federal Reserve officials reiterating pledges to refrain from tightening monetary policy until the labor market has recovered.

The technical picture remains supportive for stock index futures.

### **CURRENCY FUTURES**

The U.S. dollar index declined to a 2-1/2 month low today as a weak U.S. employment report spurred investors to unwind long positions in the greenback.

Even before the big payrolls miss, Federal Reserve Chair Jerome Powell had argued the U.S. labor market is far short of where it needs to be to start talking of tapering asset purchases, and that a near-term spike in inflation will be transitory.

The British pound is higher on news that the Halifax house price index in the U.K. increased 8.2% from a year earlier in April 2021 and the most since April 2016.

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Commodity-linked currencies, including the Canadian dollar, Australian dollar and New Zealand dollar gained as oil and metal prices increased.

In addition, there was support for the Australian dollar on news that Australian business conditions improved to a new record high in April, according to a monthly survey by National Australia Bank. The business conditions index was 32 in April, which is up from 24 points in March. Business confidence also set a new survey high of 26 index points in April, which is up from 17 in March.

### **INTEREST RATE MARKET FUTURES**

Charles Evans of the Federal Reserve will speak at 1:00 central time.

In my minority view, I am seeing indications that the global economy will continue to improve, but growth may not be as strong as many analysts are predicting.

### **GOLD AND SILVER FUTURES**

The double top in June gold futures at 1799.5 on the daily chart was taken out last Thursday with follow-through gains.

Most major central banks will probably keep their accommodation for longer, which remains a bullish influence on the precious metals.

### **SUPPORT & RESISTANCE**

#### **June 21 S&P 500**

Support 4220.00      Resistance 4242.00

#### **June 21 U.S. Dollar Index**

Support 90.000      Resistance 90.350

#### **June 21 Euro Currency**

Support 1.21400      Resistance 1.21920

#### **June 21 Japanese Yen**

Support .91660      Resistance .92260

#### **June 21 Canadian Dollar**

Support .82400      Resistance .82750

#### **June 21 Australian Dollar**

Support .78340      Resistance .79000

#### **June 21 Thirty-Year Treasury Bonds**

Support 157<sup>^</sup>16      Resistance 158<sup>^</sup>12

#### **June 21 Gold**

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Support 1828.0      Resistance 1850.0

**July 21 Copper**

Support 4.7500      Resistance 4.8950

**June 21 Crude Oil**

Support 65.00      Resistance 65.95

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