ADM Investor Services, Inc.

Daily Futures Market Commentary
Financial Forecast

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STOCK INDEX FUTURES

Stock index futures were higher yesterday with S&P 500 and NASDAQ futures advancing to record highs after the release of the minutes from the Federal Reserve's June policy meeting.

Traders have been encouraged by the Federal Reserve, which said it doesn't plan to pull back on supportive policies in the near term.

However, futures are sharply lower today due to worries over global economic growth.

Jobless claims in the week ended July 3 were 373,000 when 353,000 were expected.

The 2:00 May consumer credit report is anticipated to show an $18.0 billion increase.

Stock index futures have shown a tendency in recent months to recover from bearish news.

CURRENCY FUTURES

The European Central Bank announced a new monetary policy strategy today in its first strategy review since 2003.

The ECB indicated it could allow inflation to overshoot when it formally stated that its mission to keep inflation at 2.0% in the euro zone should be understood as a "symmetric" goal over the medium term. This suggests that it could let prices rise more than the target if they have undershot for some time.

INTEREST RATE MARKET FUTURES

The Federal Reserve's minutes from its June meeting, released Wednesday afternoon, showed policy makers debated how and when to begin pulling back their support for the economy. The minutes reflected the growing division about the timing of interest rate increases and tapering back asset purchases.

Futures are higher today reflecting investors' anxiety, as concerns over the strength of the economic recovery picked up and inflation fears ebbed.

The yield on the 10-year Treasury notes declined to its lowest since February amid mounting concerns over a slowdown in U.S. and global growth and expectations the Fed will not tighten monetary policy soon.

The U.S. Treasury yield curve has been flattening since May with shorter-dated yields increasing to reflect higher rate expectations, while longer-dated yields fell because higher interest rates in the near term would likely mean a slower rate of growth in the future.

The interest rate futures markets have been telegraphing for several months clues about the state of the global economy.

A flattening yield curve suggests the **rate** of inflation has already peaked and the **rate** of growth in the global economy may be slowing.

SUPPORT & RESISTANCE

September 21 S&P 500

Support 4270.00 Resistance 4352.25

September 21 U.S. Dollar Index

Support 92.280 Resistance 92.820

September 21 Euro Currency

Support 1.17940 Resistance 1.18840

September 21 Japanese Yen

Support .90350 Resistance .91340

September 21 Canadian Dollar

Support .79360 Resistance .80200

September 21 Australian Dollar

Support .74150 Resistance .74950

September 21 Thirty-Year Treasury Bonds

Support 163^8 Resistance 165^12

August 21 Gold

Support 1794.0 Resistance 1826.0

September 21 Copper

Support 4.2300 Resistance 4.3300

September 21 Crude Oil

Support 70.00 Resistance 71.70