



ADM Investor
Services, Inc.



Daily Futures Market Commentary

Financial Forecast

Alan Bush

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STOCK INDEX FUTURES

U.S. stock index futures advanced with S&P 500 and NASDAQ futures reaching record highs.

Investors are looking ahead to assess the timing and size of the next round of U.S. stimulus spending packages. Treasury Secretary Steven Mnuchin yesterday urged Congress to appropriate more money to support the economy.

Private sector employment increased by 428,000 jobs from July to August according to the August ADP National Employment Report. The median estimate called for a gain of 900,000.

The 9:00 central time July factory orders report is expected to show an increase of 6%.

At 1:00 central time the Federal Open Market Committee will release its “Beige Book” on the economy. This book is produced approximately two weeks before the monetary policy meetings of the Federal Open Market Committee.

U.S. stock index futures continue to have upside momentum.

CURRENCY FUTURES

The U.S. dollar recovered yesterday from a two-year low and is higher today.

Much of the recent weakness in the greenback can be linked to the more accommodative Federal Reserve policies. The Fed’s now formalized “average inflation targeting,” suggests the U.S. central bank will remain accommodative for longer.

The U.S. dollar will likely trend lower on the Fed's new strategy.

The euro currency declined after the European Central Bank's chief economist Philip Lane said the euro's gains would influence policy makers' forecasts for the region's growth prospects and have an impact on monetary policy decisions.

Some analysts believe the ECB will attempt to limit the strength of the euro.

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The Australian dollar declined after a report showed Australia's economy fell into its first recession in 29 years in the second quarter.

The economy contracted by a record 7% from the previous quarter, adding to the 0.3% decline in national output in the first quarter.

INTEREST RATE MARKET FUTURES

Tom Barkin, president of the Federal Reserve Bank of Richmond, said The Federal Reserve will need to continue providing significant and sustained support to the economy.

Federal Reserve speakers today are John Williams at 9:00, Loretta Mester at 11:00, Neel Kashkari at 2:00 and Mary Daly at 5:00.

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.

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.

The next Federal Open Market Committee meeting is scheduled for September 16. Financial futures markets are predicting there is an 88% probability that the FOMC will maintain its fed funds target rate at zero to 25 basis points.

SUPPORT & RESISTANCE

September 20 S&P 500

Support 3524.00 Resistance 3562.00

September 20 U.S. Dollar Index

Support 92.180 Resistance 92.740

September 20 Euro Currency

Support 1.18440 Resistance 1.19350

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September 20 Japanese Yen

Support .94030 Resistance .94540

September 20 Canadian Dollar

Support .76390 Resistance .76700

September 20 Australian Dollar

Support .7323 Resistance .7388

September 20 Thirty-Year Treasury Bonds

Support 177^8 Resistance 178^8

December 20 Gold

Support 1957.0 Resistance 1990.0

December 20 Copper

Support 3.0000 Resistance 3.0400

October 20 Crude Oil

Support 42.66 Resistance 43.34

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