



ADM Investor
Services, Inc.



Daily Futures Market Commentary

Financial Forecast

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STOCK INDEX FUTURES

U.S. stock index futures are higher due to upbeat earnings reports, along with merger and acquisition activity. Gains were limited by diminishing hopes for a new stimulus bill before the presidential election.

September durable goods orders increased 1.9% when a gain of 0.4% was expected.

The 9:00 central time October consumer confidence index is anticipated to be 102.0 and the 9:00 October Richmond Federal Reserve manufacturing index is predicted to be 18.

Third quarter corporate earnings reports have been mostly stronger than estimated.

Approximately a third of the companies in the S&P 500 will report quarterly results this week.

CURRENCY FUTURES

The U.S. dollar is lower, as interest rate differential expectations remain bearish on balance. Lower prices are likely for the greenback longer term.

The euro currency is higher after a report showed the euro zone July-September three-month average M3 money supply increased +10.0% when +9.7% growth was forecast.

Higher prices are likely for the euro longer term.

The British pound is higher despite news that, according to the Confederation of British Industry's latest Distributive Trades Survey, the retail sales balance in October fell to -23 from +11 in September and missed the estimate of +1. This was also the lowest point since June.

INTEREST RATE MARKET FUTURES

The Treasury will auction two-year notes today.

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

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extended period. Many analysts believe it will be several years, possibly in 2023, before the Federal Reserve will be in a position to hike its fed funds rate.

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.

Rallies in the 30-year Treasury bond futures should be viewed as selling opportunities.

Financial futures markets are predicting there is a 98.8% probability that the Federal Open Market Committee will keep its fed funds rate unchanged at the November 4-5 policy meeting.

SUPPORT & RESISTANCE

December 20 S&P 500

Support 3385.00 Resistance 3415.00

December 20 U.S. Dollar Index

Support 92.780 Resistance 93.150

December 20 Euro Currency

Support 1.18030 Resistance 1.18570

December 20 Japanese Yen

Support .95340 Resistance .95700

December 20 Canadian Dollar

Support .75670 Resistance .76120

December 20 Australian Dollar

Support .7111 Resistance .7150

December 20 Thirty-Year Treasury Bonds

Support 173[^]16 Resistance 174[^]4

December 20 Gold

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Support 1895.00 Resistance 1917.0

December 20 Copper

Support 3.0750 Resistance 3.1250

December 20 Crude Oil

Support 38.34 Resistance 39.55

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