



ADM Investor
Services, Inc.



Daily Futures Market Commentary

Financial Forecast

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STOCK INDEX FUTURES

Global stock markets sold off in recent days due to reduced confidence in the global economic recovery.

The U.S. third quarter gross domestic product increased 33.1% when an increase of 30.9% was expected and personal consumption expenditures advanced 40.7% when a gain of 38.9% was anticipated.

Jobless claims in the week ended October 24 were 751,000 when 758,000 were estimated.

The 9:00 central time September home sales index is predicted to show a 3.5% increase.

Increased volatility, in light of the uncertainties of the U.S. November election, is a good reason to reduce trading size or stand aside.

CURRENCY FUTURES

The U.S. dollar extended its gains in a flight to quality move due to concerns about the global economic recovery and rising stock market volatility.

The European Central Bank at its policy meeting today decided to keep its rates and wider monetary policy unchanged, as expected.

The euro is lower despite news that German jobless claims fell again in October, dropping much more than analysts had expected. Jobless claims declined by 35,000 in October after falling by a revised 10,000 in September. Economists had forecast a decrease of 5,000. The adjusted unemployment rate fell to 6.2% from 6.3% in September, which is below the 6.3% forecast by economists.

The Bank of Japan kept its monetary policy unchanged and maintained its view that the Japanese economy is gradually recovering. The BoJ maintained its target for short-term interest rates at minus 0.1% and its target for the 10-year Japanese government bond yield at around zero.

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In addition, the central bank kept its annual target for purchases of stock exchange-traded funds at 12 trillion yen (\$115.04 billion) and kept the limit for commercial paper and corporate bond purchases at Y20 trillion.

Yesterday, the Bank of Canada at its policy meeting left its benchmark interest rate unchanged at the effective lower bound of 0.25%, as widely expected.

INTEREST RATE MARKET FUTURES

Safe-haven buying is coming into the interest rate futures markets in light of concerns over the state of the global economy and the uncertainties surrounding the U.S. November elections.

However, futures are off of the highs after the stronger than expected gross domestic product and jobless claims reports were released.

The Treasury will auction seven-year notes today.

Financial futures markets are predicting there is a 97.7% probability that the Federal Open Market Committee will keep its fed funds rate unchanged at the November 4-5 policy meeting.

Political markets are the most difficult to trade, which is a reason to reduce trading size.

SUPPORT & RESISTANCE

December 20 S&P 500

Support 3252.00 Resistance 3313.00

December 20 U.S. Dollar Index

Support 93.300 Resistance 93.900

December 20 Euro Currency

Support 1.17000 Resistance 1.17770

December 20 Japanese Yen

Support .95660 Resistance .96210

December 20 Canadian Dollar

Support .74660 Resistance .75400

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December 20 Australian Dollar

Support .7010 Resistance .7085

December 20 Thirty-Year Treasury Bonds

Support 173^20 Resistance 174^10

December 20 Gold

Support 1855.0 Resistance 1888.0

December 20 Copper

Support 3.0400 Resistance 3.1000

December 20 Crude Oil

Support 34.88 Resistance 37.85

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