



ADM Investor  
Services, Inc.

## Daily Futures Market Commentary Financial Forecast

**by Alan Bush, Senior Financial Economist**

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### **STOCK INDEX FUTURES**

Major U.S. stock index futures remain near record highs ahead of the Federal Reserve announcement.

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

Mortgage applications in the U.S. were up 5.7% in the latest week, rebounding from the 4.0% drop as mortgage rates fell. Applications to refinance a home loan increased 9.3% while those to purchase a home declined 1.6%.

The fundamentals and technical aspects remain positive for U.S. stock index futures.

### **CURRENCY FUTURES**

The U.S. dollar index is higher as demand for safe-haven assets remains strong.

In the weeks ahead it is likely that the flight to quality influence that the greenback has enjoyed recently will dominate over other market influences.

The GfK Consumer Climate Indicator for Germany was unchanged at -0.3 heading into August, remaining at one-year high but well below market forecasts of 1.0.

Annual house price growth in the U.K. eased to 10.5% in July from a 17-year high of 13.4% in the previous month. Figures compare with market forecasts of 12.1% growth.

The annual inflation rate in Australia increased to 3.8% in Q2 2021 from 1.1% in Q1 and matching the market consensus. This was the highest reading since Q3 2008.

### **INTEREST RATE MARKET FUTURES**

The Federal Open Market Committee concludes its two-day policy meeting today.

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The Fed will release its policy statement at 1:00 p.m. central time. Most of the focus is likely to center on Chairman Jerome Powell's news conference at 1:30 p.m., including any comments he makes about the Fed's stance toward tapering its \$120 billion a month in asset purchases.

The Federal Reserve is expected to keep the fed funds rate at 0-0.25% and bond-buying at the current \$120 billion monthly pace. The central bank at the end of last year said it would continue to buy \$120 billion in Treasuries and mortgage-backed securities monthly until officials believe they have achieved "substantial further progress" toward their goals of low unemployment and inflation reaching their 2.0% goal.

Any surprises are likely to be on the dovish side.

### **SUPPORT & RESISTANCE**

#### **September 21 S&P 500**

Support 4377.00      Resistance 4421.0

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

Support 92.380      Resistance 92.740

#### **September 21 Euro Currency**

Support 1.18000      Resistance 1.18500

#### **September 21 Japanese Yen**

Support .90740      Resistance .91200

#### **September 21 Canadian Dollar**

Support .79280      Resistance .79700

#### **September 21 Australian Dollar**

Support .73280      Resistance .73840

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

Support 164^2      Resistance 165^4

#### **August 21 Gold**

Support 1790.0      Resistance 1812.0

#### **September 21 Copper**

Support 4.5100      Resistance 4.5900

#### **September 21 Crude Oil**

Support 71.55      Resistance 72.88

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