



ADM Investor  
Services, Inc.

## Daily Futures Market Commentary Financial Forecast

**by Alan Bush, Senior Financial Economist**

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### **STOCK INDEX FUTURES**

Stock index futures are lower as investors remain concerned about rising inflation and higher taxes.

Mortgage applications in the week ended May 7 were up 2.1%, according to the Mortgage Bankers Association and applications to refinance a home loan rose 2.9%.

The April consumer price index increased 0.8% when a gain of 0.2% was expected.

The May Atlanta Federal Reserve's business inflation expectations survey will be released at 9:45 central time. The April report showed 2.5% inflation.

Stock index futures are likely to at least partially recover today from the lows that were made soon after the consumer price index was released.

### **CURRENCY FUTURES**

The U.S. dollar index firmed from the 2-1/2 month low that was made yesterday. Futures advanced when the larger than estimated consumer price index was reported.

I anticipate much of the gains in the greenback will be given back later today.

The euro currency is lower after a report showed euro zone industrial production increased less than expected coming in up 0.1% from a month earlier in March but missing market expectations of a 0.7% growth.

The European Commission revised upwards its GDP forecasts for 2021 and 2022. The euro zone is seen expanding by 4.3% this year and 4.4% in 2022, compared with the February estimates of 3.8% growth in both years.

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Consumer prices rose 2.0% on the year, as measured by national standards, and in line with the forecasts of economists. Prices rose 2.1% on the year by European Union-harmonized standards, also in line with forecasts. The inflation rate increased for the fourth consecutive month after the end of the temporary reduction of the value-added tax rate.

The Australian dollar is lower despite news that building permits increased 17.4% month-to-month to the second-highest on record of 23,176 units in March.

### **INTEREST RATE MARKET FUTURES**

Futures declined when the larger than estimated consumer price index was reported.

Federal Reserve speakers today are Richard Clarida at 8:00 Raphael Bostic at 12:00 and Patrick Harker at 12:30.

The Treasury will auction 10-year notes today.

In my minority view, I am seeing indications that the global economy will continue to improve, but growth may not be as strong as many analysts are predicting.

### **GOLD AND SILVER FUTURES**

Most major central banks will probably keep their accommodation for longer, which remains a bullish longer term influence on the precious metals.

### **SUPPORT & RESISTANCE**

#### **June 21 S&P 500**

Support 4093.00      Resistance 4155.00

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

Support 90.120      Resistance 90.670

#### **June 21 Euro Currency**

Support 1.20750      Resistance 1.21680

#### **June 21 Japanese Yen**

Support .91550      Resistance .92150

#### **June 21 Canadian Dollar**

Support .82420      Resistance .82960

#### **June 21 Australian Dollar**

Support .77520      Resistance .78500

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

Support 156^18      Resistance 157^12

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**June 21 Gold**

Support 1818.0      Resistance 1855.0

**July 21 Copper**

Support 4.7200      Resistance 4.8350

**June 21 Crude Oil**

Support 64.93      Resistance 66.50

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