



ADM Investor  
Services, Inc.

## Daily Futures Market Commentary Financial Forecast

**by Alan Bush, Senior Financial Economist**

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### STOCK INDEX FUTURES

U.S. stock index futures are higher despite the weaker than expected housing and building permits numbers.

Housing starts in April were 1.569 million when 1.705 million were expected and building permits were 1.760 million, which compared to the anticipated 1.780 million.

Stock index futures are performing well on the news.

### CURRENCY FUTURES

The U.S. dollar index has underperformed recently, ignoring last week's bullish larger than expected increases in consumer price and producer price indexes. Some of the underperformance in the greenback can be explained by Federal Reserve officials persistently downplaying inflation risks, saying they are transitory.

The dollar index retreated further to below 90.000 to the lowest since February 26.

The euro currency continues to advance despite news that the euro zone economy shrank at the beginning of 2021 for the second consecutive quarter, entering its second technical recession in a year.

Gross domestic product fell by 0.6% over the previous quarter in the first quarter in the 19 countries that use the euro as their currency, confirming its first estimate for the period. This is in line with what economists had estimated.

On a year-on-year basis, the economy shrank by 1.8%, which is also in line with the first estimate and with economists' forecasts.

The British pound is higher on news that the unemployment rate in the U.K. edged down to 4.8% in the three months to March, which is lower than market forecasts of 4.9%

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The Japanese economy shrank 1.3% on the quarter in the first quarter compared with market estimates of a 1.2% decline and after 2.8% growth in the previous period.

The Australian dollar advanced after news that Australian consumer confidence increased 0.8% last week.

### **INTEREST RATE MARKET FUTURES**

Dallas Federal Reserve President Robert Kaplan reiterated yesterday that he does not expect interest rates to increase until next year, but argued it would be "healthy" to start discussing the timing of a stimulus taper.

Federal Reserve speakers today are Raphael Bostic at 10:00, Robert Kaplan at 10:05 and Raphael Bostic at 11:30.

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**

Futures are higher with gold trading at its highest level since February 2. Gold and silver futures continue to be supported by weakness in the U.S. dollar.

In addition, 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 4152.00      Resistance 4182.00

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

Support 89.580      Resistance 90.210

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

Support 1.21550      Resistance 1.22520

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

Support .91480      Resistance .92000

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

Support .82800      Resistance .83300

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

Support .77620      Resistance .78210

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

Support 156<sup>14</sup>      Resistance 157<sup>12</sup>

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**June 21 Gold**

Support 1863.0      Resistance 1883.0

**July 21 Copper**

Support 4.7100      Resistance 4.7900

**June 21 Crude Oil**

Support 65.90      Resistance 67.13

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