



ADM Investor
Services, Inc.

Daily Futures Market Commentary Financial Forecast

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STOCK INDEX FUTURES

Stock index futures are higher today despite Wednesday's hawkish Federal Open Market Committee surprise.

The FOMC raised its inflation expectations and moved up the time frame on when it will hike interest rates. The FOMC indicated that rate hikes could come as soon as 2023, after signaling in March that it saw no increases until at least 2024.

The May Chicago Federal Reserve's national activity Index was 0.29 when 0.50 was expected.

The fundamentals remain bullish on balance for stock index futures despite the Federal Reserve's tilt to the hawkish side.

The NASDAQ is likely to be the leader on the upside.

CURRENCY FUTURES

Flash PMI surveys for the U.S., U.K., euro zone, Japan and Australia are due this week. I anticipate that on balance these PMI numbers will come in mostly weaker than analysts' expectations.

The U.S. dollar index is lower giving back some of the gains that were made last week when Federal Reserve officials signaled their intention to raise interest rates sooner than previously forecast.

Australian retail turnover increased 0.1% in May from April, according to the Australian Bureau of Statistics.

INTEREST RATE MARKET FUTURES

The 30-year Treasury bonds futures hit their highest level today in four months despite the hawkish Federal Reserve last week.

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This week the Treasury will offer \$60 billion in 2-year notes, \$61 billion in 5-year notes and \$62 billion in 7-year notes.

The Treasury yield curve has flattened with shorter-dated yields increasing to reflect higher rate expectations, while longer-dated yields fell because higher interest rates in the near term would likely mean a slower rate of growth in the future. The largest moves have been in the difference between 2-year yields and 30-year yields since last Wednesday.

A flattening yield curve suggests the **rate** of inflation has already peaked.

GOLD AND SILVER

Now that the hawkish FOMC statement is out of the way, which prompted sizable liquidation last week, it is likely that there will be recovery.

SUPPORT & RESISTANCE

September 21 S&P 500

Support 4123.00 Resistance 4188.00

September 21 U.S. Dollar Index

Support 91.950 Resistance 92.380

September 21 Euro Currency

Support 1.18630 Resistance 1.19280

September 21 Japanese Yen

Support .90720 Resistance .91280

September 21 Canadian Dollar

Support .80000 Resistance .80700

September 21 Australian Dollar

Support .74730 Resistance .75300

September 21 Thirty-Year Treasury Bonds

Support 160¹² Resistance 163⁴

August 21 Gold

Support 1762.0 Resistance 1790.0

September 21 Copper

Support 4.0800 Resistance 4.1800

September 21 Crude Oil

Support 69.70 Resistance 71.34

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