



ADM Investor  
Services, Inc.

## Daily Futures Market Commentary Financial Forecast

**by Alan Bush, Senior Financial Economist**

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### STOCK INDEX FUTURES

Futures are higher despite the larger than, and bearish, producer price index report.

Federal Reserve Chairman Jerome Powell is set to begin two days of testimony on Capitol Hill, where he will deliver his semiannual report on the state of the economy to Congress.

Mr. Powell's testimony will begin at 11:00 central time.

Mortgage applications increased 16% the week ended July 9. Applications to refinance a home loan were up 20.4% and those to purchase a home increased 8.3%.

The June PPI final index increased 1.0% when up 0.6% was anticipated.

The Atlanta Fed's business inflation expectations survey for July will be released at 9:00. In June the figure was 3.0%.

It is a sign of strength for stock index futures to be so strong after a bearish PPI report.

### CURRENCY FUTURES

The U.S. dollar index is lower despite the bullish PPI report, which is a sign of weakness.

Industrial production in the euro area fell 1.0% month-to-month in May, which is the first drop in three months and much worse than market forecasts of a 0.2% decline.

The annual inflation rate in the U.K. increased to 2.5% in June from 2.1% in May, which is above market forecasts of 2.2%. This is the highest inflation rate since August of 2018.

### INTEREST RATE MARKET FUTURES

At 1:00 the Federal Open Market committee will release its "Beige Book" on the economy. This book is produced approximately two weeks before the monetary policy meetings of the Federal Open Market Committee. On each occasion, a different Federal Reserve district bank compiles anecdotal evidence on economic conditions from each of the 12 Federal Reserve districts.

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In addition to Fed Chair Powell, Neel Kashkari of the Federal Reserve will speak at 12:30.

It is a sign of strength for futures, especially the 30-year Treasury bond futures, to be so strong after a bearish PPI report.

### **SUPPORT & RESISTANCE**

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

Support 4349.00      Resistance 4388.0

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

Support 92.300      Resistance 92.850

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

Support 1.17800      Resistance 1.18500

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

Support .90340      Resistance .90940

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

Support .79800      Resistance .80400

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

Support .74300      Resistance .74940

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

Support 161<sup>^4</sup>      Resistance 162<sup>^16</sup>

#### **August 21 Gold**

Support 1802.0      Resistance 1838.0

#### **September 21 Copper**

Support 4.2600      Resistance 4.3150

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

Support 73.40      Resistance 75.00

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