



ADM Investor  
Services, Inc.

## Daily Futures Market Commentary Financial Forecast

**by Alan Bush, Senior Financial Economist**

July 29, 2021

### **STOCK INDEX FUTURES**

Major U.S. stock index futures remain near record highs.

There were no surprises in yesterday's Federal Open Market Committee meeting statement.

However, Federal Reserve Chair Jerome Powell's press conference was considered to be dovish, when he offered no timeline as to when the FOMC would taper its asset-purchase program.

The FOMC held policy steady, keeping its 0% to 0.25% federal funds target range and maintaining its \$120 billion monthly securities purchase plan.

The Fed said in a statement that the economy has made progress toward its employment and inflation goals, and the central bank would continue to assess its stimulus programs in the coming months.

Corporate earnings have been strong. Of the 195 companies in the S&P 500 that have reported so far, 91% of them beat analysts' expectations, which is the highest level on record, according to Refinitiv.

The U.S. gross domestic product in the second quarter increased 6.5%, which compares to the expected increase of 8.0%.

Jobless claims in the week ended July 24 were 400,000 when 390,000 were anticipated.

The 9:00 June pending home sales index is estimated to be down 0.8%.

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

### **CURRENCY FUTURES**

The U.S. dollar index declined on Wednesday after the FOMC said the economic recovery is on track but did not set a timeline for tapering asset-purchases.

**ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai**

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

Now that the FOMC meeting and the dovish Powell press conference are out of the way, the U.S. dollar is likely trade higher, as demand for safe-haven assets remains strong.

Germany's consumer price inflation rate is expected to increase to 3.8% year-on-year in July of 2021, which is the highest since December 1993 and above market expectations of 3.3%.

The seasonally adjusted number of unemployed people in Germany fell 91,000 to 2.598 million in July of 2021, which is the third consecutive month of falling unemployment and compared to market forecasts of a 28,000 drop. The jobless rate dropped to 5.7% from 5.9%, which is below forecasts of 5.8%

Mortgage borrowing in the U.K. hit an all-time high of GBP 17.9 billion in June 2021, which surpassed market expectations of GBP 7.9 billion.

Annual inflation rate in Canada eased to 3.1% in June of 2021 from a 10-year high of 3.6% in May and compared to market forecasts of 3.2%.

### **INTEREST RATE MARKET FUTURES**

The Treasury will auction 7-year notes.

The interest rate futures markets have been telegraphing since May clues about the state of the global economy with the U.S. Treasury yield curve flattening for several months. Shorter-dated yields have been steady, while longer-dated yields have declined.

A flattening yield curve suggests a slower rate of economic growth in the future.

### **SUPPORT & RESISTANCE**

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

Support 4377.00      Resistance 4421.0

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

Support 91.880      Resistance 92.350

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

Support 1.18050      Resistance 1.19000

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

Support .90850      Resistance .91300

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

Support .79750      Resistance .80370

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

Support .73550      Resistance .74220

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

**ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai**

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

Support 163^26      Resistance 165^0

**August 21 Gold**

Support 1804.0      Resistance 1834.0

**September 21 Copper**

Support 4.4500      Resistance 4.5550

**September 21 Crude Oil**

Support 72.20      Resistance 73.34