



ADM Investor
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Daily Futures Market Commentary Financial Forecast

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STOCK INDEX FUTURES

Major U.S. stock index futures are higher as an upbeat corporate earnings season and a pickup in global merger activity lifted demand.

Corporate earnings have been strong with earnings now estimated to have climbed approximately 90% versus forecasts of 65.4% at the start of July, according to IBES data from Refinitiv.

The 9:00 central time June factory orders report is estimated to be up 0.8%.

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

CURRENCY FUTURES

The U.S. dollar index declined. Traders are weighing the relative market impact of mixed to weak economic data for the U.S., strong corporate results and a dovish Federal Reserve.

Producer prices in the euro area rose 1.4% from a month earlier in June, which is the 13th consecutive month of increase and in line with market expectations.

The Reserve Bank of Australia at its policy meeting today kept the cash rate unchanged at a record low 0.1%, as widely expected. Policymakers maintained their bond-buying program at the rate of \$5.0 billion a week until early September and then at \$4.0 billion a week until at least mid-November. The central bank reiterated it will not increase the cash rate until inflation is within the 2.0% to 3.0% target range.

INTEREST RATE MARKET FUTURES

Futures rallied yesterday when the Institute for Supply Management manufacturing PMI fell to 59.5 in July, which is the weakest expansion in factory activity in six months. The median estimate was 60.8.

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The yield on the benchmark 10-year Treasury note was near 1.18%, after briefly declining to 1.15%, which is an almost a six-month low amid weak economic data.

Michelle Bowman of the Federal Reserve will speak at 1:00.

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.

The yield curve is likely to continue to flatten and the 30-year Treasury bond futures will probably remain firm.

SUPPORT & RESISTANCE

September 21 S&P 500

Support 4379.00 Resistance 4407.0

September 21 U.S. Dollar Index

Support 91.880 Resistance 92.150

September 21 Euro Currency

Support 1.18700 Resistance 1.19010

September 21 Japanese Yen

Support .91440 Resistance .91800

September 21 Canadian Dollar

Support .79750 Resistance .80120

September 21 Australian Dollar

Support .73550 Resistance .74215

September 21 Thirty-Year Treasury Bonds

Support 165[^]17 Resistance 166[^]12

August 21 Gold

Support 1804.0 Resistance 1820.0

September 21 Copper

Support 4.3200 Resistance 4.4450

September 21 Crude Oil

Support 69.13 Resistance 72.00

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