



ADM Investor  
Services, Inc.



## Financial Forecast

**Alan Bush**

**September 1, 2020**

### **STOCK INDEX FUTURES**

U.S. stock futures edged higher ahead of the release of manufacturing data.

The 8:45 central time August PMI manufacturing index is expected to be 53.6.

There are two 9:00 reports. The August Institute for Supply Management index is anticipated to be 54.5 and the July construction spending report is estimated to show a 1.0% increase.

U.S. stock index futures continue to have upside momentum.

### **CURRENCY FUTURES**

The September U.S. dollar index futures fell to a new low for the move and are at its lowest level since June 2018.

Much of the recent weakness in the greenback can be linked to the more accommodative Federal Reserve policies. The Fed's now formalized "average inflation targeting," suggests the U.S. central bank will remain accommodative for longer.

The U.S. dollar will likely trend lower on the Fed's new strategy.

The currency of the euro zone advanced to its highest level since June 2018, as manufacturing activity in Europe showed some signs of improvement. Germany recorded a stronger recovery, with the purchasing managers index advancing to the highest level in almost two years.

The British pound posted a fresh eight-month peak after a report showed U.K. manufacturing production increased at the fastest pace since May 2014. The pound is higher despite the apparently stalled progress in trade talks between the E.U. and the U.K.

The Reserve Bank of Australia kept its official cash rate at a record low 0.25%. Reserve Bank of Australia Governor Philip Lowe said he still expects interest rates to remain ultra-low for some

**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 Archer Daniels Midland Company. 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. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. 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 the Archer Daniels Midland Company. Copyright © ADM Investor Services, Inc.



## Financial Forecast

time. The RBA was mostly upbeat on the economic recovery, saying the downturn is not as severe as feared.

### INTEREST RATE MARKET FUTURES

Lael Brainard of the Federal Reserve will speak at 12:00.

Interest rate market futures at the short end of the curve are likely to be supported by ideas that major central banks, including the Federal Reserve, will keep short term interest rates low for an extended period.

However, futures at the long end of the curve, especially the 30-year Treasury bond futures may be undermined by the inflationary aspects of the Federal Reserve's "average inflation targeting" policy.

The next Federal Open Market Committee meeting is scheduled for September 16. Financial futures markets are predicting there is a 90% probability that the FOMC will maintain its fed funds target rate at zero to 25 basis points.

### SUPPORT & RESISTANCE

#### September 20 S&P 500

Support 3482.00    Resistance 3523.00

#### September 20 U.S. Dollar Index

Support 91.650    Resistance 92.200

#### September 20 Euro Currency

Support 1.19340    Resistance 1.12025

#### September 20 Japanese Yen

Support .94280    Resistance .94770

#### September 20 Canadian Dollar

Support .76600    Resistance .77000

**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 Archer Daniels Midland Company. 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. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. 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 the Archer Daniels Midland Company. Copyright © ADM Investor Services, Inc.



ADM Investor  
Services, Inc.



## Daily Futures Market Commentary

## Financial Forecast

### September 20 Australian Dollar

Support .7363      Resistance .7420

### September 20 Thirty-Year Treasury Bonds

Support 176^0      Resistance 177^6

### December 20 Gold

Support 1969.0      Resistance 2006.0

### December 20 Copper

Support 3.0450      Resistance 3.1000

### October 20 Crude Oil

Support 42.66      Resistance 43.55

**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 Archer Daniels Midland Company. 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. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. 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 the Archer Daniels Midland Company. Copyright © ADM Investor Services, Inc.