



ADM Investor
Services, Inc.



Daily Futures Market Commentary

Financial Forecast

Alan Bush

October 5, 2020

STOCK INDEX FUTURES

U.S. stock index futures are higher due to optimism about the economic recovery. Traders remain sensitive to any signals about the state of President Donald Trump's health.

In addition, investors are monitoring developments in fiscal aid talks in Washington.

The 8:45 central time September PMI composite final index is expected to be 54.4 and the 9:00 September Institute for Supply Management services index is anticipated to be 56.3.

The technical situation has improved recently for stock index futures.

CURRENCY FUTURES

The U.S. dollar index is lower as flight to quality longs are being liquidated and riskier currencies gained.

The euro currency is higher on news that the euro zone September Composite PMI was 50.4 when 50.1 was estimated.

The euro currency advanced in spite of the growing belief that the European Central Bank could take steps as early as in December to limit deflationary risks in the euro zone. The ECB could review its inflation target or increase the size of its asset purchases program.

The British pound is higher due to renewed Brexit optimism after British Prime Minister Boris Johnson and European Commission President Ursula von der Leyen agreed in a phone call on Saturday to step up Brexit talks in order to meet the transition deadline and reach a deal. Both sides said some progress has been made.

The Canadian dollar and the Australian dollar are higher as investors' risk sentiment improved.

INTEREST RATE MARKET FUTURES

Futures are sharply lower at the long end of the yield curve due to flight to quality long liquidation.

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.



Daily Futures Market Commentary

Financial Forecast

Federal Reserve speakers today are Charles Evans at 9:45 and Raphael Bostic at 2:15 this afternoon.

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. Many analysts believe it will be several years, possibly not until 2023, before the Federal Reserve will be in a position to hike its fed funds rate, which currently stands at zero to 25 basis points.

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, along with the potential for a global economic recovery.

Financial futures markets are predicting there is a 95.4% probability that the Federal Open Market Committee will keep its fed funds rate unchanged at the November 4-5 policy meeting.

SUPPORT & RESISTANCE

December 20 S&P 500

Support 3343.00 Resistance 3378.00

December 20 U.S. Dollar Index

Support 93.450 Resistance 93.980

December 20 Euro Currency

Support 1.17200 Resistance 1.17980

December 20 Japanese Yen

Support .94600 Resistance .95000

December 20 Canadian Dollar

Support .75150 Resistance .75450

December 20 Australian Dollar

Support .7155 Resistance .7200

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.



Financial Forecast

December 20 Thirty-Year Treasury Bonds

Support 174¹⁶ Resistance 175²⁶

December 20 Gold

Support 1890.0 Resistance 1921.0

December 20 Copper

Support 2.9300 Resistance 2.9900

November 20 Crude Oil

Support 36.95 Resistance 39.13

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.