ADM Investor Services, Inc.

Daily Futures Market Commentary
Financial Forecast

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STOCK INDEX FUTURES

Stock index futures declined after the Federal Reserve in a hawkish surprise raised its inflation expectations and moved up the time frame on when it will hike interest rates.

The Federal Open Market Committee indicated that rate hikes could come as soon as 2023, after signaling in March that it saw no increases until at least 2024.

Jobless claims in the week ended June 12 were 412,000 when 360,000 were expected.

The June Philadelphia Federal Reserve manufacturing index was 30.7 when 31.0 was anticipated.

The 9:00 central time May index of leading economic indicators is estimated to be up 1.3%.

Stock index futures are likely to be higher next week.

CURRENCY FUTURES

The U.S. dollar index is higher after Federal Reserve officials signaled their intention to raise interest rates sooner than previously forecast.

Construction output in the euro area jumped 42.3% in April, following an upwardly revised 20.0% gain in March. This was the strongest increase in construction output since records began in January of 1996.

Reserve Bank of Australia Governor Philip Lowe said Australia's job market has tightened alongside a rapid economic recovery over recent quarters, but there is still no solid evidence that wage growth or inflation is heating up.

Mr. Lowe said, "For inflation to be sustainably in the 2.0% -3.0% range wage increases will need to be materially higher than they have been recently. This still seems some way off."

The RBA will make announcements about its bond-buying program and its targeting of three-year government bond yields at its July 6 policy meeting.

INTEREST RATE MARKET FUTURES

The Federal Open Market left the target range for its federal funds rate unchanged at 0% -0.25%, but policymakers signaled they expect two increases by the end of 2023. The Fed will continue to purchase bonds at a rate of $120 billion a month. Also, new economic forecasts showed GDP is likely to grow at a faster 7.0% from 6.5% previously predicted for 2021 and PCE inflation is likely hit 3.4% in 2021, but slow to 2.1% in 2022. The central bank gave no indication as to when it will begin cutting back on its aggressive bond-buying program.

Futures are higher today in response to the two weaker than predicted U.S. economic reports that were released this morning.

GOLD AND SILVER

Now that the hawkish FOMC statement is out of the way, which prompted sizable liquidation, it is likely that there will be recovery next week.

SUPPORT & RESISTANCE

September 21 S&P 500

Support 4180.00 Resistance 4220.00

September 21 U.S. Dollar Index

Support 91.280 Resistance 91.850

September 21 Euro Currency

Support 1.19440 Resistance 1.20650

September 21 Japanese Yen

Support .90250 Resistance .90630

September 21 Canadian Dollar

Support .80970 Resistance .81590

September 21 Australian Dollar

Support .75600 Resistance .76600

September 21 Thirty-Year Treasury Bonds

Support 158^8 Resistance 158^30

August 21 Gold

Support 1776.0 Resistance 1826.0

September 21 Copper

Support 4.2400 Resistance 4.3500

September 21 Crude Oil

Support 70.32 Resistance 71.55