



ADM Investor
Services, Inc.



Daily Futures Market Commentary

Financial Forecast

Alan Bush

October 12, 2020

STOCK INDEX FUTURES

U.S. stock index futures are higher extending the rally for the fourth straight session.

The U.S. third-quarter corporate earnings reporting season will kick off this week.

Many analysts believe earnings will continue to rebound, but the pace of improvement will slow.

Futures are performing well on the news, and the technical situation has improved.

CURRENCY FUTURES

After declines last week, the U.S. dollar index is a little higher. However, I would not be surprised to see the greenback trade lower on the day.

The Bank of England asked British lenders to assess their readiness for subzero interest rates, which is the latest indication that officials are studying the merits of such a policy, if necessary, as a way to support the U.K. economy.

This is after BoE officials have long insisted that they did not think negative rates were appropriate for the U.K.

Informal negotiations on Brexit continue in Brussels. Both the U.K. and the E.U. pledged to reach an agreement on their future relationship by October 15.

Bank of Japan Governor Haruhiko Kuroda reiterated today that the central bank will not hesitate to take additional easing measures, if necessary,

Japan's August core machinery orders were up 0.2% when a decline of 1.0% was anticipated, and bank lending in September in Japan increased 6.2% on the year.

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

INTEREST RATE MARKET FUTURES

In the long term, 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 almost a 100% 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 3460.00 Resistance 3515.00

December 20 U.S. Dollar Index

Support 93.000 Resistance 93.300

December 20 Euro Currency

Support 1.18000 Resistance 1.18480

December 20 Japanese Yen

Support .94600 Resistance .95000

December 20 Canadian Dollar

Support .76040 Resistance .76300

December 20 Australian Dollar

Support .7202 Resistance .7244

December 20 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 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

Support 173^{^28} Resistance 174^{^14}

December 20 Gold

Support 1920.0 Resistance 1945.0

December 20 Copper

Support 3.05000 Resistance 3.1000

November 20 Crude Oil

Support 39.65 Resistance 40.75

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.