



ADM Investor
Services, Inc.

Daily Futures Market Commentary Financial Forecast

by Alan Bush, Senior Financial Economist

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STOCK INDEX FUTURES

Selling pressure early yesterday morning was linked to ideas that Federal Reserve Chairman Powell's testimony to the Senate Banking Committee could be less dovish than some analysts were expecting. However, futures recovered when Powell's testimony was in fact dovish.

Mr. Powell reaffirmed on Tuesday his commitment to keeping easy monetary policies unchanged for the foreseeable future. While he reiterated his view that reducing the federal budget deficit would be necessary at some time in the future, he said that achieving a full economic recovery should be the higher priority currently.

At 9:00 central time Federal Reserve Chairman Powell will deliver the central bank's semiannual report on the economy and monetary policy to the House Financial Services Committee.

Mortgage applications in the U.S. declined 11.4% in the week ended February 19, the largest decline since April last year, according to the Mortgage Bankers Association. Applications to refinance a home loan fell 11.3%, while those to purchase a home were down 11.6%.

The 9:00 central time January new home sales report is expected to show 855,000.

The technical picture remains supportive for stock index futures.

CURRENCY FUTURES

The U.S dollar is higher, and the euro currency is lower.

The British pound continued its rally to hit \$1.42 for the first time since April 2018.

Moody's reduced its 2021 growth forecasts for the euro zone in the first quarter. Moody's projects real GDP growth in the euro zone at 3.7% in 2021 and 3.9% in 2022.

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The Australian dollar advanced to a 36-month high against the U.S. dollar as investors become more optimistic on the prospects of faster growth.

INTEREST RATE MARKET FUTURES

Futures are steady at the front of the yield curve, while increased inflationary expectations have pressured futures at the long end of the curve.

Federal Reserve speakers today other than Fed Chair Powell are Lael Brainard at 9:30, Richard Clarida at 11:00 and Richard Clarida again at 3:00.

The Treasury will auction 5-year notes today.

In light of the Federal Reserve pledging not to hike its fed funds rate until possibly 2023, futures at the short end of the curve are likely to hold steady.

The next Federal Open Market Committee meeting is scheduled for March 17.

SUPPORT & RESISTANCE

March 21 S&P 500

Support 3846.00 Resistance 3898.00

March 21 U.S. Dollar Index

Support 89.900 Resistance 90.440

March 21 Euro Currency

Support 1.21250 Resistance 1.21860

March 21 Japanese Yen

Support .94220 Resistance .95160

March 21 Canadian Dollar

Support .78920 Resistance .79560

March 21 Australian Dollar

Support .78900 Resistance .79550

March 21 Thirty-Year Treasury Bonds

Support 160^12 Resistance 163^0

April 21 Gold

Support 1781.0 Resistance 1815.0

May 21 Copper

Support 4.1500 Resistance 4.2500

April 21 Crude Oil

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Support 60.88

Resistance 63.00

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