



ADM Investor
Services, Inc.

Daily Futures Market Commentary Financial Forecast

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STOCK INDEX FUTURES

U.S. stock index futures are higher after Federal Reserve Chairman Jerome Powell yesterday in remarks prepared for delivery at the Economic Club of New York highlighted the importance of keeping monetary policy extremely easy for the foreseeable future to support the labor market.

He said recent inflation numbers eased concerns of inflationary pressures but raised questions about a slow pace of the economic recovery. Mr. Powell said the central bank will continue to support the economy with low interest rates and large asset purchases.

In addition, futures are being supported by mostly stronger than expected corporate earnings, along with optimism toward more economic stimulus.

Jobless claims in the week ended February 6 were 793,000 when 760,000 were expected.

Stock index futures continue to have upside momentum.

CURRENCY FUTURES

The U.S. dollar continued lower for a fifth day. Traders are questioning how much any new economic stimulus might permanently increase the U.S. debt burden. In addition, Powell's dovish comments yesterday tended to undermine the greenback.

Lower prices are likely for the U.S. dollar.

The euro currency is higher despite a report that showed the euro zone gross domestic product is set to contract by 0.9% on the quarter in the first quarter of 2021, leading the monetary union into a technical recession, according to the European Union.

The European Commission's forecasts follow last week's data showing the euro zone economy shrank by 0.7% in the last quarter of 2020.

Some analysts believe the slow euro zone economic recovery makes it more likely that the European Central Bank will increase the size of its quantitative easing program.

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Higher prices are likely for the currency of the euro zone.

INTEREST RATE MARKET FUTURES

Futures are higher after Federal Reserve Chairman Powell on Wednesday indicated easy money policies will remain in place for a while.

Mr. Powell reiterated his view that "a patiently accommodative monetary policy stance" will be an important factor in returning the economy to a healthy state.

The Fed chief also repeated his call for more fiscal support for the economy, saying that monetary policy alone will not be enough to restore the labor market to full strength. "It will require a society-wide commitment with contributions from across government and the private sector."

The Treasury will auction 30-year bonds 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.

Futures at the long end of the yield curve will likely remain in a broad trading range, as the fundamentals are now mixed.

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

SUPPORT & RESISTANCE

March 21 S&P 500

Support 3892.00 Resistance 3930.00

March 21 U.S. Dollar Index

Support 90.170 Resistance 90.480

March 21 Euro Currency

Support 1.21150 Resistance 1.21650

March 21 Japanese Yen

Support .95400 Resistance .95740

March 21 Canadian Dollar

Support .78620 Resistance .79070

March 21 Australian Dollar

Support .77070 Resistance .77800

March 21 Thirty-Year Treasury Bonds

Support 167[^]16 Resistance 168[^]6

April 21 Gold

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Support 1832.0 Resistance 1855.0

March 21 Copper

Support 3.7450 Resistance 3.8000

March 21 Crude Oil

Support 58.07 Resistance 59.03

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