



Daily Futures Market Commentary Financial Forecast

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March 17, 2021

STOCK INDEX FUTURES

After new record highs were registered in S&P 500 and Dow futures yesterday, prices are mixed this morning, as investors await the Fed's monetary policy outcome later today. A statement from the Federal Open Market Committee will be released at 1:00 p.m. central time and Federal Reserve Chairman Powell will hold a press conference at 1:30 p.m.

The FOMC will likely maintain its fed funds target range at zero to 25 basis points. Policymakers will unveil a new set of economic forecasts and will likely make comments on the recent rise in bond yields.

Mortgage applications in the U.S. fell 2.2% in the week ended March 12, following a 1.3% drop in the previous week, according to the Mortgage Bankers Association. Applications to refinance a home loan declined 4.2% on a weekly basis and were 39% lower than a year ago.

February housing starts were 1.421 million when 1.584 million were expected and permits were 1.682 million, which compares to the anticipated 1.886 million.

Stock index futures are performing well despite weak economic data.

CURRENCY FUTURES

The consumer price inflation rate in the euro area was at 0.9% year-on-year in February 2021, which is unchanged from the previous month's 11-month high.

The Bank of England will hold its policy meeting tomorrow. Some analysts believe officials will signal an increase in the central bank's bond buying.

The Japanese yen is lower on news that Japan's exports declined in February for the first time in three months. Exports fell 4.5% in February from a year earlier. That compared with January's 6.4% increase and the 3.7% decline expected by economists.

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The Bank of Japan will hold its policy meeting on Friday. The central bank is likely to clarify how much it will allow bond yields to deviate from its 0% target.

INTEREST RATE MARKET FUTURES

Futures are lower at the long end of the curve.

There is increasing pressure on the Federal Reserve to limit upside pressure on longer-term interest rates, especially after the European Central Bank last week said it will ramp up the pace of its purchases of euro zone debt. The Reserve Bank of Australia earlier this month increased the size of its asset purchase plan.

If there any surprises from the FOMC today they will likely be dovish surprises.

SUPPORT & RESISTANCE

June 21 S&P 500

Support 3928.00 Resistance 3972.00

June 21 U.S. Dollar Index

Support 91.750 Resistance 92.050

June 21 Euro Currency

Support 1.19000 Resistance 1.19480

June 21 Japanese Yen

Support .91500 Resistance .91900

June 21 Canadian Dollar

Support .80080 Resistance .80480

June 21 Australian Dollar

Support .77060 Resistance .77620

June 21 Thirty-Year Treasury Bonds

Support 154^24 Resistance 156^16

April 21 Gold

Support 1720.0 Resistance 1745.0

May 21 Copper

Support 4.0400 Resistance 4.1250

April 21 Crude Oil

Support 63.60 Resistance 65.55

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