



ADM Investor  
Services, Inc.

## Daily Futures Market Commentary Financial Forecast

by **Alan Bush, Senior Financial Economist**

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### STOCK INDEX FUTURES

U.S. stock index futures are higher.

Mortgage applications fell 4.0% in the week ending May 28, following a 4.2% drop in the previous week, and pushing the index down to the lowest since February of 2020. Applications to refinance a home loan were down 4.6% and purchases declined 3.1%.

Stock index futures continue to have upside momentum.

### CURRENCY FUTURES

The U.S. dollar index is higher but remains close to multi-month lows.

In the longer term, pressure on the U.S. dollar is likely as the U.S. budget deficit grows and the Fed's balance sheet expands. The next support on the daily chart is the early January low of 89.155.

The euro currency is lower despite news that annual producer inflation in the euro area jumped to 7.6% in April, which is the highest since September of 2008 and above forecasts of 7.3%.

U.K. retail prices continued to decline in May, although at a slower pace than in previous months.

The Australian economy advanced 1.8% on a quarter to quarter basis in the three months to March 2021, after upwardly revised 3.2% growth in the previous period and beating market expectations of 1.5% growth. This was the third consecutive quarter of expansion.

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## INTEREST RATE MARKET FUTURES

Futures are steady at the front of the yield curve and higher at the long end of the curve.

Lael Brainard of the Federal Reserve yesterday said the Federal Reserve should keep a steady approach to monetary policy in the coming months but be prepared to adjust if needed.

In prepared remarks for a speech to the Economic Club of New York she said, "While we are far from our goals, we are seeing welcome progress, and I expect to see further progress in coming months."

At 1:00 central time the Federal Reserve will release its Beige Book on the economy. This book is produced approximately two weeks before the monetary policy meetings of the Federal Open Market Committee. A different Fed district bank on each occasion compiles anecdotal evidence on economic conditions from each of the 12 Federal Reserve districts.

Federal Reserve speakers today are Charles Evans at 11:00, Patrick Harker at 11:00 and Robert Kaplan at 5:05.

In my minority view, I am seeing indications that the global economy will continue to improve, but growth may not be as strong as many analysts are predicting.

## GOLD AND SILVER

Most major central banks will probably keep their accommodation for longer, which remains a bullish influence on the precious metals.

I believe follow-through advances are likely for the precious metals.

## SUPPORT & RESISTANCE

### **June 21 S&P 500**

Support 4188.00      Resistance 4216.00

### **June 21 U.S. Dollar Index**

Support 89.770      Resistance 90.250

### **June 21 Euro Currency**

Support 1.21620      Resistance 1.22340

### **June 21 Japanese Yen**

Support .91000      Resistance .91450

### **June 21 Canadian Dollar**

Support .82660      Resistance .83000

### **June 21 Australian Dollar**

Support .77100      Resistance .77800

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**September 21 Thirty-Year Treasury Bonds**

Support 155^28      Resistance 156^20

**August 21 Gold**

Support 1894.0      Resistance 1916.0

**July 21 Copper**

Support 4.5900      Resistance 4.6700

**July 21 Crude Oil**

Support 67.50      Resistance 68.75

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