



Daily Futures Market Commentary

Financial Forecast

Alan Bush

October 26, 2018

STOCK INDEX FUTURES

U.S. stock index futures are lower due to several weak corporate earnings reports.

There was some support for futures on news that the U.S. third quarter gross domestic product increased at an annual rate of 3.5%. Economists expected a 3.4% reading.

Economic growth in the last two quarters was the fastest six months of growth in four years. The economy is on track to expand above a 3% rate in 2018, which hasn't happened since 2005.

Consumer spending increased at a 4.0% annual rate in the third quarter, which is the strongest rate of growth in almost four years.

Inflation as measured by the PCE price index increased at a 1.6% annual rate in the third quarter, which is down from a 2% rate in the previous quarter.

The 9:00 central time October consumer sentiment index is estimated to be 99.

The next advance for stock index futures will take place when central banks around the world that are hawkish, such as the Federal Reserve, realize they need to be less aggressive in hiking interest rates and those central banks that are still accommodative will need to remain accommodative longer.

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

CURRENCY FUTURES

The U.S. dollar was supported by the stronger than expected U.S. gross domestic product report.

The euro currency is lower after a report from the European Central Bank showed analysts lowered their forecasts for gross domestic product growth in the euro zone to 2% this year and 1.8% next year. They had previously predicted growth of 2.2% this year and 1.9% next year.

The Canadian dollar and the Australian dollar are lower due to weaker crude oil prices.

INTEREST RATE MARKET FUTURES

Futures are higher in spite of the stronger than anticipated U.S. gross domestic product report.

There are no Federal Reserve speakers scheduled for today.

According to the financial futures markets, the probability of a fed funds rate hike at the Federal Open Market Committee's December 19 policy meeting is 74%, which compares to 77% yesterday. Last week the probability was in the 85% area.

After being bearish on the interest rate futures markets for a long time, I am now only neutral, as it appears that the global economy is slowing and central banks that are hawkish, such as the Federal Reserve, will become less hawkish next year and those central banks that are accommodative will have to remain accommodative longer.

SUPPORT AND RESISTANCE

December 18 S&P 500

Support 2642.00 Resistance 2686.00

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

December 18 U.S. Dollar Index

Support 96.250 Resistance 96.740

December 18 Euro Currency

Support 1.13720 Resistance 1.14350

December 18 Japanese Yen

Support .89210 Resistance .89810

December 18 Canadian Dollar

Support .76010 Resistance .76670

December 18 Australian Dollar

Support .7016 Resistance .7088

December 18 Thirty Year Treasury Bonds

Support 138[^]24 Resistance 139[^]26

December 18 Gold

Support 1230.0 Resistance 1247.0

December 18 Copper

Support 2.7000 Resistance 2.7650

December 18 Crude Oil

Support 66.03 Resistance 67.29

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

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

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.