MHMarkets @

1.17960

EUR/USD consolidated on Wednesday, staying between previous support and resistance levels.

Previous Session Overview

Currently trading at 1.1595.

EURUSD, H4 1.16035 1.16048 1.15944 1.15950

1.17450 1.17232 1.16925



shutdown, now extending beyond three weeks, continues to weigh on the Dollar and create uncertainty about economic policy direction. This prolonged impasse undermines confidence in US governance and delays crucial economic data releases that markets need for decision-making.

Wednesday's disappointing US corporate earnings further dampened sentiment toward US assets. Texas Instruments dropped 5.6% after weak results and soft fourth-quarter guidance, dragging the semiconductor sector lower. Netflix slumped 10% after missing estimates due to a Brazilian tax dispute. These high-profile misses have raised concerns about corporate guidance as earnings season expands, even though more than three-quarters of S&P 500 companies reporting have beaten expectations. Thursday's calendar features the European Commission's advanced Consumer Confidence gauge, which will provide insights into Eurozone consumer sentiment. ECB's Lane will also speak, potentially offering clues about the central bank's policy outlook. On the US side, the Chicago Fed National Activity Index and Existing Home Sales data will be watched. **Technical Outlook** Stochastic is moving higher towards the overbought area. Price is consolidating around the 20-period moving average. This suggests improving momentum with potential for further recovery. **Key Levels to Watch** Resistance: 1.1656; 1.1723 Support: 1.1545; 1.1475 Conclusion EUR/USD has stabilized around the 20-period moving average at 1.1595 with the Stochastic indicator advancing toward overbought territory, signalling improving bullish momentum. This technical configuration suggests the recent correction from highs may be exhausting, particularly as the Dollar weakens on resurfacing trade tensions and prolonged government shutdown concerns.

The pair needs to break above 1.1656 resistance to confirm renewed upside momentum toward 1.1723. Support at 1.1545 should contain any renewed weakness, with stronger support at 1.1475. The fundamental backdrop has shifted in favour of the euro as US-specific concerns including trade restrictions, the shutdown, and disappointing earnings undermine Dollar strength. Thursday's focus

will be on ECB's Lane speech and US housing data, though all eyes remain on Friday's US CPI report, which will be crucial for confirming Fed rate cut expectations. If price holds around or above the 20-

Previous Session Overview

levels. Currently trading at 4092.50.

period moving average, the outlook favours a recovery attempt toward recent highs.

GOLD (XAU/USD)

XAUUSD,H4 4073.27 4100.47 4072.16 4092.50 MHMarkets @ 4490.10

Gold consolidated lower on Wednesday but stayed between previous support and resistance

GBP/USD consolidated lower on Wednesday but stayed between previous support and resistance levels. Currently trading at 1.3334.

Stoch(5,3,3) 51.9914 57.3796

trajectory.

Technical Outlook

Key Levels to Watch

Conclusion

Resistance: 1.3391; 1.3443 Support: 1.3308; 1.3261

Resistance: 4203.84; 4301.60 Support: 3950.11; 3844.01

stabilization and potential bounce.

Previous Session Overview

GBPUSD.H4 1.33449 1.33467 1.33338 1.33343

Conclusion

14 Oct 00:00

Stochastic is moving higher towards the overbought area.

• Price is consolidating slightly below the 20-period moving average. This suggests building bullish momentum with recovery potential.

Market Outlook Sterling retreated for the fourth consecutive day on Wednesday, flirting with the critical 1.3300 support level before staging a decent comeback as the session progressed. The pair's resilience near key support and subsequent recovery reflects improving technical conditions and shifting fundamental dynamics favouring Sterling. The Pound found support from the US Dollar's reversal, which snapped a three-day winning streak and breached below the 99.00 support level. The Greenback's weakness stems from multiple factors: renewed concerns about US-China trade relations after Treasury Secretary Scott Bessent confirmed export restrictions on US software to China, disappointing corporate earnings from major tech companies, and the ongoing government shutdown extending beyond three weeks with no resolution in sight. Wednesday's UK inflation data appears to have provided some relief for Sterling, with the pair's ability to stage a comeback from the 1.3300 level suggesting the data did not significantly undermine Bank of England hawkishness. The BoE's policy outlook remains hawkish compared to the Federal Reserve, with markets fully pricing in two more Fed rate cuts this year while the BoE is expected to move more cautiously given persistent UK inflation dynamics. US equity market weakness on Wednesday also supports the Pound's recovery narrative. The S&P 500 fell 0.53% and the Nasdag dropped 0.93% amid disappointing earnings from Texas Instruments and Netflix, alongside renewed trade concerns. The semiconductor sector was particularly hard hit, raising concerns about corporate guidance and US economic momentum. Thursday brings important UK-specific data including the CBI Business Optimism Index and CBI Industrial Trends Orders, which will provide insights into British business sentiment and manufacturing demand. The Bank of England's Hall will also speak, potentially

offering clues about the central bank's assessment of current economic conditions and policy

GBP/USD has successfully defended the critical 1.3300 area and staged a comeback to consolidate slightly below the 20-period moving average at 1.3334, with the Stochastic indicator moving higher toward overbought territory. This technical configuration strongly suggests the four-day decline is exhausting and a recovery attempt is building momentum. The successful defence of 1.3300

remains intact and supportive. Today's UK CBI data and BoE's Hall speech could provide additional

SPX/USD (S&P 500)

catalyst, while Friday's US CPI data will be crucial for medium-term direction.

15 Oct 08:00 16 Oct 16:00

support is particularly encouraging, as this level represents a key technical and psychological threshold. The pair needs to break back above the 20-period moving average and reclaim 1.3391 resistance to confirm renewed upside momentum toward 1.3443. Support at 1.3308 should now contain any pullbacks, with stronger support at 1.3261. The fundamental backdrop has improved with the Dollar weakening on multiple fronts: resurfacing trade tensions, disappointing tech earnings, and the unresolved government shutdown. The Fed-BoE policy divergence narrative

Previous Session Overview

President Trump's announcement almost two weeks ago that the US would implement export restrictions by November 1 on any and all critical software. This escalation in tech-related trade restrictions has particularly rattled the technology and semiconductor sectors. Texas Instruments became the focal point of earnings disappointment, dropping 5.6% after its latest earnings came in

Support: 6605.90; 6537.14 Conclusion The S&P 500 is consolidating around the 20-period moving average at 6714.60 after Wednesday's decline, with the Stochastic indicator attempting to cross higher from near oversold territory. This technical configuration suggests selling pressure may be exhausting and a stabilization or recovery attempt is developing. The index's ability to recover from session lows demonstrates resilience and buyer interest at lower levels. Support at 6605.90 is now critical - holding above this level maintains the constructive technical outlook, while a break below could trigger more significant selling toward 6537.14. Recovery attempts will face resistance at 6811.44. The fundamental picture is mixed: resurfacing US-China trade tensions focused on software exports and semiconductor sector weakness create headwinds, but the 75%+ earnings beat rate remains supportive. Tesla's results and Intel's Thursday report will be crucial for near-term sentiment. Friday's US CPI data represents the week's most important macro catalyst. **USO/USD (WTI CRUDE OIL)** Previous Session Overview USO/USD moved higher on Wednesday, reaching previous resistance levels. Currently trading at 60.04.

MHMarkets @

61.710

60.570 60.040 59,430 58.756 58,290

56.010

54.870

The S&P 500 consolidated lower on Wednesday but stayed between previous support and resistance levels. Currently trading at 6714.60.

of S&P 500 companies that have posted results have beaten expectations. Critical focus now turns to Tesla's earnings released Wednesday after the bell, followed by Intel on Thursday. **Technical Outlook** Stochastic is trying to cross higher near the oversold area. Price is consolidating around the 20-period moving average.

Key Levels to Watch

Stoch(5,3,3) 81.7820 78.5927

Market Outlook

Resistance: 6811.44; 6876.68

This suggests potential stabilization with recovery attempt building.

No Key Events for Today 24 Oct 07:30 **EUR** German Flash Manufacturing PMI 49.6 49.5 07:30 **EUR** German Flash Services PMI 51.5 51.1 08:30 **GBP** Flash Manufacturing PMI 46.9 46.2 08:30 GBP Flash Services PMI 51.4 50.8 12:30 USD Core CPI m/m 0.3% 0.3% 12:30 CPI m/m 0.4% 0.4% USD 12:30 USD 3.1% 2.9% CPI y/y

Stock(5:3,3) 57.5474 51.3142 10 Oct 17:00 14 Oct 01:00 15 Oct 09:00 16 Oct 17:00 20 Oct 01:00 **Market Outlook** Gold briefly flirted with the area of two-week lows on Wednesday, coming close to the key \$4,000 mark per troy ounce amid cooling tensions on the trade front and the firm tone in the US Dollar earlier in the session. The precious metal has now dropped below the psychologically important \$4,100 level, representing a significant correction from the all-time highs above \$4,370 reached just days ago. However, the narrative began shifting late Wednesday as developments suggested trade tensions may be escalating rather than cooling. Treasury Secretary Scott Bessent confirmed that the White House is weighing curbs on exports to China made with US software, following President Trump's earlier announcement of implementing export restrictions by November 1 on all critical software. These tech-focused restrictions have reignited concerns about US-China relations and could provide renewed safe-haven support for gold. US equity market weakness on Wednesday also creates a more supportive backdrop for the precious metal. The S&P 500 fell 0.53% and the Nasdaq tumbled 0.93% as disappointing earnings from Texas Instruments and Netflix, combined with trade concerns, weighed on sentiment. The semiconductor sector was particularly hard hit, with Texas Instruments down 5.6%, On Semiconductor declining almost 6%, and AMD slipping more than 3%. This broad-based weakness typically supports safe-haven demand. The ongoing US government shutdown, now extending beyond Day 20 with no resolution in sight, continues to create economic uncertainty. While National Economic Council director Kevin Hassett had suggested earlier that the shutdown would end sometime this week, the lack of concrete progress is beginning to undermine confidence in US governance and economic management. Fed rate cut expectations remain a crucial support pillar for gold. Markets continue to price in approximately 95% probability of 25 basis-point cuts at both the October 28-29 and December meetings. Friday's September CPI data will be critical in determining the Fed's path forward. **Technical Outlook** Stochastic moved higher from oversold but currently held in the middle area. • Price is consolidating slightly below the 20-period moving average. This suggests stabilization with potential for a recovery attempt. **Key Levels to Watch**

Gold is attempting to stabilize slightly below the 20-period moving average at 4092.50 after testing

recovering from oversold territory to neutral ground. This technical configuration suggests the sharp correction may be finding a floor, particularly as the critical \$4,000 level has held multiple tests. The precious metal needs to reclaim the 20-period moving average and break above 4203.84 resistance to confirm a reversal toward 4301.60. Support at 3950.11 is now critical - holding above this level maintains hope for a higher low formation, while a break below could accelerate losses toward 3844.01 and potentially test the \$4,000 threshold decisively. The fundamental picture is becoming more supportive as US-China trade tensions resurface with software export restrictions, equity markets weaken, and the government shutdown drags on without resolution. Friday's US CPI data represents the week's most important catalyst. The technical setup suggests cautious optimism for

GBP/USD

MHMarkets @

1.34830

1.34428

1.34120 1,33910 1.33760

1.33343

1.32330

80

dangerously close to the \$4,000 psychological support level, with the Stochastic indicator

SPXUSD, H4 6717.09 6720.10 6712.31 6714.60 MHMarkets @ 6516,40 6447.10 6377.80 Stoch(5,3;3)-54,8947 41.8593 10 Oct 17:00 14 Oct 01:00 15 Oct 09:00 16 Oct 17:00 **Market Outlook** US equities fell on Wednesday as new developments out of Washington exacerbated concerns among investors about US-China trade relations, while disappointing corporate earnings from highprofile companies including Texas Instruments and Netflix weighed heavily on the major averages. The S&P 500 fell 0.53% to finish at 6,699.40, though it recovered significantly from session lows when it was down 1.2%. The selloff intensified after Treasury Secretary Scott Bessent confirmed that the White House is weighing curbs on exports to China made with US software, following

weaker than expected and its fourth-quarter forecast was soft. The disappointing results affected the broader semiconductor sector: On Semiconductor declined almost 6%, Advanced Micro Devices slipped more than 3%, Micron Technology slid about 2%, and the VanEck Semiconductor ETF fell

importance to the broader market and AI theme. Netflix shares also held back the market, slumping

Wednesday's weakness, the overall earnings picture remains constructive. More than three-quarters

approximately 2%. This sector weakness is particularly concerning given semiconductors'

10% after earnings missed estimates due to a dispute with Brazilian tax authorities. However, Intuitive Surgical provided a bright spot, rallying 14% on strong earnings and revenue. Despite

USOUSD, H4 59.718 60.245 59.690 60.040

made with US software, the oil market is focusing on the broader potential for eventual trade deals and improved economic activity. The resilience suggests traders believe these tech-focused restrictions are less damaging to overall economic growth and energy demand than broad-based tariffs. Wednesday's rally also reflects technical factors, as the earlier decline to \$56.00 had pushed Stochastic is moving inside the overbought area. Price is moving higher above the 20-period moving average. • This indicates strong bullish momentum but warns of potential near-term exhaustion.

10 Oct 13:00 13 Oct 21:00 15 Oct 05:00 16 Oct 13:00 17 Oct 21:00 21 Oct 05:00 22 Oct 13:00

WTI crude oil rebounded sharply on Wednesday, hitting four-day highs near the \$59.00 mark per barrel and extending gains to approach the \$60.00 psychological threshold as traders assessed a fresh bout of optimism on the US-China trade front. The dramatic recovery represents a \$4.00 per

13:45 USD Flash Manufacturing PMI 51.9 52.0 13:45 Flash Services PMI 53.5 54.2 USD support@mhmarkets.com www.mhmarkets.com

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oil into deeply oversold territory. The sharp rebound indicates significant short covering and renewed buying interest at lower levels. The move through resistance levels suggests momentum is building, with the \$60.00 psychological level now coming into focus. The EIA's report on US crude oil inventories, released Wednesday, provided supportive data given the price action. The market's strong response suggests either inventory draws or smaller-than-expected builds that alleviated oversupply concerns. The US Dollar's weakness on Wednesday also provided technical support to dollar-denominated oil, making it more affordable for foreign buyers. The Greenback breached below the 99.00 support level as trade concerns and disappointing corporate earnings undermined confidence in US assets, creating a favourable backdrop for commodity prices. However, structural challenges remain with the ongoing shift in US production from shale to offshore Gulf of Mexico projects ensuring robust supply growth in coming years. **Technical Outlook Key Levels to Watch** Resistance: 61.23; 62.47 Support: 58.76; 57.39 Conclusion WTI crude oil has mounted an impressive recovery, trading well above the 20-period moving average at 60.04 with the Stochastic indicator now deeply in overbought territory. This technical configuration confirms powerful bullish momentum but also warns that the rally may be approaching exhaustion in the very near term. The move toward \$60.00 puts immediate focus on resistance at 61.23, with a break potentially targeting 62.47. Support at 58.76 must hold to maintain the recovery, with stronger support at 57.39. The sharp three-day rally from \$56.00 to near \$60.00 suggests the previous oversupply concerns had pushed prices too low too fast. Thursday's session will be critical for determining whether oil can consolidate gains and push through the \$60.00 psychological level or if profit-taking emerges given severely overbought conditions. The strong USD weakness and expectations of Fed rate cuts provide medium-term tailwinds, though the overbought technical readings suggest caution for aggressive new long positions at current elevated levels. Key events for today and tomorrow (GMT): Date Time Currency Forecast Previous **Events** 23 Oct

barrel gain from Monday's lows near \$56.00, marking one of the strongest three-day rallies in recent months. The surge in oil prices came despite mixed signals on trade relations. While Treasury Secretary Scott Bessent confirmed that the White House is weighing curbs on exports to China