MHMarkets @

1.18126

1.17645

1.17280

4374.00

4275,40

4081.71

3986.06

3889,70

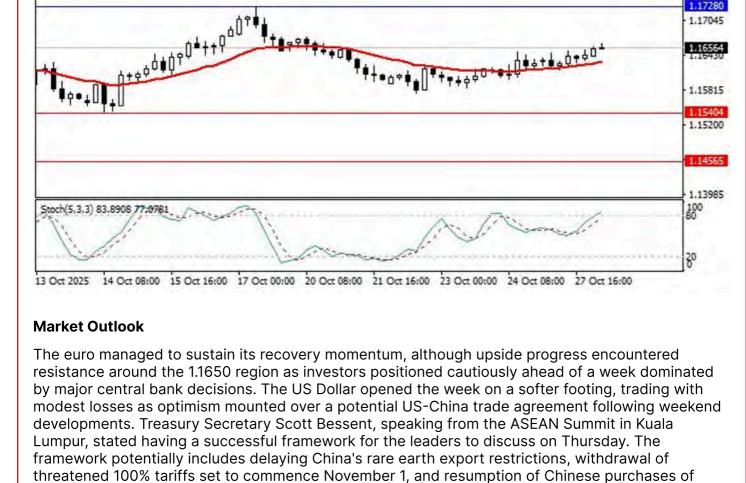
EUR/USD consolidated on Monday, staying between previous support and resistance levels.

EUR/USD

Previous Session Overview

Currently trading at 1.1656.

EURUSD.H4 1.16549 1.16632 1.16532 1.16564



American soybeans. The improved trade sentiment provided modest support to risk assets while weighing on the safe-haven Dollar. However, with the Federal Reserve's monetary policy decision just 24 hours away, traders maintained cautious positioning. Markets are fully pricing in a 25-basis-

begins with Germany's Consumer Confidence figures, followed by the ECB's Consumer Inflation Expectations survey. The European Central Bank will announce its monetary policy decision on Thursday, though policymakers have explicitly stated they are comfortable with current rates. Investors will scrutinize ECB President Lagarde's commentary for hints about future policy direction. The ongoing US government shutdown, now the second-longest in history, continues to cloud the economic picture by delaying key data releases, making the Fed's assessment of economic conditions even more critical for market direction. **Technical Outlook** Stochastic is moving higher towards the overbought area. Price is consolidating slightly above the 20-period moving average. • This setup suggests building bullish momentum but approaching potential resistance. **Key Levels to Watch** Resistance: 1.1728; 1.1813 Support: 1.1540; 1.1457 **Conclusion** EUR/USD maintains a constructive technical posture, trading slightly above the 20-period moving average with the Stochastic indicator advancing toward overbought territory. The 1.1650 level is

proving to be a near-term inflection point, with the pair struggling to establish a sustained break

point rate cut on Wednesday, with Chair Jerome Powell's press conference expected to provide crucial guidance on the December meeting outlook. On the European front, the week's data calendar

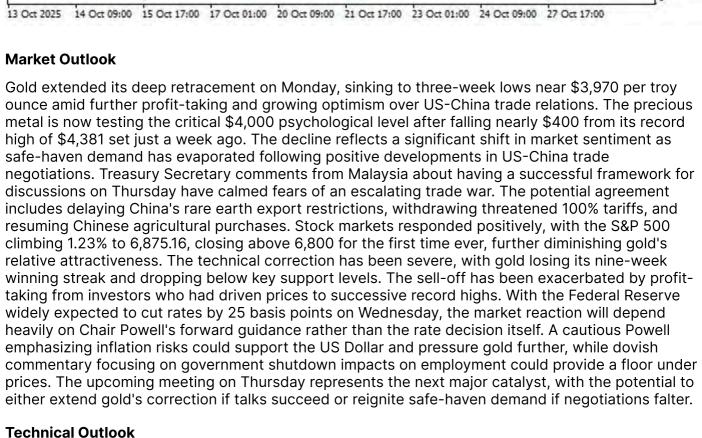
- higher. Immediate resistance at 1.1728 represents the key barrier that needs to be cleared to target 1.1813. Support at 1.1540 should contain any pre-Fed pullbacks, with stronger backing at 1.1457. The pair's direction will depend on Wednesday's Fed decision and Thursday's ECB meeting. A dovish
- Powell emphasizing labour market concerns from the government shutdown could weaken the Dollar and push EUR/USD through resistance. Conversely, a cautious tone regarding further easing could cap upside. The improved US-China trade sentiment provides a supportive backdrop, though the

within 24 hours, volatility is expected to spike mid-week.

GOLD (XAU/USD) Previous Session Overview Gold moved lower on Monday, reaching previous support levels. Currently trading at 3986.06. XAUUSD, H4 4010, 98 4013, 84 3980, 61 3986, 06 MHMarkets @ 4469,70

market's primary focus remains firmly on central bank policy. With both major central banks meeting

Stoch(5,3,3)-21.2183 20,1141



Market Outlook

Previous Session Overview

trading at 1.3350.

Key Levels to Watch

Conclusion

Resistance: 4081.71; 4156.48 Support: 3918.23; 3843.89

GBPUSD.H4 1.33492 1.33576 1.33470 1.33506

• Stochastic is trying to cross higher inside the oversold area. • Price is consolidating below the 20-period moving average.

This suggests selling pressure may be exhausting but bearish bias remains intact.

Gold's technical structure has deteriorated significantly, with prices now consolidating below the 20-period moving average and testing the psychological \$4,000 level. The Stochastic indicator attempting to cross higher from oversold territory suggests the intense selling pressure may be stabilizing, potentially setting up conditions for a technical bounce. However, the fundamental backdrop remains challenging with improving US-China trade sentiment reducing safe-haven appeal. Immediate support at 3918.23 will be critical to prevent a deeper slide toward 3843.89. On the upside, gold needs to reclaim the 20-period moving average and break above 4081.71 resistance to signal a potential recovery. The \$4,000 level represents a line in the sand—a decisive break below could trigger additional selling toward \$3,900, while a hold could attract dip-buyers. This week's Fed decision and the upcoming meeting represent major event risks. The rapid \$400 decline suggests

the market may have gotten ahead of itself, creating potential for volatile two-way trading.

GBP/USD

GBP/USD consolidated higher on Monday, reaching near previous resistance levels. Currently

MHMarkets @

1.34970

1.33917 1,33660

1.31920

1.32790 1,32360

The Pound Sterling regained ground on Monday, reversing six consecutive daily pullbacks and returning to the low-1.3300s as broader Dollar weakness provided relief. The improved market sentiment stemming from positive US-China trade developments helped lift GBP/USD, though the pair remains constrained by diverging central bank expectations. Treasury Secretary optimistic comments about having a successful framework for discussions this Thursday, combined with confident statements about securing a deal, have reduced safe-haven demand for the US Dollar. The potential trade agreement framework includes delaying China's rare earth export restrictions, withdrawing the threatened 100% tariffs set for November 1, and resuming Chinese purchases of

American soybeans. However, the Pound Sterling faces headwinds from increased dovish

expectations surrounding the Bank of England's interest rate outlook. Following last week's softer inflation data—which showed consumer inflation holding steady at 3.8% in September versus expected 4%—traders have maintained elevated odds for a BoE rate cut in December, currently priced at around 61%. This contrasts with the Federal Reserve, which is expected to cut rates on Wednesday but may signal a more cautious approach to further easing. Today's UK data calendar features the BoE's Consumer Credit figures alongside Mortgage Approvals, Mortgage Lending, and

14 Oct 08:00 15 Oct 16:00 17 Oct 00:00 20 Oct 08:00 21 Oct 16:00 23 Oct 00:00

Net Lending to Individuals. These credit and housing market indicators will provide insights into consumer financial health and borrowing appetite, which could influence BoE policy expectations. The week's focus remains on Wednesday's Federal Reserve decision, where a 25-basis-point cut is fully priced in. Chair Powell's press conference will be crucial, with markets parsing his comments for guidance on the December meeting. **Technical Outlook** • Stochastic is trying to cross lower near the overbought area. Price is consolidating around the 20-period moving average. This suggests momentum is fading after Monday's recovery attempt. **Key Levels to Watch** Resistance: 1.3392; 1.3442 Support: 1.3294; 1.3248 Conclusion GBP/USD's technical picture shows the pair consolidating around the 20-period moving average after Monday's modest recovery, though the Stochastic indicator trying to cross lower near overbought levels suggests the bounce may lack conviction. The pair has halted its six-day decline but faces a critical test around current level. Immediate resistance at 1.3392 needs to be cleared to signal a more meaningful recovery toward 1.3442. Support at 1.3294 should contain near-term weakness, with stronger backing at 1.3248. The technical setup suggests traders are uncertain about direction ahead of the Fed decision. The divergence between BoE and Fed policy expectations continues to weigh on the pair's outlook, with markets pricing more aggressive easing from the Bank of England. However, if the Fed adopts a particularly dovish stance on Wednesday or if US-China trade talks produce positive outcomes, GBP/USD could extend its recovery despite BoE concerns. Today's UK credit and mortgage data could provide short-term direction.

SPX/USD (S&P 500)

The S&P 500 consolidated higher on Monday, reaching near previous resistance levels. Currently

0+0+0⁰

MHMarkets @

6880.55

6721.40

6629,60

6537.80

6446.00

6356.90

+0++00+

QV·+QP+OP+Q°*

Technical Outlook • Stochastic is moving inside the overbought area. Price is moving higher above the 20-period moving average. This indicates continued strong bullish momentum but extreme overbought conditions. **Key Levels to Watch** Resistance: 6955.58; 7019.56 Support: 6808.18; 6743.09 Conclusion The S&P 500's technical picture remains overwhelmingly bullish, with the index setting consecutive record highs and trading well above the 20-period moving average. However, the Stochastic indicator deep in overbought territory signals caution about chasing at current elevated levels. The historic break above 6,800 on Monday establishes new technical ground, with immediate resistance at 6955.58 followed by the psychologically significant 7,000 level at 7,019.56. Support has shifted

USO/USD (WTI CRUDE OIL) Previous Session Overview USO/USD moved lower on Monday, reaching near previous support levels. Currently trading at 61.12. USOUSD, H4 61.163 61.197 60.992 61.118 MHMarkets @ 63.691 58,000 56,560 55.160 53.760 Stoch(5,3,3) 51.5673 56.8098

range appears to be establishing itself as a new trading zone following the sanctions-driven continued supply tightness from sanctions. Key events for today and tomorrow (GMT): Date Time Currency **Events** Forecast 28 Oct No Key Events for Today 29 Oct 00:30 AUD CPI q/q 1.1% 00:30 AUD CPI y/y 3.1% Trimmed Mean CPI q/q 00:30 AUD 0.8% **BOC Monetary Policy Report** 13:45 CAD 13:45 CAD **BOC Rate Statement** Overnight Rate 13:45 CAD 2.25% 2.50% 14:30 **BOC Press Conference** CAD

80 15 Oct 13:00 16 Oct 21:00 20 Oct 05:00 21 Oct 13:00 22 Oct 21:00 24 Oct 05:00 **Market Outlook** WTI traded with modest gains early Monday, briefly surpassing the \$62.00 mark per barrel, before pulling back to consolidate near \$61.12 amid rising traders' hopes of a US-China trade agreement. The pullback represents a partial retracement of last week's dramatic 7.6% rally that was driven by US sanctions on Russian oil producers and supply disruptions in the Balkans. The improved sentiment surrounding US-China trade relations is creating a complex picture for oil markets. On one hand, a successful trade deal between the world's two largest economies would support global economic growth expectations and energy demand. Treasury Secretary optimistic comments about having a successful framework for discussions on Thursday have boosted risk appetite across markets. However, the immediate market reaction shows profit-taking after last week's surge, with traders booking gains ahead of this week's major events. The potential trade agreement includes withdrawing threatened 100% tariffs on China set to start November 1, which would remove a significant economic headwind and support crude demand expectations. The fundamental supply picture remains supportive following last week's developments. US sanctions on major Russian oil producers continue to tighten global supply, while the ongoing disruption at a major European refinery keeps regional product markets tight. Inventory data showed healthy crude draws contradicting earlier oversupply fears, while China's strategic reserve rebuilding and US reserve refills provide a support floor in the \$60s range. This week's Federal Reserve meeting on Wednesday could impact oil prices through its effect on the US Dollar and growth expectations. A

0.7% 3.0% 0.6%

WTI crude oil's technical picture shows consolidation above the 20-period moving average following last week's strong rally, with the Stochastic indicator in neutral territory suggesting balanced nearterm risks. The pullback from Monday's brief break above \$62 indicates profit-taking but has not damaged the bullish structure established last week. Immediate resistance at 62.39 represents the first hurdle, with a clear break potentially opening the door to 63.69 and a test of the mid-\$60s. Support at 59.71 should contain normal consolidation, with stronger backing at 58.40. The \$60-\$62 repricing. This week's catalysts—the Fed decision, upcoming trade meeting, and major earningswill determine whether oil can build on recent gains or consolidates further. A successful trade deal would support demand expectations and could push WTI toward \$65, particularly if combined with Previous

Technical Outlook Stochastic moved higher from oversold levels but is currently held in the middle area. Price is consolidating slightly above the 20-period moving average. • This suggests the rally is pausing but bullish structure remains intact. **Key Levels to Watch** Resistance: 62.39; 63.69 Support: 59.71; 58.40 Conclusion

dovish approach could weaken the Dollar and support commodity prices, while the ongoing government shutdown continues to delay comprehensive energy inventory data.

higher to 6808.18, with the 6,743.09-level representing the first meaningful pullback zone. The

trading at 6880.55.

SPXUSD, H4 6881.14 6883.40 6879.54 6880.55

14 Oct 09:00 15 Oct 17:00 17 Oct 01:00 20 Oct 09:00 21 Oct 17:00 23 Oct 01:00 24 Oct 09:00 27 Oct 17:00 **Market Outlook** Equity markets surged to fresh all-time highs on Monday as officials de-escalated tensions over the weekend, establishing a framework for a potential trade agreement this week. The S&P 500 climbed 1.23% to 6,875.16, marking its first close ever above the 6,800 level. The index rallied alongside technology stocks, with all three major averages closing at record highs. The rally was driven by optimism that a trade framework is taking shape, with Treasury Secretary statements from Kuala Lumpur indicating a successful framework for leaders to discuss on Thursday. The potential agreement includes delaying China's rare earth export restrictions, withdrawing threatened 100% tariffs set to start November 1, and resuming Chinese purchases of American soybeans. Chipmakers, the sector with the most to lose from tensions with China, led the rally with semiconductor stocks rising sharply. Technology companies surged as investors anticipated that improved trade relations would benefit companies with significant China exposure. If a favourable trade agreement emerges between the two largest trading partners, analysts suggest it would be a

positive sign for markets. Many forecasts for technology have been constructed without the benefit of China, so adding China back into the equation would likely prove optimistic for markets. This week brings critical catalysts with several major technology companies releasing third-quarter results. Additionally, the Federal Reserve is expected to reduce its benchmark interest rate by 25 basis points on Wednesday following last week's cooler-than-expected inflation data. Despite the government shutdown, tariff concerns, and cooling labour market, the economy continues to hold up well, with recession odds for 2025 falling to just 4%. The combination of easing monetary policy,

robust earnings, and potential trade resolution has created a powerful bullish catalyst.

market faces significant event risk this week with major earnings reports and the Fed decision. Given large technology companies represent a substantial portion of the index's market cap, any disappointment could trigger profit-taking from current elevated levels. However, the fundamental backdrop remains supportive with recession odds at 4% and earnings beating expectations. Wednesday's Fed meeting presents potential volatility, as the 25-basis-point cut is fully priced in.

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