impact EUR/USD. The ongoing US government shutdown continues to delay comprehensive economic data releases, though the Fed is expected to proceed with its policy decision. Today's calendar also includes weekly mortgage approvals, pending home sales, and crude oil inventory **Technical Outlook** Stochastic is moving higher towards the overbought area. • Price is consolidating slightly above the 20-period moving average. This setup indicates building bullish momentum approaching the 100-day SMA resistance. **Key Levels to Watch** Resistance: 1.1711; 1.1777 Support: 1.1575; 1.1500 Conclusion EUR/USD's technical picture shows steady bullish progression, with the pair trading above the 20period moving average and approaching the critical 100-day SMA around 1.1660-1.1670. The Stochastic indicator advancing toward overbought territory reflects the five-day winning streak but also suggests caution about chasing at current levels. The 100-day SMA represents a significant technical hurdle—a decisive break above could open the door to 1.1711 and potentially 1.1777. Support has shifted higher to 1.1575, with stronger backing at 1.1500. Today's Fed decision represents the first of two major central bank events, with the ECB following tomorrow. A dovish

Powell emphasizing government shutdown impacts on labour markets could push EUR/USD through

GOLD (XAU/USD)

Gold moved lower on Tuesday, reaching previous support levels. Currently trading at 3967.53.

MHMarkets @

1,34870

1.34270

1.33085

1,32536 1.32142 1.31885 1.31620 1.31285

80

MHMarkets @

6741.10

6653.65

6563,55

6476,10

6388.65

+0+++0+++0++

the 100-day SMA, while cautious commentary on future cuts could trigger profit-taking. The improved US-China trade sentiment provides a supportive backdrop for risk assets and Euro

- strength. However, the real test will come tomorrow when the ECB weighs in and German data
- provides fresh insights into Eurozone economic health.
- Previous Session Overview

XAUUSD,H4 3973.34 3974.18 3944.19 3967.53

15 Oct 09:00 16 Oct 17:00

Market Outlook

4425.85 4335,10 4241.60 4150.85 3782.35

Gold dropped further on Tuesday, reaching four-week lows near \$3,870 per troy ounce on the back

21 Oct 09:00 22 Oct 17:00 24 Oct 01:00

of persistent profit-taking and steady hopes of a US-China trade agreement. The precious metal has now shed over \$500 from its record high of \$4,381 set just over a week ago, representing one of the sharpest corrections since the rally began. The decline reflects a fundamental shift in market sentiment as safe-haven demand continues to evaporate ahead of Thursday's highly anticipated meeting between leaders. Reports indicate that tariffs on goods from China would be lowered if Beijing clamps down on the export of chemicals which produce fentanyl, providing concrete details to the potential trade agreement framework that has been buoying risk assets. Market confidence that both nations will come away with a deal has reinforced optimism, reducing the appeal of safehaven assets. Stock markets continue to hit fresh records, with the S&P 500 surpassing the 6,900 level for the first time on an intraday basis on Tuesday, further diminishing gold's relative attractiveness as investors rotate into equities. Today's Federal Reserve decision represents a critical catalyst for gold. While the 25-basis-point rate cut is fully priced in, Chair Powell's commentary will be crucial. Typically, rate cuts support gold by reducing the opportunity cost of holding the non-yielding asset and weakening the US Dollar. However, if Powell adopts a cautious tone regarding further easing—citing the need to assess government shutdown impacts and tariffrelated inflation risks—the Dollar could strengthen, pressuring gold further. The technical correction has been severe and rapid, with gold breaking below multiple support levels. The selling has been amplified by profit-taking from investors who had driven prices to successive record highs during the nine-week winning streak. The current consolidation near \$3,960 suggests the market is searching for equilibrium ahead of this week's major events. **Technical Outlook** Stochastic moved higher from oversold levels Price is consolidating below the 20-period moving average. • This suggests selling pressure may be stabilizing but bearish structure remains intact.

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high equity markets reducing safe-haven appeal. Immediate support at 3905.68 will be critical to prevent an acceleration toward 3843.89 and potentially the \$3,800 level. On the upside, gold needs to reclaim the 20-period moving average and break above 4023.47 resistance to signal a potential recovery attempt. Today's Fed decision could provide a temporary catalyst—a particularly dovish Powell might stabilize gold, while balanced commentary could extend losses. However, Thursday's meeting represents the more significant risk event. A successful trade deal could push gold toward \$3,800 as safe-haven demand evaporates completely, while any disappointment could trigger a sharp short-covering rally back toward \$4,100. The rapid \$500+ decline from record highs suggests many long positions have been liquidated, potentially setting up an explosive move in either direction. GBP/USD >>> Previous Session Overview GBP/USD moved lower on Tuesday, reaching previous support levels. Currently trading at 1.3253. GBPUSD.H4 1.32713 1.32734 1.32527 1.32536 MHMarkets @ 1.35470

for GBP/USD. Conversely, cautious commentary on future cuts could strengthen the Dollar and pressure the pair toward the 1.3200 handle. The improved US-China trade sentiment continues to influence broader market dynamics. Reports indicate that tariffs on Chinese goods would be lowered if Beijing addresses fentanyl-related chemical exports, providing concrete details ahead of Thursday's meeting. While this supports global risk appetite, the specific impact on GBP/USD remains muted by domestic UK concerns. Today's UK data calendar features the BoE's Consumer

Credit figures alongside Mortgage Approvals, Mortgage Lending, and Net Lending to Individuals. These credit and housing market indicators will provide insights into consumer financial health, though they're unlikely to shift the narrative around December's expected BoE rate cut. The ongoing

government shutdown in the US continues to delay comprehensive economic data releases, making the Fed's assessment of economic conditions particularly important. **Technical Outlook** Stochastic is trying to cross higher near the oversold area Price is consolidating below the 20-period moving average This suggests selling pressure may be stabilizing but bearish bias persists **Key Levels to Watch** Resistance: 1.3330; 1.3380 Support: 1.3214; 1.3162 Conclusion GBP/USD's technical structure has weakened significantly, with the pair now consolidating below the 20-period moving average near the 1.3250 region. The Stochastic indicator attempting to cross higher from near oversold levels suggests the immediate selling pressure may be exhausting, potentially setting up conditions for a technical bounce. However, the fundamental backdrop remains challenging with elevated BoE dovish expectations weighing on Sterling. Immediate support at 1.3214 is critical to prevent a deeper slide toward 1.3162 and potentially the 1.3100 handle. On the upside, the pair needs to reclaim the 20-period moving average and break above 1.3330 resistance to signal a meaningful recovery. Today's Fed decision represents a significant event risk—a particularly dovish Powell could lift GBP/USD back toward 1.3350, while balanced or cautious commentary could extend losses toward 1.3200. The pair's rapid reversal of Monday's gains reflects weak underlying momentum and suggests traders remain sceptical about Sterling's ability to sustain rallies. The divergence between Fed and BoE policy expectations continues to cap upside potential. **SPX/USD (S&P 500)**

below overbought territory suggests the market is digesting recent gains rather than showing signs of reversal. The historic break above 6,900 on an intraday basis establishes the psychologically significant 7,000 level at 7,019.56 as the next major target. Immediate resistance at 6,955.58 represents the first hurdle, while support has shifted higher to 6,840.77, with stronger backing at 6,783.50. Today's Fed decision represents significant event risk, though the 25-basis-point cut is fully priced in. Powell's tone will be critical—dovish guidance suggesting December cuts could fuel

15 Oct 05:00 16 Oct 13:00 17 Oct 21:00 21 Oct 05:00 22 Oct 13:00 23 Oct 21:00 27 Oct 05:00 **Market Outlook**

WTI resumed its decline on Tuesday and briefly pierced the key \$60.00 mark per barrel as traders assessed the likelihood of further oil output hikes by OPEC+ and digested improving US-China trade relations. The pullback represents a significant retracement from last week's 7.6% rally that had pushed prices above \$62, driven by US sanctions on Russian producers and regional supply

disruptions. The breakthrough below \$60 is technically and psychologically significant, as this level has served as a critical support zone underpinned by Chinese strategic reserve buying and US Strategic Petroleum Reserve refill programs. The weakness reflects growing concerns that OPEC+ may proceed with additional production increases despite the recent supply disruptions, potentially overwhelming the market with fresh barrels. The improved sentiment surrounding US-China trade relations presents a double-edged sword 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. Reports indicate that tariffs on Chinese goods would be lowered if Beijing addresses fentanyl-related chemical exports, providing concrete progress ahead of Thursday's meeting. Market confidence that both nations will come away with a deal has reinforced optimism. However, the immediate market reaction shows that the removal of geopolitical risk premium and potential OPEC+ production increases are outweighing the positive demand implications. Last week's sanctions-driven rally is being unwound as traders reassess whether supply tightness will persist if OPEC+ adds barrels and trade tensions ease. The fundamental picture remains mixed. US sanctions on major Russian oil producers continue to create financing and insurance challenges for seaborne flows, while regional refinery disruptions keep European product markets tight. However, inventory data will be critical—today's report on US crude oil stockpiles could provide near-term direction, with builds potentially accelerating the decline below \$60. Today's Federal Reserve

decision could impact oil through its effect on the US Dollar and growth expectations.

Stochastic is consolidating slightly above the oversold area.

Price is consolidating slightly below the 20-period moving average.

• This suggests bearish momentum with potential for stabilization near \$60.

1.41760 1.41220 1,40680 1.40326 1.40125 1.39585 1.39355 1.39045 1.38505 1.37965 15 Oct 08:00 16 Oct 16:00 20 Oct 00:00 21 Oct 08:00 22 Oct 16:00 24 Oct 00:00 **Market Outlook** The Canadian Dollar strengthened significantly against its US counterpart on Tuesday, pushing USD/ CAD below its critical 200-day Simple Moving Average to hit fresh three-week troughs. The pair's sharp decline reflects both broad US Dollar weakness ahead of today's Federal Reserve decision and a strengthening Canadian Dollar supported by expectations for less aggressive Bank of Canada rate cuts. The US Dollar Index remained capped by the 99.00 region amid a modest retracement in US Treasury yields across the curve prior to today's FOMC gathering. With a 25-basis-point Fed rate cut fully priced in, the focus has shifted to Chair Powell's press conference and forward guidance. Investors are hoping for signals of another rate cut at the December meeting, which if confirmed, could extend USD weakness. Today's Bank of Canada decision is equally critical for the pair's direction. The BoC is expected to reduce its policy rate by 25 basis points to 2.25% from 2.50%, marking a continuation of its easing cycle. However, the key will be commentary on the pace of future cuts. If the BoC signals a slower easing path compared to the Fed—particularly given Canada's resilient economic data—the Canadian Dollar could strengthen further, pushing USD/CAD lower. The improving US-China trade sentiment has provided additional support for the Canadian Dollar, as reduced global trade tensions benefit Canada's export-dependent economy. Reports indicate that tariffs on Chinese goods would be lowered if Beijing addresses fentanyl-related chemical exports, with market confidence building about reaching a deal when leaders meet on

Thursday. Oil prices have declined below the \$60 mark, which typically weighs on the commoditylinked Canadian Dollar. However, the CAD's strength against the weakening USD has more than offset crude's decline, suggesting traders are prioritizing monetary policy dynamics over energy prices in the near term. The break below the 200-day SMA is a significant technical development that could accelerate USD/CAD's decline if confirmed. This level has served as a key supportresistance zone throughout 2025, and its breach suggests a potential shift in the medium-term

USD/CAD's technical structure has shifted decisively bearish following the break below the 200-day Simple Moving Average, a level that has defined the pair's medium-term trend throughout much of 2025. The Stochastic indicator moving toward oversold territory confirms strong downside

• This indicates strong bearish momentum with the 200-day SMA breach being critical.

momentum, though it also suggests the decline may be approaching short-term exhaustion.

Immediate support at 1.3885 will be critical to prevent an acceleration toward 1.3833 and potentially the 1.3800 handle. On the upside, the pair needs to reclaim the 200-day SMA and break above

1.3986 resistance to signal a meaningful recovery. However, the fundamental backdrop favours continued CAD strength. Today brings a critical double-header with both the Fed and BoC announcing policy decisions within hours of each other. If Powell signals December cuts while the BoC adopts a more measured tone on future easing, USD/CAD could extend losses toward 1.3800. The improving US-China trade outlook supports the risk-sensitive Canadian Dollar, while oil's weakness below \$60 has been insufficient to derail CAD strength. The break of the 200-day SMA suggests the path of least resistance is now lower, with the pair potentially targeting the 1.3750-1.3800 zone in coming sessions if today's central bank decisions reinforce the current monetary policy divergence narrative. Key events for today and tomorrow (GMT): Time Currency **Events** Forecast Previous 13:45 CAD **BOC Monetary Policy Report** 13:45 CAD **BOC Rate Statement** 13:45 CAD Overnight Rate 2.25% 2.50% 14:30 CAD **BOC Press Conference** 18:00 **USD** Federal Funds Rate 4.00% 4.25% USD **FOMC Statement** 18:00 18:30 **FOMC Press Conference** USD **BOJ Policy Rate** < 0.50% **Tentative** JPY <0.50% Monetary Policy Statement **Tentative JPY JPY Tentative BOJ Outlook Report**

Previous Session Overview EUR/USD consolidated on Tuesday, staying between previous support and resistance levels. Currently trading at 1.1640. EURUSD, H4 1.16537 1.16554 1.16405 1.16406 MHMarkets @ 1,17900 1.17410 1.17115 1.16910 *********************************** 1.16406 1.15930 1.15430 1.14440 30 15 Oct 08:00 16 Oct 16:00 20 Oct 00:00 21 Oct 08:00 22 Oct 16:00 24 Oct 00:00 27 Oct 08:00 28 Oct 16:00 **Market Outlook** The euro rose for the fifth consecutive day on Tuesday, managing to flirt with its provisional 100-day Simple Moving Average around the 1.1660-1.1670 region. The pair has maintained its gradual ascent amid a steady decline in the US Dollar, as market caution builds ahead of today's Federal Reserve interest rate decision where a 25-basis-point rate cut is fully priced in. The US Dollar Index remained capped by the 99.00 region amid a modest retracement in US Treasury yields across the curve prior to the FOMC gathering. With the rate cut itself unlikely to trigger significant market reaction, all attention will focus on Fed Chair Jerome Powell's press conference and the policy statement's forward guidance. Investors are hoping for signals that the central bank will cut once more at its final meeting of the year in December. The backdrop of improving US-China trade relations continues to support risk sentiment and weigh on the safe-haven Dollar. Both nations are expected to come away with a trade deal when leaders meet on Thursday. Reports indicate that tariffs on goods from China would be lowered if Beijing clamps down on the export of chemicals which produce fentanyl, adding specificity to the potential agreement framework. Tomorrow brings a critical day for the Eurozone with the ECB's interest rate decision taking centre stage. Unlike the Fed, the ECB has explicitly stated it is comfortable with current rates and doesn't plan immediate action, making President Lagarde's commentary crucial for future policy direction. Additionally, Germany will release flash CPI, advanced Q3 GDP Growth Rate, and the labour market report—all of which could significantly

20 Oct 01:00

Key Levels to Watch Resistance: 4023.47; 4086.24 Support: 3905.68; 3843.89 Conclusion

Gold's technical structure remains bearish with prices consolidating below the 20-period moving average, though the Stochastic indicator moving higher from oversold territory suggests the intense selling may be pausing. The \$3,960 level is providing temporary support, but the precious metal faces a challenging fundamental backdrop with improving US-China trade sentiment and record-

21 Oct 08:00

22 Oct 16:00

The Pound Sterling rapidly left behind Monday's optimism on Tuesday, refocusing on the downside and challenging recent lows near 1.3250 as Sterling struggled against a backdrop of diverging central bank expectations. The pair's inability to sustain any recovery reflects ongoing concerns about the Bank of England's policy trajectory. The pressure on Sterling intensified as markets

continue to price elevated odds for a BoE rate cut in December, currently around 61%, following last month's softer inflation data that showed consumer inflation holding steady at 3.8% versus the expected 4%. This contrasts sharply with the Federal Reserve, which while expected to cut rates

commentary. Today's focus is squarely on the Federal Reserve's interest rate decision, where a 25-

conference and the policy statement's forward guidance. A dovish Powell emphasizing government shutdown impacts on labour markets could weaken the Dollar broadly and provide temporary relief

today, may signal a more measured approach to future easing depending on Chair Powell's

basis-point cut is fully priced in. The market reaction will depend entirely on Powell's press

20 Oct 00:00

15 Oct 08:00 16 Oct 16:00

Market Outlook

Previous Session Overview

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

14 Oct 2025 15 Oct 09:00 16 Oct 17:00 20 Oct 01:00 21 Oct 09:00 22 Oct 17:00 24 Oct 01:00 27 Oct 09:00 28 Oct 17:00

Equity markets hit fresh records on Tuesday as investors stepped further into the artificial

The combination of easing monetary policy, robust earnings, and potential US-China trade resolution continues to drive the rally. Investors cheered cooling tensions ahead of Thursday's meeting, with reports indicating that tariffs on Chinese goods would be lowered if Beijing clamps

The S&P 500's technical picture remains powerfully bullish, with the index consolidating just below the 6,900 level after setting fresh all-time highs. The Stochastic indicator consolidating slightly

USO/USD (WTI CRUDE OIL)

USO/USD moved lower on Tuesday, reaching previous support levels. Currently trading at 59.90.

MHMarkets @

61,659

60.675 59.906 59,415

58,120

56.860

55,565

54.305

80

down on fentanyl-related chemical exports, providing concrete progress indicators.

This indicates strong bullish momentum with minor digestion of recent gains.

 Stochastic is consolidating slightly below the overbought area. • Price is consolidating above the 20-period moving average.

intelligence trade a day before the Federal Reserve is set to announce its interest rate decision. The S&P 500 rose 0.23% to close at 6,890.89 after surpassing the 6,900 level for the first time on an intraday basis earlier in the day. All three major indices scored new all-time intraday and closing highs. The market's gains were led by technology stocks, with major chip manufacturers climbing sharply following a series of Al-related announcements and partnerships. Several technology giants rose heading into earnings results, with two companies crossing \$4 trillion in value during Tuesday's session, underscoring the market's continued enthusiasm for artificial intelligence investments. Five major technology companies report this week, together accounting for roughly one guarter of the S&P 500's total value. So far, the earnings season is off to a fantastic start, with about one-third of S&P 500 companies having reported and 83% beating earnings expectations according to available data. Valuations have been fairly elevated by historical standards, and the market has gotten about all the help it will receive from the Fed without something negative occurring. The rally must now be led by the earnings side of things, and to start, the market has absolutely seen that materialize. The Fed is expected to cut its benchmark rate for a second time in 2025 today, with investors hoping for signals from Chair Powell that the central bank will cut once more at its final meeting in December.

Currently trading at 6909.94.

SPXUSD, H4 6906.70 6913.70 6906.44 6909.94

Market Outlook

Technical Outlook

Key Levels to Watch

Conclusion

Resistance: 6955.58; 7019.56 Support: 6840.77; 6783.50

Previous Session Overview

USOUSD, H4 60.166 60.186 59.808 59.906

Technical Outlook

Key Levels to Watch

Resistance: 61.66; 62.98

another leg higher toward 7,000, while cautious commentary might trigger modest profit-taking. However, this week's primary focus is on major technology earnings, which could overshadow Fed commentary given these companies' outsized index weighting. With 83% of reporting companies beating earnings expectations and the Al narrative strengthening, the fundamental backdrop supports further gains. The improving US-China trade outlook particularly benefits technology stocks with China exposure.

- Support: 58.76; 57.41 Conclusion WTI crude oil's technical structure has deteriorated significantly, with prices breaking below the psychologically important \$60 level and trading beneath the 20-period moving average. The Stochastic indicator consolidating slightly above oversold territory suggests the selling may be stabilizing, but the break of \$60 support is a bearish development that opens the door to deeper losses. Immediate support at 58.76 will be critical to prevent an acceleration toward 57.41 and a potential test of the upper-\$50s. On the upside, oil needs to reclaim \$60 and the 20-period moving average, then break above 61.66 resistance to signal a recovery attempt. The \$60-\$62 range that appeared to be establishing itself last week has now broken down, suggesting last week's sanctions-driven rally may have been a temporary spike rather than a sustainable repricing. The combination of potential OPEC+ production increases and improving US-China trade relations has shifted the narrative from supply tightness to adequate availability. Today's inventory data will be crucial—further draws could stabilize prices near \$60, while builds could accelerate declines. This week's Fed decision and Thursday's meeting represent additional volatility catalysts. USD/CAD Previous Session Overview USD/CAD moved lower on Tuesday, reaching below previous support levels. Currently trading at 1.3935. USDCAD, H4 1,39379 1,39407 1,39311 1,39355 MHMarkets @

Key Levels to Watch Resistance: 1.3986; 1.4033 Support: 1.3885; 1.3833 Conclusion

EUR

EUR

EUR

www.mhmarkets.com

13:15

13:15

13:45

 Stochastic is moving lower towards the oversold area. • Price is consolidating below the 20-period moving average.

trend.

29 Oct

30 Oct

Technical Outlook

- Date
 - Tentative JPY **BOJ Press Conference** Advance GDP q/a 3.8% **Tentative** USD 3.0%

Main Refinancing Rate

ECB Press Conference

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Monetary Policy Statement

support@mhmarkets.com

2.15%

2.15%