

TECHNICAL

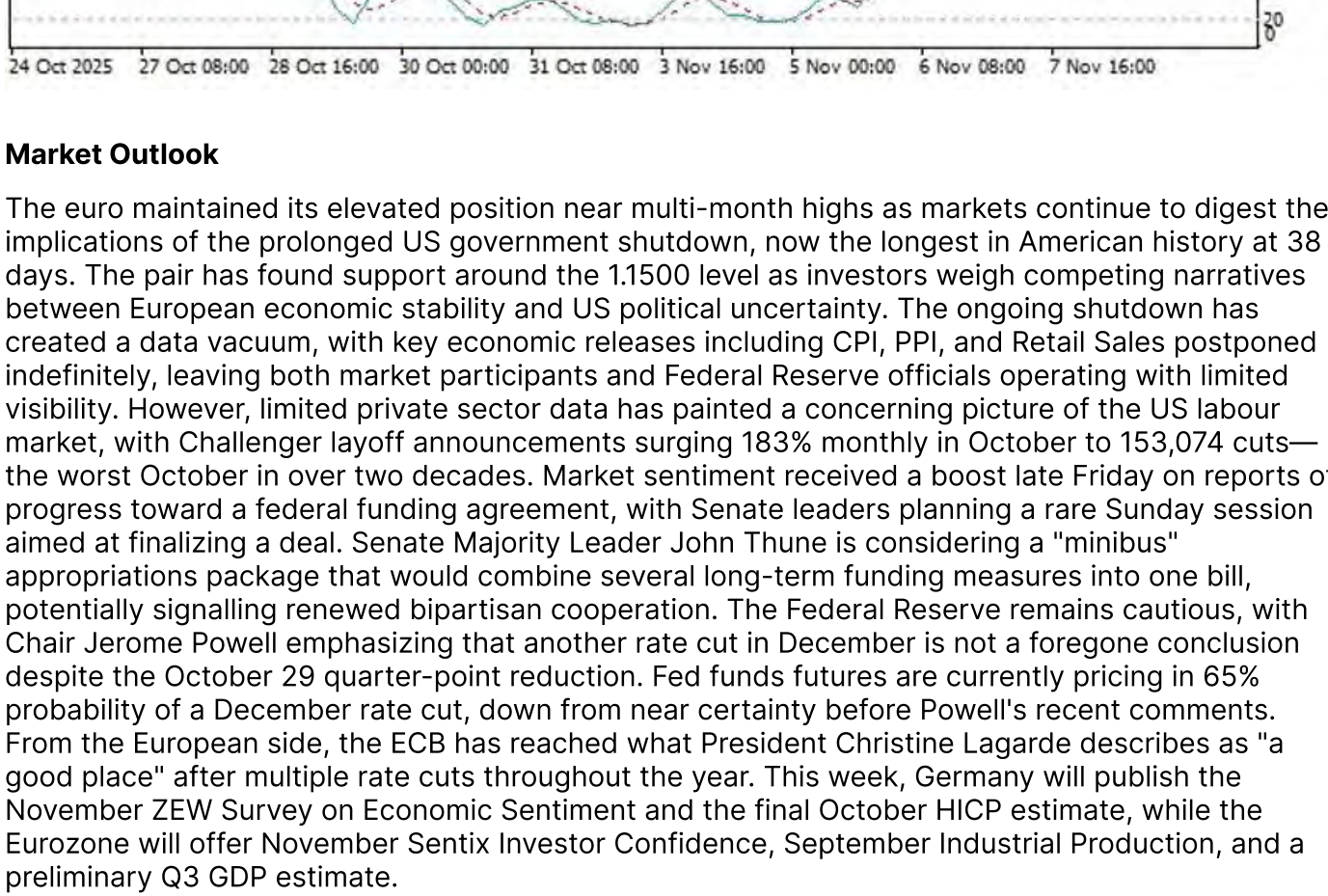
ANALYSIS REPORT

MONDAY, NOVEMBER 10 2025

EUR/USD

Previous Session Overview

EUR/USD consolidated on Friday, staying between previous support and resistance levels. Currently trading at 1.1552.



Market Outlook

The euro maintained its elevated position near multi-month highs as markets continue to digest the implications of the prolonged US government shutdown, now the longest in American history at 38 days. The pair has found support around the 1.1500 level as investors weigh competing narratives between European economic stability and US political uncertainty. The ongoing shutdown has created a data vacuum, with key economic releases including CPI, PPI, and Retail Sales postponed indefinitely, leaving both market participants and Federal Reserve officials operating with limited visibility. However, limited private sector data has painted a concerning picture of the US labour market, with Challenger layoff announcements surging 183% monthly in October to 153,074 cuts—the worst October in over two decades. Market sentiment received a boost late Friday on reports of progress toward a federal funding agreement, with Senate leaders planning a rare Sunday session aimed at finalizing a deal. Senate Majority Leader John Thune is considering a "minibus" appropriations package that would combine several long-term funding measures into one bill, potentially signalling renewed bipartisan cooperation. The Federal Reserve remains cautious, with Chair Jerome Powell emphasizing that another rate cut in December is not a foregone conclusion despite the October 29 quarter-point reduction. Fed funds futures are currently pricing in 65% probability of a December rate cut, down from near certainty before Powell's recent comments. From the European side, the ECB has reached what President Christine Lagarde describes as "a good place" after multiple rate cuts throughout the year. This week, Germany will publish the November ZEW Survey on Economic Sentiment and the final October HICP estimate, while the Eurozone will offer November Sentix Investor Confidence, September Industrial Production, and a preliminary Q3 GDP estimate.

Technical Outlook

- Stochastic moved lower from the overbought area
- Price is moving lower towards the 20-period moving average from above.
- This suggests potential for consolidation or minor correction after recent gains.

Key Levels to Watch

Resistance: 1.1583; 1.1621
Support: 1.1505; 1.1467

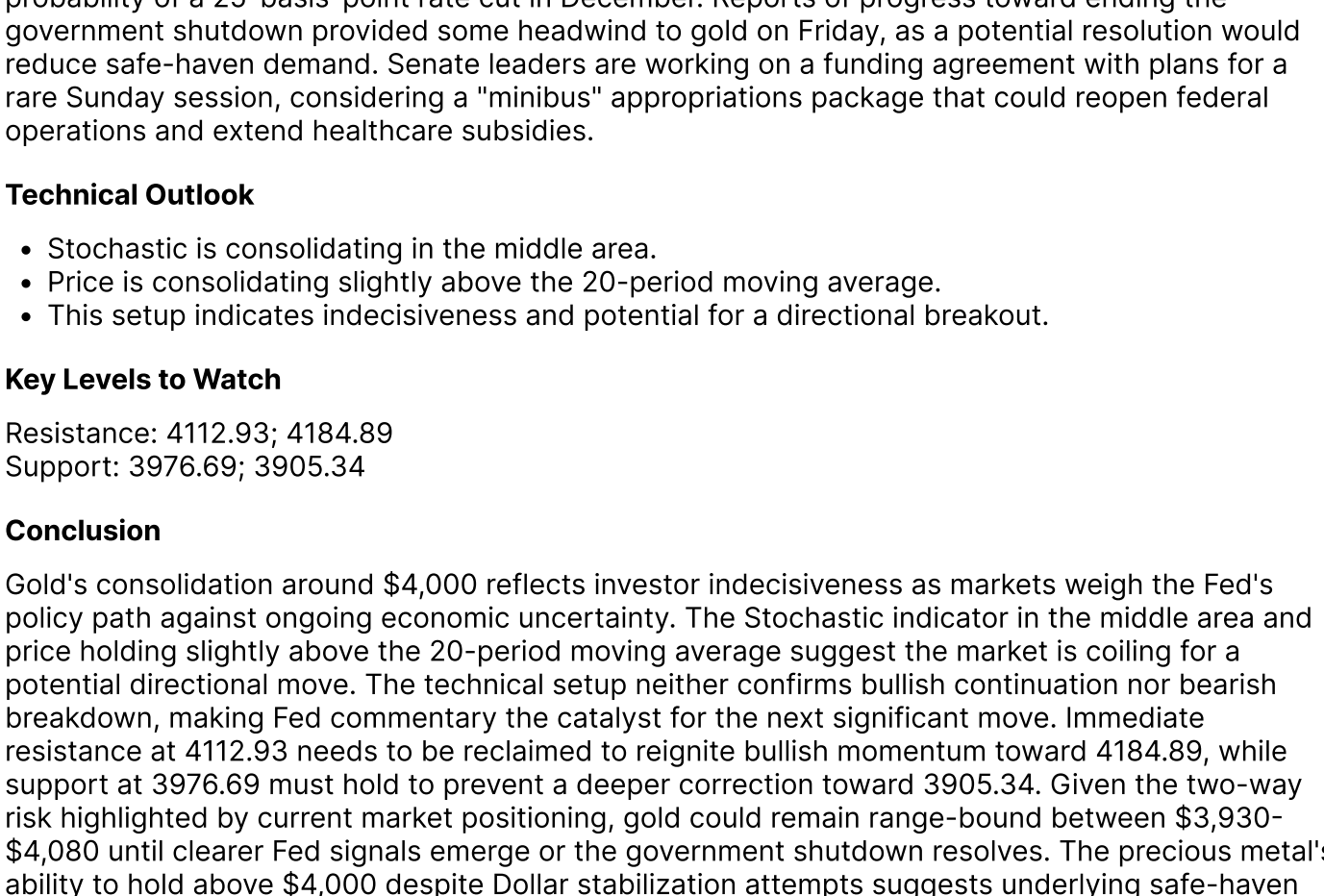
Conclusion

EUR/USD remains in bullish territory but is showing signs of consolidation after reaching multi-month highs. The Stochastic indicator pulling back from overbought levels suggests some profit-taking or pause in momentum, while price action toward the 20-period moving average indicates a healthy correction within the broader uptrend. Immediate support at 1.1505 should contain any pullbacks, with stronger support at 1.1467 below. A successful test and bounce from the 20-period moving average would reinforce the bullish structure and set the stage for another push toward 1.1583 resistance. This week's focus will remain on government shutdown developments, with any progress toward reopening likely to provide USD support and pressure EUR/USD lower. However, the absence of US economic data and ongoing concerns about labour market deterioration should limit any Dollar recovery, keeping the pair supported above 1.1500.

GOLD (XAU/USD)

Previous Session Overview

Gold consolidated on Friday, staying between previous support and resistance levels. Currently trading at 4050.79.



Market Outlook

Gold stabilized around the psychologically important \$4,000 level following a two-week correction that saw prices retreat from record highs near \$4,170. The precious metal has entered a consolidation phase as investors reassess the Federal Reserve's policy outlook amid the ongoing government shutdown and mixed economic signals. The US Dollar's inability to sustain gains beyond the 100.00 barrier and retreat from its 200-day Simple Moving Average has provided underlying support for gold. Despite starting the week with promise, the USD fizzled out in the second half, leaving it with modest weekly losses. This Dollar weakness, combined with declining US Treasury yields across various maturities, has created a supportive environment for the non-yielding precious metal. With geopolitics moving to the backseat and the 38-day government shutdown causing postponement of key economic data releases, investors are scrutinizing comments from Federal Reserve policymakers to assess the odds of another interest rate cut in December. The central bank's October 29 quarter-point rate cut brought the benchmark rate to 3.75%-4.00%, but Chair Jerome Powell warned against assuming another cut in December, highlighting continued uncertainty within the FOMC. Recent private sector data has painted a concerning picture of the labour market, with the Challenger layoffs report showing US employers cut over 153,000 jobs in October—the biggest reduction for the month in over two decades. This has caused investors to refrain from completely pricing out a December Fed rate cut, which indirectly supports gold by keeping real yields in check. The CME FedWatch Tool shows markets currently pricing in a 65% probability of a 25-basis-point rate cut in December. Reports of progress toward ending the government shutdown provided some headwind to gold on Friday, as a potential resolution would reduce safe-haven demand. Senate leaders are working on a funding agreement with plans for a rare Sunday session, considering a "minibus" appropriations package that could reopen federal operations and extend healthcare subsidies.

Technical Outlook

- Stochastic is consolidating in the middle area.
- Price is consolidating slightly above the 20-period moving average.
- This setup indicates indecisiveness and potential for a directional breakout.

Key Levels to Watch

Resistance: 4112.93; 4184.89
Support: 3976.69; 3905.34

Conclusion

Gold's consolidation around \$4,000 reflects investor indecisiveness as markets weigh the Fed's policy path against ongoing economic uncertainty. The Stochastic indicator in the middle area and price holding slightly above the 20-period moving average suggest the market is coiling for a potential directional move. The technical setup neither confirms bullish continuation nor bearish breakdown, making Fed commentary the catalyst for the next significant move. Immediate resistance at 4112.93 needs to be reclaimed to reignite bullish momentum toward 4184.89, while support at 3976.69 must hold to prevent a deeper correction toward 3905.34. Given the two-way risk highlighted by current market positioning, gold could remain range-bound between \$3,930-\$4,080 until clearer Fed signals emerge or the government shutdown resolves. The precious metal's ability to hold above \$4,000 despite Dollar stabilization attempts suggests underlying safe-haven demand remains intact, though a breakthrough on government funding could trigger short-term profit-taking.

GBP/USD

Previous Session Overview

GBP/USD consolidated on Friday, staying between previous support and resistance levels. Currently trading at 1.3143.



Market Outlook

The Pound Sterling has staged an impressive recovery from seven-month lows near 1.3000, with GBP/USD rebounding strongly as US Dollar weakness returned following concerning US labour market data and the prolonged government shutdown. The pair is now consolidating near 1.3150, well above the psychologically important 1.3000 level that was briefly tested earlier in the week. The extended US government shutdown, now the longest in American history at 38 days, continues to weigh on the US Dollar and provide underlying support for the Pound. Market participants are growing increasingly concerned about the economic impact, with over a million federal employees working without pay and another 600,000 furloughed. Late Friday optimism emerged as Senate leaders announced plans for a rare Sunday session to finalize a funding agreement, with proposals for a "minibus" appropriations package gaining traction. The absence of official US economic data has made private sector releases more significant, with the Challenger layoffs report showing a disturbing 183% monthly surge in job cuts, with 153,074 positions eliminated in October—the worst reading in over two decades. This data has reinforced concerns about weakening labour market conditions and boosted the odds of a Federal Reserve rate cut in December to approximately 65%, providing support to GBP/USD. Despite the Bank of England's dovish hold decision last week, the MPC voted 5-4 to maintain rates at 4% in a narrower-than-expected split, the Pound has found support from expectations of Fed-BoE policy divergence. Markets anticipate the Fed may deliver more rate cuts than the BoE over the coming year, given the deteriorating US economic signals versus the UK's stable outlook. This week features critical UK economic data that could significantly impact GBP/USD. Tuesday brings employment data, which will be closely watched for signs of labour market strength or weakness. Wednesday features a panel discussion with BoE Chief Economist Huw Pill on the Bank's Covid-19 response. Thursday's highlight will be the monthly GDP data and the preliminary reading of the British third-quarter GDP alongside industrial figures, which could provide crucial insight into the UK economy's health.

Technical Outlook

- Stochastic is consolidating near the overbought area.
- Price is consolidating above the 20-period moving average.
- This suggests strong bullish momentum but potential for near-term pause or consolidation.

Key Levels to Watch

Resistance: 1.3228; 1.3291
Support: 1.3061; 1.3008

Conclusion

GBP/USD has successfully recovered from its test of 1.3000 and is consolidating above the 20-period moving average with the Stochastic near overbought territory, indicating strong underlying bullish momentum. The technical setup suggests buyers remain in control, though the overbought reading on the Stochastic warns of potential near-term consolidation or minor pullback before the next leg higher. Immediate resistance at 1.3228 represents the next upside target, with a break potentially opening the door toward 1.3291. Support at 1.3061 should contain any corrective moves, with the 1.3008 level providing stronger backing below. This week's UK employment and GDP data will be critical in determining whether the pair can break through resistance or needs further consolidation. A strong set of UK economic releases could propel GBP/USD toward 1.3300, while disappointing data might trigger a retest of 1.3100 support. The pair remains technically bullish if it holds above the 20-period moving average and the 1.3061 support level.

SPX/USD (S&P 500)

Previous Session Overview

The S&P 500 consolidated in high volatility on Friday, reaching previous support levels but then moving back higher. Currently trading at 6788.74.

