MH Markets

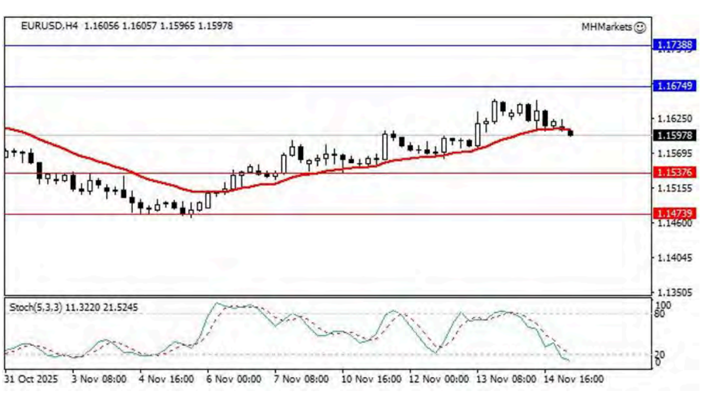
TECHNICAL
ANALYSIS REPORT

MONDAY, NOVEMBER 17 2025

EUR/USD

Previous Session Overview

EUR/USD moved lower on Friday, reaching near previous support levels. Currently trading at 1.1598.



Market Outlook

The euro advanced for a second consecutive week, comfortably trading above the 1.1600 mark as the US government reopened following a 43-day shutdown, officially the longest in American history. The US Senate agreed on a funding bill covering federal expenses until January 30, subsequently signed by President Trump, triggering optimism about the resumption of US macroeconomic data releases. However, the pair's gains have been capped as investors remain cautious ahead of the Federal Reserve's December monetary policy meeting. Fed Chair Jerome Powell stated that a December interest rate cut should not be taken for granted, causing markets to reassess their expectations. Currently, there are equal odds for a 25-basis-point rate cut versus an on-hold announcement in December, down from approximately 70% probability at the start of the previous week. The end of the government shutdown means economic data will begin flooding calendars, with estimates pointing to releases resuming as early as Wednesday, November 19. However, uncertainty remains about whether the data will be estimates or actual figures, and some October data, including employment and inflation figures, may never be released according to White House Press Secretary Karoline Leavitt. On the European front, the Eurozone remains in what ECB President Christine Lagarde described as a "good place" regarding economic and monetary policy. German ZEW Economic Sentiment deteriorated slightly to 38.5 in November from 39.3, while Eurozone Economic Sentiment improved to 25 from 22.7. The final Q3 GDP was confirmed at 0.2% QoQ with the annualized reading upwardly revised to 1.4%. The upcoming week will be critical as delayed US data begins to emerge, potentially reshaping market expectations for Fed policy direction.

Technical Outlook

- Stochastic moving lower towards the oversold area.
- Price consolidating around the 20-period moving average.
- This setup indicates near-term indecision with potential for oversold bounce.

Key Levels to Watch

Resistance: 1.1675; 1.1739
Support: 1.1538; 1.1474

Conclusion

EUR/USD is consolidating around the 20-period moving average at 1.1598, reflecting market indecision as traders await clarity on US economic data releases and Fed policy direction. The Stochastic indicator moving toward oversold territory suggests potential for a technical bounce, though the fundamental backdrop remains mixed. A break above 1.1675 could target 1.1739 and potentially the 20-week SMA at 1.1664, while failure to hold above 1.1538 would expose 1.1474 support. The pair develops inside an ascending channel from 1.1466, now providing support near 1.1602, and maintaining this level will be crucial for preserving the broader bullish structure. This week's flood of delayed US data will be critical in shaping December Fed meeting expectations and determining whether the euro can sustain its recovery or succumbs to renewed dollar strength.

GOLD (XAU/USD)

Previous Session Overview

Gold moved lower on Friday, reaching below previous support levels. Currently trading at 4081.50.

Market Outlook

Gold gathered bullish momentum during the week and climbed to a three-week high above $4,200 after spending the previous week in a tight consolidation channel. However, heightened doubts about the Federal Reserve's potential rate cut in December caused the precious metal to erase a portion of its gains heading into the weekend, now trading closer to the $4,095 level. The week started bullishly as improving risk sentiment and US government shutdown resolution negotiations weakened the dollar. The Senate's approval of the temporary funding bill on Monday, followed by House approval and Trump's signature on Wednesday, officially ended the 43-day government shutdown. This development initially supported gold as safe-haven flows dominated amid uncertainty about how the economic data backlog would be handled. However, the tide turned on Thursday and Friday as hawkish comments from Federal Reserve officials caused investors to scale back bets on a December rate cut. Fed Bank of St. Louis President Alberto Musalem emphasized the need to proceed with caution, while Minneapolis Fed President Neel Kashkari reiterated that inflation is still too high. According to the CME Group FedWatch Tool, market-implied odds for a 25-basis point December rate cut fell to approximately 50% from roughly 67% the previous week. The bearish action on Wall Street triggered a flight to safety mid-week, helping gold hold its ground temporarily. However, as Fed rate cut expectations faded, the dollar found renewed strength, weighing on gold prices. Market participants await official guidance on how the backlog of US economic data releases will be addressed, with growing speculation that September employment figures could be published as early as next Friday.

Technical Outlook

- Stochastic consolidating near the oversold area
- Price consolidating below the 20-period moving average.
- This suggests potential stabilization with bearish bias intact.

Key Levels to Watch

Resistance: 4154.61; 4224.86
Support: 4009.08; 3931.17

Conclusion

Gold is consolidating below the 20-period moving average at 4081.50 after buyers lost confidence following the pullback from three-week highs above $4,200. The Stochastic indicator consolidating near oversold territory suggests selling pressure may be stabilizing, potentially setting up conditions for a technical bounce. However, the fundamental backdrop has turned less favourable as Fed rate cut expectations diminish. The 20-day SMA at $4,065 has turned lower, though longer-term moving averages remain supportive of the broader bullish trend. Immediate support at 4009.08 is critical, with a break below targeting 3931.17 and potentially the key 38.2% Fibonacci retracement at $3,975. On the upside, gold needs to reclaim the 20-period moving average and break above 4154.61 resistance to target recent highs at 4224.86. This week's focus will be on Fed commentary and any clarity regarding US data releases, particularly employment and inflation figures that could provide direction for December rate expectations.

GBP/USD

Previous Session Overview

GBP/USD consolidated on Friday, staying between previous support and resistance levels. Currently trading at 1.3142.

Market Outlook

The Pound Sterling consolidated its recovery from seven-month lows against the dollar, with the pair lacking bullish conviction as it wavered in a 130-pip narrow range. The pair witnessed a bull-bear tug-of-war throughout the week, with recovery sustained by broad-based dollar decline, while UK fiscal concerns and increased bets for a Bank of England rate cut in December remained a drag on the major. The dollar failed to find inspiration from the end of the longest government shutdown in American history, declining to its lowest level in two weeks. Risk flows fuelled by optimism surrounding the US government reopening, coupled with uncertainty over upcoming economic data releases, weighed on the Greenback across the board. However, the prudence shown by Fed officials prevented any sustained dollar weakness, with several policymakers remaining divided on how to balance inflation risks against a cooling labour market. The Pound faced headwinds from deteriorating UK economic data. The Unemployment Rate rose to 5% in the three months to September, above the 4.9% projected, while average wage growth decelerated to 4.6% from 4.7%. ONS Director Liz McKeown noted that taken together, these figures point to a weakening labour market, reinforcing hopes of a BoE rate cut in December. Adding to the pressure, preliminary Q3 GDP data showed the UK economy grew a meagre 0.1%, missing the 0.2% expectation. Toward the end of the week, the British Pound received another blow after the Financial Times reported that UK Prime Minister Keir Starmer and Finance Minister Rachel Reeves scrapped plans to raise income tax rates in a massive U-turn less than two weeks from the budget. This policy reversal raised concerns about the UK's fiscal discipline and political stability.

Technical Outlook

- Stochastic consolidating in the middle area
- Price consolidating around the 20-period moving average.
- This suggests near-term equilibrium with potential for directional breakout.

Key Levels to Watch

Resistance: 1.3217; 1.3251
Support: 1.3096; 1.3056

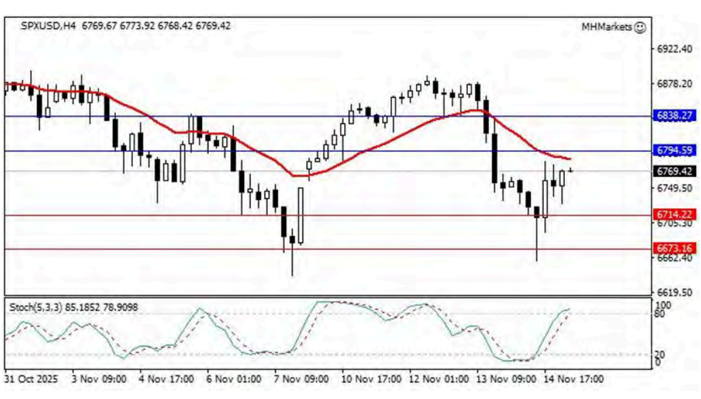
Conclusion

GBP/USD is consolidating around the 20-period moving average at 1.3142 with the Stochastic in neutral territory, reflecting the bull-bear tug-of-war and lack of clear directional conviction. The pair has paused its recovery from seven-month lows just below the downward-sloping 21-day SMA at 1.3220, with the 14-day RSI remaining below the midline near 41.50, keeping bearish potential intact. The Bear Cross between the 21-day and 200-day SMAs remains in play, adding credence to downside risks. This week's focus will be on high-impact UK CPI data and Fed Minutes on Wednesday, followed by UK Retail Sales and S&P Global preliminary PMI data on Friday. The pair must scale 1.3217 resistance on a sustained basis to negate the near-term bearish bias and target 1.3251. Conversely, a break below 1.3096 support would expose the seven-month low at 1.3010. With the US government shutdown ended, markets eagerly anticipate the release of delayed US data, which will provide crucial guidance for both Fed and BoE policy expectations heading into year-end.

SPX/USD (S&P 500)

Previous Session Overview

The S&P 500 consolidated in high volatility on Friday, staying between previous support and resistance levels. Currently trading at 6769.42.



Market Outlook

US equity markets staggered near record highs with a late-week recovery that preserved the uptrend for now, though the benchmark carved out a well-defined monthly opening range just above support. The market enjoyed risk appetite until Thursday as investors cheered the return of US macroeconomic releases following the government reopening, with the Dow Jones Industrial Average posting record highs. However, market sentiment took a turn for the worse in the latter part of the week, partially due to concerns about overvalued tech shares, particularly AI-related stocks, and partially due to uncertainty about the next Fed move. Fed Chair Jerome Powell's statement that a December interest rate cut should not be taken for granted has caused investors to reassess their expectations, with the odds of a 25-basis-point cut dropping to approximately 51% from about 70% at the start of the week. The government shutdown, which lasted 43 days, means that official organizations were unable to collect or release data during that period. Market participants are now preparing for a flood of economic data beginning as early as Wednesday, November 19, though there's uncertainty about whether figures will be estimates or actual data. White House Press Secretary Karoline Leavitt suggested that some October data, particularly employment and inflation figures, might never be released. The index has shown resilience by recovering from a 4.2% plunge earlier in the month, rebounding off channel support with this week's price action nearly marking a weekly doji. This indecision keeps the focus on a breakout of the monthly opening range for directional guidance, with the broader bullish bias remaining vulnerable while trading below key resistance.

Technical Outlook

- Stochastic moving higher towards the overbought area.
- Price consolidating slightly below the 20-period moving average.
- This suggests recovery momentum building with potential for upside continuation.

Key Levels to Watch

Resistance: 6794.59; 6838.27
Support: 6714.22; 6673.16

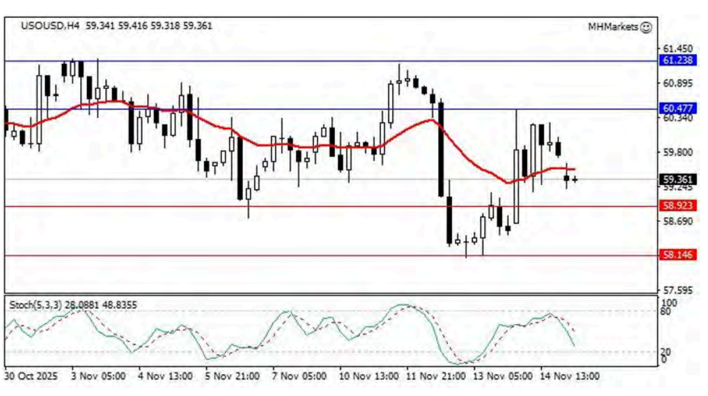
Conclusion

The S&P 500 is consolidating slightly below the 20-period moving average at 6769.42, with the Stochastic moving higher towards overbought territory suggesting strengthening momentum and potential for further near-term gains. The index is testing channel support with the 50-day moving average continuing to provide support along the lower parallel, currently positioned around 6707. Monthly open resistance is eyed at 6794.59, with key resistance at 6838.27, where a breach would mark uptrend resumption and expose the upper parallel near 7070. On the downside, the October open and low-day close at 6673.16 remains critical support, with a break below suggesting a more significant correction toward 6552. The upcoming week will be pivotal as companies begin reporting quarterly earnings, with major banks scheduled for results, and as the backlog of US economic data begins to clear. Market participants will scrutinize this information to gauge the health of the economy and the likelihood of Fed action in December. The bar for positive surprises may be lower given elevated pessimism, potentially setting up opportunities for relief rallies if data or earnings exceed depressed expectations.

USO/USD (WTI CRUDE OIL)

Previous Session Overview

USO/USD consolidated in high volatility on Friday, staying between previous support and resistance levels. Currently trading at 59.36.



Market Outlook

WTI crude oil posted modest weekly gains, settling around $60.09 with an advance of approximately 0.57%, as supply-side concerns and technical buying helped stabilize the market following a sharp midweek sell-off. The commodity is now consolidating just below the critical 52-week moving average at $62.25, which has rejected rallies for the past month and represents a major technical resistance level. The most bearish development came from the US Energy Information Administration, which reported a 6.4-million-barrel build in crude stocks, well above expectations for a 1.96-million-barrel rise. This confirmed earlier API estimates and reinforced concerns that global supply continues to outpace demand. Additional builds were reported in storage hubs across Europe, Singapore, and Fujairah, adding to the narrative that excess barrels are struggling to find buyers. OPEC's latest oil market report contributed to bearish sentiment by forecasting a surplus in 2026 due to increased output from OPEC+ members, including Russia. The IEA echoed this view by raising its supply growth projections for 2025 and 2026. Combined with the EIA's forecast for record US production this year, the tone among major agencies has shifted toward acknowledgment of persistent oversupply heading into the mid-decade period. Despite heavy inventory pressures, the market rallied sharply on Friday following a Ukrainian drone attack on Russia's Novorossiysk port. The incident damaged oil infrastructure and halted exports from a terminal that handles over 700,000 barrels per day. While no long-term disruption has been confirmed, the event injected fresh geopolitical risk, triggering short covering. The impact was compounded by mounting sanctions against Russian producers, with Lukoil forced to declare force majeure at an Iraqi oil field.

Technical Outlook

- Stochastic trying to cross lower near the overbought area.
- Price consolidating around the 20-period moving average.
- This suggests potential momentum reversal with near-term consolidation likely.

Key Levels to Watch

Resistance: 60.48; 61.24
Support: 58.92; 58.15

Conclusion

WTI crude oil is consolidating around the 20-period moving average at 59.36 with the Stochastic trying to cross lower near overbought territory, suggesting Friday's rally may be losing momentum and potential for consolidation or pullback. Last week's rally off support at $58.12 signals a possible short-term bottom, with prices finishing above Fibonacci support at $59.44. However, the real test lies ahead at the 52-week moving average at $62.25, which remains major resistance and would need to be breached to shift the intermediate outlook bullish and target $63.74. The short-term bias is mixed following the technical rebound and heightened geopolitical risk from the Russian port attack and escalating sanctions, though the Stochastic reversal suggests caution. Structural oversupply concerns remain dominant, as reflected in swelling inventories and revised agency forecasts predicting surpluses through 2026. Immediate resistance at 60.48 must be cleared to target 61.24 and eventually the critical 52-week MA at $62.25. On the downside, support at 58.92 should contain pullbacks, with 58.15 as the last line of defence before the bearish case reasserts itself. Without sustained fundamental support from either demand improvement or significant supply disruptions, rallies are expected to struggle against the weight of persistent inventory builds and production growth forecasts.

Key events for today and tomorrow (GMT):

Date	Time	Currency	Events	Forecast	Previous
17 Nov	13:30	CAD	CPI m/m	0.2%	0.1%
	13:30	CAD	Median CPI y/y	3.1%	3.2%
	13:30	CAD	Trimmed CPI y/y	3.0%	3.1%
18 Nov			No Key Events for Tuesday		

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