

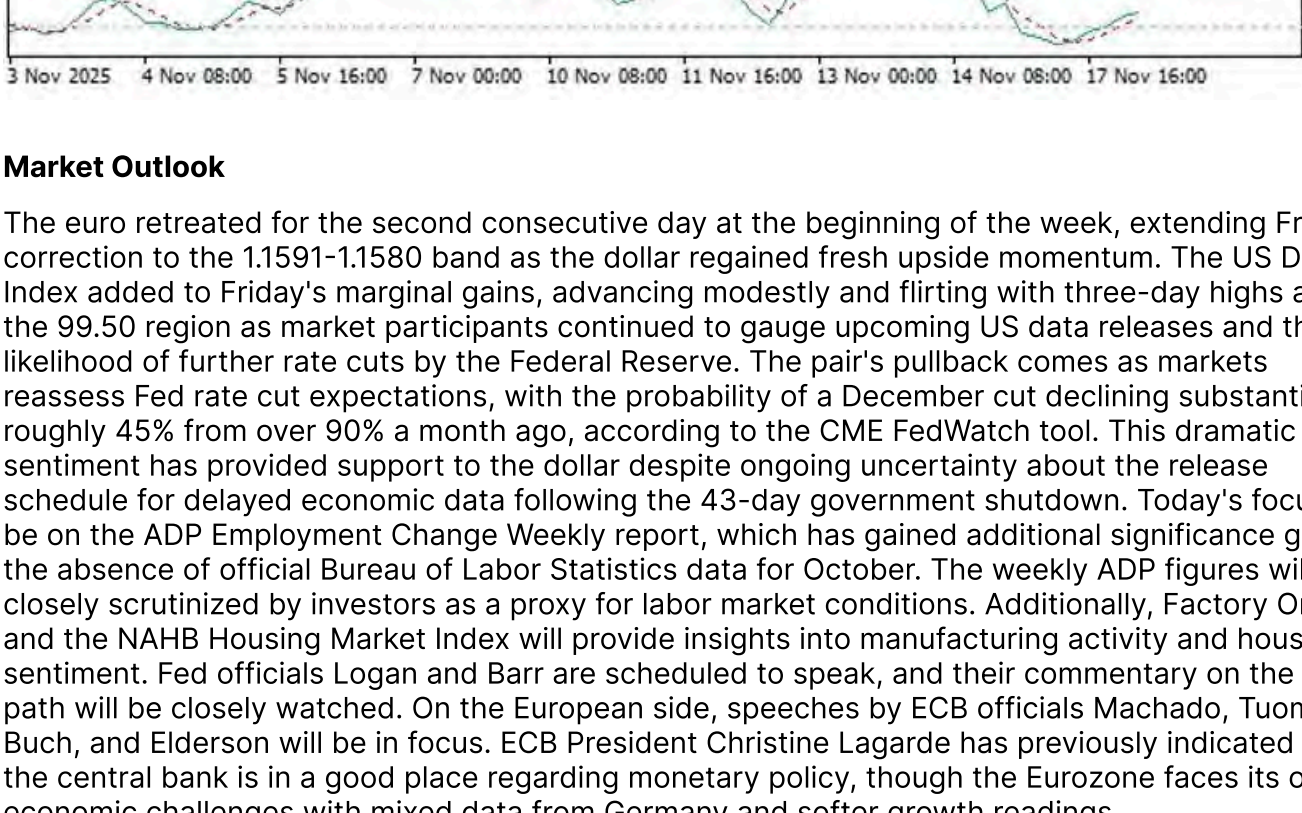
TECHNICAL ANALYSIS REPORT

T U E S D A Y , N O V E M B E R 1 8 2 0 2 5

EUR/USD

Previous Session Overview

EUR/USD consolidated lower on Monday, staying between previous support and resistance levels. Currently trading at 1.1591.



Market Outlook

The euro retreated for the second consecutive day at the beginning of the week, extending Friday's correction to the 1.1591-1.1580 band as the dollar regained fresh upside momentum. The US Dollar Index added to Friday's marginal gains, advancing modestly and flirting with three-day highs around the 99.50 region as market participants continued to gauge upcoming US data releases and the likelihood of further rate cuts by the Federal Reserve. The pair's pullback comes as markets reassess Fed rate cut expectations, with the probability of a December cut declining substantially to roughly 45% from over 90% a month ago, according to the CME FedWatch tool. This dramatic shift in sentiment has provided support to the dollar despite ongoing uncertainty about the release schedule for delayed economic data following the 43-day government shutdown. Today's focus will be on the ADP Employment Change Weekly report, which has gained additional significance given the absence of official Bureau of Labor Statistics data for October. The weekly ADP figures will be closely scrutinized by investors as a proxy for labor market conditions. Additionally, Factory Orders and the NAHB Housing Market Index will provide insights into manufacturing activity and housing sentiment. Fed officials Logan and Barr are scheduled to speak, and their commentary on the rate path will be closely watched. On the European side, speeches by ECB officials Machado, Tuominen, Buch, and Elderson will be in focus. ECB President Christine Lagarde has previously indicated that the central bank is in a good place regarding monetary policy, though the Eurozone faces its own economic challenges with mixed data from Germany and softer growth readings.

Technical Outlook

- Stochastic is trying to cross higher inside the oversold area.
- Price is consolidating slightly below the 20-period moving average.
- This suggests potential for a technical bounce from oversold conditions.

Key Levels to Watch

Resistance: 1.1675; 1.1739
Support: 1.1538; 1.1474

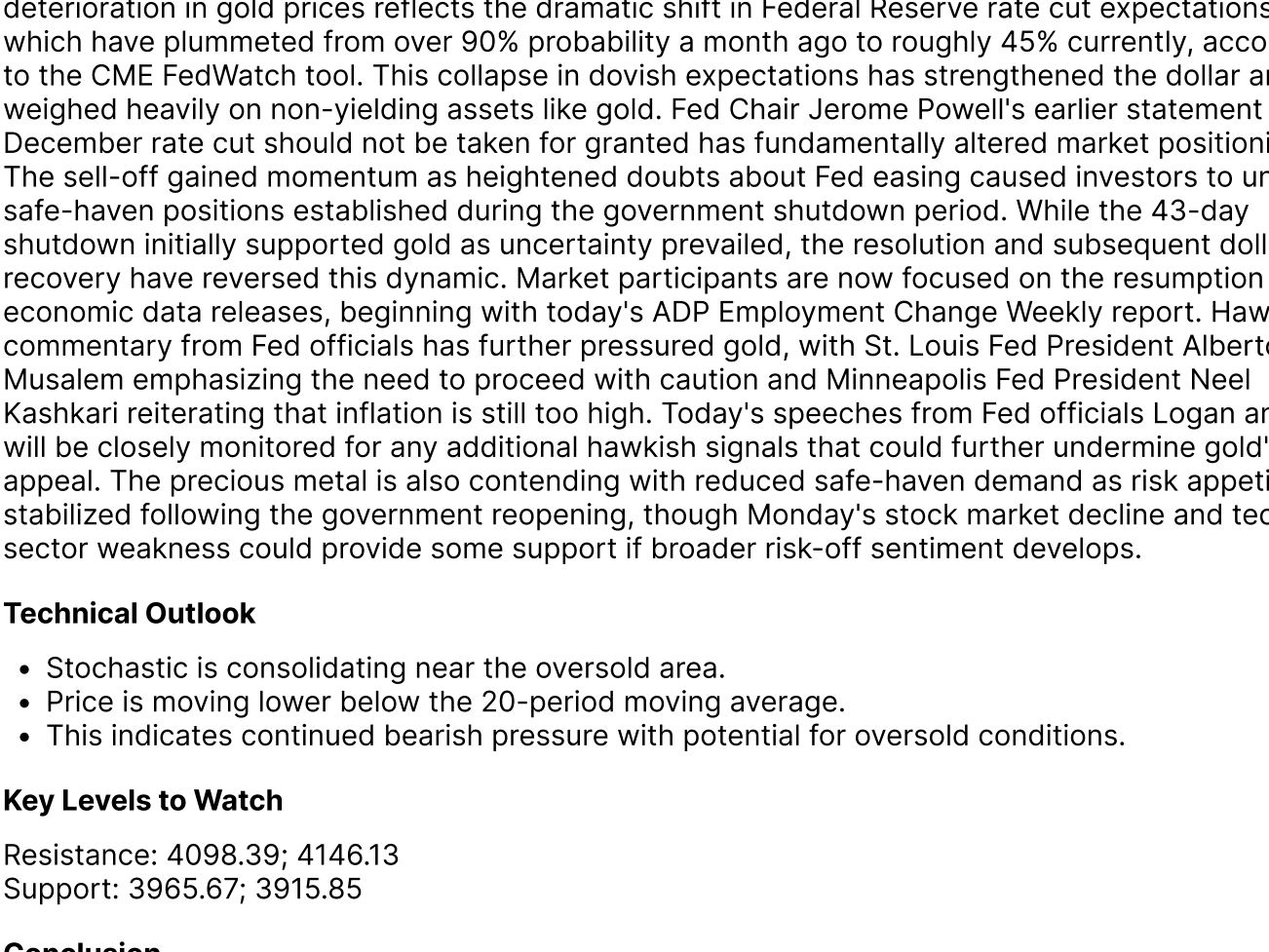
Conclusion

EUR/USD is consolidating just below the 20-period moving average with the Stochastic attempting to cross higher from oversold territory, suggesting potential for a near-term bounce. However, the fundamental backdrop has shifted in favour of the dollar as Fed rate cut expectations have collapsed from 90% to 45% over the past month. The pair remains within its ascending channel from 1.1466, with support near 1.1538 crucial for maintaining the broader bullish structure. A recovery above the 20-period moving average and resistance at 1.1675 would be needed to restore upside momentum and target 1.1739. Conversely, a break below 1.1538 support would expose 1.1474 and potentially invalidate the recent bullish bias. Today's ADP weekly employment data and Fed commentary will be critical in determining near-term direction, as will any insights from ECB officials regarding the Eurozone economic outlook. The pair's ability to hold above the 1.1585 level of the 20-day SMA will be key for bulls attempting to defend the uptrend.

GOLD (XAU/USD)

Previous Session Overview

Gold moved lower on Monday, reaching previous support levels. Currently trading at 4015.16.



Market Outlook

Gold extended its pullback on Monday, sliding toward the \$4,000 mark per troy ounce after reaching levels north of \$4,200 last week. This marks the precious metal's third consecutive daily decline, dragged lower by another round of dollar strength and mixed movements in US Treasury yields. The deterioration in gold prices reflects the dramatic shift in Federal Reserve rate cut expectations, which have plummeted from over 90% probability a month ago to roughly 45% currently, according to the CME FedWatch tool. This collapse in dovish expectations has strengthened the dollar and weighed heavily on non-yielding assets like gold. Fed Chair Jerome Powell's earlier statement that a December rate cut should not be taken for granted has fundamentally altered market positioning. The sell-off gained momentum as heightened doubts about Fed easing caused investors to unwind safe-haven positions established during the government shutdown period. While the 43-day shutdown initially supported gold as uncertainty prevailed, the resolution and subsequent dollar recovery have reversed this dynamic. Market participants are now focused on the resumption of US economic data releases, beginning with today's ADP Employment Change Weekly report. Hawkish commentary from Fed officials has further pressured gold, with St. Louis Fed President Alberto Musalem emphasizing the need to proceed with caution and Minneapolis Fed President Neel Kashkari reiterating that inflation is still too high. Today's speeches from Fed officials Logan and Barr will be closely monitored for any additional hawkish signals that could further undermine gold's appeal. The precious metal is also contending with reduced safe-haven demand as risk appetite stabilized following the government reopening, though Monday's stock market decline and tech sector weakness could provide some support if broader risk-off sentiment develops.

Technical Outlook

- Stochastic is consolidating near the oversold area.
- Price is moving lower below the 20-period moving average.
- This indicates continued bearish pressure with potential for oversold conditions.

Key Levels to Watch

Resistance: 4098.39; 4146.13
Support: 3965.67; 3915.85

Conclusion

Gold continues its downward trajectory below the 20-period moving average, approaching the psychologically significant \$4,000 level. The Stochastic consolidating near oversold territory suggests selling pressure may be nearing exhaustion, though the fundamental backdrop remains challenging with collapsed Fed easing expectations. The 20-day SMA at approximately \$4,065 has turned lower, confirming the shift in near-term momentum. Immediate support at \$3,965.67 is now critical, with a break below exposing the key 38.2% Fibonacci retracement near \$3,975 and then \$3,915.85. On the upside, gold must reclaim the 20-period moving average and break above 4098.39 to suggest the correction is complete and target 4146.13. The broader trend remains intact with longer-term moving averages still rising, but the near-term bias is clearly bearish. Today's ADP employment data and Fed speeches will be crucial, as any signs of labor market resilience or hawkish commentary could extend gold's decline toward \$4,000 and below. Conversely, weak employment data could revive rate cut speculation and provide relief for the precious metal.

GBP/USD

Previous Session Overview

GBP/USD consolidated on Monday, staying between previous support and resistance levels. Currently trading at 1.3148.



Market Outlook

Sterling came under further downside pressure during Monday's session, revisiting the boundaries of the 1.3130 region amid the stronger Greenback. The Pound continues to lack clear directional conviction as it consolidates its recovery from seven-month lows, caught between UK domestic challenges and shifting dollar dynamics. The US Dollar Index advanced modestly to three-day highs around 99.50 as market participants continued to reassess Federal Reserve policy expectations. The probability of a December rate cut has collapsed to roughly 45% from over 90% a month ago, providing underlying support for the Greenback despite ongoing uncertainty about delayed economic data releases. This dramatic repricing of Fed expectations has created headwinds for the pair, even as UK-specific factors also weigh on Sterling. The Pound faces pressure from deteriorating UK economic fundamentals and increased expectations for Bank of England rate cuts. Recent data showed the unemployment rate rising to 5% with wage growth decelerating to 4.6%, while Q3 GDP came in at a disappointing 0.1% versus 0.2% expected. The ONS assessment that these figures point to a weakening labour market has reinforced market expectations for a BoE rate cut in December. Political uncertainty has also emerged as a headwind following reports that UK Prime Minister Keir Starmer and Finance Minister Rachel Reeves scrapped plans to raise income tax rates, raising concerns about fiscal discipline and policy consistency. Today's speech by BoE policymaker Dhingra will be closely watched for any insights into the central bank's thinking ahead of the December meeting. The pair's consolidation reflects the bull-bear tug-of-war, with neither side able to establish clear control. While the US government shutdown resolution initially weakened the dollar, Fed officials' hawkish pivot has reversed this dynamic.

Technical Outlook

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

Key Levels to Watch

Resistance: 1.3217; 1.3251
Support: 1.3096; 1.3056

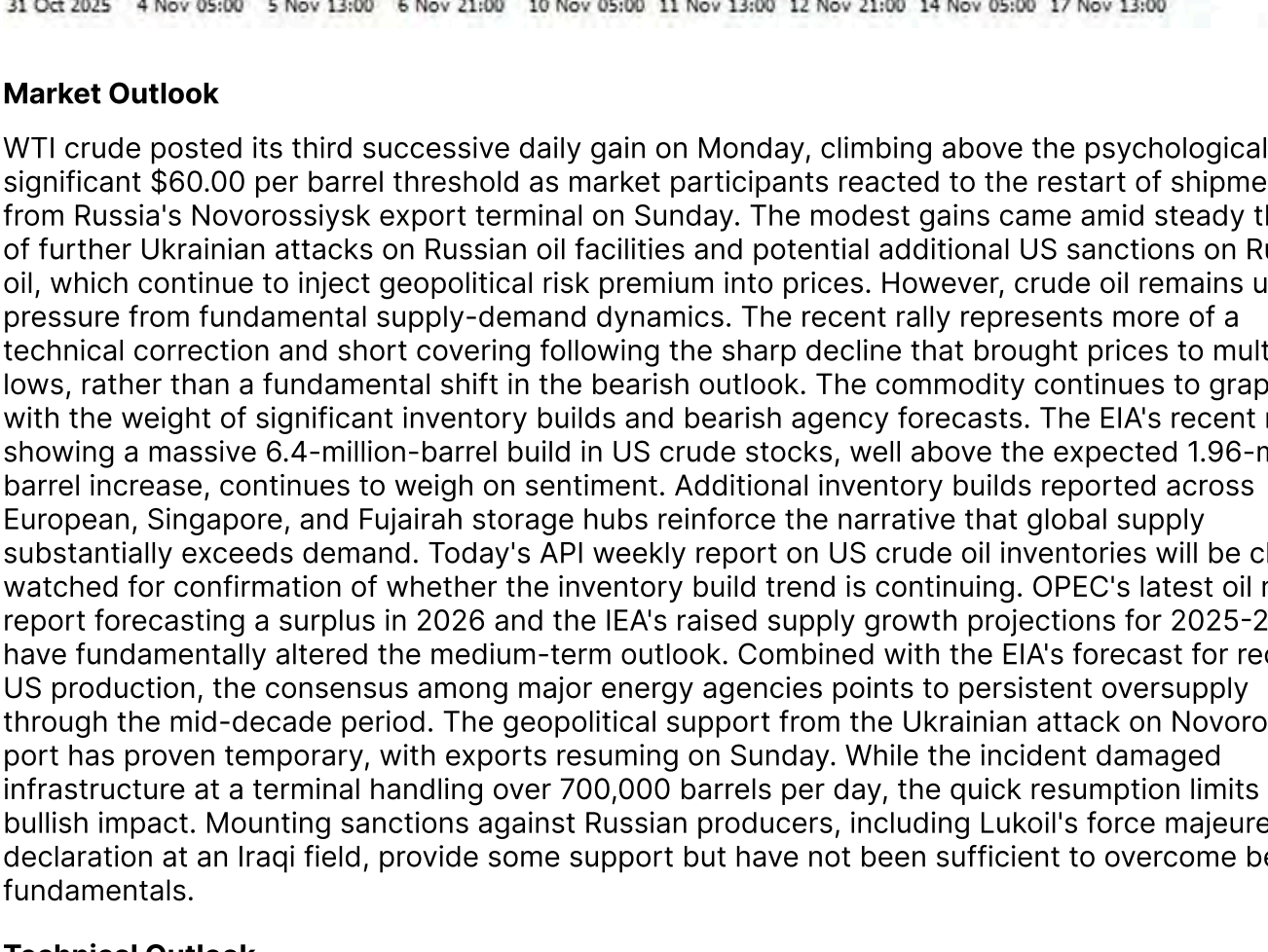
Conclusion

GBP/USD is consolidating around the 20-period moving average with the Stochastic in neutral territory, reflecting the lack of clear directional momentum. The pair remains below the downward-sloping 21-day SMA at 1.3220, with the Bear Cross between the 21-day and 200-day SMAs maintaining bearish technical undertones. The 14-day RSI below the midline near 41.50 keeps downside risks elevated. Wednesday will bring high-impact UK CPI data and Fed Minutes, which could be the catalyst for a breakout from the current consolidation. For bulls, a sustained break above 1.3217 is needed to challenge 1.3251 and potentially the seven-month recovery high. Conversely, failure to hold 1.3096 support would expose the seven-month low at 1.3010. Today's focus on BoE's Dhingra speech and US ADP employment data could provide near-term direction. The divergence between Fed and BoE policy expectations, with markets now pricing similar cut probabilities for both central banks in December, has removed a key support for Sterling. Until either the UK economic outlook improves, or Fed expectations turn more dovish, the pair is likely to remain under pressure with a negative bias.

SPX/USD (S&P 500)

Previous Session Overview

The S&P 500 moved lower on Monday, reaching below previous support levels. Currently trading at 6664.27.



Market Outlook

US equities retreated on Monday, weighed down by renewed weakness in technology shares, as Wall Street positioned ahead of key releases this week including Nvidia earnings and the September jobs report. The benchmark sank 0.92% to end the day at 6,672.41, while the Nasdaq Composite tumbled 0.84% to settle at 22,708.07. The Dow Jones Industrial Average lost 557.24 points, or 1.18%, to close at 46,590.24. The selloff was led by concerns about stretched valuations in artificial intelligence-related stocks, with Nvidia dropping almost 2% ahead of the company's third-quarter results scheduled for Wednesday after the bell. The AI chip giant has become a focal point for market anxiety about whether massive investments in AI infrastructure will generate adequate returns. Blue Owl Capital, a private credit lender, shed nearly 6% amid concerns about its heavy lending related to AI datacenter buildout. Market strategists emphasized the critical importance of Nvidia's results, noting that it will be important for the company to confirm that demand is still there and that they are not seeing a slowdown. However, unless they take it a step further, the second question about return on investment for firms buying these chips remains open-ended. Following Nvidia, Walmart will report Thursday morning, potentially offering insights into consumer spending patterns ahead of the holiday season. Consumer stocks will be particularly crucial for gauging market sentiment toward the coming holiday season, especially given the absence of recent labor market data. Thursday's September nonfarm payrolls reading, the first to be released following the 43-day government shutdown, will be crucial. This report, along with the Federal Reserve's October meeting minutes, could provide clarity as the market is still in a data vacuum for the next couple of weeks as the government gets back on pace. The market has been redefining its Fed rate cut expectations dramatically, with traders now calling for only a roughly 45% chance of a December cut, down from more than 90% probability a month ago.

Technical Outlook

- Stochastic is moving lower towards the oversold area.
- Price is consolidating below the 20-period moving average.
- This indicates continued bearish momentum with potential for oversold bounce.

Key Levels to Watch

Resistance: 6734.89; 6790.08
Support: 6594.12; 6539.04

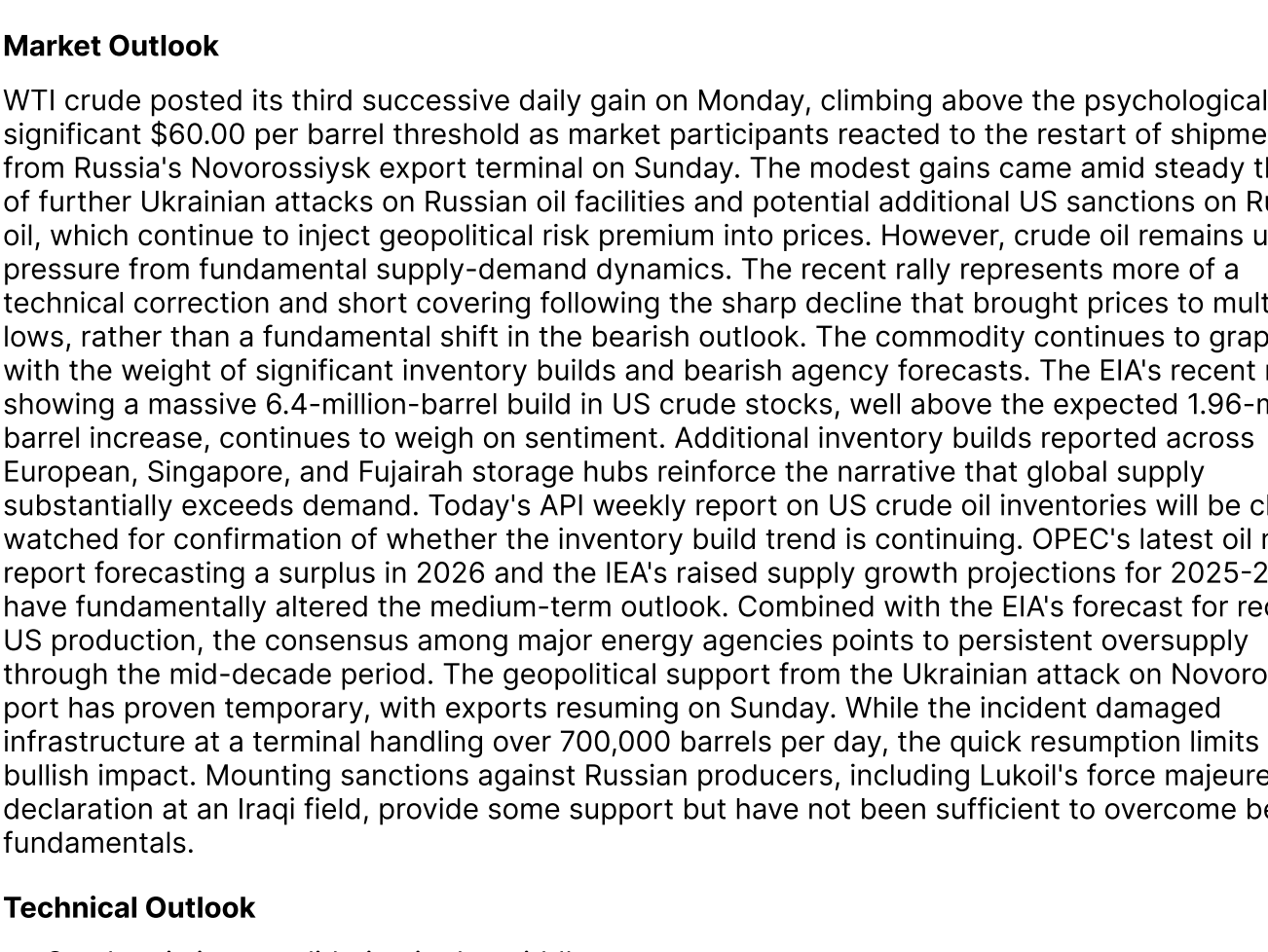
Conclusion

The S&P 500 continues its November decline, now down more than 2% for the month and over 3% from recent all-time highs, with the tech sector particularly hard hit at -5% for November and -7% from its peak. The index is consolidating below the 20-period moving average with the Stochastic moving toward oversold territory, suggesting potential for a technical bounce but within a deteriorating trend structure. Immediate support at 6594.12 is now critical, with a break below targeting 6539.04 and potentially the October lows. The 50-day moving average near 6707 has been lost as support, shifting it to resistance. On the upside, the index must reclaim 6734.89 to relieve immediate pressure and target 6790.08. This week represents a critical juncture with Nvidia earnings on Wednesday potentially setting the tone for the AI trade and broader tech sector, followed by Walmart results and September jobs data on Thursday. The market remains in a data vacuum as the government catches up on delayed releases, creating additional uncertainty. The dramatic collapse in Fed rate cut expectations from 90% to 45% over the past month has removed a key support for equities. A bright spot was Alphabet surging 3.1% after Warren Buffett's Berkshire Hathaway disclosed a stake, suggesting some value still exists despite elevated valuations. However, until either fundamentals improve or Fed expectations shift back toward easing, the path of least resistance appears lower for the index.

USO/USD (WTI CRUDE OIL)

Previous Session Overview

USO/USD consolidated on Monday, staying between previous support and resistance levels. Currently trading at 59.49.



Market Outlook

WTI crude posted its third successive daily gain on Monday, climbing above the psychologically significant \$60.00 per barrel threshold as market participants reacted to the restart of shipments from Russia's Novorossiysk export terminal on Sunday. The modest gains came amid steady threats of further Ukrainian attacks on Russian oil facilities and potential additional US sanctions on Russian oil, which continue to inject geopolitical risk premium into prices. However, crude oil remains under pressure from fundamental supply-demand dynamics. The recent rally represents more of a technical correction and short covering following the sharp decline that brought prices to multi-year lows, rather than a fundamental shift in the bearish outlook. The commodity continues to grapple with the weight of significant inventory builds and bearish agency forecasts. The EIA's recent report showing a massive 6.4-million-barrel build in US crude stocks, well above the expected 1.96-million-barrel increase, continues to weigh on sentiment. Additional inventory builds reported across European, Singapore, and Fujairah storage hubs reinforce the narrative that global supply substantially exceeds demand. Today's API weekly report on US crude oil inventories will be closely watched for confirmation of whether the inventory build trend is continuing. OPEC's latest oil market report forecasting a surplus in 2026 and the IEA's raised supply growth projections for 2025-2026 have fundamentally altered the medium-term outlook. Combined with the EIA's forecast for record US production, the consensus among major energy agencies points to persistent oversupply through the mid-decade period. The geopolitical support from the Ukrainian attack on Novorossiysk port has proven temporary, with exports resuming on Sunday. While the incident damaged infrastructure at a terminal handling over 700,000 barrels per day, the quick resumption limits the bullish impact. Mounting sanctions against Russian producers, including Lukoil's force majeure declaration at an Iraqi field, provide some support but have not been sufficient to overcome bearish fundamentals.

Technical Outlook

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

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 with the Stochastic in neutral territory, reflecting near-term indecision after three consecutive daily gains. The commodity has recovered from the sharp decline that tested \$58.12 support but remains well below the critical 52-week moving average at \$62.25, which has consistently rejected rally attempts over the past month. For the bullish case to gain traction, oil needs to break above immediate resistance at 60.48 and then 61.24 to challenge the key 52-week MA. A decisive break above \$62.25 would be required to shift the intermediate outlook bullish and target the long-term pivot at \$63.74. On the downside, support at 58.92 should contain near-term weakness, with 58.15 as the last line of defence before the bearish trend reasserts dominance. The short-term bias remains cautiously neutral-to-bullish given the three-day rally and geopolitical tensions, but the fundamental backdrop is decidedly bearish with swelling inventories and agency forecasts pointing to persistent oversupply. Today's API inventory report will be critical, as another large build would trigger renewed selling pressure despite the recent technical bounce. Without sustained fundamental support from either demand improvement or significant supply disruptions, rallies are expected to continue struggling against the weight of structural oversupply concerns.

Key events for today and tomorrow (GMT):

Date	Time	Currency	Events	Forecast	Previous
18 Nov			No Key Events for Today		
19 Nov	00:30	AUD	Wage Price Index q/q	0.8%	0.8%
	07:00	GBP	CPI y/y	3.6%	3.8%