EUR/USD moved lower on Wednesday, reaching below previous support levels. Currently trading

MHMarkets @

1.16830

FURUSD.H4 1,15220 1,15229 1,15093 1,15126

at 1.1512.

1.16450 1.16060



Hammack and Cook could offer insights into policymakers' thinking ahead of the December meeting.

The euro faces mounting pressure from multiple fronts. The persistent risk-off sentiment, evidenced by bitcoin's volatility and recent equity market weakness, typically weighs on the single currency. Additionally, the technical breakdown below key support levels suggest the recent bullish structure may be faltering. On the European front, today brings Germany's Producer Prices, EMU Construction Output, and the flash Consumer Confidence gauge. However, these releases are unlikely to materially shift sentiment unless they significantly surprise. The divergence between Fed hawkishness and ECB's neutral stance continues to favour dollar strength. **Technical Outlook** • Stochastic is consolidating near the oversold area. Price is moving lower below the 20-period moving average. • This indicates bearish momentum with potential oversold conditions developing. **Key Levels to Watch** Resistance: 1.1538; 1.1575 Support: 1.1486; 1.1450 Conclusion EUR/USD has broken down from its recent consolidation, trading below the 20-period moving average at multi-day lows near 1.1512. The Stochastic consolidating near oversold territory suggests selling pressure may be nearing exhaustion, though the fundamental backdrop remains decidedly bearish. The pair has violated the ascending channel support from 1.1466, raising concerns that the broader uptrend may be in jeopardy. Immediate support at 1.1486 is now critical, with a break below

exposing 1.1450 and confirming the bearish breakdown. On the upside, the pair must reclaim 1.1538 to suggest the decline is merely a correction, with 1.1575 representing more significant resistance. Today's NFP report is the key catalyst that could determine direction for the coming weeks. A strong

GOLD (XAU/USD)

Gold consolidated on Wednesday, staying between previous support and resistance levels.

MHMarkets @

jobs report would reinforce Fed hawkishness and drive the pair toward 1.1450, while a weak print

- could revive rate cut expectations and trigger a relief rally. However, given the dollar's momentum, having surpassed its 200-day SMA and broken above 100.00, the path of least resistance appears lower. The 20-day SMA at 1.1585 now represents formidable resistance that bulls must overcome to

4197.20 4146.13 4045.70

shrinking US Treasury yields, despite extra gains in the dollar. This unusual positive correlation reflects the complex dynamics currently at play in financial markets, with declining yields offsetting the typical negative impact of dollar strength. The precious metal found support from the sharp decline in Treasury yields across the curve, which reduces the opportunity cost of holding nonyielding gold. However, the sustainability of this rally remains questionable given the dollar's robust performance, having surpassed its critical 200-day SMA and broken above the 100.00 level on the Dollar Index for the fourth consecutive day of gains. Wednesday's FOMC Minutes provided a mixed signal for gold. While the minutes did not significantly alter market expectations, they confirmed the Fed's cautious approach to further rate cuts. With December rate cut probabilities remaining around 45%, down dramatically from 90% a month ago, gold faces headwinds from the reduced likelihood shutdown, making it particularly significant as markets seek clarity on the labour market's health. A context shows improving risk sentiment on Wednesday, with the benchmark index rising 0.38% and ahead of its earnings, suggests reduced safe-haven demand for gold. However, underlying concerns Stochastic is trying to cross lower inside the overbought area.

Gold extended its Tuesday rebound on Wednesday, exceeding the \$4,100 mark per troy ounce amid

XAUUSD.H4 4066.66 4085.52 4064.77 4070.45

Stoch(5,3,3),30,0764 39.3194

resuming.

Technical Outlook

Key Levels to Watch

Stochastic is consolidating near the oversold area.

Price is moving lower below the 20-period moving average.

at 1.3044.

NFP data will resolve.

Previous Session Overview

- **Market Outlook** Sterling came under extra downside pressure on Wednesday, breaking below the key 1.3100 support and reaching two-week lows after softer UK CPI data opened the door to further easing by the Bank of England in December. The pair's sharp decline reflects both dollar strength and Sterling-specific weakness, creating a perfect storm for Cable bears. The catalyst for Wednesday's breakdown was the UK inflation report, which came in softer than expected, reinforcing market expectations for a BoE rate cut in December. With the unemployment rate already at 5%, wage growth decelerating to 4.6%, and Q3 GDP disappointing at just 0.1%, the case for BoE easing has strengthened considerably. Markets are now pricing approximately 50% probability of a December cut, converging with Fed expectations, and removing a key support for Sterling. The dollar's relentless advance, marking its fourth consecutive day of gains and breaking above the 100.00 level on the Dollar Index, has created additional headwinds. The dollar surpassed its critical 200-day SMA despite declining Treasury yields, demonstrating exceptional strength driven by the collapse in Fed rate cut

expectations from 90% to 45% over the past month. Today's focus shifts to the October US Nonfarm Payrolls report, which could determine the near-term trajectory for the pair. A strong jobs report would reinforce Fed hawkishness and extend the pair's decline, while a weak print could provide temporary relief by reviving rate cut expectations. However, given Sterling's own fundamental

challenges, any bounce may be limited. The technical breakdown below 1.3100 is significant, as this

level had provided support multiple times in recent weeks. The breach confirms the failure of Sterling's recovery attempt from seven-month lows and suggests the broader downtrend may be

• This indicates strong bearish momentum with oversold conditions developing.

7 Nov 17:00 11 Nov 01:00 12 Nov 09:00 13 Nov 17:00 17 Nov 01:00 18 Nov 09:00 19 Nov 17:00

11 Nov 01:00 12 Nov 09:00 13 Nov 17:00 17 Nov 01:00 18 Nov 09:00 19 Nov 17:00

results released after Wednesday's close. Market strategists suggested the pullback in recent days may have set up a healthier environment for the stock to report, noting it is more challenging for a stock to outperform on earnings day when it has run up beforehand. Alphabet was among the session's winners, rising about 3% and hitting a new all-time high amid optimism about its new generation of Al. Gemini 3, which it rolled out Tuesday. This suggests that while concerns about Al valuations remain, investors are still willing to embrace companies demonstrating tangible progress in the technology. However, underlying concerns persist about the sustainability of Al investments. Market participants are starting to question the timing of returns on the trillions of dollars being committed to data centres and Al capabilities. Today's focus shifts to the October Nonfarm Payrolls

determining the Fed's next move and could significantly impact equity markets. A strong jobs report would reinforce the no-landing economic scenario but could pressure rate cut expectations further,

report, the first since the 43-day government shutdown ended. This data will be critical in

creating a challenging backdrop for equities. A weak but not recessionary print might be the Goldilocks scenario that supports both economic resilience and Fed easing hopes. The technical recovery has been aided by extreme oversold conditions that developed during the four-day selloff.

• Stochastic is moving higher towards the overbought area.

- previous 6.4-million-barrel increase that far exceeded expectations. Storage facilities across the US, Europe, Singapore, and Fujairah continue to swell with excess barrels, confirming that global supply substantially exceeds demand. The breakdown below \$59.00 is technically significant, as it represents a failure of the rally attempt that had briefly taken prices above \$60.00. More importantly, the decline confirms that oil remains unable to sustain gains even with geopolitical support from Russian supply disruption concerns and US sanctions on Russian producers. This
- Support: 58.74; 58.14 Conclusion
 - 13:30 USD **Unemployment Rate** 4.3% 4.3% Tentative USD **Unemployment Claims**
 - 08:30 **EUR** German Flash Manufacturing PMI 49.8 49.6 German Flash Services PMI 08:30 EUR 54.0 54.6 Flash Manufacturing PMI 49.7 09:30 GBP 49.3 52.3 09:30 GBP Flash Services PMI 51.9 52.5 14:45 USD 52.0

- focus shifts decisively to the October Nonfarm Payrolls report, the first to be released following the 43-day government shutdown. This data will be critical in determining the Fed's next move, with markets desperately seeking clarity after weeks of data vacuum. The Philly Fed Manufacturing Index and Existing Home Sales will provide additional economic context, while speeches from Fed officials

restore the uptrend.

Market Outlook

Previous Session Overview

Currently trading at 4070.45.

XAUUSD.H4 4066.66 4085.52 4064.77 4070.45

Stoch(5,3,3) 30,0764 39.3194 80

11 Nov 01:00 12 Nov 09:00 13 Nov 17:00 17 Nov 01:00 18 Nov 09:00 19 Nov 17:00

of near-term monetary easing. Today's October Nonfarm Payrolls report represents the critical catalyst for gold's next move. This is the first jobs report following the 43-day government strong NFP print would reinforce Fed hawkishness, potentially pressuring gold lower as rate cut expectations diminish further and the dollar strengthens. Conversely, a weak report could revive dovish Fed expectations and provide fuel for gold's rally toward higher levels. The broader market snapping a four-day losing streak. This recovery in equities, particularly the 3% advance in Nvidia about AI valuations remain, which could quickly reverse risk appetite. **Technical Outlook** Price is consolidating around the 20-period moving average. • This suggests near-term indecision with potential for reversal from overbought levels. **Key Levels to Watch** Resistance: 4146.13; 4226.33 Support: 4008.64; 3933.39 Conclusion Gold is consolidating around the 20-period moving average near \$4,078, having reclaimed this key

technical level after testing support above \$4,000. The Stochastic attempting to cross lower from overbought territory suggests the recent bounce may be losing momentum and vulnerable to

reversal. The precious metal faces a critical test today with the NFP report, as a strong jobs number would trigger selling pressure back toward 4008.64 support and potentially the psychologically significant \$4,000 level. Conversely, a weak report could propel gold through 4146.13 resistance toward 4226.33. The technical picture is neutral, with price hovering around the 20-period moving average reflecting market indecision ahead of the key data release. For bulls, a sustained break above 4146.13 is needed to confirm the correction is complete. For bears, a rejection at current levels and break below 4008.64 would expose 3933.39. The divergence between declining Treasury yields supporting gold and dollar strength weighing on it creates an unstable equilibrium that today's

GBP/USD

GBP/USD moved lower on Wednesday, reaching below previous support levels. Currently trading

MHMarkets @

4246,70 4226,33 4197.20

4146.13

4096.70 4070.45 4045.70

3895.70

6879.52

6733.04

6676.80

6610.29

6537.38

6469.75

60.275

59,735 59.378

57,605

80

Resistance: 1.3104; 1.3146 Support: 1.3008; 1.2965 Conclusion GBP/USD has suffered a significant technical breakdown, plunging below the 1.3100 support level to reach two-week lows at 1.3044. The pair is now trading well below the 20-period moving average with the Stochastic near oversold territory, suggesting intense selling pressure that may be nearing short-term exhaustion. However, the fundamental backdrop remains decidedly bearish for Sterling. The soft UK CPI data has reinforced December BoE rate cut expectations, while the dollar's strength shows no signs of abating. The breach of 1.3100 support opens the door to further downside toward 1.3008, with the seven-month low at 1.2965 representing the next major target. For bulls, the pair must reclaim 1.3104 to suggest the breakdown was a false break, with 1.3146 representing more significant resistance. Today's NFP report is critical, as a strong print would drive the pair toward 1.3000 or lower, while a weak report might trigger a short-covering bounce. However, any rally is likely to be sold given Sterling's weak fundamentals. The path of least resistance remains firmly lower. **SPX/USD (S&P 500)** Previous Session Overview The S&P 500 moved higher on Wednesday, reaching above previous resistance levels. Currently trading at 6733.04. SPXUSD.H4 6734.54 6739.30 6728.29 6733.04 MHMarkets @ 6955.60

Market Outlook US equities rose on Wednesday, snapping a four-day slide centred around technology concerns as investors looked ahead to Nvidia's highly anticipated earnings. The broad market index gained 0.38% to close at 6,642.16, while the tech-heavy composite advanced 0.59% to settle at 22,564.23. The relief rally was led by technology stocks, with Nvidia rising roughly 3% ahead of its third-quarter

Technical Outlook

Stoch(5,3,3) 94.8253 84.9485

• Price is consolidating around the 20-period moving average. • This suggests improving momentum with potential for continued recovery. **Key Levels to Watch** Resistance: 6802.40; 6879.52 Support: 6610.29; 6537.38 Conclusion The S&P 500 has bounced to 6733.04, recovering toward the 20-period moving average after Wednesday's 0.38% gain snapped the four-day losing streak. The Stochastic moving higher toward overbought territory suggests improving near-term momentum, though the index faces significant resistance ahead. The recovery has been driven by technology stocks, particularly the 3% rally in Nvidia ahead of its earnings and Alphabet's 3% gain to new all-time highs. The index must reclaim the 20-period moving average decisively and break above 6802.40 to signal the correction is complete and target 6879.52. However, several challenges remain with the 50-day moving average near 6707 representing overhead resistance and today's NFP report creating significant event risk. On the downside, support at 6610.29 must hold to maintain the recovery attempt, with 6537.38 below that. Today's NFP report is critical, as a Goldilocks outcome suggesting economic health without overheating would support further gains, while either a strong print or a recessionary weak print could pressure the index.

USO/USD (WTI CRUDE OIL)

USO/USD moved lower on Wednesday, reaching below previous support levels. Currently trading

10 Nov 21:00 12 Nov 05:00 13 Nov 13:00 14 Nov 21:00 18 Nov 05:00 19 Nov 13:00

WTI crude suffered a sharp decline on Wednesday, falling beneath the \$59.00 per barrel threshold as market participants refocused on persistent oversupply dynamics, though ongoing geopolitical risks stemming from the Russia-Ukraine conflict have provided some support to limit further losses. The sharp reversal from four consecutive days of gains underscores the fragility of the recent rally and the dominance of bearish fundamental factors. The selloff reflects the market's renewed focus on the severe supply-demand imbalance that continues to plague crude oil markets. Wednesday's EIA inventory report showed another substantial build, reinforcing the narrative established by the

Stoch(5,3,3) 40.8000 33.0035

Market Outlook

Previous Session Overview

USOUSD, H4 59.322 59.446 59.319 59.378

at 59.38.

Technical Outlook

bearish trend remains dominant. Immediate support at 58.74 is now critical, with a break below exposing 58.14 and potentially triggering another leg lower toward the multi-year lows near \$57.00. On the upside, oil must reclaim the 20-period moving average and break above 59.96 resistance to suggest the decline is merely a correction, with 60.61 above that. However, the fundamental

21 Nov 07:00 GBP Retail Sales m/m Flash Manufacturing PMI

14:45 Flash Services PMI USD www.mhmarkets.com support@mhmarkets.com

EUR/USD Previous Session Overview

backdrop remains decidedly bearish with massive inventory builds continuing, agency forecasts predicting persistent oversupply through 2026, and geopolitical risk premiums proving unsustainable. The path of least resistance remains lower, with the market struggling to absorb excess supply despite temporary geopolitical support. Key events for today and tomorrow (GMT): Forecast Date Time Currency **Events** Previous Average Hourly Earnings m/m 20 Nov 13:30 USD 0.3% 0.3% 13:30 Non-Farm Employment Change 22K USD 53K 0.5% -0.1% 54.8 54.6 Risk Warning: The material provided here has not been prepared in accordance with legal requirements designed to promote the independence of investment research and as such is considered to be a marketing communication. Whilst it is not subject to any prohibition on dealing ahead of the dissemination of investment research, we will not seek to take any advantage before providing it to our clients.

oversupply will persist through the mid-decade period. The failed attempt to break above the critical 52-week moving average at \$62.25, which has rejected multiple rally attempts, reinforces the bearish technical picture. Geopolitical factors from the Russia-Ukraine conflict continue to provide some floor under prices, preventing a complete collar Stochastic is moving lower towards the oversold area. • Price is consolidating below the 20-period moving average. This indicates renewed bearish momentum with potential oversold conditions developing. **Key Levels to Watch** Resistance: 59.96; 60.61 WTI crude oil has reversed sharply from the recent rally, breaking back below \$59.00 to trade at 59.38, now positioned below the 20-period moving average. The Stochastic moving toward oversold

territory suggests selling pressure has been intense, though extreme oversold conditions could trigger a technical bounce. The breakdown confirms the failure of the rally attempt and suggests the

suggests the fundamental oversupply situation is overwhelming any geopolitical risk premium. Agency forecasts continue to paint a bearish picture for the medium term. OPEC's projection of a 2026 surplus due to increased OPEC+ output, combined with the IEA's raised supply growth

estimates for 2025-2026 and the EIA's forecast for record US production, creates a consensus that