EUR/USD consolidated higher on Thursday, reaching near previous resistance levels. Currently

MHMarkets @

1,16830

4217.85

4156.80 4119.12

3788.65

EURUSD, H4 1,15375 1,15423 1,15344 1,15353

Previous Session Overview

trading at 1.1535.

1.16470 1.16100



is beginning to weigh on sentiment, as concerns grow about its impact on economic activity and

data visibility. Thursday's Challenger Job Cuts data showed October layoff

announcements totalled more than 153,000, almost triple September's rate and 175% higher than the same period a year ago, marking the highest level for October in 22 years. This sudden

deterioration in labour market data paints a shakier picture of the US economy, particularly concerning given the lack of official economic reports due to the government shutdown. The dribs and drabs of non-government data are not super rosy, raising questions about whether the Fed's hawkish pause is appropriate if economic conditions are weakening. Additionally, Supreme Court scepticism about the Trump administration's tariff policy, expressed during Wednesday's hearing, has improved risk sentiment. Many investors now expect a potential ruling against the tariffs, which would reduce a significant overhang for global trade and economic growth. Today's calendar features important US releases, including the flash University of Michigan Consumer Sentiment and the New York Fed Consumer Inflation Expectations survey. **Technical Outlook** Stochastic is moving inside the overbought area. Price is moving higher above the 20-period moving average. • This setup indicates strong bullish momentum but potential for near-term exhaustion. **Key Levels to Watch** Resistance: 1.1583; 1.1621 Support: 1.1505; 1.1467 Conclusion EUR/USD has staged a powerful recovery, breaking back above 1.1500 and the 20-period moving average with the Stochastic indicator in overbought territory, confirming strong bullish momentum. This technical breakout represents a significant shift from the relentless selling pressure that

dominated the previous week. The pair has reclaimed critical technical levels, suggesting that the worst of the Dollar rally may be behind us, at least temporarily. Immediate resistance at 1.1538 is now the next target, with a break above potentially extending gains toward 1.1621. However, the

overbought Stochastic reading warns that the rally may be overextended in the short term and vulnerable to profit-taking. Support at 1.1505, the broken resistance, is now critical as holding above

this level would confirm the technical reversal, while a break below could signal the recovery is false and trigger renewed selling toward 1.1467. Today's focus will be on US consumer sentiment data and Fed speakers. Weak sentiment figures would reinforce concerns about economic deterioration and

speakers maintain their hawkish tone.

support the euro's recovery by reducing December Fed rate cut odds. The fundamental narrative has shifted, as the record government shutdown, weak labour market signals, and Supreme Court tariff scepticism have created doubt about US economic exceptionalism and Fed hawkishness.

However, the recovery in EUR/USD could prove fragile if US data remains robust or if Fed

GOLD (XAU/USD) Previous Session Overview Gold consolidated on Thursday, staying between previous support and resistance levels. Currently trading at 3993.30. XAUUSD,H4 3995.33 3996.50 3988.17 3993.30 MHMarkets @

27 Oct 17:00 29 Oct 01:00 30 Oct 09:00 31 Oct 17:00 4 Nov 01:00

uncertainty surrounding the US government shutdown. The precious metal has stabilized around the

psychologically important 4000-dollar level, reflecting a more balanced risk environment. The primary driver of gold's recovery has been the US Dollar's retreat from multi-month highs, with the Dollar Index pulling back for a second consecutive day on Thursday, coming under pressure from

Market Outlook Gold regained some balance on Thursday and climbed to three-day highs past the 4000-dollar mark per troy ounce during the session, following the selling pressure on the US Dollar and rising

Stoch(5, 3, 3) 43, 1885 40, 8186

shrinking US Treasury yields across the curve, growing concerns about the record-length government shutdown, and an improved tone in risk assets. This Dollar weakness has reduced the headwind that had pressured gold earlier in the week. The ongoing government shutdown, now the longest in US history with no resolution in sight, is creating multiple layers of uncertainty that traditionally support safe-haven assets like gold. The fiscal impasse has entered unprecedented territory, raising questions about Washington's functionality and the potential economic impact of prolonged federal dysfunction. Particularly concerning was Thursday's Challenger Job Cuts data, which showed October layoff announcements at 153,000, triple September's rate and the highest for October in 22 years. This sudden deterioration in the labour market picture is especially worrying given the absence of official employment data due to the shutdown. The not super rosy picture emerging from private sector data suggests the US economy may be weakening, which could eventually force the Fed to resume rate cuts despite recent hawkish rhetoric. Supreme Court scepticism about Trump's tariff policy, expressed during Wednesday's hearing, has also contributed to gold's recovery. While reduced tariff concerns improve risk sentiment and typically pressure safe-haven assets, the uncertainty about the legal outcome and potential policy shifts creates volatility that supports gold demand. **Technical Outlook** • Stochastic is moving lower towards the oversold area. Price is consolidating around the 20-period moving average. This suggests potential for downside pressure despite holding the 4000-dollar level. **Key Levels to Watch** Resistance: 4045.89; 4119.12 Support: 3905.39; 3833.76

Gold is consolidating around the critical 4000-dollar psychological level and the 20-period moving average, with the Stochastic indicator moving toward oversold territory, suggesting potential for near-term downside pressure. The technical picture is mixed, as price action around the moving average shows indecision, while the Stochastic warns of weakening momentum. Gold needs to decisively break above 4045.89 to confirm renewed bullish momentum and potentially target

4119.12. Failure to hold the 4000-dollar level and the 20-period moving average could see a retest of 3905.39 support, with a break below potentially accelerating toward 3833.76. Today's US consumer

GBP/USD

GBP/USD consolidated higher on Thursday, reaching near previous resistance levels. Currently

MHMarkets @

1.34150

1,33470

1,31410 1.31169

1.29370

80

sentiment data will be crucial, with weak sentiment figures reinforcing economic concerns, potentially weakening the Dollar further and supporting gold. Strong data showing resilient confidence could revive Dollar strength and pressure gold back toward support levels. The fundamental backdrop has become more supportive for gold in recent days, as the record government shutdown creates political and economic uncertainty, deteriorating labour market signals raise recession risks, Supreme Court tariff uncertainty adds policy unpredictability, and Dollar weakness reduces the opportunity cost of holding gold. However, challenges remain with Treasury yields, while lower, still elevated, Fed speakers potentially maintaining hawkish rhetoric despite economic concerns, and improved risk sentiment from tariff optimism reducing safe-haven demand. Trading strategy should focus on the 4000-dollar pivot, as holding above with confirmation through 4045.89 would signal that the correction is complete and a new leg higher is underway.

Previous Session Overview

trading at 1.3117.

Stoch(5,3,3) 81.9080 87.4732

Technical Outlook

GBPUSD, H4 1.31248 1.31299 1.31150 1.31169

Conclusion

27 Oct 16:00 29 Oct 00:00 30 Oct 08:00

Market Outlook The Pound Sterling gathered strong upside impulse on Thursday and surpassed the 1.3100 mark following the Bank of England's steady hand and the US Dollar's correction. The Pound has staged an impressive recovery from seven-month lows near 1.3000, benefiting from both supportive domestic factors and broad-based Dollar weakness. The Bank of England held its policy rate unchanged at 4.00% as widely expected, but the critical factor was the tone of the accompanying statement and Governor Andrew Bailey's press conference commentary. The BoE's messaging appears to have been less dovish than markets feared, with policymakers emphasizing data dependency rather than signalling imminent rate cuts in December. This hawkish tilt, or at least

amplified Sterling's gains, with the Dollar Index pulling back for a second consecutive day, pressured by shrinking Treasury yields, record government shutdown concerns, and improved risk sentiment. The shutdown, now the longest in US history, is creating growing anxiety about economic impact, particularly after Thursday's Challenger Job Cuts data showed October layoffs at 153,000, the highest for October in 22 years and triple September's rate. This deteriorating US labour market picture contrasts with the UK's more stable employment situation, narrowing the perceived

economic growth differential between the two economies. The not super rosy picture emerging from US private sector data has called into question the Fed's hawkish pause, potentially reducing the

Court scepticism about Trump's tariff policy has improved global risk sentiment. The UK, facing only the baseline 10% tariff compared to much higher rates for other nations, stands to benefit more from any tariff rollback or legal challenge success. Today's UK calendar features the Halifax House Price

Index and the BBA Mortgage Rate, which will provide insights into the crucial housing sector.

absence of dovish urgency, provided significant support for Sterling. The US Dollar's retreat

expected policy divergence between the Fed and BoE. Additionally, Supreme

• Stochastic is moving inside the overbought area.

31 Oct 16:00 4 Nov 00:00

• Price is moving higher above the 20-period moving average. This setup indicates strong bullish momentum but potential for near-term consolidation. **Key Levels to Watch** Resistance: 1.3228; 1.3291 Support: 1.3061; 1.3008 Conclusion GBP/USD has staged a powerful rally, breaking above 1.3100 and the 20-period moving average with the Stochastic deep in overbought territory, confirming strong bullish momentum. The recovery from 1.3000 lows represents an impressive 140-pip move, driven by the BoE's less dovish than feared stance and broad Dollar weakness. The technical picture has completely reversed from last week's bearish setup. However, the overbought Stochastic reading warns that the rally may be overextended in the short term and vulnerable to profit-taking or consolidation. Immediate resistance at 1.3228 is the next target, with a break above potentially extending gains toward 1.3291 and challenging the recent high. Support at 1.3061 is now critical, as holding above this level, particularly above the psychologically important 1.3100, would confirm the reversal is genuine. A break below 1.3061 could signal exhaustion and trigger renewed selling toward the 1.3008 level.

Today's focus will be on US consumer sentiment data and Fed speakers. Weak US data would reinforce the economic deterioration narrative and support Sterling's recovery by reducing

the BoE's relatively hawkish stance contrasts with growing questions about Fed policy

expectations for Fed hawkishness. Strong data showing resilient US consumer confidence could slow GBP/USD's advance. The fundamental backdrop has shifted dramatically in Sterling's favour, as

appropriateness given weakening US data, the record government shutdown creates US-specific uncertainty, deteriorating US labour market signals narrow the growth differential, and Supreme

SPX/USD (S&P 500)

The S&P 500 moved lower on Thursday, reaching below previous support levels. Currently

23 Oct 2025 24 Oct 09:00 27 Oct 17:00 29 Oct 01:00 30 Oct 09:00 31 Oct 17:00 4 Nov 01:00 5 Nov 09:00 6 Nov 17:00

US stocks retreated on Thursday, with the S&P 500 trading down 1.12% to settle at 6720.32, as companies that have benefited from the artificial intelligence trade came under pressure yet again amid concern about their eye-watering valuations. The tech-heavy Nasdaq bore the brunt of the selling, tumbling 1.9% to end at 23,053.99, with the Nasdaq 100 down more than 2% since last Friday's close and on pace for its worst week since early April. The Dow Jones Industrial Average slid 398.70 points, or 0.84%, to close at 46,912.30. All three major indexes are now firmly in negative territory week to date, with the 30-stock Dow on pace for a 1.4% loss, the S&P 500 down 1.8%, and the tech-heavy Nasdaq declining 2.8% for the week. Al stocks continued their uneven performance, with Thursday marking another day of significant pain for the sector. The biggest downside impact

came from Nvidia, Microsoft, Palantir Technologies, Broadcom, and Advanced Micro Devices. Qualcomm shed 4% after posting better-than-expected quarterly results but warning it may lose future business with Apple. AMD, a standout performer on Wednesday, reversed sharply with a 7%

was exacerbated by concerning labour market data, with the Challenger Job Cuts report showing October layoff announcements totalling more than 153,000, almost triple September's rate and 175% higher than the same period a year ago. This marks the highest level recorded for October in 22 years, in a year that is shaping up as the worst for layoffs since 2009. This data suddenly paints a shaky picture of the US economy, particularly concerning given the lack of official economic reports due to the ongoing government shutdown. Investors also remained focused on the Supreme Court's Wednesday hearing on Trump's tariff policy, where justices expressed scepticism about the trade

decline, while Palantir and Oracle dropped 7% and 3%, respectively. Thursday's pullback

 Stochastic is trying to cross higher near the oversold area. • Price is consolidating below the 20-period moving average. MHMarkets @

6988.90

6925.90 6889.09 6864.70

6725.75

6673.29

6619.90

6558.70

+0++00*++00+00

Court tariff scepticism reduces trade war fears.

Previous Session Overview

SPXUSD,H4 6735.25 6737.00 6724.74 6725.75

trading at 6725.75.

Market Outlook

taxes' legality.

Technical Outlook

Key Levels to Watch

Resistance: 6818.39; 6889.09 Support: 6673.29; 6595.27

Previous Session Overview

Currently trading at 59.51.

USOUSD, H4 59.643 59.661 59.511 59.511

Stoch(5,3;3) 51.2957 39.2595

Market Outlook

Conclusion

Time

13:30

Date

7 Nov

Conclusion The S&P 500 has broken below the 20-period moving average and is consolidating near support levels, with the Stochastic indicator attempting to cross higher from oversold territory, suggesting a potential technical bounce may be developing. The index is down 1.8% for the week, reflecting growing concerns about AI stock valuations and deteriorating economic signals. Immediate support at 6673.29 is now critical, as a break below could accelerate losses toward 6595.27 and potentially mark a more significant correction. The technical damage is mounting, with the index needing to reclaim 6818.39 and the 20-period moving average to suggest stabilization. Resistance at 6889.09 would need to be cleared to restore the bullish trend. The fundamental backdrop has deteriorated significantly, with valuation concerns intensifying as AI stocks priced for perfection now show cracks

as companies provide tepid guidance despite beating estimates. The labour market is flashing warning signs with October layoffs at 22-year highs for the month, signalling potential economic weakness. The record government shutdown limits data visibility and creates economic uncertainty, while market breadth remains extremely weak with narrow leadership in AI stocks that are now under pressure. Today's University of Michigan Consumer Sentiment data will be crucial, with weak sentiment reinforcing economic concerns and potentially extending the correction, while strong readings showing consumer resilience could trigger the technical bounce suggested by oversold indicators. The market is at a critical juncture, testing whether this represents a healthy 5 to 10%

USO/USD (WTI CRUDE OIL)

USO/USD consolidated on Thursday, staying between previous support and resistance levels.

WTI prices retreated for the third day in a row on Thursday, easing below the 60.00-dollar mark per barrel as traders assessed the potential resurgence of supply glut amid weaker demand. However, the commodity has shown some resilience, attempting to stabilize around the 59.50-dollar level

market remains under pressure from multiple bearish factors, with the larger-than-expected EIA inventory build reported on Wednesday confirming concerns about weakening demand, while robust

rather than accelerating lower after Wednesday's decisive breakdown. The crude oil

MHMarkets @

62,260 61,728 61,480

60.699

59,900 59.511 59.120

58.403

56.780 100

correction that refreshes the bull market or the beginning of something more serious.

• This setup suggests potential for a technical bounce from oversold conditions.

The US Dollar's retreat from multi-month highs on Thursday has reduced pressure on dollardenominated commodities, with the Dollar Index pulling back for a second consecutive day, making oil less expensive for foreign buyers, and potentially supporting international demand. Additionally, the record-length US government shutdown is creating uncertainty about economic policy and data visibility. Geopolitical factors continue to provide an underlying risk premium, with the Russia-Ukraine conflict persisting, Middle East tensions remaining elevated, and the Supreme Court's scepticism about Trump's tariff policy creating short-term uncertainty about trade flows and industrial activity. **Technical Outlook** Stochastic moved higher from the oversold area Price is moving higher back toward the 20-period moving average. This setup suggests a potential technical rebound is developing. **Key Levels to Watch** Resistance: 60.70; 61.73 Support: 58.40; 57.37

WTI crude oil is attempting to stabilize and recover after breaking below the critical 60.00-

dollar psychological level, with the Stochastic indicator moving higher from oversold territory and price action edging back toward the 20-period moving average. This technical setup suggests that extreme selling pressure may be easing, and a relief rally could be developing. The critical 60.00dollar level, now acting as resistance, will be decisive, as a successful reclaim above 60.70 would suggest the breakdown was a false move and potentially spark short-covering toward 61.73.

However, failure to reclaim 60.00 dollars decisively would confirm the breakdown and raise risks of

Chinese economic cooling reducing key Asian demand, and Saudi discounting to Asia indicating soft physical markets. However, some supportive factors have emerged, with Dollar weakness making oil less expensive for foreign buyers, the government shutdown creating policy uncertainty that could

either proceed with planned production increases and risk further price erosion, or pause and reverse increases to defend price levels. The 60.00-dollar level is the line in the sand, as reclaiming bearish trend intact.

further declines toward 58.40 support and potentially 57.37. The fundamental

backdrop remains challenging with multiple bearish factors including the EIA inventory

build signalling weak demand, OPEC+ production increases adding supply despite low prices,

limit supply responses, geopolitical risks providing an underlying risk premium, and extreme

positioning potentially fuelling short-covering rallies. The key question is whether OPEC+ will respond to sustained sub-60-dollar prices, as the alliance faces a critical decision to

> **Employment Change** 60.4K -4.0K 7.1% 7.2% 0.2% 0.2%

Forecast

Previous

US production levels exceeding 13.5 million barrels per day continue to flood the market with supply. OPEC+'s planned 137,000 barrel per day output increase, though modest, signals the alliance's belief that the market can absorb additional supply, a view that current price action increasingly questions. China's cooling economic activity continues to weigh on demand expectations, as the world's largest crude importer showing any weakness has outsized implications for global oil prices. Recent data showing economic softness, combined with reduced import quotas forcing refinery cuts, paints a challenging picture for Asian demand, the critical swing factor in the global oil market. However, some factors are providing support and preventing a complete collapse below 60 dollars.

22 Oct 2025 24 Oct 05:00 27 Oct 13:00 28 Oct 21:00 30 Oct 05:00 31 Oct 13:00 3 Nov 21:00

it convincingly opens the door to 60.70 and potentially 61.73, while failure to break above keeps the Key events for today (GMT):

Events

Currency

CAD

support@mhmarkets.com

13:30 **Unemployment Rate** CAD Average Hourly Earnings m/m Tentative USD Core PCE Price Index m/m **Tentative** USD Non-Farm Employment Change Tentative USD **Tentative** USD **Unemployment Rate** www.mhmarkets.com

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