EUR/USD consolidated lower on Tuesday, staying between the previous support and resistance

MHMarkets (R)

MHMarkets (E)

3448.60

3420.60

3255.80

1.32980

1.32380

1.31795

EUR/USD

FURUSD.H4 1.16381 1.16416 1.16214 1.16335

>>> Previous Session Overview

levels. Currently trading at 1.1634.

1.17736 1.17340



concentrated on US developments and Federal Reserve guidance. The cautious market sentiment ahead of the FOMC Minutes and the pivotal Jackson Hole Symposium later this week continues supporting safe-haven demand for the US Dollar, while geopolitics has returned to the forefront of price action drivers, adding another layer of uncertainty that benefits the greenback. Looking ahead, Friday's Jackson Hole speech is being viewed as a potential inflection point for markets, with widespread expectations that Powell will signal rate cuts are likely at the September meeting, which could provide significant directional guidance for EUR/USD in the coming sessions. **Technical Outlook** Stochastic moving lower towards the oversold area. • Price moving lower below the 20-period moving average. This setup indicates continued bearish momentum with oversold conditions developing. **Key Levels to Watch** Resistance: 1.1713; 1.1774 Support: 1.1596; 1.1536 Conclusion

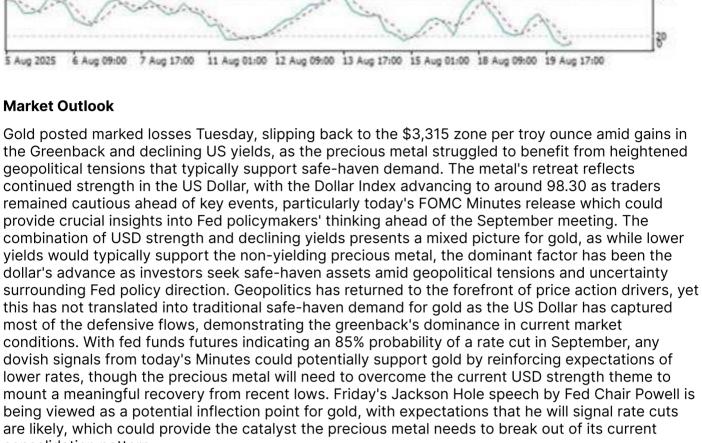
EUR/USD extends its decline below the 20-period moving average at 1.1634, with the Stochastic

moving toward oversold territory, suggesting continued bearish pressure. The pair faces immediate resistance at 1.1713, requiring significant recovery to challenge 1.1774. Critical support lies at 1.1596,

- with a break below potentially accelerating the decline toward 1.1536. The technical setup shows deteriorating conditions with both price action and momentum indicators pointing lower. Today's
- FOMC Minutes and final Eurozone inflation data will be crucial drivers, while Jackson Hole anticipation continues supporting USD strength. The pair needs to reclaim the 20-period moving average to halt the current bearish momentum.
- GOLD (XAU/USD)

Previous Session Overview Gold consolidated lower on Tuesday, reaching the previous support levels. Currently trading at

3393.40



Key Levels to Watch Resistance: 3343.13; 3364.00 Support: 3296.51; 3275.95 Conclusion Gold consolidates below the 20-period moving average at 3317.33, with the Stochastic trying to cross higher from oversold territory, suggesting potential for a technical bounce. The precious metal faces immediate resistance at 3343.13, requiring significant recovery to challenge 3364.00. Support lies at 3296.51, with stronger support at 3275.95. The technical setup shows mixed signals with oversold conditions providing potential support while USD strength continues weighing on prices. Today's FOMC Minutes will be crucial for direction, with dovish signals potentially supporting gold despite current dollar dominance. Friday's Jackson Hole speech remains the key event that could determine whether gold can break above resistance levels. GBP/USD Previous Session Overview

Stoch(\$.3.3) 17.0459 19.3336

Market Outlook Sterling retreated to multi-day lows Tuesday after breaching below the psychologically important 1.3500 support level, reflecting broader USD strength themes and specific concerns about UK economic dynamics as traders positioned ahead of today's critical UK inflation rate release. The pair's weakness emerges as the Bank of England has lifted its forecast for September inflation to peak at 4% from 3.7%, and today's figures will provide crucial insights into whether this concerning trajectory is materializing as expected. Any confirmation of elevated inflation readings could significantly influence BoE policy expectations and potentially provide some support for Sterling if it suggests the central bank may need to maintain a more hawkish stance compared to Federal Reserve expectations. However, the pair is simultaneously being weighed down by broader market caution ahead of the FOMC Minutes release and Jackson Hole Symposium anticipation, with the US Dollar's advance to around 98.30 reflecting defensive positioning as geopolitical tensions have returned to the forefront and uncertainty about Fed policy persists. The technical breach below 1.3500 represents a significant development for GBP/USD, suggesting that recent bullish momentum

may be losing steam and opening the door for further weakness toward deeper support levels. With fed funds futures indicating an 85% chance of a Fed rate cut in September, the pair's direction will depend heavily on the relative positioning of BoE versus Fed policy expectations, particularly given

current inflation dynamics. Friday's Jackson Hole speech by Powell, along with BoE Governor Bailey's participation in the symposium, could provide crucial insights into the policy divergence

between the two central banks and determine Sterling's medium-term trajectory.

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

 Stochastic trying to cross higher inside the oversold area. Price consolidating below the 20-period moving average.

Technical Outlook

Key Levels to Watch

Market Outlook

6 Aug 08:00 7 Aug 16:00 11 Aug 00:00 12 Aug 08:00 13 Aug 16:00 15 Aug 00:00 18 Aug 06:00 19 Aug 16:00

Resistance: 1.3542; 1.3593 Support: 1.3399; 1.3348 Conclusion GBP/USD consolidates below the 20-period moving average at 1.3474, with the Stochastic trying to cross higher from oversold territory following the break below 1.3500. The pair faces immediate resistance at 1.3542, requiring recovery momentum to challenge 1.3593. Critical support lies at 1.3399, with a break below potentially targeting 1.3348. The technical setup shows potential for stabilization with the Stochastic attempting to recover from oversold conditions. Today's UK inflation data will be the key catalyst, with higher readings potentially supporting Sterling despite current USD strength. The pair's ability to reclaim the 1.3500 level will be crucial for any sustained recovery attempt. **SPX/USD (S&P 500)** Previous Session Overview

Price moving lower below the 20-period moving average. This setup indicates continued bearish momentum with oversold conditions developing. **Key Levels to Watch** Resistance: 6438.64; 6488.29

average to halt the current bearish momentum into the back half of 2025.

Stochastic moving lower towards the oversold area.

quarter-point rate cut in September.

Technical Outlook

Support: 6359.91; 6308.11

Previous Session Overview

USOUSD.H4 61.881 61.975 61.826 61.831

at 61.83.

Conclusion

Stoch(5.3.3) 30.9320 24.6985

below the psychologically important \$62.00 mark per barrel of American WTI as geopolitical tensions continued to fail in providing the typical risk premium support for energy markets. This represents a continuation of the commodity's recent weakness despite normally supportive geopolitical factors, suggesting that fundamental supply-demand dynamics and broader economic concerns are currently dominating price action over traditional risk premium considerations. The decline in oil prices emerges as geopolitics has returned to the forefront of price action drivers across markets, yet rather than providing the usual upward pressure on energy prices, current

Market Outlook

07:30

EUR

21 Aug

premium pricing mechanisms. **Technical Outlook**

Symposium is contributing to risk-off sentiment across commodity markets, while oil is simultaneously being influenced by the broader USD strength theme, with the Dollar Index advancing to around 98.30 making dollar-denominated commodities more expensive for holders of other currencies. Today's focus will include the weekly EIA report on US crude oil supplies, which will provide crucial insights into domestic inventory levels and demand patterns, with any significant build in inventories potentially adding to the bearish pressure while a meaningful drawdown might provide some technical support for prices. The technical picture for oil has deteriorated notably, with prices struggling to maintain the \$62.00 level that had provided support in recent sessions, and the commodity's inability to benefit from heightened geopolitical tensions suggests that fundamental supply-demand dynamics and broader market sentiment are currently dominating traditional risk- Stochastic trying to cross higher near the oversold area. Price consolidating slightly below the 20-period moving average. This setup suggests potential for technical bounce from oversold conditions. **Key Levels to Watch**

Crude oil prices deepened their bearish trajectory Tuesday, adding to Monday's decline and falling

tensions are creating more uncertainty about global economic growth trajectories and future energy

demand patterns. The broader market caution ahead of the FOMC Minutes and Jackson Hole

trying to cross higher from oversold levels, suggesting potential for a technical bounce. The commodity faces immediate resistance at 63.04, requiring sustained momentum to challenge 64.07. Support lies at 61.16, with stronger support at 60.10. The technical setup shows mixed signals with oversold conditions providing potential support while broader market uncertainty weighs on prices. Today's EIA inventory report will be crucial for direction, alongside the FOMC Minutes and Jackson Hole anticipation. The commodity's ability to reclaim the \$62.00 level will be key for any sustained recovery attempt amid ongoing geopolitical developments. Key events for today and tomorrow (GMT): Time Currency **Events** Forecast Previous 06:00 **GBP** CPI y/y 3.7% 3.6% 18:00 USD **FOMC Meeting Minutes**

WTI crude oil consolidates slightly below the 20-period moving average at 61.83, with the Stochastic

Flash Services PMI 13:45 USD 53.3 55.7 www.mhmarkets.com support@mhmarkets.com

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German Flash Manufacturing PMI

particularly the release of the FOMC Minutes which represents the most significant event on today's calendar, with traders seeking insights into Fed policymakers' thinking regarding the upcoming September meeting as fed funds futures indicate an 85% chance for a quarter-point rate cut. From the European perspective, today brings the final inflation rate for the euro area alongside the flash Q2 Labour Cost Index, releases that will provide updated insights into price pressures across the Eurozone and could influence ECB policy expectations, though market focus remains primarily

3317.33.

XAUUSD, H4 3315.18 3318.14 3312.32 3317.33

Stoch(5,3,3) 10.1736 10.3816

consolidation pattern. **Technical Outlook** Stochastic trying to cross higher inside the oversold area. • Price consolidating below the 20-period moving average. • This setup suggests potential for technical bounce from oversold conditions.

GBP/USD consolidated lower on Tuesday, staying between the previous support and resistance levels. Currently trading at 1.3474. GBPUSD.H4 1,34793 1,34826 1,34614 1,34738 MHMarkets (3) 90010++1010++1010+++

The S&P 500 consolidated lower on Tuesday, reaching the previous support levels. Currently trading at 6394.31. SPXUSD, H4 6399.06 6401.56 6393.81 6394.31 MHMarkets (R) 6282.10 6242.50 6202.90 Stoch(5,3,3) 9,2847 16:9442

6 Aug 09:00 7 Aug 17:00 11 Aug 01:00 12 Aug 09:00 13 Aug 17:00 15 Aug 01:00 18 Aug 09:00

US equity markets experienced notable selling pressure Tuesday, with the S&P 500 declining 0.59% to close at 6,411.37, weighed down primarily by Nvidia shares and a broad retreat in technology stocks that highlighted profit-taking after the sector's significant rally. The Nasdaq Composite fell more sharply, dropping 1.46% to 21,314.95, while the Dow Jones Industrial Average managed a modest gain of 0.02% to end at 44,922.27, even touching a fresh record high during the session powered by Home Depot's impressive performance. The technology selloff proved notable, with megacap and chipmaker stocks leading the decline as Nvidia shares lost 3.5%, while Advanced Micro Devices and Broadcom slipped 5.4% and 3.6% respectively, and high-flying software stock Palantir dropped more than 9% to become the S&P 500's worst performer, with other major tech names including Tesla, Meta Platforms, and Netflix also coming under pressure. According to Jayson

Bronchetti, CIO at Lincoln Financial, the Al trade may not be breaking but could be catching its breath after a 40% plus run for the NASDAQ since April, with historically normal pauses expected as the market recalibrates around the latest economic data and anticipated Fed policy direction. Home

Depot provided a notable bright spot, rising 3% after maintaining its full-year outlook despite

second-quarter earnings coming in below expectations, while investors await earnings from Lowe's, Walmart, and Target later this week for crucial insights on consumer health amid mixed inflation outlook and evolving trade policy uncertainty. Wall Street continues focusing intensely on Fed Chair Powell's upcoming Jackson Hole speech, with fed funds futures indicating an 85% chance for a

Stochastic moving toward oversold territory following the tech-heavy selloff. The index faces immediate resistance at 6438.64, requiring significant recovery to challenge 6488.29. Critical support lies at 6359.91, with a break below potentially targeting 6308.11. The technical setup shows deteriorating conditions with profit-taking in Al/tech stocks driving broader weakness. Today's FOMC Minutes and upcoming retail earnings will be key catalysts, while Jackson Hole remains the major event that could determine market direction. The index needs to reclaim the 20-period moving

USO/USD (WTI CRUDE OIL)

USO/USD consolidated lower on Tuesday, reaching the previous support levels. Currently trading

MHMarkets @

68.515

67,185

228.23

63.037

59,205

49.1

50.6

48.0

51.8

224K

49.8

48.8

The S&P 500 extends its decline below the 20-period moving average at 6394.31, with the

- 7 Aug 13:00 8 Aug 21:00 12 Aug 05:00 13 Aug 13:00 14 Aug 21:00 18 Aug 05:00 19 Aug 13:00
- Resistance: 63.04; 64.07 Support: 61.16; 60.10 Conclusion
 - Date 20 Aug
 - German Flash Services PMI 07:30 **EUR** 50.5 08:30 GBP Flash Manufacturing PMI 48.2 08:30 GBP Flash Services PMI 51.9 12:30 USD **Unemployment Claims** 227K 13:45 Flash Manufacturing PMI USD 49.9