EUR/USD

EUR/USD moved lower on Thursday, reaching near the previous support levels. Currently trading

MHMarkets (R)

MHMarkets (R)

3410.25

1.36145

1.35590

1.35035

6276.05

at 1.1594.

Previous Session Overview

EURUSD.H4 1,16142 1,16150 1,15904 1,15939

1.17710 1.17310



year, with fed funds futures pricing in a 74% likelihood of a rate cut at the September meeting, down from over 80% earlier in the week, suggesting growing uncertainty has crept into market

expectations about monetary policy direction. From the European perspective, today brings the final Q2 GDP Growth Rate in Germany, seconded by the ECB's Negotiated Wage Growth data and the Consumer Inflation Expectations survey, though these releases are likely to be overshadowed by the Jackson Hole event and its implications for global monetary policy. The technical deterioration in EUR/USD reflects the broader shift in market sentiment as participants position defensively ahead of Powell's highly anticipated speech, with any dovish signals potentially reviving the pair's fortunes while hawkish tones might accelerate the decline toward key support levels and test the resilience of recent trading ranges. **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 developing oversold conditions. **Key Levels to Watch** Resistance: 1.1645; 1.1693 Support: 1.1568; 1.1526 Conclusion

- with a break below potentially targeting 1.1526. The technical breakdown reflects defensive positioning ahead of Jackson Hole, with the pair now below the key 1.1600 level. Powell's speech will be crucial for determining whether the decline continues toward deeper support levels or if oversold
- conditions can trigger a technical bounce from current levels.

3334.65.

3394.50 3378.30

Gold moved lower on Thursday, reaching near the previous support levels. Currently trading at

3299.55 Stoch(5,3,3) 45,9207 47,8458 8 Aug 09:00 11 Aug 17:00 13 Aug 01:00 14 Aug 09:00 15 Aug 17:00 19 Aug 01:00 20 Aug 09:00 21 Aug 17:00 **Market Outlook** Gold prices managed to reach three-day highs just above \$3,350 per troy ounce Thursday morning, though that advance fizzled out afterward, leaving the precious metal with marginal losses for the day as the failure to sustain gains above the key \$3,350 resistance level reflects the challenging environment created by US Dollar strength and rising Treasury yields. The precious metal's inability to capitalize on its earlier advance emerges as the Dollar Index surged to multi-day highs around 98.70, supported by solid US economic data and rising yields across the curve, a combination that typically weighs on gold by increasing the opportunity cost of holding the non-yielding asset while reducing its appeal relative to interest-bearing alternatives. The technical deterioration has seen gold slip below the 20-period moving average, with the Stochastic pulling back from overbought levels, suggesting the recent correction may be more significant than initially anticipated and potentially signalling a shift in the underlying trend structure. Today's Jackson Hole speech by Fed Chair Powell represents the key catalyst that could determine gold's direction, with fed funds futures pricing in a 74% probability of a September rate cut down from over 80% earlier, creating room for surprise in either direction that could drive significant volatility. A dovish Powell could reignite gold's rally by reinforcing rate cut expectations and weakening the dollar, while hawkish commentary might extend the current correction or trigger deeper losses, making the precious metal's ability to reclaim the 20-period moving average crucial for stabilizing the near-term outlook.

Support: 3326.17; 3311.00 Conclusion Gold consolidates slightly below the 20-period moving average at 3334.65, with the Stochastic moving lower from overbought territory following the failure to hold above \$3,350. The precious metal faces immediate resistance at 3351.93, requiring significant recovery to challenge 3367.44. Support lies at 3326.17, with stronger support at 3311.00. The technical deterioration below the moving average represents a concerning development for the bullish case. Powell's Jackson Hole speech will be crucial for determining whether this represents a deeper correction or merely a temporary setback, with dovish signals needed to reignite upward momentum. GBP/USD Previous Session Overview GBP/USD moved lower on Thursday, reaching near the previous support levels. Currently trading at 1.3403.

Sterling extended its ongoing weakness Thursday, approaching the key psychological level around the 1.3400 figure as the pair's decline reflects the broader US Dollar strength theme, with the

greenback outperforming across the board amid solid economic data releases and rising yields that have created challenging conditions for risk-sensitive currencies. The approach to the 1.3400 level represents a critical technical juncture for Cable, as this psychological threshold has provided support in recent sessions, but the continued Dollar strength and defensive market positioning ahead of Jackson Hole are testing its resilience and could determine whether the pair faces deeper losses. Today's domestic calendar remains light, with only the GfK Consumer Confidence gauge due

across the Channel, leaving market focus squarely on Fed Chair Powell's Jackson Hole speech, which could provide significant direction for GBP/USD based on its implications for Fed-BoE policy divergence and relative monetary policy expectations. The technical picture continues deteriorating,

with the pair trading below the 20-period moving average and the Stochastic deep in oversold territory, conditions that often precede technical bounces though the fundamental backdrop of Dollar strength may override near-term oversold signals and continue pressuring Sterling. The pair's

8 Aug 08:00 11 Aug 16:00 13 Aug 00:00 14 Aug 08:00 15 Aug 16:00 19 Aug 00:00 20 Aug 08:00

potentially providing relief for Sterling while hawkish commentary might accelerate the decline and test deeper support levels. Friday's Jackson Hole Symposium will also feature BoE Governor Bailey, whose comments alongside Powell's could provide additional insights into the relative policy stance between the two central banks and influence GBP/USD's medium-term trajectory. **Technical Outlook** Stochastic moving inside the oversold area Price moving lower below the 20-period moving average. • This setup indicates severe bearish pressure with extreme oversold conditions. **Key Levels to Watch** Resistance: 1.3469; 1.3534 Support: 1.3346; 1.3277 Conclusion GBP/USD hovers just above the critical 1.3400 level at 1.3403, with the Stochastic deep in oversold territory and price below the 20-period moving average. The extreme oversold conditions suggest potential for technical bounces, but the fundamental backdrop of Dollar strength continues weighing heavily. A break below 1.3400 could accelerate losses toward 1.3346 and 1.3277, while recovery attempts will face resistance at 1.3469. The pair is at a crucial inflection point with Powell's Jackson Hole speech representing the key catalyst that could either trigger deeper losses or provide relief from severely oversold conditions.

end at 44,785.50, reflecting broad-based selling pressure across major indices. The continued selling reflects concerns about stretched valuations and uncertainty about Fed policy direction, with Rick Gardner, CIO at RGA Investments, noting that stock valuations are very elevated heading into Jackson Hole, and investors have very high expectations that Powell will hint at a September rate cut, warning that anything short of that could push investors to take profits. The market has been pressured by heavy technology selling this week, with investors taking profits from high-flying names including Nvidia, Palantir, and Meta Platforms, while Walmart shares dipped more than 4% after missing quarterly earnings expectations for the first time since May 2022, adding to concerns about corporate fundamentals and consumer resilience. Fed funds futures are pricing in a 74% likelihood of a September rate cut, down from over 80% earlier in the week, while the FOMC Minutes revealed the first dissent from two board members since 1993, with Governors Waller and Bowman

advocating for cuts due to labour market concerns, creating uncertainty about the Fed's policy path. Week-to-date performance shows the S&P 500 down 1.2%, the Nasdaq losing 2.4%, and the Dow heading for a 0.4% decline, with lighter August trading volume and reluctance for risk heading into a

weekend adding to the cautious sentiment that has characterized recent sessions.

The S&P 500 continues its decline below the 20-period moving average at 6370.31, with the Stochastic consolidating in neutral territory following five consecutive days of losses. The index faces immediate resistance at 6405.30, requiring significant recovery to challenge 6443.23. Critical

This setup suggests continued weakness with potential for stabilization.

11 Aug 17:00 13 Aug 01:00 14 Aug 09:00 15 Aug 17:00 19 Aug 01:00 20 Aug 09:00

US equity markets fell broadly Thursday, with the S&P 500 sliding for a fifth consecutive day,

shedding 0.4% to close at 6,370.17 as elevated valuations and high expectations ahead of Fed Chair Powell's Jackson Hole speech weighed on investor sentiment. The Nasdaq Composite declined 0.34% to settle at 21,100.31, while the Dow Jones Industrial Average fell 152.81 points or 0.34% to

determining whether the correction continues or if oversold conditions can support a technical bounce. **USO/USD (WTI CRUDE OIL)** >>> Previous Session Overview USO/USD moved higher on Thursday, reaching near the previous resistance levels. Currently trading at 63.39. USOUSD.H4 63.321 63.435 63.296 63.385 MHMarkets @ 66,210

11 Aug 13:00 12 Aug 21:00 14 Aug 05:00 15 Aug 13:00 18 Aug 21:00 20 Aug 05:00 21 Aug 13:00

WTI crude oil prices could not sustain the initial advance to weekly highs near \$63.50 Thursday, eventually succumbing to selling pressure despite signs of stronger demand in the US and steady uncertainty on the geopolitical front that typically supports energy prices through risk premiums. The commodity's inability to hold gains reflects the complex dynamics affecting energy markets, where fundamental supply-demand factors compete with broader macroeconomic concerns and monetary policy expectations. The initial strength was supported by signs of stronger US demand patterns and ongoing geopolitical tensions that usually provide risk premiums for energy prices, though the broader market caution ahead of Jackson Hole and persistent concerns about global economic growth trajectories weighed on prices and prevented sustained gains. Oil's technical position remains constructive, with the Stochastic trying to cross lower from overbought territory and price consolidating above the 20-period moving average, suggesting the commodity may be building a solid base for further gains despite Thursday's pullback from session highs. The energy

- shows potential for consolidation with the Stochastic suggesting overbought conditions may limit near-term gains. Powell's Jackson Hole speech could provide direction through its impact on the

Key events for today (GMT+8): Date Time Currency **Events** Forecast Previous 22 Aug 14:00 **USD** Fed Chair Powell Speaks Day 2 ΑII Jackson Hole Symposium

16:25 **BOE Gov Bailey Speaks GBP** www.mhmarkets.com support@mhmarkets.com

momentum in US yields across the curve and firmer economic data releases, weighing heavily on EUR/USD and pushing the pair toward key support levels that could prove decisive for near-term direction. Today's focus will be entirely concentrated on Powell's Jackson Hole speech, which takes centre stage as investors continue assessing the Fed's potential rate path for the latter part of the

EUR/USD extends its decline below the 20-period moving average to 1.1594, with the Stochastic moving toward oversold territory as bearish momentum accelerates. The pair faces immediate resistance at 1.1645, requiring significant recovery to challenge 1.1693. Critical support lies at 1.1568,

- GOLD (XAU/USD)

XAUUSD.H4 3334.01 3336.16 3331.68 3334.65

Previous Session Overview

Technical Outlook Stochastic moved lower from the overbought area. • Price consolidating slightly below the 20-period moving average. • This setup suggests potential correction from recent highs. **Key Levels to Watch** Resistance: 3351.93; 3367.44

GBPUSD.H4 1.34197 1.34221 1.34009 1.34033 MHMarkets (2) *++**

ability to hold above 1.3400 ahead of Powell's speech will be crucial for preventing a deeper correction toward the 1.3346 and 1.3277 support levels, with any dovish surprise from Powell

Stoch(5:3:3)*10.4167 14.1032

Market Outlook

\$1605(5,3,3) 44,1164-40(4899

Market Outlook

Technical Outlook

Key Levels to Watch

Conclusion

Market Outlook

Resistance: 6405.30; 6443.23 Support: 6345.71; 6308.11

Stochastic consolidating in the middle area

• Price consolidating below the 20-period moving average.

SPX/USD (S&P 500) Previous Session Overview The S&P 500 moved lower on Thursday, reaching near the previous support levels. Currently trading at 6370.31. SPXUSD, H4 6373.58 6377.81 6368.56 6370.31 MHMarkets (2) 6480.90 6422.25 6405.30

support lies at 6345.71, with a break below potentially targeting 6308.11. The technical setup shows potential for stabilization with the Stochastic in neutral territory, though elevated valuations and Jackson Hole uncertainty continue weighing on sentiment. Powell's speech will be crucial for 60.870 Stoch(5.3.3) 75.6969 72.7238

- WTI crude oil consolidates above the 20-period moving average at 63.39, with the Stochastic trying to cross lower from overbought levels following the failure to sustain gains near \$63.50. The commodity faces immediate resistance at 64.37, with further upside possible toward 65.22 if momentum resumes. Support lies at 62.57, with stronger support at 61.72. The technical setup
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sector continues being influenced by the complex interplay between supply-demand fundamentals and broader market sentiment, with today's Jackson Hole speech potentially influencing oil indirectly through its impact on the Dollar and overall risk appetite across commodity markets. A dovish Powell could weaken the Dollar and support commodity prices broadly, while hawkish commentary might strengthen the greenback and weigh on oil prices, though the geopolitical backdrop remains supportive even as markets are prioritizing monetary policy signals over traditional risk premiums. The ability to sustain current levels above the 20-period moving average will be crucial for determining whether recent gains represent the start of a more sustained recovery or merely a temporary rebound within the broader consolidation pattern. **Technical Outlook** • Stochastic trying to cross lower near the overbought area. Price consolidating above the 20-period moving average. • This setup suggests potential for consolidation after recent gains. **Key Levels to Watch** Resistance: 64.37; 65.22 Support: 62.57; 61.72 Conclusion

Dollar and broader risk sentiment, with potential for significant moves based on monetary policy implications.