MHMarkets (3)

1.18010

1,17550

1.17100

3433.70

3386.45

3340.55

3294.65

MHMarkets (E)

1.36770

1.36050

1.35262

1.31770

EUR/USD moved lower on Tuesday, reaching below the previous support levels. Currently

EUR/USD

Previous Session Overview

FURUSD.H4 1.16322 1.16348 1.16243 1.16256

trading at 1.1626.



Key Levels to Watch Resistance: 1.1682; 1.1735 Support: 1.1584; 1.1531 Conclusion EUR/USD faces continued pressure below the 20-period moving average at 1.1626 following Tuesday's retreat from recent highs. While the Stochastic indicator shows potential for a technical bounce from oversold conditions, the pair remains vulnerable to further Dollar strength amid rising

correction represents a temporary pullback.

high at 3,546, by the time this article is written. Currently trading at 3,531.98. XAUUSD, H4 3538.62 3545.82 3529.33 3531.98 MHMarkets (3)

Market Outlook Gold reached new all-time highs around \$3,546 per troy ounce as persistent speculation of Federal Reserve interest rate cuts provided additional support for the precious metal. The remarkable strength in gold despite rising US Treasury yields highlights the complex interplay between dovish Fed expectations and safe-haven demand that continues to drive investor interest. Gold's ability to achieve record levels amid a 10-year Treasury yield jumping to 4.27% and 30-year yields topping 4.97% demonstrates the strength of fundamental drivers supporting the precious metal. While rising yields typically create headwinds for non-yielding assets, gold buyers remained undeterred, focusing instead on the Federal Reserve's policy path and ongoing political and economic uncertainties. The metal benefits from multiple supportive factors including geopolitical tensions, concerns over Fed independence following Trump's attempts to influence central bank decisions, and expectations of monetary accommodation despite current yield environment. The federal appeals court ruling declaring most Trump tariffs illegal has created additional policy uncertainty, supporting gold's traditional role as a hedge against political and economic instability. Rising bond yields reflect concerns about US fiscal health, particularly potential tariff refunds that could worsen the federal deficit, creating a paradoxical situation where higher yields support gold due to broader systemic risk concerns. Today's JOLTS Job Openings data and Fed Beige Book will provide additional insights into economic conditions and Federal Reserve thinking ahead of the crucial September meeting. **Technical Outlook** Stochastic moving inside the overbought area • Price consolidating above the 20-period moving average.

Previous Session Overview GBP/USD moved lower on Tuesday, reaching below the previous support levels. Currently trading at 1.3365.

Stoch(5.3,3) 24.2232 22.1713

Key Levels to Watch

Resistance: 3,553.01; 3,582.70

- 20 Aug 08:00 21 Aug 16:00 25 Aug 00:00 26 Aug 08:00 27 Aug 16:00 29 Aug 00:00 1 Sep 08:00 **Market Outlook** Sterling collapsed to four-week lows, revisiting the 1.3340 zone amid a combination of broad Dollar strength and steady UK fiscal concerns that continue to weigh on the currency. The pair's sharp decline reflects both technical and fundamental pressures as the USD staged a significant recovery from recent multi-week lows, driven by rising US Treasury yields and shifting market dynamics. The Pound's weakness stems from persistent concerns about UK fiscal health and government spending policies that have created ongoing uncertainty about the country's debt sustainability. These domestic challenges have been compounded by the broader Dollar recovery, with the 10-year Treasury yield's jump to 4.27% supporting Dollar strength across major currency pairs. UK fiscal concerns remain a persistent theme, with markets continuing to monitor government policy decisions and their potential long-term impact on the country's financial stability and debt dynamics. The lack of immediate positive catalysts for Sterling has left the currency particularly vulnerable to broader Dollar moves and risk-off sentiment when global uncertainties emerge. Today's final S&P Global Services PMI takes centre stage on the UK economic calendar, though the reading is unlikely to significantly alter the current trajectory given its final nature and limited market impact potential.
- Support: 1.3314; 1.3234 Conclusion GBP/USD faces significant pressure at 1.3365 following the break below key support levels to fourweek lows. While the Stochastic indicator shows potential for a technical bounce from oversold conditions, the pair remains firmly below the 20-period moving average, indicating continued bearish bias, and underlying weakness. The combination of UK fiscal concerns and broad Dollar strength has created challenging conditions for Sterling. Immediate support at 1.3314 is critical for preventing further deterioration, with a break potentially targeting 1.3234. Any recovery attempts would need to reclaim 1.3442 resistance and move decisively back above the moving average to restore bullish momentum. The outlook remains challenging amid persistent UK fiscal concerns and Dollar strength, with today's data releases crucial for determining near-term direction. **SPX/USD (S&P 500)** Previous Session Overview The S&P 500 moved lower on Tuesday, reaching below the previous support levels. But then goes back higher and reach the previous support level. Currently trading at 6,424.54. SPXUSD, H4 6429.29 6430.05 6418.81 6424.54 MHMarkets (R)

The S&P 500 demonstrated resilience at 6,424.54 by recovering from Tuesday's intraday lows despite facing multiple headwinds including rising yields and seasonal concerns. The Stochastic indicator moving higher towards the overbought area suggests potential for further recovery, though the index remains below the 20-period moving average, requiring a decisive break above to restore

- WTI crude oil prices briefly rose to four-week highs just past the \$66.00 mark per barrel on Tuesday, following increased geopolitical tensions and supply concerns ahead of the upcoming OPEC meeting over the weekend. The commodity continues to benefit from supply-side concerns and geopolitical risk premiums despite broader market volatility and rising yields across financial markets. Oil's strength reflects multiple supportive factors including ongoing geopolitical tensions in key producing
- factors. Today's API weekly crude oil inventory report will provide insights into US supply conditions, while Thursday's official EIA report will offer confirmation of inventory trends that remain crucial for assessing the balance between supply disruptions and demand patterns in the crucial US market. **Technical Outlook**

remained focused on physical supply concerns rather than financial market dynamics. Global

federal appeals court ruling on tariffs has created additional uncertainty about economic policy

demand dynamics remain a key consideration as markets assess economic growth prospects amid rising yields and ongoing trade uncertainties following the federal appeals court ruling on tariffs. The

directions, though the immediate impact on energy demand may be limited compared to supply-side

regions and supply disruption fears that continue to support risk premiums in energy markets. The

- Currency Time **Events** 07:30 **EUR ECB President Lagarde Speaks**
 - **AUD RBA Gov Bullock Speaks** Monetary Policy Report Hearings GBP
 - 50.5 50.1 support@mhmarkets.com

Forecast

Previous

7.24M 7.44M CHF CPI m/m 0.0% 0.0% 06:30 12:15 USD ADP Non-Farm Employment Change 71K 104K 12:30 USD **Unemployment Claims** 229K 229K

the country's fiscal situation following Friday's federal appeals court ruling. Tuesday's ISM Manufacturing PMI provided mixed signals for Fed policy expectations, while today's focus shifts to key US data including JOLTS Job Openings, Factory Orders, and the Fed Beige Book. These

GOLD (XAU/USD)

3246.75 Stoch(5.3,3) 86,9866 88,2173

GBPUSD.H4 1.33752 1.33772 1.33625 1.33648

Market focus remains primarily on US developments, with JOLTS Job Openings and the Fed Beige Book potentially influencing Dollar direction and risk sentiment. The technical breakdown below key support levels suggest continued vulnerability, particularly if Dollar strength persists through the week's remaining data releases and Friday's crucial US employment report. **Technical Outlook** • Stochastic trying to cross higher inside the oversold area. • Price consolidating below the 20-period moving average. This suggests potential for technical bounce but underlying bearish bias remains. **Key Levels to Watch** Resistance: 1.3442; 1.3526

10+1+0+0+0+0+0 6345,25 6316.35 Stoch(5.3,3) 70.1888 57.1314 18 Aug 2025 20 Aug 05:00 21 Aug 13:00 22 Aug 21:00 26 Aug 05:00 27 Aug 13:00 28 Aug 21:00 1 Sep 05:00

US equity markets closed lower on Tuesday as investors weighed the latest trade developments and rising bond yields to kick off what is historically a seasonally poor month for equities. The S&P 500 dropped 0.69% to settle at 6,415.54, with rising yields creating concerns about stretched valuations at current levels after the summer's impressive performance. The market faced multiple headwinds including profit-taking on bull market winners following the unofficial end of summer season, with major technology stocks leading the decline as investors rotated away from growth names. Nvidia shares closed about 2%, while other Big Tech names like Amazon and Apple shed around 1%,

reflecting growing concerns about stretched valuations in the technology sector. A significant factor weighing on market sentiment was the surge in bond yields to start September, with the 10-year Treasury yield jumping to 4.27% and the 30-year yield topping 4.97%. Bond investors drove yields higher on prospects that the US may need to refund billions from tariffs deemed illegal by Friday's federal appeals court ruling, potentially worsening fiscal conditions and increasing government borrowing needs. September historically represents the worst month for equities, with the S&P 500 averaging a 4.2% drop over the last five years and falling more than 2% on average over the last 10 years, creating additional seasonal headwinds for market performance. Despite the pullback, the index showed resilience by recovering from intraday lows, suggesting underlying support remains from Fed dovish expectations and institutional buying interest. However, analysts warn that a 30year Treasury yield approaching 5% represents a significant headwind for equities trading at fairly

bullish momentum. The recovery attempt from support levels shows underlying market strength despite fundamental challenges. Immediate support at 6,399.07 should contain any renewed weakness, while resistance at 6,480.86 caps near-term recovery potential. The index faces

■09

• Stochastic moving higher towards the overbought area. Price consolidating below the 20-period moving average.

This indicates recovery potential but faces key resistance at moving average.

Market Outlook

stretched valuations.

Technical Outlook

Key Levels to Watch

Conclusion

Resistance: 6,480.86; 6,515.04 Support: 6,399.07; 6,364.76

Previous Session Overview

USOUSD.H4 66.091 66.141 65.869 65.879

trading at 65.88.

Stoch(5.3,3) 66.2808 65,1102

Market Outlook

Key Levels to Watch

08:00

ISM Services PMI USD

Resistance: 66.85; 68.05 Support: 65.37; 64.20 Conclusion recent highs demonstrates the strength of supply-side fundamentals. Immediate resistance at 66.85 represents the next technical target, with potential extension toward 68.05 if supply concerns intensify. Support at 65.37 should contain any pullbacks, with the overall outlook remaining constructive on supply-side fundamentals, geopolitical risk premiums, and OPEC meeting

Stochastic consolidating near the overbought area

Price consolidating above the 20-period moving average.

can be sustained.

uncertainty. Today's inventory data will be crucial for determining whether the current momentum Key events for today (GMT): Date 3 Sept 13:15

14:00 USD **JOLTS Job Openings** 4 Sept 14:00

potentially targeting 1.1531. Any recovery would face resistance at 1.1682, requiring a shift back speeches will be key in determining whether Dollar strength can be sustained or if the recent

situation, though EUR/USD remains pressured by the Dollar's technical recovery and rising US yields. Fed officials Musalem and Kashkari are scheduled to speak today, potentially providing insights into

releases will be crucial in shaping expectations ahead of Friday's pivotal Nonfarm Payrolls report. European data remains in focus with the final HCOB Services PMI for Germany and the eurozone alongside Producer Prices in the eurozone. The ECB's stable policy stance contrasts with the US the central bank's thinking ahead of the September meeting. **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, but underlying weakness persists.

Support: 3,508.48; 3,477.13 Conclusion Gold's achievement of new all-time highs reaching \$3,546 at 3,531.98 demonstrates the exceptional strength of current fundamental drivers supporting the precious metal. The Stochastic indicator moving inside overbought territory reflects record-breaking momentum, while price remains wellsupported above the 20-period moving average, indicating the uptrend continues with unprecedented strength. The ability to reach record levels despite rising yields underscores the unique fundamental environment supporting gold. Immediate resistance at 3,553.01 represents the next technical target, with potential extension toward 3,582.70 if momentum continues. Support at 3,508.48 should contain any profit-taking, with the overall outlook remaining strongly bullish amid Fed dovish expectations, policy uncertainties, and safe-haven demand. Friday's Nonfarm Payrolls report will be crucial in determining whether current record-breaking momentum can be sustained. GBP/USD

• This indicates continued bullish momentum with record-breaking strength.

dovish expectations provides some cushion. Today's economic data and Friday's crucial jobs report will be crucial in determining the sustainability of any recovery and whether the market can navigate September's historical challenges.

USO/USD (WTI CRUDE OIL)

USO/USD moved higher on Tuesday, reaching above the previous resistance levels. Currently

MHMarkets @

63.025

61,800

60.575

59,385

significant seasonal headwinds and rising yield concerns, though underlying support from Fed

upcoming OPEC meeting has focused market attention on potential production decisions that could significantly impact global supply dynamics and pricing in the coming months. Recent attacks on Russian energy infrastructure continue to support risk premiums in energy markets, with supply concerns outweighing broader economic uncertainties for now. The rise in US Treasury yields to multi-month highs has created mixed signals for oil markets, as higher yields typically pressure commodities by strengthening the Dollar and raising financing costs, though energy markets have

16 Aug 2025 20 Aug 05:00 21 Aug 13:00 22 Aug 21:00 26 Aug 05:00 27 Aug 13:00 28 Aug 21:00 1 Sep 05:00

WTI crude oil maintains solid momentum at 65.88, with the Stochastic indicator consolidating in overbought territory suggesting continued underlying strength. The commodity remains wellsupported above the 20-period moving average amid geopolitical supply concerns and anticipation surrounding the upcoming OPEC meeting this weekend. The ability to reach elevated levels near

This indicates strong momentum with potential for continued strength.

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US yields and fiscal concerns. The break below key support levels indicates underlying weakness despite potential short-term recovery attempts. Immediate support at 1.1584 is crucial, with a break above the moving average to restore bullish momentum. Today's US data releases and Fed official Previous Session Overview Gold moved higher on Tuesday, reaching above the previous resistance levels. Reaching all time