

TECHNICAL

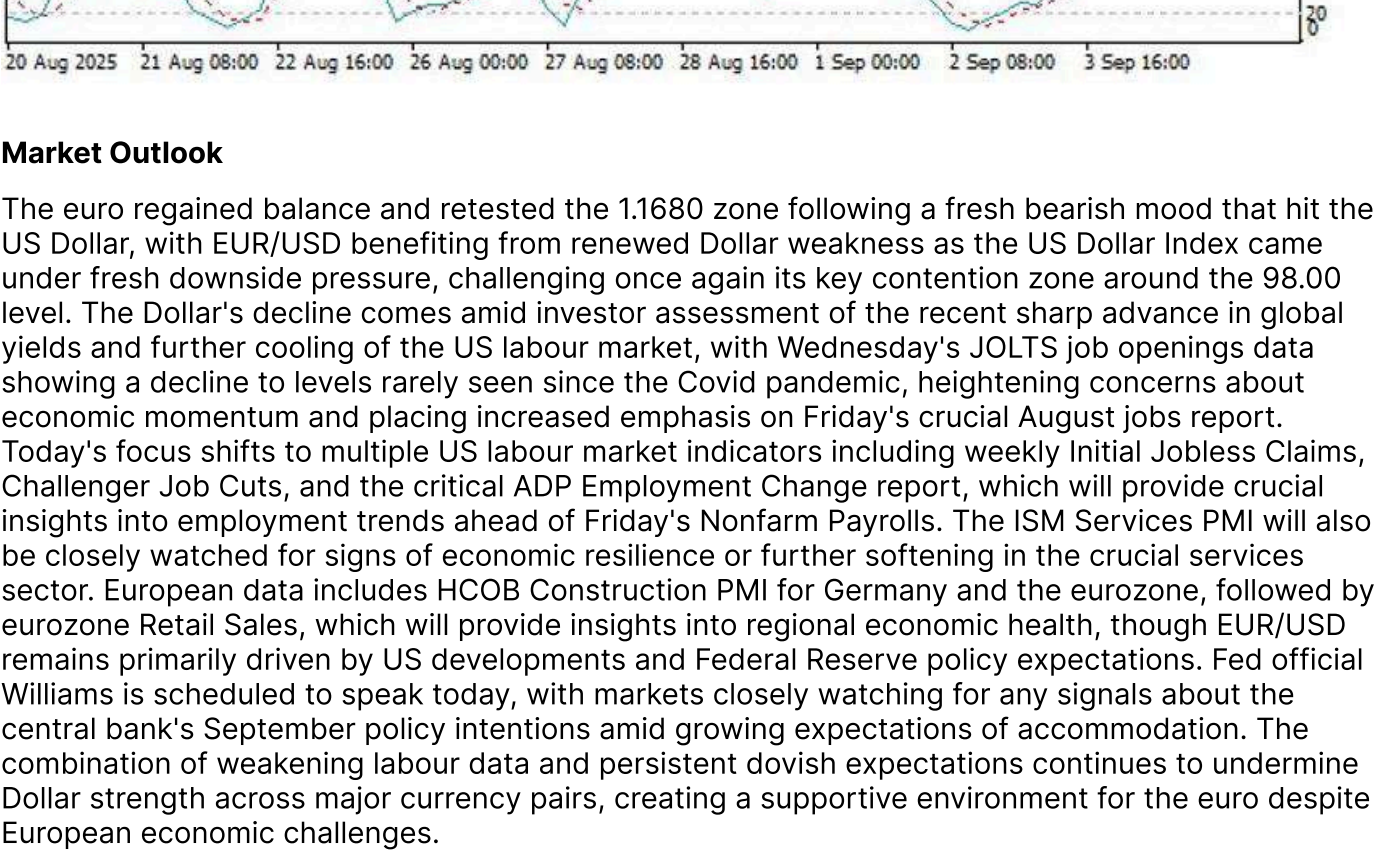
ANALYSIS REPORT

THURSDAY, SEPTEMBER 4 2025

EUR/USD

Previous Session Overview

EUR/USD consolidated higher on Wednesday, reaching near the previous resistance levels. Currently trading at 1.1653.



Market Outlook

The euro regained balance and retested the 1.1680 zone following a fresh bearish mood that hit the US Dollar, with EUR/USD benefiting from renewed Dollar weakness as the US Dollar Index came under fresh downside pressure, challenging once again its key contention zone around the 98.00 level. The Dollar's decline comes amid investor assessment of the recent sharp advance in global yields and further cooling of the US labour market, with Wednesday's JOLTS job openings data showing a decline to levels rarely seen since the Covid pandemic, heightening concerns about economic momentum and placing increased emphasis on Friday's crucial August jobs report. Today's focus shifts to multiple US labour market indicators including weekly Initial Jobless Claims, Challenger Job Cuts, and the critical ADP Employment Change report, which will provide crucial insights into employment trends ahead of Friday's Nonfarm Payrolls. The ISM Services PMI will also be closely watched for signs of economic resilience or further softening in the crucial services sector. European data includes HCOB Construction PMI for Germany and the eurozone, followed by eurozone Retail Sales, which will provide insights into regional economic health, though EUR/USD remains primarily driven by US developments and Federal Reserve policy expectations. Fed official Williams is scheduled to speak today, with markets closely watching for any signals about the central bank's September policy intentions amid growing expectations of accommodation. The combination of weakening labour data and persistent dovish expectations continues to undermine Dollar strength across major currency pairs, creating a supportive environment for the euro despite European economic challenges.

Technical Outlook

- Stochastic trying to cross lower near the overbought area.
- Price consolidating around the 20-period moving average.
- This setup indicates potential technical cooling with balanced price action.

Key Levels to Watch

Resistance: 1.1752; 1.1829

Support: 1.1557; 1.1475

Conclusion

EUR/USD has stabilized around the 20-period moving average at 1.1653 following Wednesday's recovery from earlier weakness. The Stochastic indicator trying to cross lower near overbought territory suggests potential for technical cooling despite recent gains, indicating the pair may consolidate before the next directional move. The recovery from recent lows demonstrates underlying resilience despite Dollar strength earlier in the week. Today's US employment data, particularly ADP and ISM Services, will be crucial in determining whether the pair can break above 1.1752 resistance or retreat toward 1.1557 support. The technical setup shows some cooling momentum with potential for further consolidation. The overall outlook remains dependent on Dollar direction and Fed policy expectations, with Friday's jobs report providing the decisive catalyst for the next major directional move.

GOLD (XAU/USD)

Previous Session Overview

Gold moved higher on Wednesday, reaching above the previous resistance levels. Reaching all time high at 3,578, by the time this article is written. Currently trading at 3,529.76.

