MH Markets Technical Analysis Report 2025/10/03 - FRIDAY



1,19690

1.19105

3772.00

3714.20

3658.10

3602.00

MHMarkets @

MHMarkets @

1.37450

1,36750

1.35948

1.35241

1.34670

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

EUR/USD

EURUSD.H4 1.17236 1.17286 1.17155 1.17229

Currently trading at 1.1723.

Previous Session Overview

MHMarkets 🙂



eurozone releasing final HCOB Services PMI in Germany and the broader region, followed by Producer Prices. These service sector indicators are particularly important given that services represent the bulk of economic activity in developed economies. The US calendar features the ISM Services PMI and final S&P Global Services PMI, which should be published as usual despite the shutdown. Critically, September's Nonfarm Payrolls and Unemployment Rate will not be released as scheduled due to the Labor Department's pause on all activity, creating a significant data vacuum for Fed policy expectations. **Technical Outlook** Stochastic is consolidating in the middle area. Price is consolidating slightly below the 20-period moving average. This suggests near-term directional uncertainty with neutral momentum. **Key Levels to Watch** Resistance: 1.1804; 1.1853

how long the stalemate will last, with the Senate out of session Thursday for Yom Kippur, making Friday the next day Senators would be expected to vote. Prediction markets suggest the shutdown could drag on for two weeks, which would significantly impact data availability and Fed decisionmaking capabilities. Today's focus shifts to final Services PMI data from both regions, with the

- with strong eurozone readings potentially supporting EUR, while robust US data might extend the Dollar's recovery. The absence of NFP data removes a major catalyst, keeping the pair range-bound

direction.

Previous Session Overview

Gold consolidated on Thursday, staying between previous support and resistance levels. Currently trading at 3840.62. XAUUSD,H4 3858.38 3859.03 3837.94 3840.62 MHMarkets (*) 3941.24

3545.90 Stoch(5,3,3) 41.4987 42.2362 **Market Outlook** Gold prices flirted with record highs just ahead of the \$3,900 mark per troy ounce on Thursday before receding to two-day lows near \$3,830, with the precious metal's correction coming on the back of marked resurgence in buying interest in the US Dollar and higher yields, though uncertainty around the government shutdown should cap downside potential for now. The volatile price action reflects conflicting forces, with the partial USD recovery and rising yields reducing gold's appeal on one hand, while the government shutdown creates significant uncertainty that typically supports safe-haven assets on the other. The Treasury Secretary's warning that GDP may see a hit from the shutdown reinforces economic concerns that tend to benefit gold. The Federal Reserve is widely expected to announce an interest rate cut at its upcoming October meeting, following Wednesday's ADP data showing a drop in private payrolls. The absence of Friday's NFP report due to the shutdown means the Fed will be operating with incomplete information, but the combination of weak ADP data and shutdown economic risks keeps rate cut expectations elevated, which supports non-

• Stochastic is consolidating in the middle area. Price is consolidating slightly above the 20-period moving average. This suggests healthy consolidation after testing near \$3,900. **Key Levels to Watch** Resistance: 3894.50; 3941.24 Support: 3797.23; 3751.75 Conclusion Gold is consolidating slightly above the 20-period moving average at \$3,840.62, with the Stochastic in neutral territory after Thursday's pullback from near \$3,900, suggesting consolidation within a broader uptrend. Support at 3797.23 is critical, with holding above this level keeping the bullish structure intact for further gains. A break above 3894.50 could quickly target 3941.24 and the psychological \$4,000 level. The fundamental backdrop remains supportive with government shutdown uncertainty, Fed easing expectations, and geopolitical concerns providing tailwinds. However, the partial USD recovery and higher yields create near-term headwinds. The absence of today's NFP data removes a potential catalyst, suggesting continued consolidation is likely before the next major directional move.

11000

1.3500, reflecting profit-taking as USD found some stability after four consecutive days of losses. The partial recovery in the Greenback came despite ongoing government shutdown concerns now entering day three, with the market appearing to stabilize as traders adjust to the reality that this

Currently trading at 1.3438.

GBPUSD,H4 1.34439 1.34499 1.34323 1.34384

shutdown may persist for longer than initially hoped. With the Senate out for Yom Kippur Thursday, the earliest progress could come Friday, adding to near-term uncertainty. Today's UK calendar features the final S&P Global Services PMI, which will wrap up the weekly economic data releases and provide insights into the dominant part of the UK economy, potentially influencing Bank of England policy expectations heading into the final quarter of the year. The broader market backdrop remains complex, as while investors have historically shrugged off government shutdowns, this one carry unique risks given elevated valuations, market concentration in AI stocks, inflation concerns, and threats of permanent federal worker layoffs that could impact consumer spending and economic growth. President Trump's comments about using the shutdown as an unprecedented opportunity to cut federal agencies add to uncertainty about the eventual economic impact. The absence of Friday's US NFP report removes a major potential catalyst for GBP/USD direction, with the Fed still expected to cut rates in October despite the data blackout following weak ADP numbers, but the lack of confirmation from official employment data creates ambiguity about the labour market's true condition. **Technical Outlook** • Stochastic is consolidating in the middle area. Price is consolidating slightly below the 20-period moving average.

as price holds above 1.3394 support.

Previous Session Overview

SPXUSD, H4 6734.50 6735.00 6726.81 6729.31

official employment confirmation.

Technical Outlook

Key Levels to Watch

Stoch(5,3,3) 19.9959 14.8059

fundamental backdrop for crude oil.

Technical Outlook

Conclusion

Time

13:20

14:00

www.mhmarkets.com

Date

3 Oct

Currently trading at 6729.31.

6560.50 6512.90 6466.70 Stock(5,3,3) 73.7010 64.8218 80 24 Sep 01:00 25 Sep 09:00 26 Sep 17:00 30 Sep 01:00 **Market Outlook**

The three leading US indexes closed at record highs on Thursday as investors shrugged off concerns tied to the government shutdown entering its second day, with the S&P 500 inching up 0.06% to close at 6,715.35, while the Dow Jones Industrial Average climbed 0.17% to finish at 46,519.72, and the Nasdaq Composite rose 0.39% to 22,844.05. Tech stocks led gains, with the Nasdaq hitting a new intraday record supported by Nvidia shares reaching an all-time high as

note that markets will tolerate this for a few days, but extended shutdown trimming various

mass firings exacerbate labour market concerns already evident in this week's weak ADP

Stochastic moved lower from overbought but currently held in the middle area.

This suggests healthy consolidation at record highs with intact uptrend.

Price is consolidating above the 20-period moving average.

departments may be seen as a long-term positive but short-term disruption for economic activity and corporate earnings. The biggest question remains shutdown duration, with the Senate out Thursday for Yom Kippur and prediction markets betting on two weeks, which could create more significant economic impact than historical shutdowns that resolved quickly. President Trump's framing of this as an unprecedented opportunity to cut federal agencies and threats of permanent

employment data. The economic data blackout is particularly problematic for market participants trying to assess economic conditions. Today's ISM Services PMI should be released, but the critical NFP report will not be published as scheduled. The Fed is expected to cut rates at its October

meeting regardless, with Wednesday's weak ADP data providing justification despite the absence of

investors continued piling into the artificial intelligence giant, demonstrating continued confidence in the Al infrastructure build-out despite recent concerns about valuations and energy requirements. However, the Treasury Secretary's warning that GDP may see a hit from the shutdown heightened fears that economic performance will suffer more the longer the stoppage persists. Market analysts

underlying momentum. Immediate resistance lies at 6753.52, with 6798.31 the next target if the rally continues. Support at 6687.84 should contain pullbacks, with stronger support at 6647.03. The market's resilience despite shutdown, weak employment data, and economic uncertainty is remarkable but raises concerns about complacency among investors. Elevated valuations, extreme concentration in AI stocks, and the potential for extended shutdown create downside risks. Today's ISM Services PMI will be important for gauging economic momentum. **USO/USD (WTI CRUDE OIL) Previous Session Overview** USO/USD moved lower on Thursday, reaching below previous support levels. Currently trading at 60.63. USOUSD, H4 60.537 60.680 60.475 60.634 MHMarkets @ 68,850 67,150 65,450 63,683 61.909 60.634

58,650

57,000

19 Sep 05:00 22 Sep 13:00 23 Sep 21:00 25 Sep 05:00 26 Sep 13:00 29 Sep 21:00 1 Oct 05:00 **Market Outlook**

 Stochastic is moving inside the oversold area. Price is moving lower below the 20-period moving average. This indicates strong bearish momentum but extreme oversold conditions. **Key Levels to Watch** Resistance: 61.91; 63.68 Support: 59.46; 57.77

early May. The break below \$61.00 is technically and psychologically significant, confirming the bearish trend and opening the door to further losses toward the next support levels. At current levels around \$60.50, the economics of US shale production become increasingly challenging, with many producers facing unprofitable operations given breakeven costs that have risen toward \$70 per barrel for new wells according to industry data from Enverus. Oversupply concerns continue to dominate market sentiment, with OPEC+ production increase plans being taken seriously by traders, while demand worries stemming from economic uncertainty including the US government shutdown

government shutdown creates additional uncertainty for oil markets, as the EIA's regular reporting may be affected, creating a data vacuum around inventory levels and production statistics. This lack of transparency could increase volatility as traders operate with limited information about real-time supply-demand balances. Canadian producers remain constrained by the 10% US tariff on energy imports, limiting their competitiveness in North American markets, while global demand concerns persist amid signs of economic slowdown in major economies. The combination of increasing supply

from OPEC+ and weakening demand from economic uncertainty creates a powerfully bearish

and weak employment data are compounding the bearish outlook for energy prices. The

stronger resistance at 63.68. The fundamental backdrop remains bearish with OPEC+ production increases and demand concerns, but prices are approaching levels where supply response could emerge as unprofitable wells are shut in. Extreme oversold conditions suggest potential for a technical bounce, but sustained recovery requires either significant supply disruptions or improved demand outlook. The shutdown's impact on data availability adds uncertainty but has not stopped

exhaustion. The break below \$61.00 confirms bearish momentum and targets support at 59.46, with

WTI crude oil is moving lower below the 20-period moving average, trading at five-month lows around \$60.63 with the Stochastic deeply oversold indicating selling pressure may be nearing

57.77 below that if selling accelerates. Any recovery faces immediate resistance at 61.91 and

Forecast

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52.0

adjust to the ongoing government shutdown dynamics. The US Dollar Index regained some composure following four consecutive daily retracements, though sentiment remains dented by uncertainty surrounding the federal government shutdown now in its third day. The Treasury Secretary warned Thursday that GDP may see a hit because of the shutdown, heightening investors' fears about economic performance the longer the stoppage persists. The biggest question remains

Support: 1.1657; 1.1612 Conclusion EUR/USD is consolidating slightly below the 20-period moving average at 1.1723, with the Stochastic in neutral territory suggesting directional uncertainty after testing weekly lows near 1.1700, indicating some USD stabilization after four days of losses. Today's Services PMI data will be crucial,

in the near term. Support at 1.1657 should contain deeper pullbacks, while a recovery above 1.1804 would signal renewed bullish momentum. The shutdown's duration remains the key variable for USD

GOLD (XAU/USD)

yielding assets like gold. President Trump stated Thursday that Democrats have given him an unprecedented opportunity to cut federal agencies, with threats of permanent mass firings of federal workers creating additional economic uncertainty. Market observers note that markets will tolerate this for a few days, but if the administration is successful in trimming down various departments it may be seen as a long-term positive but short-term disruption. The question of shutdown duration becomes critical for gold direction, with a brief resolution potentially triggering profit-taking from recent highs, while an extended shutdown approaching two weeks as prediction markets suggest would likely support further gains toward \$3,900 and beyond. **Technical Outlook**

GBP/USD Previous Session Overview

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

1.33237 1.32590 19 Sep 08:00 22 Sep 16:00 24 Sep 00:00 25 Sep 08:00 26 Sep 16:00 30 Sep 00:00 1 Oct 08:00 **Market Outlook**

The Pound Sterling came under pressure following the Dollar's rebound on Thursday, flirting with three-day lows near the 1.3410 area as the pair pulled back from Wednesday's five-day peak above

This suggests near-term directional uncertainty after pullback from highs. **Key Levels to Watch** Resistance: 1.3524; 1.3595 Support: 1.3394; 1.3324 Conclusion GBP/USD is consolidating slightly below the 20-period moving average at 1.3438, with the Stochastic in neutral territory indicating indecision after the pullback from above 1.3500. The pair faces resistance at 1.3524, with a break above needed to target 1.3595 and resume the broader uptrend. Support at 1.3394 should contain further declines, with 1.3324 below that providing stronger support. Today's UK Services PMI will provide direction, while the absence of US NFP data

suggests range-bound trading may persist. The technical picture has turned slightly negative with the rejection at 1.3500 and move below the 20-MA, but the broader uptrend remains intact as long

SPX/USD (S&P 500)

The S&P 500 consolidated on Thursday, staying between previous support and resistance levels.

6798.31 6753,52 6729.31 6608.10

Resistance: 6753.52; 6798.31 Support: 6687.84; 6647.03 **Conclusion** The S&P 500 is consolidating above the 20-period moving average at new all-time highs around 6729.31, with the Stochastic in neutral territory after pulling back from overbought conditions. The technical picture remains constructive with multiple record closes this week demonstrating strong

There was no respite for the downward trend in WTI prices on Thursday, falling to new five-month lows after breaching below the \$61.00 mark per barrel to reach \$60.63, with the continued decline coming in response to extra oversupply concerns as the market now trades at levels not seen since

the selling pressure.

Key events for today and tomorrow (GMT): Events Previous Currency All Day **EUR** German Bank Holiday tentative **USD** Average Hourly Earnings m/m 0.3% 0.3% 22K tentative **USD** Non-Farm Employment Change 51K tentative 4.3%

Unemployment Rate 4.3% USD **BOE Gov Bailey Speaks GBP USD** ISM Services PMI 52.0