



CORELLIAN 2 STEP PROCESS TO PREPARE FOR NEXT WEEK

Risk sentiment steadied at the end of a week shortened by the Easter holiday on Friday as traders digested the potential positives of progress in trade deal talks between the US and Japan, against the negatives of President Trump openly criticising Federal Reserve Chairman Jerome Powell on social media. Stock indices and commodities closed with mixed results, while the dollar fluctuated.

STEP 1: WHERE DID MARKETS END LAST WEEK AND WHY?

Thursday News: President Trump challenges Federal Reserve independence

- **Bloomberg:** President Trump said he could force out Fed Chairman Powell, rebuking the notion that the US central bank is independent, and vented frustration that policymakers had not recently cut interest rates.
- This type of comment could undermine confidence in US assets.



US Stock indices closed with mixed results on Thursday. The S&P 500 closed up 0.4% at 5,326, which ensured a fall of 1% across the shortened trading week, while the Nasdaq 100 rose 0.2% to finish at 18,423, which locked in a weekly loss of 2%. The USA 30 fell 1.1% to end at 39,400 (-2.5% on week) dragged lower by a poor Q1 earnings update from United Health Group which holds the index's highest weighting. **(Page 3 S&P 500 TA Update).**

European indices all closed slightly lower on Thursday but gained across the week, bolstered by hopes of progress on trade deals with the US. The Germany 40 closed down 0.5% at 21,367 on Thursday but still rose 2.6% across the week, while the UK 100 slipped 0.2% lower to finish at 8,263 (+2.3% on week), and the Europe 50 dipped 0.5% to end at 4,881 (+1.5% on week).

The US Dollar Index closed flat at 99.17 on Thursday, but fell 0.5% on the week, to register its lowest close since April 2022 as traders continued to sell dollars in response to President Trump's trade policies. GBPUSD jumped 1.5% on the week to close at a 7 month high of 1.3282, while AUDUSD rose 1.4% to finish at 0.6374, a 2 week high. **(Page 4 AUDUSD TA Update).**



Gold TA Update:

Price strength has seen new all-time highs posted at 3357 (Apr 17th). This up move maintains scope to test resistance at 3375 (100% Fibonacci extension of the early April sell-off). Defence of this level needs to be watched, with breaks suggesting moves to 3432 (higher 138% extension) are possible.

To the downside, breaks below support at 3276 (half last week's range) suggest potential towards 3205 (38% retracement April strength).



In commodities, uncertainty regarding trade tariffs and the health of the global economy saw Gold climb to a new all time high of 3.357 on Thursday before falling back to close at 3,326, a weekly gain of 2.7%. **(Above Gold TA Update)**. Oil rose for the second week in a row, gaining 4.5% to close at 63.75 as traders focused on new efforts from the US administration to crack down on Iranian Oil exports.

STEP 2: LOOKING FORWARD TO THE WEEK AHEAD

Time Zone Key:

BST -5	= New York
BST	= London
BST +1	= Frankfurt
BST +9	= Sydney

All times are **British Standard Time (BST)**. Please use the key above to adjust to your appropriate time zone. **Key Earnings next week in table below.**

MONDAY

21.4

Comerica Inc

**BEFORE
OPEN**

TUESDAY

22.4

3M
Equifax
Verizon
Northern Trust
Valmont

WEDNESDAY

23.4

Volvo
TMO
Lennox
Boeing
AT&T

THURSDAY

24.4

BNP Paribas
PepsiCo
Merck
American Airlines
Comcast

FRIDAY

25.4

Aon
Colgate-Palmolive
HCA Healthcare
Gentex
AbbVie

**AFTER
CLOSE**

BOK Financial
Zions Bancorporation
Hexcel
AGNC Investment
W.R. Berkley

Chubb
Tesla
Capital One
Intuitive Surgical
SAP

IBM
United Rentals
FirstEnergy
Newmont
Reliance

Intel
Alphabet
Gilead
Vale
Digital Realty



KEY EVENTS, SPEAKERS AND ECONOMIC DATA

Monday: 0215 BST China PBOC Interest Rate Decision. Despite last week's stronger than expected GDP growth data, the Chinese economy is facing headwinds from the current trade war with the US. This could lead the PBOC to consider providing more stimulus at this meeting, with implications for the direction of the China A50 and Hong Kong 50 indices at the start of the week.

International Monetary Fund (IMF) Meetings. These begin on Monday and run all week. This will be one of the biggest gatherings of finance officials that takes place in 2025 and starts against a backdrop of increasing trade tensions, falling global growth and uncertainty. Headlines from these meetings could impact all markets.

Tuesday: Magnificent Seven Earnings. Tesla (Tuesday) and Alphabet (Thursday) are the first US mega technology companies to report their quarterly earnings. Traders will be watching closely to see whether the recent weakness in both company's share prices has been warranted or may be due a bounce. Any deviation from earning expectations or comments on future revenue could lead to an outsized move in the S&P 500 due to the heavy index weightings both stocks hold. **(Below S&P 500 TA Update).**



S&P 500 TA Update:

A recovery has been seen, but this remains below resistance at 5485 provided by the Bollinger mid-average. While this level caps the upside, risks are to test support at 5269 (38% retrace April strength) with breaks lower suggesting moves to 5188 (mid-point), even 5104 (62% level) are possible.

Closes above the resistance at 5485 suggest a more extended recovery towards 5659 (62% retrace Feb/Apr decline).

Wednesday: Global Preliminary PMI Surveys, AUD, JPY, EUR, GBP, USD. These forward looking surveys for manufacturing and service activity in the developed economies, which are released across the day, will provide an important insight into the impact that President Trump's recent tariffs are having on economic growth, business sentiment and inflation. A reading below 50 = economic contraction, while a reading above 50 = economic expansion. **(AUDUSD TA Update Page 4).**

1815 BST GBP BoE Governor Bailey Speech. GBPUSD and UK 100 traders will be keen to hear any comments that indicate whether last week's lower UK wage growth and inflation (CPI) readings may be enough to see the BoE cut interest rates at their next meeting.



AUDUSD TA Update:

The recent sharp price rally is back to important resistance at 0.6391/6408 resistance marked by the March 17th & February 22nd highs. Closing breaks above this resistance area are needed to maintain strength towards 0.6549 (November 25th 2024 high) otherwise, moves back below support at 0.6275 (April 14th low) can see a deeper decline to 0.6209 (38% retrace April strength).

Friday: 0030 BST JPY Tokyo Inflation Data (CPI). While USDJPY and Japan 225 traders are likely to be focused on whether Japan can be the first country to secure a trade deal with the US in the week ahead, they will also be watching the outcome of this CPI release from Japan's capital to see if it inflation is continuing to rise which may support the case for the Bank of Japan to continue to gradually raise interest rates in the coming months.

0700 BST GBP Retail Sales. UK economic data has been improving recently which has helped support GBPUSD's recent rise to 7 month highs above 1.3200. This new retail sales update will provide traders with a fresh look at the spending patterns of UK consumers moving into the important summer period. The outcome of this release alongside any tariff/trade deal developments in the week ahead could determine whether GBPUSD can continue to even higher levels, or is due a correction back to the downside.

Key levels the Corellian mentors are focused on

Natural Gas:

Support

- 1: 3.190 Last week's low
- 2: 3.166, April 4th low
- 3: 2.988, April monthly low

Resistance

- 1: 3.409, Half last week's sell-off
- 2: 3.607, 38% retracement
- 3: 3.720, Mid-point same move

Nasdaq 100:

Support

- 1: 18262, 38% retracement April rally
- 2: 17925, Mid-point same move
- 3: 17576, 62% retracement

Resistance

- 1: 19041, Bollinger mid-average
- 2: 19382, April 10th high
- 3: 20072, 62% retracement Feb/Apr

USDJPY:

Support

- 1: 141.60, Last week's low
- 2: 140.42, September 18th 2024 low
- 3: 139.57, September 2024 low

Resistance

- 1: 144.17, 38% retracement
- 2: 144.93, Mid-point same move
- 3: 145.73, 62% retracement

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