

CORELLIAN 2 STEP PROCESS TO PREPARE FOR NEXT WEEK

Risk sentiment cooled into the Friday close as traders pulled back from taking more aggressive positions ahead of the start of trade negotiations between the US and China over the weekend (**See below**). Stock indices fluctuated, the dollar slipped lower, while commodities mainly registered solid gains.

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

Friday news: President Trump floats idea of reducing China tariffs from 145% to 80%

- **Bloomberg:** US President Donald Trump floated an 80% tariff on China ahead of negotiations due to begin Saturday.
- Weekend progress reports on these negotiations could impact all markets on the Monday open.



US Stock indices all closed with small losses on Friday, with traders cautious about what weekend trade negotiations between the US and China may bring. The S&P 500, which briefly hit a 1 month high at 5,740 on Thursday, fell 0.1% to close the week at 5,678 (-0.5% on week). The Nasdaq 100 also dipped 0.1% to finish at 20,131 (-0.3% on week), while the USA 30 dropped 0.3% to end at 41,338 (-0.2% on week) and the USA 2000 closed down 0.1% at 2,031 (+0.2% on week).

European indices performed slightly better on Friday and across the trading week. The Germany 40 rose 0.6% on Friday to register a new all time closing high of 23,599 (+1.7% on week), while the Europe 50 jumped 0.7% to end at 5,298, and the France 40 rallied 0.8% to close at 7,731 (+1.3% on week). The UK 100 finished flat on Friday at 8,540 to lock in a weekly loss of 1.1%, after the Bank of England provided mixed signals regarding their potential future interest rate moves on Thursday.

The US Dollar Index fell 0.2% on Friday to close at 100.25, but still managed to register a weekly gain of 0.3% after traders continued to trim weak shorts ahead of the weekend trade talks. AUDUSD, which traded to a 1 month high of 0.6514 on Wednesday, eventually closed on Friday at 0.6411 (-0.5% on week). (**Page 3 AUDUSD TA Update**).



Silver TA Update:

A price consolidation has developed between support at 31.644 (38% retracement) and resistance at 33.661 (April 24th high). A closing breakout from this range is required, with gains above 33.661 suggesting potential for moves to 33.370 (February 14th high), even 34.854 (October 22nd high).

Closes below support at 31.644 could see a deeper decline in prices towards 31.015 (50% level).



In commodities, Silver performed strongly across the five trading days, eventually closing on Friday at 32.77, which was a weekly gain of 2.4%. **(Above Silver TA Update)**. Gold also rallied strongly to finish the week up 2.7% at 3,325 as geopolitical concerns and trade war uncertainty combined to boost its safe haven status. Oil closed on Friday at 61.05 (+4.3% on week) as traders reduced short positions into the weekend.

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
12.5

TUESDAY
13.5

WEDNESDAY
14.5

THURSDAY
15.5

FRIDAY
16.5

**BEFORE
OPEN**

United Internet
Sportradar Group
Twenty First Century
Chegg
Essential Utilities

Munich Re
Bayer
Hannover Re
Sea
JD.Com

ABN Amro
E.ON
Experian
Burberry
Compass

Siemens
Merck
Allianz
Walmart
Alibaba

Swiss Re
Richemont
Land Securities
Flowers Foods

**AFTER
CLOSE**

Petrobras
Integral Ad Science
Plug Power
Rigetti
Rapid7

Nu Holdings

Cisco
Luminar
DXC Technology

Deere
Doximity
Applied Mat.
Virgin Galactic
Credicorp



KEY EVENTS, SPEAKERS AND ECONOMIC DATA

Tuesday: 0130 BST AUD Consumer Confidence. Now the Australian election is out of the way the focus for AUDUSD and ASX 200 traders falls back onto the strength of the economy and the potential for an RBA interest rate cut later in May. The direction of consumer sentiment is important as it can influence household spending, which has a knock on impact on the economy and corporate earnings.

0700 BST GBP Employment Data. Despite last week's interest rate cut from the Bank of England, this update on the direction of UK unemployment and wage growth will still be important to GBPUSD and UK 100 traders trying to determine the strength of the economy, and potential for future rate cuts later in the year.

1330 BST USD Inflation Data (CPI). After Chairman Powell's comments on Fed monetary policy last week, traders will be focused on this new CPI update to determine whether US inflation is falling, which could lead to a potential interest rate cut in June, with implications for the direction of the dollar and US indices.



AUDUSD TA Update:

Last week's price weakness is back near support at 0.6356 (Apr 30th low) and closing breaks of this level may suggest the potential for a deeper sell-off. This could see tests of 0.6285 (38% retracement), even 0.6214 (deeper 50% level).

To the upside, closes above resistance at 0.6443 (half last week's price range) are needed to open the possibility of a retest of 0.6514 (May 7th high).

Wednesday: 0230 BST AUD Wage Price Index. The direction of Australian wage growth is a crucial gauge of inflation for the RBA to consider as they move closer to announcing their next interest rate decision on May 20th. Any deviation from market expectations could influence the direction of AUDUSD and the ASX 200.

Thursday: 0200 BST AUD Employment Data. Australian employment has been quite robust at the start of 2025 but any new update indicating this may be changing could impact the direction of AUDUSD, which only just hit a new 2025 high last week. **(Above AUDUSD TA Update).**

0700 BST GBP Preliminary Q1 GDP. This first look at Q1 UK growth could have important implications for the direction of GBPUSD and the UK 100 in the week ahead. Traders will be keen to know how strong the UK economy was at the start of the year, before the main impact of tariffs kicked in.



Japan 225 TA Update:

The latest price strength is approaching resistance at 37962 (March 26th session high) which is the focus next week. Closing breaks above this level may suggest potential to test 39592 (February 13th high), even 40612 (January 26th high).

The first price support is now at 36582 (May 7th low) with closing breaks below this level suggesting potential for a deeper sell-off towards 35731 (Bollinger mid-average).

1330 BST USD Retail Sales. Walmart earnings (before market open) and this release will provide traders with an important update on the current appetite of US consumers to spend during the recent tariff upheaval, with implications for the direction of US indices and the dollar towards the end of the week.

Friday: 0050 BST JPY Preliminary Q1 GDP. The Bank of Japan lowered their growth forecasts at their April meeting due to uncertainty regarding the impact of trade tariffs and the US/China trade war on Japan's economy. This Q1 growth update could surprise or reassure Japan 225 traders which may mean an increase in volatility. **(Above Japan 225 TA Update).**

1500 BST USD Preliminary Michigan Consumer Sentiment. US consumer sentiment has fallen to multi year lows recently, impacted by increasing fears regarding job security, higher inflation and trade tariffs. Traders will be looking to see if that trend is continuing or the recent tariff pause has helped to stem the decline.

Key levels the Corellian mentors are focused on

Natural Gas:

Support

- 1: 3.485, 38% retracement
- 2: 3.370, Bollinger mid-average
- 3: 3.280, 62% retracement

Resistance

- 1: 3.812, Last week's high
- 2: 3.938, 50% retracement
- 3: 4.168, 62% retracement

Germany 40:

Support

- 1: 22978, Last week's low
- 2: 22262, Bollinger mid-average
- 3: 21912, 38% retracement

Resistance

- 1: 23633, Last week's all-time high
- 2: 24110, Upper daily Bollinger band
- 3: 25332, 38% Fibonacci extension

EURUSD:

Support

- 1: 1.1196, Last week's low
- 2: 1.1155, 50% retracement
- 3: 1.1056, 62% retracement

Resistance

- 1: 1.1349, Bollinger mid-average
- 2: 1.1380, Last week's high
- 3: 1.1424, April 28th high

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