

CORELLIAN 2 STEP PROCESS TO PREPARE FOR NEXT WEEK

Risk sentiment held firm into the Friday close as traders shrugged off the negatives of a weak US consumer sentiment reading and focused on hopes that the worst of President Trump's tariff war may be over, as news of potential progress between US and EU trade teams circulated (**see below**). Stock indices and the dollar rose, while commodities slipped lower.

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

Friday news: FT reports US and EU break impasse to enable tariff talks

- **Financial Times reported** : The US and EU have begun serious trade talks to head off the worst of Donald Trump's tariffs, breaking a deadlock that left the bloc near the back of the queue to negotiate with Donald Trump's team.
- If true, it may lead to a further reduction in trade tensions that have upset markets in early 2025.



US Stock indices all closed higher on Friday to lock in strong weekly gains, supported by hopes of a de-escalation of the on-going trade tensions. The S&P 500 climbed 0.3% to close at 5,948, which was a gain of 4.8% on the week and a two month high. The Nasdaq 100 rose 0.1% to finish at 21,401 (+6.4% on week), while the USA 30 gained 0.4% to end at 42,538 (+2.9% on week), and the USA 2000 closed up 0.3% at 2,107 (+3.8% on week). (**Page 4 S&P 500 TA Update**).

European indices also rose on Friday. The UK 100 jumped 0.8% to end at a 2 month high of 8,706 (+1.6% on week), helped by a better than expected Q1 GDP growth reading, while the France 40 also rose 0.8% to finish at 7,868 (+2% on week). The Germany 40 closed up 0.5% at 23,871 (+0.9% on week) to register another new weekly record closing high.

The US Dollar Index rose for the fourth week in a row, climbing 0.1% on Friday to end the week at 100.83 (+0.6% on week). EURUSD closed at a 5 week low of 1.1149 (-0.8% on week), while GBPUSD, which had traded as low as 1.3139 on Monday, eventually closed at 1.3275 (-0.2% on week), as traders squared positions in advance of some important inflation (CPI) data in the week ahead. (**Page 3 GBPUSD TA Update**).



Gold TA Update:

Price weakness has developed after the acceleration up to 3500 (April 22nd high). A move that tested support at 3153 (38% retracement). While this level holds, potential is for retests of resistance at 3262 (38% retracement May decline), possibly then 3302 (Bollinger mid-average).

Closes under the 3153 support level can see a deeper sell-off to 3044 (mid-point).



In commodities, Gold registered its worst weekly fall for 6 months, as it slipped 1.1% on Friday and 3.8% on the week, to close at 3,202. (Above Gold TA Update). Silver also had a bad five trading days, finishing at 32.23 on Friday, which was a fall of 1.5% on the week. Oil briefly touched a 2 week high at 63.88 on Tuesday before falling back to end the week at 61.90, which was still a weekly gain of 2.1%.

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
19.5

TUESDAY
20.5

WEDNESDAY
21.5

THURSDAY
22.5

FRIDAY
23.5

**BEFORE
OPEN**

Vodafone
Bilibili
Home Depot
Eagle Materials
Nebius Group

SSE
Lowe's
Baidu
iQIYI
Target

Generali
BT
Tate & Lyle
TD Bank
Ralph Lauren

**AFTER
CLOSE**

Trip.com Group

Toll Brothers
Palo Alto Networks
Keysight Tech.

Energysys
Zoom
Snowflake

Copart
Intuit
Ross Stores
Autodesk
Deckers Outdoor

KEY EVENTS, SPEAKERS AND ECONOMIC DATA

Monday: 0300 BST China Industrial Production, Unemployment and Retail Sales.

Industrial production will provide an update on global demand for Chinese goods, while retail sales will provide an insight into the performance of the domestic economy before the announcement of the trade war pause between the US and China, with implications for the direction of the China A50 index.

Tuesday: 0215 BST China PBOC Interest Rate Decision. The Chinese central bank may place any fresh stimulus plans for the economy on hold to assess the progress of trade negotiations with the US over the next 90 days, however any comments they make could impact the direction of the China A50 and Hong Kong 50.

0530 BST AUD RBA Interest Rate Decision, 0630 BST RBA Press Conference.

Expectations are for the Australian central bank to cut rates 25bps at this meeting to provide support for the economy, so anything else could be a surprise. Any comments in the press conference from Governor Bullock regarding future cuts, inflation and tariffs may also impact AUDUSD and the ASX 200 in the week ahead.

Home Depot (Tues) and Target (Wed) Earnings. The earnings and forward guidance from these huge US retailers will provide an important health check on US consumer spending and could influence sentiment towards US indices.



GBPUSD TA Update:

A consolidation has developed after recent upside strength and tests of downside support at 1.3164 (38% retracement April upside) has been seen. While support at 1.3164 holds the potential is to break resistance at 1.3359 (May 14th high) and open tests of 1.3442 (April 28th high), possibly further.

To the downside, closing breaks under 1.3164 could see tests of 1.3075 (mid-point).

Wednesday: 0700 BST GBP Inflation Data (CPI). An important update for the Bank of England to consider as they try and decide what to do next regarding interest rates. Any deviation from expectations may increase GBPUSD and UK 100 volatility. **(Above GBPUSD TA Update).**

Thursday: Preliminary Global PMI Surveys, AUD, JPY, EUR, GBP, USD. These releases will provide an essential update into business confidence, new orders and inflation during the tariff implementation and pause period. Any reading above 50 = economic expansion and below 50 = economic contraction. Traders will be looking to see if there has been any improvement on the previous month.



S&P 500 TA Update:

The upside price strength continues with the next resistance marked by 6023 (February 26th high), which if broken could open potential to 6166 (February 19th high).

To the downside, breaks under support at 5832 (38% retracement May strength) may suggest weakness to 5741 (62% level), possibly 5647 (Bollinger mid-average).

1000 BST EUR Negotiated Wage Data. The ECB is very sensitive to the direction of wage price data, but there have been some signs in recent months that upside pressures may be starting to ease, which could mean they still have room to cut interest rates again in June. This release could impact the direction of EURUSD.

Friday: 0030 BST JPY Inflation Data (CPI). The Bank of Japan have recently indicated a reluctance to raise interest rates again due to the impact of tariffs on the country's economic growth. A higher CPI print could change that outlook, while a lower print could confirm it, with implications for USDJPY and Japan 225 volatility.

0700 BST GBP Retail Sales. The consumer is a large part of the UK economy, so their spending behaviour impacts growth and corporate earnings. A higher than expected reading could be seen as a positive, during this time of uncertainty, while a lower reading may be taken as negative for GBPUSD and the UK 100.

Key levels the Corellian mentors are focused on

Oil:

Support

- 1: 60.06, Thursday's low
- 2: 59.70, 50% retracement
- 3: 58.70, 62% retracement

Resistance

- 1: 62.44, Thursday's high
- 2: 63.71, 50% retracement
- 3: 64.84, April 23rd high

Nasdaq 100:

Support

- 1: 21193, Thursday's low
- 2: 20826, 38% retracement
- 3: 20618, 50% retracement

Resistance

- 1: 21528, Last week's high
- 2: 21887, Upper daily Bollinger band
- 3: 22318, February 18th high

AUDUSD:

Support

- 1: 0.6356, Last week's low
- 2: 0.6285, 38% retracement
- 3: 0.6213, 50% retracement

Resistance

- 1: 0.6447, Half last week's sell-off
- 2: 0.6500, Last week's high
- 3: 0.6514, May monthly high

Disclaimer:

This presentation has been designed and delivered by The Corellian Academy Limited, company number 11596572 whose registered address is 10 Western road, Romford, Essex RM1 3JT United Kingdom. Corellian (or The Firm) operate under a single title and have no affiliations with any entity other than the company. Information contained in this presentation is intended for the use of the recipient only and is confidential. Any dissemination, distribution, copying or use of this presentation without prior permission of the addressee is strictly prohibited.

Corellian is a provider of educational and information services which are delivered by way of newsletters, research documents, digital videos, webinars, live classroom events and other written products in the field of global financial markets trading. Corellian does not provide financial advice and is not authorised by the Financial Conduct Authority. Corellian does not accept liability for how you choose to engage in financial transactions. All opinions and judgements expressed in this presentation and all projections, forecasts and statements concerning future events or possible results achieved by Corellian are personal opinions, judgements, projections, forecasts, and statements of Corellian and result from the interpretation by Corellian of the information that was in its possession at the date of preparation of this presentation.

Any views and perspectives offered within this presentation are for the purposes of education and information only. Any market analysis, news or information supplied by Bloomberg, CNBC, Reuters or any other third-party provider, is from the public domain and used for educational and informational purposes only and are in no way to be construed as financial or investment advice. Corellian do not provide financial or investment advice and will not be held responsible for any misunderstanding or misuse of such information that results in a negative outcome. As a result, anyone participating in this presentation must form their own independent view as to such opinions, judgements, projections, forecasts, or statements.

The information herein is based on information obtained from sources believed to be reliable, but Corellian does not represent or warrant that it is accurate and complete or that the services herein are appropriate for any person. This presentation is for educational and informational purposes only and is not, and may not, be relied on in any manner as legal, tax, investment, accounting or other advice or as an offer to sell or a solicitation of an offer of any security or service. Certain information contained herein constitutes "forward-looking statements," which can be identified using terms such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", "continue," "target" or "believe" (or the negatives thereof) or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or actual performance of the services offered herein may differ materially from those reflected or contemplated in such forward-looking statements.

As a result, the recipient should not rely on such forward-looking statements in making its decisions to pursue the services or products offered herein. No representation or warranty is made as to future performance or such forward-looking statements. All opinions and judgements expressed in this presentation and all projections, forecasts and statements concerning future events or possible results achieved by Corellian are personal opinions, judgements, projections, forecasts, and statements of Corellian and result from the interpretation by Corellian of the information that was in its possession at the date of preparation of this presentation.

S&P 500: S&P 500 is a trademark of Standard & Poor's Financial Services LLC.

ASX 200: S&P® is a trademark of Standard & Poor's Financial Services LLC. ASX® is a trademark of the Australian Securities Exchange.

USA 30: USA 30 is a trademark of Standard & Poor's Financial Services LLC.