

CORELLIAN 2 STEP PROCESS BREAKING DOWN THE WEEK AHEAD

Risk sentiment dipped on the Monday open as traders responded with caution to the surprise US missile strikes on Iranian nuclear facilities over the weekend (**see below**) which opened the possibility of a wider war in the Middle East. Oil gapped higher, stock indices fell, and the dollar rose.

STEP 1: AHEAD OF THE US MARKET OPEN WHERE DID MARKETS START THE WEEK AND WHY?

Weekend news: US strikes Iran's nuclear sites adding fresh uncertainty back into global markets

- **Bloomberg:** The US carried out airstrikes on 3 nuclear sites early Sunday morning, with President Trump warning of "far greater" attacks unless Iran agreed to make peace.

Iran retaliated against Israel and said it reserves all options to defend itself.



0700 BST: CURRENT MARKET STANDINGS

Asian indices all opened the week lower before rebounding. The Hong Kong 50 has so far been the best performer, initially falling 1% to a low of 23,234 but recovering quickly to trade up 0.3% at 23,590. The Japan 225 reversed an early fall (low 37,918) to trade flat at 38,300, while the China A50 bounced from its lows at 13,215 to trade down 0.3% at 13,317.

European and US indices all dropped on the open before recovering some of their falls as traders awaited the next moves in the Middle East. The Germany 40 initially dipped 0.8% to 23,261 before climbing back to trade 23,335 (-0.5%), while the UK 100 registered a new 3 week low at 8,746 but recovered slightly to trade down 0.3% at 8,765.

The S&P 500 opened with a 0.7% fall to 5,960 but has since rebounded to trade down just 0.2% at 6,007, while the Nasdaq 100 initially dropped 1% to 21,567 before recovering some of its losses to trade back at 21,800 (-0.2%). (**Page 3 USA 30 TA Update**).

Major FX Markets: The US Dollar Index briefly touched a 2 week high at 98.74 before falling back to 98.54 (+0.3%). EURUSD opened with an initial fall to a low of 1.1450 but recovered quickly to trade back at 1.1512 (-0.1%). USDJPY rose 0.8% to trade at 147.20 (6 week high), while AUDUSD fell 0.7% to trade at 0.6406. (**Page 4 AUDUSD TA Update**).



Oil TA Update:

Prices have opened with a gap higher this morning and while trades are seen above support at 73.02 (half latest strength) the risks are for moves to higher levels. This can see breaks above 78.05 (Monday’s current high) to open tests of 80.74 (January 15th high).

To the downside, breaks below support at 73.02, could see tests of 71.14 (38% retracement).

In commodities, Oil spiked higher on the open, registering a peak of 78.05 before falling back to trade around 75, (+1.5%). Traders are worried about whether supplies of Oil and Gas from the region may be impacted by this conflict, especially if Iran decided to close the Strait of Hormuz, a major delivery route. **(Above Oil TA Update).**

Natural Gas followed Oil prices higher, trading up to 4.02 before giving back some of its early gains with a move back to 3.993 (+1.1%). Gold rallied 1% to a high of 3,396 but fell back to trade down 0.3% at 3,357.

STEP 2: EARNINGS AND EVENTS

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 23.6	TUESDAY 24.6	WEDNESDAY 25.6	THURSDAY 26.6	FRIDAY 27.6
BEFORE OPEN	Factset Research		General Mills Paychex NovaGold Resources	H&M Acuity McCormick Walgreens	
AFTER CLOSE		Carnival FedEx Blackberry	Micron Jefferies Financial	Nike	

KEY EVENTS, SPEAKERS AND ECONOMIC DATA

Monday: Global Preliminary PMI Surveys, EUR, GBP, USD. Important forward looking survey data that provides a health check on manufacturing and service business activity for the major economies. Traders take this seriously as it provides insight into the outlook from major businesses regarding employment, new orders and prices paid. A reading above 50 = economic expansion and below 50 = economic contraction. These updates could impact the direction of stock indices and the FX markets. **(Below USA 30 TA Update).**

Tuesday: 1330 BST CAD Inflation Data (CPI). Tariff issues with the US have sapped trade, growth and business confidence in Canada. The issue now is whether inflation is starting to rise which could complicate future interest rate decision making for the country's central bank moving forward. This release could increase volatility in USDCAD.

1500 BST USD Consumer Confidence. This number bounced slightly from multi-year lows last month and traders will be looking to see whether this improvement has continued or has started to drop again, which could signal potential problems for the US economy.

1500 BST USD Fed Chairman Powell Testifies Before Congress (Tues/Wed). Chairman Powell comments on the economy, tariffs and future rate cuts are likely to have a potential impact on risk sentiment across all markets in the week ahead.



USA 30 TA Update:

While support at 41874 (May 29th low) remains intact the risks are for attempts at price strength. However, closing breaks above resistance at 42835 (half latest sell-off) are needed to open potential moves to 43480 (June 11th high), even 44116 (March 3rd high).

To the downside, closing breaks below 41874 can expose moves to 41233 (May 25th low), even 40919 (38% retracement).

Wednesday: 0230 BST AUD Monthly Inflation Data (CPI). A big release for the Australian central bank (RBA) to consider ahead of their next interest rate meeting at the start of July. The RBA are extremely sensitive to the direction of inflation, so the outcome of this release could have an outsized impact on AUDUSD and the ASX 200. **(Page 4 AUDUSD TA Update).**

Thursday: 1330 BST USD Q1 GDP (Final). Traders of US stock indices and the dollar are becoming increasingly focused on whether the arrival of the new Trump administration and the implementation of its policies are beginning to negatively impact the economy or not. For this reason, any deviation from expectations in this final Q1 growth update could see volatility increase across all markets.



AUDUSD TA Update:

Recent price strength was held by resistance at 0.6549 (November 25th high) and with the latest closing breaks under the Bollinger mid-average, which currently stands at 0.6483, risks are for a deeper phase of price weakness. This can see tests of support at 0.6356 (May 12th low), possibly even 0.6308 (38% retracement).

To the upside, breaks above 0.6483 (Bollinger mid-average) can open retests of the 0.6549 high.

Friday: 0030 BST JPY Tokyo Inflation Data (CPI), 0050 BST JPY Retail Sales. After the BoJ decided to keep interest rates on hold at their meeting last week, the focus for USDJPY and Japan 225 traders shifts to consumer spending and the direction of inflation from Japan's capital. Any surprises above or below market expectations could increase market moves.

0700 BST GBP Q1 GDP (Final). GBPUSD and UK 100 traders are worried that UK growth is starting to stall again due to tariff and geo-political concerns. With the BoE deciding to keep interest rates on hold at their meeting last week, any deviation from market expectations in this final Q1 growth update could impact trader positioning.

1330 BST USD PCE Index, Personal Income and Spending. This is the Fed's preferred inflation gauge and the US central bank are currently on hold while they wait for fresh data to update them on whether President Trump's tariff plans are beginning to push prices higher. Any reading above expectations could have a negative impact on US stock indices at the end of the week or vice versa.

Key Levels for CFDs Corellian mentors are focused on

EURUSD:

Support

- 1: 1.1463, Bollinger mid-average
- 2: 1.1417, 38% Fibo retracement
- 3: 1.1352, 50% Fibo retracement

Resistance

- 1: 1.1543, Friday's high
- 2: 1.1630, June monthly high
- 3: 1.1692, October 2022 high

Germany 40:

Support

- 1: 23139, Last week's low
- 2: 22978, May 7th low
- 3: 22398, 38% Fibo retracement

Resistance

- 1: 23606, Friday's high
- 2: 23859, Bollinger mid-average
- 3: 24483, June 2025 high

Gold:

Support

- 1: 3326, 38% Fibo retracement
- 2: 3288, 50% Fibo retracement
- 3: 3249, 62% Fibo retracement

Resistance

- 1: 3396, Half latest sell-off move
- 2: 3452, Last week's high
- 3: 3500, April 22nd all-time high

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