

CORELLIAN 2 STEP PROCESS BREAKING DOWN THE WEEK AHEAD

Risk sentiment remained firm on the Monday open as traders remained focused on the path of President Trump's tax cut package through the Senate and awaited progress reports on trade deals with key partners ahead of the July 9th tariff deadline. Stock indices rose, the dollar fell, while precious metals rose and energy commodities edged lower.

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

Monday data: China factory activity improves after trade truce but still remains in contraction

- **China Manufacturing PMI (June):**
49.7 versus 49.7 expected.
- **China Non-manufacturing PMI (June):**
50.5 versus 50.3 expected.

Below 50 = economic contraction, above 50 = expansion



0700 BST: CURRENT MARKET STANDINGS

Asian indices all opened the week higher but then flattened out. The Japan 225 quickly traded up to a 5 month high of 40,862 but couldn't sustain the move, dropping back to 40,550 (Flat). The Hong Kong 50 touched a high of 24,291, then slipped lower to touch 24,064 after the PMI survey release (above), before recovering back to 24,190 (-0.2%).

European and US indices all opened higher and have so far maintained their early gains. The Germany 40 recorded a 3 week high of 24,247 before slipping back slightly to trade up 0.3% at 24,200, while the Europe 50 rose 0.3% to 5,353 and the UK 100 has traded in a tight range between 8,800 and 8,815.

The S&P 500 opened at 6,223 and has rallied 0.4% to trade at a new all time high of 6,250. The Nasdaq 100 opened at 22,750 and has jumped 0.6% to trade around 22,880, another new record peak, while the USA 30 is also 0.6% higher at 44,400. **(Page 4 Nasdaq 100 TA Update).**

Major FX Markets: The dollar fell on the open as traders worried about the increased debt burden Trump's new tax bill could impose on the country. US Dollar Index 96.69 (-0.3%), EURUSD 1.1731 (+0.12%), GBPUSD 1.3732 (+0.12%), USDJPY 143.88 (-0.5%), USDCHF 0.7975 (-0.2%). **(Page 3 EURUSD TA Update).**



Cocoa TA Update:
While a recovery developed last week this has so far been held by resistance at 9273 (38% retracement). While 9273 remains intact the potential is for fresh downside to test support at 8650 (half latest rally), with closing breaks exposing potential to 8041 (June 23rd low), even 7630/7665 (March 24th & April 20th lows).

Closing breaks above resistance at 9273 would suggest price strength towards 9647 (50% retracement).

In commodities, Gold rose 0.5% to start the week, trading to a high of 3,291 as traders rebought the dip as a hedge against potential uncertainty relating to trade deals, tariffs and the passage of the new Trump tax bill through the senate. Silver followed it higher, rising 0.5% to trade around 36.16.

Oil dropped to a low of 64.50 initially but recovered after the China PMI releases to trade down 0.2% at 65.38. Traders await the open of Cocoa, which recorded a 9.7% rally last week to close the week at 8.937. **(Above Cocoa TA Update).**

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	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
	30.6	1.7	2.7	3.7	4.7
BEFORE OPEN		MSC			
AFTER CLOSE		Constellation Brands			

KEY EVENTS, SPEAKERS AND ECONOMIC DATA

Tuesday: 1000 BST EUR Preliminary Inflation Data (HICP). The ECB have stated that they are close to ending their current rate cutting cycle after last month's inflation reading fell back to their 2% target, however, trader expectations are for one more 25bps (0.25%) cut. This new update could reinforce or remove that idea with implications for the direction of EURUSD. **(Below EURUSD TA Update).**

1430 BST ECB President Lagarde, Fed Chairman Powell, BoE Governor Bailey Panel. These three key central bank heads are all participating in a panel discussion at the ECB's Central Banking Forum in Portugal. The topic, 'Adapting to change: macroeconomic shifts and policy responses'. What they say has the potential to move all markets.

1500 BST USD ISM Manufacturing PMI Survey. An important forward looking survey providing a health check on US manufacturing activity. Any reading below 50 = economic contraction, while any reading above 50 = economic expansion. The new orders and prices paid components are likely to gain attention and could impact US stock indices.

EURUSD TA Update:

Positive themes continue and last week saw new recovery highs posted at 1.1753 (June 27th high), maintaining the current uptrend pattern. This suggests continued strength is possible towards the next resistance level at 1.1845 (mid-September 2022 high), even 1.1908 (August 2021 high).

To the downside, closes below support at 1.1602 (half latest price strength) could suggest a deeper decline towards 1.1557 (Bollinger mid-average).



1500 BST USD JOLTs Job Openings. This is the first of 3 key releases on the US labour market across the week, including Wednesday's ADP Private Sector Payrolls (1315 BST) and Thursday's eagerly awaited Non-farm Payrolls update (1330 BST). Any deviation from expectations could impact US stock indices and the dollar.

Wednesday: 0230 BST AUD Retail Sales. An important update on consumer spending for the Australian central bank (RBA) to consider ahead of their next interest rate decision on July 8th. This release could influence the direction of AUDUSD and the ASX 200.

Thursday: 0730 BST CHF Inflation Data (CPI). Weaker inflation readings in Switzerland have enabled the central bank (SNB) to cut interest rates to zero to try and stimulate economic growth and weaken the Swiss Franc. This reading will provide an update on whether they have room to cut rates further later in the year, with implications for the direction of USDCHF and EURCHF.



Nasdaq 100 TA Update:

New all-time price highs have been posted at 22884 (June 30th high) as the bullish uptrend pattern in prices continues. This maintains possibilities to test higher levels, with the next resistance marked by 23140 (138% Fibonacci extension).

To the downside, closing breaks under support at 22388 (38% retracement) exposes risks to 22048 (62% retracement).

1230 BST EUR ECB Meeting Minutes (June). Something for traders of EURUSD and European indices to keep a watch on given the current sensitivity to future interest rate moves from the ECB. Any surprise updates on policymaker thinking could increase market volatility.

1330 BST USD Non-farm Payrolls. Released a day early due to the US Independence Day holiday on Friday, this update on the US labour market is potentially pivotal for the direction of US stock indices and the dollar towards the end of the week. The unemployment rate, currently 4.2%, is likely to be the main focus, with any deviation from expectations providing potential for an increase in volatility. **(Above Nasdaq 100 TA Update).**

1500 BST USD ISM Services PMI Survey. After last week's US Q1 GDP growth data was revised lower due to weaker spending by consumers on services, this release will be eagerly awaited by traders to see if it reflects a similar outlook. If it does, it could increase hopes for larger Fed rate cuts later in the year. Any reading below 50 = economic contraction, while any reading above 50 = economic expansion.

Key Levels for CFDs Corellian mentors are focused on

Germany 40:

Support

- 1: 23823, Bollinger mid-average
- 2: 23586, June 25th low
- 3: 23139, June 19th low

Resistance

- 1: 24247, Latest recovery high
- 2: 24283, June 5th all-time high
- 3: 24990, 38% extension

S&P 500:

Support

- 1: 6106, Half latest price strength
- 2: 6067, Bollinger mid-average
- 3: 5960, Last week's low

Resistance

- 1: 6250, Latest all-time high
- 2: 6296, 138% extension
- 3: 6328, 162% extension

Oil:

Support

- 1: 64.01, 62% retracement
- 2: 62.18, June 4th session low
- 3: 59.88, June 1st low

Resistance

- 1: 67.58, Bollinger mid-average
- 2: 69.46, 38% retracement
- 3: 71.14, 50% retracement

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.