

# CORELLIAN 2 STEP PROCESS BREAKING DOWN THE WEEK AHEAD

**Risk sentiment** remained firm on the Monday open as traders prepared for a pivotal series of central bank meetings headlined by the Federal Reserve interest rate decision in the week ahead (**see pages 3/4**). Stock indices cautiously edged higher, the dollar fluctuated around opening levels and energy commodities rallied.

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

Monday news: China's broad economic slowdown raises stimulus expectations

- **Bloomberg:** China's economic activity slowed more than expected in August, with industrial output and consumption having their worst month yet this year.

Economists expect a notable slowdown in Q3 GDP growth, and the government's 5% growth target may be jeopardized if no major stimulus measures are rolled out.



## 0700 BST: CURRENT MARKET STANDINGS

**Asian indices** moved higher on Monday. The China A50 shrugged off weaker Chinese economic data readings as traders focused instead on the potential for more government stimulus to boost growth. The index touched a new 11 month high at 15,284 before giving back some of its gains to trade +0.4% at 15,155. The Hong Kong 50 traded +0.1% at 26,405, Japan 225 +0.2% at 44,512, and ASX 200 -0.2% at 8,846.

**European and US indices** opened positively. In Europe gains were led by the Europe 50 index which traded +0.3% at 5,405, while the Germany 40 traded +0.25% at 23,753 and the UK 100 was flat at 9,293. The France 40 ignored the negatives of a weekend downgrade of French government debt by ratings agency Fitch to trade +0.2% at 7,840.

The S&P 500 printed a new all time high at 6,654 on the open and consolidated around its highs. The Nasdaq 100 printed its own record high at 24,383 before edging slightly lower to trade +0.1% at 24,370. (**Page 3 Nasdaq 100 TA Update**).

**Major FX Markets** were quiet with traders awaiting the outcome of the 4 central bank interest rate decisions later in the week. EURUSD 1.1716 (-0.2%), GBPUSD 1.3555 (flat), AUDUSD 0.6653 (+0.1%), USDJPY 147.50 (Flat). (**Page 4 GBPUSD TA Update**).





#### Copper TA Update:

A recovery has developed in price since the late July sell-off and while support at 4.5513 (mid-average) remains intact the risks are for this strength to extend higher. Closes above resistance at 4.6977 (Sep 12th high) could suggest further price strength towards 4.9610 (38% retracement).

On the downside, closes below 4.5513 could point to further price weakness to test 4.3343 (July 31st low), even 4.0368 (August 9th low).

**In commodities,** Copped moved slightly higher to start the week as traders assessed the potential for more stimulus from Chinese authorities and prepared for a Fed rate cut. Prices traded +0.2% at 4.6590. **(Above Copper TA Update)**. Gold traded at 3,637 (-0.1%), with Silver 42.05 (-0.1%).

Energy commodities moved higher to start the week as traders focused on the potential of further restriction/tariffs on supplies of Oil and Gas from Russia. Oil 63.12 (+0.7%), Brent Oil 97.42 (+0.7%), Natural Gas 2.9720 (+1.1%).

## 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

15.9

#### TUESDAY

16.9

#### WEDNESDAY

17.9

#### THURSDAY

18.9

#### FRIDAY

19.9

**BEFORE  
OPEN**

The Hain Celestial

Barratt Redrow  
General Mills

Renishaw  
Next  
Darden Restaurants  
Factset Research

**AFTER  
CLOSE**

Lennar  
FedEx



## KEY EVENTS, SPEAKERS AND ECONOMIC DATA

**Tuesday: 0700 BST GBP Employment Data.** Despite concerns about the accuracy of UK data compiled by the Office for National Statistics (ONS) this release is likely to impact the direction of GBPUSD and the UK 100 to start the week. Traders will be focused on the direction of the unemployment rate and strength of wage growth.

**1330 BST USD Retail Sales.** The strength of the US economy and corporate earnings into the end of the year is back in focus for US stock traders again. This update will provide insight into whether US consumers are still spending or have cut back in response to higher prices.

**Wednesday: 0700 BST GBP Inflation Data (CPI).** The Bank of England have suggested high inflation is stopping them from cutting interest rates to provide a boost to the UK economy. A strong release could confirm that outlook, while a weaker print could open the door for 1 more 25bps rate cut before the end of 2025, with implications for GBPUSD and the UK 100.



### Nasdaq 100 TA Update:

The latest price strength has seen closing breaks above 24067 (August 13th high) which is a potentially positive move. Overall, while closes are seen above support at 23731 (mid-average) the risks are for a break of the next resistance at 24489 (38% extension) to open scope to challenge 24743 (62% extension).

To the downside, closes below the support at 23731 could suggest scope for moves back down to 23330 (38% retracement).

**1445 BST CAD BoC Interest Rate Decision, 1530 BST BoC Press Conference.** After a series of weaker economic data readings in the last month, including a worse than expected employment update, trader expectations for a rate cut from the Bank of Canada have increased, ensuring that the outcome of these events is likely to impact USDCAD.

**1900 BST USD Fed Interest Rate Decision, 1930 BST Fed Press Conference.** A rate cut is expected from the US central bank but whether it is 25bps (0.25%) or 50bps (0.5%) is still uncertain. Also, there are hopes for more rate cuts into the end of the year so the comments from Chairman Powell in the press conference are likely to be pivotal in deciding where US stock indices and the dollar move into the weekend. **(Above Nasdaq 100 TA Update).**

**Thursday: 0230 BST AUD Employment Data.** This is an important release for AUDUSD and ASX 200 traders to consider, as the strength of the labour market is a major factor in helping policymakers at the Australian central bank (RBA) decide whether to cut interest rates again or wait for more economic data to assess the situation further.





#### GBPUSD TA Update:

The latest price strength has been capped by resistance at 1.3594 (August 14th high) and this alongside support at 1.3333 (September 2nd low) mark the extremes of the current range in price.

A close above 1.3594 will be positive to open scope towards 1.3788 (July 1st high), while closes below 1.3333 suggest the potential for a deeper sell-off towards 1.3141 (August 2nd low).

**1200 BST GBP BoE Interest Rate Decision.** No change to UK interest rates is expected at this meeting so anything else would be a surprise, however traders will be keen to gain any further insight into whether 1 more 25bps (0.25%) cut is possible before the end of 2025, with implications for the direction of GBPUSD and the UK 100. **(Above GBPUSD TA Update).**

**Friday: 0030 BST JPY Inflation Data (CPI).** Coming only several hours before the Bank of Japan interest rate decision this release could provide traders with some extra volatility for USDJPY and the Japan 225, depending on how far it deviates from expectations.

**0400 BST JPY BoJ Interest Rate Decision, 0730 BST BoJ Press Conference.** While it may be a tight call, trader expectations are for the BoJ to remain on hold at this meeting. However, there are hopes that Governor Ueda may flag the potential for a rate hike to come as soon as the next meeting in October, if inflation remains firm and economic growth, as well as consumer spending, in the country continues to improve. These events could have a big impact on USDJPY and Japan 225 volatility into the weekend.

## Key Levels for CFDs Corellian mentors are focused on

#### USDJPY:

##### Support

- 1: 146.30, Last week's low
- 2: 145.75, July 10th low
- 3: 144.18, July 3rd low

##### Resistance

- 1: 148.56, Last week's high
- 2: 149.13, September monthly high
- 3: 150.91, August 2nd high

#### UK 100:

##### Support

- 1: 9239, Half latest rally
- 2: 9129, 38% retracement
- 3: 9050, 50% retracement

##### Resistance

- 1: 9350, Last week's high
- 2: 9382, August 22nd high
- 3: 9482, 38% extension

#### Silver:

##### Support

- 1: 40.519, Last week's low
- 2: 40.005, Bollinger mid-average
- 3: 38.611, 62% retracement

##### Resistance

- 1: 42.442, Last week's high
- 2: 42.957, Upper daily Bollinger band
- 3: 44.273, 100% extension



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