

Corellian 3 Step process to prepare for next week
Step 1: Where did markets end last week and why?

Risk sentiment had a subdued end to the week. Stocks, bond yields and the USD consolidated recent moves, while commodities fell as fears of a potential demand drought hit prices. Fed speakers continue to talk of higher US interest rates, adding to the mixed outlook right now.



Friday data: GBP Retail Sales: UK Cost of living crisis

- Retail sales ex-fuel MoM rose only 0.3%, less than forecast (expected 0.6%).

UK Consumers are spending more on essentials as fuel spending increased at the expense of other big ticket items.

US Stock indices consolidated the previous week's big gains by trading in relatively tight ranges at higher levels. The USA 500 closed up 0.4%, at 3970 (-0.6% on the week), US Tech 100 closed flat at 11709 (-1.1% on the week), while the USA 30 Wall Street closed up 0.6%, at 33768 (flat on the week).

European indices fared slightly better with the Germany 40 closing up 1.22% Friday at 14457, it's highest closing level since June, and officially back in a bull market as it's up 22% from its 11827 3rd October lows.

(See below for the **Germany 40 Technical update**).

Q3 US Earnings season next week has Zoom, Dell Technologies and HP reporting. (Page 2).



Germany 40 Technical Update:

The positive pattern of higher highs/higher lows continues with last week posting the highest trade since June 8th.

This maintains the push higher with next main resistance 14707 (Jun 7th high) even 14923 (Mar 30th extreme) if this gives way.

First support is now 14141 (last weeks low) with breaks pointing to a deeper retracement to 13931 (38% retrace of November strength).

The US Dollar Index closed slightly higher on the week at 106.85 (+0.7%), supported by Fed speakers who maintained a uniform stance, all saying US interest rates will need to continue higher, even if at a slower pace. EURUSD made new highs at 1.0479 (Tuesday), but drifted back lower Friday to end the week at 1.0324.

Commodities had a poor session Friday and a bad week in general, led by big falls in Oil (-9.7% on the week), and Copper (-7.6% on the week), as Covid cases rose again in China to levels not seen since the pandemic. Hitting confidence that the current demand outlook can be sustained in the upcoming months.

US bond yields closed higher after a list of Fed speakers sent a clear message that the Fed was in no mood to pause rate hikes anytime soon. 2 year yields rose nearly 8bps into the close, and 10 year yields were up 6bps at 3.83%. The yield curve remains deeply inverted suggesting that the US economy is slowing down.



Step 2: What is new, if anything, from the weekend?

<p>Bloomberg: Russia may expand mobilization again, group says</p> <p>After a week where geo-politics was front and centre of traders screens again, what would fresh Russian ground attacks do to risk sentiment?</p> <p>Russian officials "are preparing for further covert mobilization efforts," weeks after the end of an earlier partial call-up, according to analysts at the US based Institute for the Study of War. Volodymyr Zelenskyy said Russia may seek a "short truce" merely to regroup after recent battlefield setbacks.</p>	<p>Bloomberg: UK Government looks at measures to lift EU trade barriers</p> <p>A step in the right direction for the UK economy if PM Sunak can pull it off. Could it help to keep GBP supported next week?</p> <p>Rishi Sunak is looking at ways to remove many of the UK's trade barriers with the European Union, including a potential Swiss-style relationship that would risk angering many on the right wing of his Conservative Party, the Times reported.</p>	<p>Reuters: Fed's Bostic says he is ready to 'move away' from large rate increases</p> <p>Could this provide fresh good news for stock market bulls next week?</p> <p>Atlanta Federal Reserve President Raphael Bostic said Saturday he is ready to "move away" from 75bp rate hikes at the Fed's December meeting and feels the Fed's target policy rate need rise no more than another percentage point to tackle inflation.</p> <p>"If the economy proceeds as I expect, I believe that 75 to 100bps of additional tightening will be warranted," Bostic said.</p>
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Step 3: Looking forward to the week ahead

Important events are coloured in bold red, all times are Greenwich Mean Time (GMT)

Please use the key opposite to adjust to your appropriate time zone

Individual Share Update (Some of the key earnings next week in the chart below):

Time Zone Key:

GMT -5	= New York
GMT	= London
GMT +1	= Frankfurt
GMT +9	= Tokyo
GMT +11	= Sydney

While US earnings have been bad, around 70% of companies have still beaten lowered expectations. (See page 3 for the USA 500 Technical Update)

Monday 21st November	Tuesday 22nd November	Wed 23rd November	Thursday 24th November	Friday 25th November
0700 Compass 1200 J.M. Smucker	Homeserve Dollar Tree Campbell Soup 1200 Best Buy Co.	Deere 0700 J. Matthey 0700 United Utilities	0630 Remy Cointreau 0630 Eleka	Meituan 0630 Orron Energy
Before Market Opens:	Before Market Opens:	Before Market Opens:	Before Market Opens:	Before Market Opens:
Niu Technologies Futu Holdings	Warner Music Group Baidu	Full Truck Alliance Kingsoft Cloud Holdings	Allegro	
After Market Closes:	After Market Closes:	After Market Closes:	After Market Closes:	After Market Closes:
Agilent Technologies 2105 Zoom 2125 Dell Technologies	Nordstrom HP Vnet			

Central Bank Meetings, Key Central Bank Speakers and Important Economic Data:

Monday: PBOC Interest Rate Decision. Nothing is expected at this meeting, but it's an event to be aware of as any changes will influence risk sentiment at the start of a short week due to Thursday's US Thanksgiving holiday.

Tuesday: RBA Governor Lowe Speech. This will be an interesting speech after last weeks better than expected unemployment data, and signs of rising wages which could see inflation stick around longer than the RBA expects. **AUD will be sensitive to any rate hike updates.**

Global Preliminary PMI Data. This is very insightful forward looking data that will provide a health check on the major economies (Australia, Europe, UK, US and Japan). Anything above 50 is expansion and anything below is seen as contraction. **Expectations are for a gloomy set of results, so how will stock and FX markets react?**

Monday 21st November	Tuesday 22nd November	Wed 23rd November	Thursday 24th November	Friday 25th November
0115 GMT China PBOC Interest Rate Decision	0700 GMT AUD RBA Governor Lowe Speech Global Preliminary Manufacturing and Services PMI Data	0100 GMT NZD RBNZ Interest Rate Decision *0200 GMT NZD* RBNZ Press Conference *1900 GMT USD* FOMC Meeting Minutes	US Thanksgiving Holiday 1030 GMT GBP BoE Chief Economist Pill Speech 1230 GMT EUR ECB Meeting Minutes	0830 GMT EUR ECB President Lagarde Speech



NZDUSD Technical Update:

After a brief setback last week, fresh support developed to post new recovery highs and maintain the positive pattern materialising since October monthly lows.

This looks set to pressure 0.6250 (Aug 25th high) with breaks a further positive, opening 0.6567 (Aug 12th high).

To the downside, first support is 0.6060 (last weeks low) with breaks exposing tests of 0.6027 (38% retrace November strength).

Wednesday: RBNZ Interest Rate Decision and Press Conference. This will be a closely monitored event after such a strong rally in the NZD recently. Economists are divided on whether central bank Governor Orr will deliver a 50bps or 75bp hike which leaves room for excess volatility. (See above for the NZDUSD technical Update).

ECB President Lagarde Speech (Wed and Fri). Markets are sensitive to commentary from the ECB President and will be looking for signs of how hawkish the ECB will be in December to tame soaring inflation. **Is there a chance the ECB keep hiking, as this Fed slow down? What does this mean for EURUSD going forward?**

FOMC Meeting Minutes. The Fed raised 75bps and Chairman Powell was hawkish at the last meeting, however traders will want to see if the minutes from the meeting give any insight into how high rates will go and how close the Fed are to slowing the pace of rate hikes. **All markets will be sensitive to this release.**

USA 500 Technical Update:

While last week did see new recovery highs, these were rejected. However, weakness was held and reversed by 3919 (38% retrace of November upside) to maintain positive themes.

There appears to be potential to retest even break 4050 (Nov 15th high) with next resistance then 4172 (Sep 13th extreme).

To the downside, closes under 3919 suggest a deeper decline, but 3874 (Bollinger mid-average) appears an important support.



Thursday: ECB Meeting Minutes. Traders will be looking for how split the ECB committee are on dealing with inflation at the expense of European economy.

BoE Chief Economist Pill (Wed and Thurs). There is so much going on with the BoE at present that any commentary is important and markets are likely to react. Will the BoE hike 50bps or 75bps at the December meeting? Right now markets aren't sure either way. Pill's opinion on rates will be important if he expresses a view.

Oil Technical Update:

A consistent failure to breach 94.38 (38% retrace Jun/Sept downside) has resulted in increased selling pressure prompting 81.31 closing breaks (Oct 18th low).

This reflects deterioration and potential for a deeper sell-off to retest 76.24 (Sept 26th low) which is an important focus.

To the upside, closes above 87.00 (Bollinger mid-average) are needed to suggest resumption of strength to retest 94.38.



Below are the key levels in Stocks and G10 FX the Corellian mentors are focused on.

Support	Resistance	Support	Resistance
USA 500:		EURUSD:	
1 st - 3919, 38% retrace Nov range	1 st - 4050, Last week's failure high	1 st - 1.0271, Last week's low trade	1 st - 1.0479, Last week's high trade
2 nd - 3874, Bollinger mid-average	2 nd - 4172, September 13 th high	2 nd - 1.0194, 38% retrace Nov rally	2 nd - 1.0559, 62% retrace Mar/Sep
3 rd - 3839, Deeper 62% retrace	3 rd - 4217, August 26 th extreme	3 rd - 1.0106, Mid-point same move	3 rd - 1.0615, June 27 th extreme
US Tech 100:		GBPUSD:	
1 st - 11394, Bollinger mid-average	1 st - 12116, Last week's rejection	1 st - 1.1686, 38% retrace Nov rally	1 st - 1.2023, Last week's high trade
2 nd - 10640, November extreme	2 nd - 12137, September 21 st high	2 nd - 1.1585, Mid-point same move	2 nd - 1.2142, August 17 th extreme
3 rd - 10485, October low trade	3 rd - 12981, September 13 th high	3 rd - 1.1481, Deeper 62% retrace	3 rd - 1.2276, August 10 th failure
USA 30 Wallstreet:		USDJPY:	
1 st - 33165, 38% retrace Nov rally	1 st - 34024, Last week's high trade	1 st - 137.68, Last week's low trade	1 st - 141.95, 38% Nov sell-off
2 nd - 32895, Mid-point same move	2 nd - 34244, August 16 th high	2 nd - 135.81, August 23 rd low	2 nd - 143.28, Mid-point same move
3 rd - 32626, Deeper 62% retrace	3 rd - 34715, April 22 nd extreme	3 rd - 132.55, August 15 th extreme	3 rd - 144.58, Higher 62% retrace
Germany 40:		AUDUSD:	
1 st - 14141, Last week's low trade	1 st - 14473, Last week's high trade	1 st - 0.6598, 38% retrace Nov rally	1 st - 0.6796, Last week's high trade
2 nd - 13931, 38% retrace Nov rally	2 nd - 14707, June upside extreme	2 nd - 0.6536, Mid-point same move	2 nd - 0.6916, September 13 th high
3 rd - 13761, Mid-point same move	3 rd - 14943, March bounce failure	3 rd - 0.6474, Deeper 62% retrace	3 rd - 0.7009, August 26 th extreme
UK 100:		USDCAD:	
1 st - 7295, 38% retrace Nov rally	1 st - 7434, November high trade	1 st - 1.3210, 62% retrace Aug/Oct	1 st - 1.3447, 38% Nov sell-off
2 nd - 7252, Mid-point same move	2 nd - 7516, September 13 th high	2 nd - 1.3139, Sept 13 th extreme	2 nd - 1.3517, Mid-point same move
3 rd - 7209, Deeper 62% retrace	3 rd - 7574, August 19 th extreme	3 rd - 1.2953, Sep 12 th session low	3 rd - 1.3586, Higher 62% retrace



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