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EVERYTHING YOU NEED TO KNOW
BEFORE THE MARKETS OPEN

Sunday 17th November 2024

CORELLIAN 2 STEP PROCESS TO PREPARE FOR NEXT WEEK

Risk sentiment slumped into the Friday close, as traders chose to lock in some profits on trades linked to Donald Trump's election win in the face of growing uncertainty around the Federal Reserve's next move on interest rates. Stock indices fell, the dollar held firm at the week's highs, and commodities were mixed.

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

Friday data: US retail sales beat expectations as auto purchases jump in October

- **Retail Sales (Month on Month):**
  +0.4% versus +0.3% expected.
  Retail Sales ex Autos (Month on Month):
  +0.1% versus +0.3% expected.

- Upward revisions to previous months add weight to the view that consumers are in a stronger position than anticipated going into the holiday season.

US Stock indices all fell on Friday to register their worst weekly performance since early September. The S&P 500 dropped 1.3% on Friday to close at 5,900 (-2.1% on week), hurt by comments from Fed Chairman Powell on Thursday evening which stated the US central bank were in no hurry to cut interest rates. The Nasdaq 100 fell 2.4% to end the week at 20,504 (-3.4% on week), ahead of NVIDIA's earnings update next week, while the USA 30 dipped 0.7% to 43,584 (-1.3% on week), and the USA 2000 fell 1.4% to 2,317 (-4% on week).

European indices also struggled on Friday but performed better than US markets across the week. The UK 100 rose 0.1% on Friday to close at 8 month lows of 8,105, while the Germany 40 fell 0.1% to end the week at 19,303. Both indices were flat on the week. The Europe 50 dropped 0.7% on Friday (-0.6% on week), and the France 40 dipped 0.5% to 7,291 (-1.1% on week). **(Page 4 Germany 40 TA Update).**

The US Dollar Index closed flat on Friday but registered a gain of 1.4% on the week, its highest close since November 2023. EURUSD hit a 13 month low at 1.0496 before bouncing slightly to finish at 1.0526 (-1.6% on week), while USDJPY briefly posted a 5 month high at 156.74 early on Friday, then reversed those early gains to close back at 154.28. (+1.1% on week). **(Page 3 USDJPY TA Update).**

Natural Gas TA Update:
Friday saw a rally and close above both 2.749 (Bollinger mid-average) and 2.824 resistance levels (38% retrace Nov 13th to Nov 15th decline). This can open scope for fresh strength to challenge the next resistance level at 2.897 (62% level), even 3.016 (Nov 13th high).

To the downside, closes under 2.749 can expose 2.642 (Nov 10th low), even 2.540 (Nov monthly extreme).

In commodities, Natural Gas had a volatile week trading between a low at 2.686 and a high of 3.016, before closing at 2.834, a gain of 1.8% on the week. **(Above Natural Gas TA Update).** Gold hit a 2 month low at 2,537 on Thursday hurt by a stronger dollar, before recovering some of these losses to close at 2,562, a fall of 4.5% on the week, while Copper slipped to its own 2 month lows at 4.0630 (-5.8% on week).

STEP 2:
LOOKING FORWARD TO THE WEEK AHEAD

Time Zone Key:

GMT −5	= New York
GMT	= London
GMT +1	= Frankfurt
GMT +11	= 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 18.11	TUESDAY 19.11	WEDNESDAY 20.11	THURSDAY 21.11	FRIDAY 22.11
BEFORE OPEN		ThyssenKrupp **Lowe's** **Walmart** Futu Holdings Xpeng	Sage Severn Trent **Target** The TJX Companies Full Truck Alliance	Deere Warner Music Group Baidu iQIYI	
AFTER CLOSE	Aecom	Keysight Tech. Dolby	**NVIDIA** Snowflake Palo Alto Networks Sociedad Quimica	Ugi Intuit Ross Stores Copart Gap	

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KEY EVENTS, SPEAKERS AND ECONOMIC DATA

Tuesday: 0030 GMT RBA Meeting Minutes. AUDUSD and ASX 200 traders will be following this release closely for any new information regarding inflation, economic growth, or any concerns policymakers may have about Trump tariffs on China impacting Australia's trade with the country.

US Q3 Earnings Update. Traders receive the latest earnings updates from three key companies next week. First up are the US consumer champions **Walmart (Tuesday)** and **Target (Wednesday),** who both report their earnings results before the close. Then, after the close on **Wednesday, NVIDIA** reports, fresh off the back of hitting another new all time high last week. Traders will be looking for an update on the strength of demand for AI chips and the ability of the company to increase revenue in the face of fresh restrictions on chip sales to China.

1330 GMT CAD Inflation Data (CPI). A weaker than expected employment report at the start of November has increased economists expectations for a bigger 50bps (0.5%) cut from the Bank of Canada at their next meeting in December. The outcome of this CPI update could either support or change that outlook, with implications for the direction of USDCAD next week.

Wednesday: 0115 GMT PBOC Interest Rate Decision. Chinese authorities have dramatically increased their support for the economy recently, so the central bank may hold off on further policy moves at this meeting, although they have surprised traders before. Whatever the outcome, this event could impact the China A50 and Hong Kong 50 indices next week.

USDJPY TA Update:
Friday saw a sell-off after recent strength hit 2 month highs, but there is no evidence of a negative sentiment shift while support at 153.87 (38% retrace Oct 21st to Nov 15th strength) remains intact. While this level holds, the risks are for breaks back above 155.30 (half Friday's range) to open scope to 156.74 (Friday's high), even 158.85 (Jul 16th extreme).

Moves below 153.87 while not outright negative, can see tests of 153.24 (Bollinger mid-average).

0700 GMT GBP Inflation Data (CPI). This is a big release for GBPUSD and UK 100 traders to consider given the Bank of England recently cast doubts on their ability to cut interest rates as quickly as some observers had hoped. Wage growth remains stubbornly high, so a higher than expected CPI print could see a December BoE rate cut completely priced out by traders, while a lower number may see the reverse happen.

Germany 40 TA Update:
While a recovery was seen last week, the index remains below resistance at 19384 (Bollinger mid-average) which is the focus this week. While intact, the risks are for support at 19137 (half last week's rally) to give way and expose moves to 18903 (Nov 13th low), even 18778 (38% Aug/Oct upside).

Closes above 19384 can see further strength to challenge 19648 (Nov 6th high), even 19798 (Oct 17th all-time high).

Thursday: **2330 GMT JPY Inflation Data (CPI).** USDJPY moved back towards 4 month highs above 156 last week as doubts emerged over the Bank of Japan's ability to hike interest rates at the pace currently expected by traders. This CPI release is critical to the BoJ's decision making, and is likely to impact the direction of USDJPY and the Japan 225 index next week, depending on whether the print rises above or below expectations. **(Page 3 USDJPY TA Update).**

Friday: **Preliminary Global PMI Surveys (JPY, EUR, GBP, USD).** These forward looking surveys will provide a health check on the current direction of growth in the major developed economies. A reading below 50 indicates economic contraction and above 50 indicates economic expansion. Traders will want to see whether the US reading remains strong, if the UK is maintaining its recent positive performance, and whether the Eurozone is still languishing in contraction, with implications for the direction of the Germany 40 and other key indices next week. **(Above Germany 40 TA Update).**

Key levels the Corellian mentors are focused on

EURUSD:
Support
1: 1.0496, Last week's low
2: 1.0448, October monthly low
3: 1.0410, Mid-point Oct'22/Jul'23

Resistance
1: 1.0665, 38% retrace Nov sell-off
2: 1.0717, Mid-point same move
3: 1.0758, Bollinger mid-average

Nasdaq 100:
Support
1: 20405, Last week's low
2: 20203, 38% retrace Sep/Nov
3: 20009, October 31st low

Resistance
1: 20767, 38% retrace latest sell-off
2: 20993, Higher 62% retracement
3: 21339, November 11th high

Oil:
Support
1: 66.70, October 29th low
2: 66.32, October monthly low
3: 65.26, September low

Resistance
1: 69.09, 38% November sell-off
2: 69.82, Bollinger mid-average
3: 70.56, Higher 62% retracement

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