

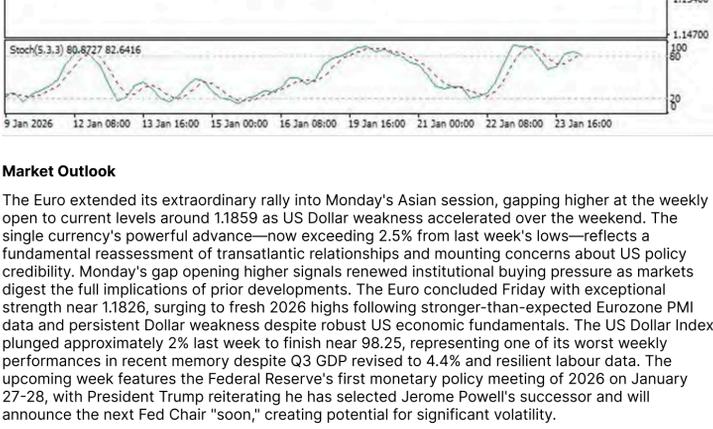
TECHNICAL ANALYSIS REPORT

MONDAY, JANUARY 26 2026

EUR/USD

Previous Session Overview

EUR/USD moved higher on Friday, reaching above previous resistance levels and opened with a higher gap on Monday morning. Currently trading at 1.1859.



Market Outlook

The Euro extended its extraordinary rally into Monday's Asian session, gapping higher at the weekly open to current levels around 1.1859 as US Dollar weakness accelerated over the weekend. The single currency's powerful advance—now exceeding 2.5% from last week's lows—reflects a fundamental reassessment of transatlantic relationships and mounting concerns about US policy credibility. Monday's gap opening higher signals renewed institutional buying pressure as markets digest the full implications of prior developments. The Euro concluded Friday with exceptional strength near 1.1826, surging to fresh 2026 highs following stronger-than-expected Eurozone PMI data and persistent Dollar weakness despite robust US economic fundamentals. The US Dollar Index plunged approximately 2% last week to finish near 98.25, representing one of its worst weekly performances in recent memory despite Q3 GDP revised to 4.4% and resilient labour data. The upcoming week features the Federal Reserve's first monetary policy meeting of 2026 on January 27-28, with President Trump reiterating he has selected Jerome Powell's successor and will announce the next Fed Chair "soon," creating potential for significant volatility.

Technical Outlook

- Stochastic moving higher toward the overbought area.
- Price moving higher above the 20-period moving average.
- Configuration signals powerful bullish momentum with gap opening confirming strength

Key Levels to Watch

Resistance: 1.1926; 1.1973
Support: 1.1794; 1.1744

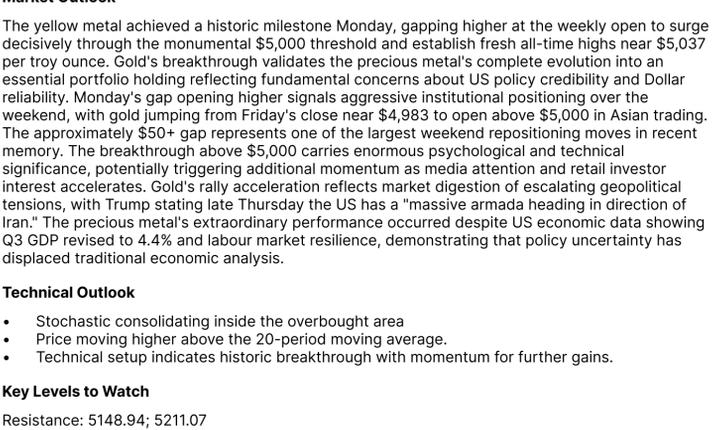
Conclusion

EUR/USD demonstrates exceptional bullish momentum trading at 1.1859, with Monday's gap higher opening confirming institutional conviction in continued Euro strength. The Stochastic indicator advancing toward overbought territory and price surging decisively above the 20-period moving average signal that bulls maintain overwhelming control despite extreme technical extensions. The gap opening—jumping from Friday's close near 1.1826 to Monday's levels around 1.1859—represents aggressive weekend positioning reflecting assessment that Trump's policy unpredictability poses greater risks to US economic credibility than European challenges. Immediate resistance at 1.1926 represents the next upside target, with breaks opening pathways toward 1.1973 and potentially the psychologically significant 1.2000 zone. Support at 1.1794 should contain pullbacks, with the gap fill level near 1.1826 providing intermediate support. Wednesday's FOMC decision and potential Fed Chair announcement represent the week's critical catalysts.

GOLD (XAU/USD)

Previous Session Overview

Gold moved higher on Friday, reaching above previous resistance levels and opened with a higher gap on Monday morning, creating fresh all-time highs. Currently trading at 5075.39.



Market Outlook

The yellow metal achieved a historic milestone Monday, gapping higher at the weekly open to surge decisively through the monumental \$5,000 threshold and establish fresh all-time highs near \$5,037 per troy ounce. Gold's breakthrough validates the precious metal's complete evolution into an essential portfolio holding reflecting fundamental concerns about US policy credibility and Dollar reliability. Monday's gap opening higher signals aggressive institutional positioning over the weekend, with gold jumping from Friday's close near \$4,983 to open above \$5,000 in Asian trading. The approximately \$50+ gap represents one of the largest weekend repositioning moves in recent memory. The breakthrough above \$5,000 carries enormous psychological and technical significance, potentially triggering additional momentum as media attention and retail investor interest accelerates. Gold's rally acceleration reflects market digestion of escalating geopolitical tensions, with Trump stating late Thursday the US has a "massive armada heading in direction of Iran." The precious metal's extraordinary performance occurred despite US economic data showing Q3 GDP revised to 4.4% and labour market resilience, demonstrating that policy uncertainty has displaced traditional economic analysis.

Technical Outlook

- Stochastic consolidating inside the overbought area
- Price moving higher above the 20-period moving average.
- Technical setup indicates historic breakthrough for further gains.

Key Levels to Watch

Resistance: 5148.94; 5211.07
Support: 4998.06; 4930.01

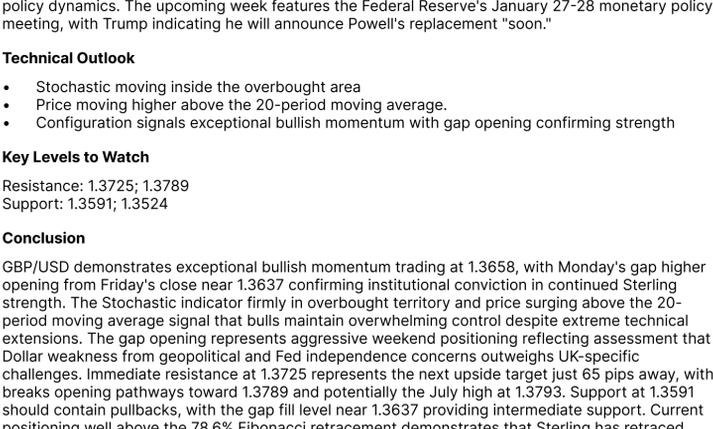
Conclusion

Gold exhibits historic strength trading at 5075.39 after gapping higher through the psychologically monumental \$5,000 threshold Monday morning, validating its status as the ultimate safe haven in an era of unprecedented policy volatility. The Stochastic indicator consolidating in overbought territory and price surging above the 20-period moving average signal that bulls maintain overwhelming control. Monday's gap opening—jumping from Friday's close near \$4,983 to current levels above \$5,037—represents aggressive weekend positioning reflecting intensified safe-haven demand as Trump's Iran armada deployment escalates Middle East tensions. Immediate resistance at 5148.94 represents the next upside target, with breaks opening pathways toward 5211.07 and the psychological \$5,200 level. Support at 4998.06 should contain any profit-taking, with the gap fill level near \$4,983 providing intermediate support. Wednesday's FOMC decision and potential Fed Chair announcement represent critical catalysts. Bulls maintain complete control while price stays above \$5,000 and the 20-period moving average.

GBP/USD

Previous Session Overview

GBP/USD moved higher on Friday, reaching above previous resistance levels and opened with a higher gap on Monday morning. Currently trading at 1.3658.



Market Outlook

The Pound Sterling extended its impressive rally into Monday's Asian session, gapping higher at the weekly open to current levels around 1.3658 as US Dollar weakness showed no signs of abating. Sterling's powerful advance—now surpassing four-month highs—reflects both severe Dollar weakness from geopolitical and Fed independence concerns, and surprisingly robust UK economic data. Monday's gap opening higher from Friday's close near 1.3637 represents approximately 23 pips of immediate appreciation, signalling institutional conviction that Sterling strength remains justified. Last week delivered exceptional performance for the Pound, with GBP/USD surging to four-month highs following stronger-than-expected UK Retail Sales rising 0.4% month-over-month and Composite PMI jumping to 53.9 in January from 51.4. The US Dollar Index plunged approximately 2% last week to finish near 98.25 despite robust US economic data showing Q3 GDP revised to 4.4%, demonstrating how thoroughly geopolitical considerations have displaced traditional monetary policy dynamics. The upcoming week features the Federal Reserve's January 27-28 monetary policy meeting, with Trump indicating he will announce Powell's replacement "soon."

Technical Outlook

- Stochastic moving inside the overbought area
- Price moving higher above the 20-period moving average.
- Configuration signals exceptional bullish momentum with gap opening confirming strength

Key Levels to Watch

Resistance: 1.3725; 1.3789
Support: 1.3591; 1.3524

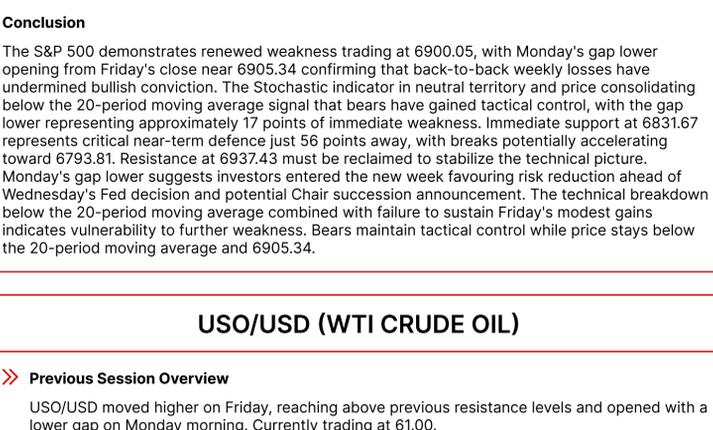
Conclusion

GBP/USD demonstrates exceptional bullish momentum trading at 1.3658, with Monday's gap higher opening from Friday's close near 1.3637 confirming institutional conviction in continued Sterling strength. The Stochastic indicator firmly in overbought territory and price surging above the 20-period moving average signal that bulls maintain overwhelming control despite extreme technical extensions. The gap opening represents aggressive weekend positioning reflecting assessment that Dollar weakness from geopolitical and Fed independence concerns outweighs UK-specific challenges. Immediate resistance at 1.3725 represents the next upside target just 65 pips away, with breaks opening pathways toward 1.3789 and potentially the July high at 1.3793. Support at 1.3591 should contain pullbacks, with the gap fill level near 1.3637 providing intermediate support. Current positioning well above the 78.6% Fibonacci retracement demonstrates that Sterling has retraced 80% of the July-November decline. Wednesday's FOMC decision and potential Fed Chair announcement represent the week's critical catalysts.

SPX/USD (S&P 500)

Previous Session Overview

The S&P 500 consolidated on Friday, remaining between previous support and resistance levels and opened with a lower gap on Monday morning. Currently at 6900.05.



Market Outlook

US equity markets opened the new week on a cautious note, with the S&P 500 gapping lower Monday morning to current levels around 6900.05 as investors brace for a critical week featuring the Federal Reserve's policy meeting and potential Fed Chair succession announcement. The gap lower opening—dropping from Friday's close near 6905.34—signals renewed caution following back-to-back weekly losses. Markets concluded last week with mixed performance Friday, as the S&P edged up just 0.03% while the Dow retreated 0.58%. The gap lower suggests the mid-week relief rally following Trump's Greenland tariff suspension proved insufficient to restore genuine bullish conviction. The shift out of US assets gained traction last week, with the US Dollar Index plunging 2% to 98.25, gold achieving its best week since 2020 and gapping through \$5,000 Monday. Last week's volatility was amplified by chipmaker Intel's earnings disappointment, with shares plunging over 16% Friday. The upcoming week features the Federal Reserve's January 27-28 monetary policy meeting, with Trump indicating he will announce Powell's successor "soon." The weekend brought additional geopolitical complexity as Trump's "massive armada heading in direction of Iran" statement maintains elevated tensions.

Technical Outlook

- Stochastic moved lower from overbought, currently held in middle area.
- Price consolidating below the 20-period moving average.
- Configuration suggests bearish bias with gap lower confirming weakness.

Key Levels to Watch

Resistance: 6937.43; 6976.60
Support: 6831.67; 6793.81

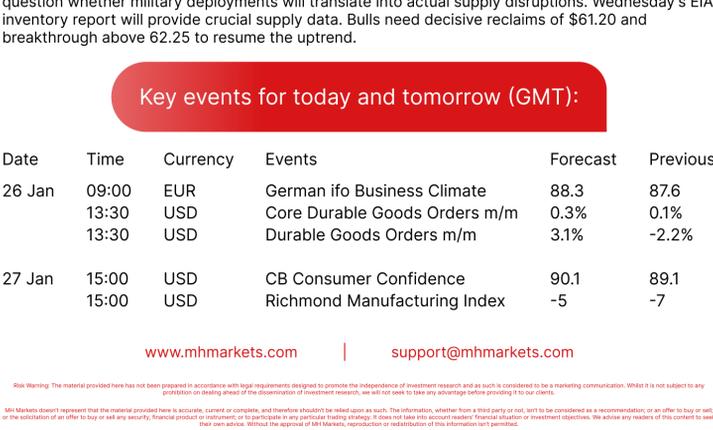
Conclusion

The S&P 500 demonstrates renewed weakness trading at 6900.05, with Monday's gap lower opening from Friday's close near 6905.34 indicating that back-to-back weekly losses have undermined bullish conviction. The Stochastic indicator remaining in overbought territory while price consolidates below the 20-period moving average creates conflicting signals—technical structure remains bullish, yet the gap lower indicates conviction waning. Immediate support at 6831.67 represents critical near-term defence, with breaks potentially accelerating toward 6793.81. Resistance at 6937.43 must be reclaimed to stabilize the technical picture. Monday's gap lower suggests investors entered the new week favouring risk reduction ahead of Wednesday's Fed decision and potential Chair succession announcement. The technical breakdown below the 20-period moving average combined with failure to sustain Friday's modest gains indicates vulnerability to further weakness. Bears maintain tactical control while price stays below the 20-period moving average and 6905.34.

USO/USD (WTI CRUDE OIL)

Previous Session Overview

USO/USD moved higher on Friday, reaching above previous resistance levels and opened with a lower gap on Monday morning. Currently trading at 61.00.



Market Outlook

Crude oil prices opened the new week with a modest gap lower, declining from Friday's close near \$61.20 to current levels around \$61.00 as markets digest the complex interplay between escalating Iran tensions and fundamental supply-demand dynamics. The gap lower—despite President Trump's geopolitical risk deployment rhetoric—suggests traders remain cautious about sustained geopolitical risk premiums overcoming robust supply conditions. Last Friday delivered a powerful 2.9% surge for WTI to \$61.07 as Trump's late Thursday statement about a "massive armada heading in direction of Iran" created immediate supply disruption concerns. Both benchmarks posted weekly gains exceeding 2.5%. However, Monday's gap lower opening suggests weekend reflection produced more cautious positioning. Last Thursday's surprise 3.6-million-barrel build in US crude stocks demonstrated that physical markets remain well-supplied. The fundamental supply-demand picture presents challenges for bulls, with energy trading companies believing Venezuela fuel oil exports and potential for peace settlements that could lift Russian sanctions. The upcoming week features Wednesday's EIA Weekly Petroleum Status Report and the Federal Reserve's rate decision, potentially influencing crude through Dollar effects.

Technical Outlook

- Stochastic moving inside the overbought area
- Price consolidating above the 20-period moving average.
- Setup suggests bullish structure threatened by gap lower opening.

Key Levels to Watch

Resistance: 62.25; 63.33
Support: 59.84; 58.66

Conclusion

WTI crude oil demonstrates technical uncertainty trading at 61.00, with Monday's gap lower opening from Friday's close near \$61.20 suggesting weekend reflection produced more cautious positioning despite Trump's Iran armada deployment. The Stochastic indicator remaining in overbought territory while price consolidates above the 20-period moving average creates conflicting signals—technical structure remains bullish, yet the gap lower indicates conviction waning. Immediate support at 59.84 represents critical near-term defence, with breaks potentially accelerating toward 58.66. Resistance at 62.25 must be reclaimed to resume the uptrend, with the gap fill level near \$61.20 providing intermediate barrier. The modest 25-cent gap lower appears significant given Friday's powerful surge was driven by identical Iran headlines. Markets' failure to extend gains suggests traders question whether military deployments will translate into actual supply disruptions. Wednesday's EIA inventory report will provide crucial supply data. Bulls need decisive reclaims of \$61.20 and breakthrough above 62.25 to resume the uptrend.

Key events for today and tomorrow (GMT):

Date	Time	Currency	Events	Forecast	Previous
26 Jan	09:00	EUR	German ifo Business Climate	88.3	87.6
	13:30	USD	Core Durable Goods Orders m/m	0.3%	0.1%
	13:30	USD	Durable Goods Orders m/m	3.1%	-2.2%
27 Jan	15:00	USD	CB Consumer Confidence	90.1	89.1
	15:00	USD	Richmond Manufacturing Index	-5	-7

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