

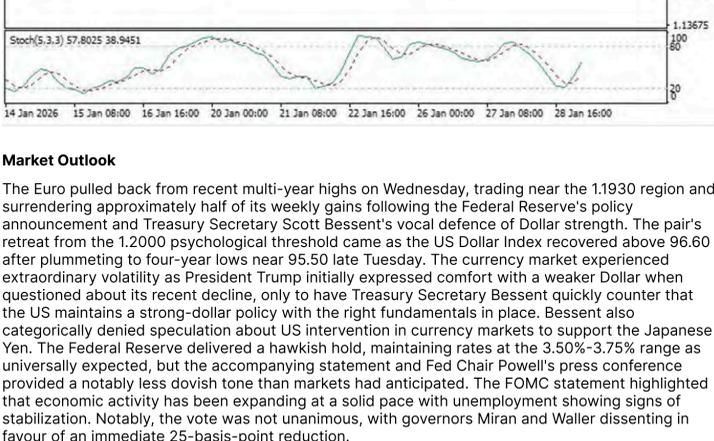
# TECHNICAL ANALYSIS REPORT

THURSDAY, JANUARY 29 2026

## EUR/USD

### Previous Session Overview

EUR/USD consolidated lower on Wednesday, staying between previous support and resistance levels. Currently trading at 1.1981.



### Market Outlook

The Euro pulled back from recent multi-year highs on Wednesday, trading near the 1.1930 region and surrendering approximately half of its weekly gains following the Federal Reserve's policy announcement and Treasury Secretary Scott Bessent's vocal defence of Dollar strength. The pair's retreat from the 1.2000 psychological threshold came as the US Dollar Index recovered above 96.60 after plummeting to four-year lows near 95.50 late Tuesday. The currency market experienced extraordinary volatility as President Trump initially expressed comfort with a weaker Dollar when questioned about its recent decline, only to have Treasury Secretary Bessent quickly counter that the US maintains a strong-dollar policy with the right fundamentals in place. Bessent also categorically denied speculation about US intervention in currency markets to support the Japanese Yen. The Federal Reserve delivered a hawkish hold, maintaining rates at the 3.50%-3.75% range as universally expected, but the accompanying statement and Fed Chair Powell's press conference provided a notably less dovish tone than markets had anticipated. The FOMC statement highlighted that economic activity has been expanding at a solid pace with unemployment showing signs of stabilization. Notably, the vote was not unanimous, with governors Miran and Waller dissenting in favour of an immediate 25-basis-point reduction.

### Technical Outlook

- Stochastic is trying to cross higher near the oversold area.
- Price is consolidating above the 20-period moving average.
- This setup suggests potential for a technical bounce after the recent pullback.

### Key Levels to Watch

Resistance: 1.2080; 1.2189  
Support: 1.1865; 1.1753

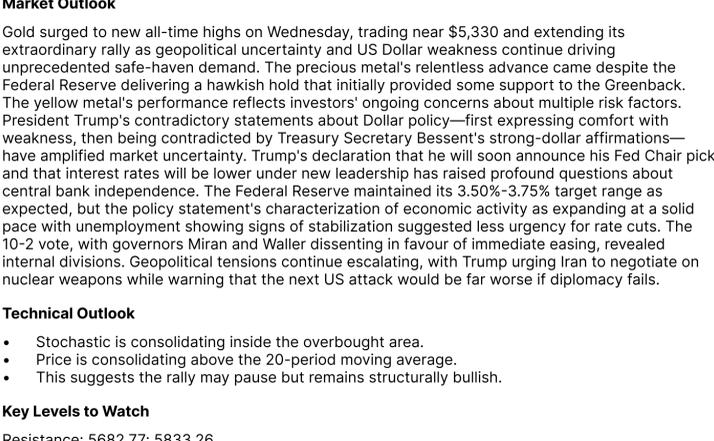
### Conclusion

EUR/USD has consolidated near 1.1981 after retreating from the 1.2000 level, with the pair maintaining its position above the 20-period moving average despite Wednesday's pullback. The Stochastic indicator attempting to cross higher near oversold territory suggests the correction may be nearing completion, potentially setting up for renewed advances if Dollar weakness resumes. Immediate resistance at 1.2080 represents the first hurdle for bulls attempting to reassert control, with a breakthrough potentially targeting 1.2189. Support at 1.1865 should contain any further near-term weakness, with more substantial defence at 1.1753. The technical picture shows the pair at a critical juncture—while the longer-term uptrend remains intact above the 20-period moving average, the failure to hold above 1.2000 suggests some consolidation may be necessary. The conflicting messages from Trump and Bessent regarding Dollar policy, combined with the Fed's hawkish hold, have introduced uncertainty. The pair's ability to defend the 1.1865 support level will be crucial.

## GOLD (XAU/USD)

### Previous Session Overview

Gold moved higher on Wednesday, reaching above previous resistance levels. Currently trading at 5538.26.



### Market Outlook

Gold surged to new all-time highs on Wednesday, trading near \$5,330 and extending its extraordinary rally as geopolitical uncertainty and US Dollar weakness continue driving unprecedented safe-haven demand. The precious metal's relentless advance came despite the Federal Reserve delivering a hawkish hold that initially provided some support to the Greenback. The yellow metal's performance reflects investors' ongoing concerns about multiple risk factors. President Trump's contradictory statements about Dollar policy—first expressing comfort with weakness, then being contradicted by Treasury Secretary Bessent's strong-dollar affirmations—have amplified market uncertainty. Trump's declaration that he will soon announce his Fed Chair pick and that interest rates will be lower under new leadership has raised profound questions about central bank independence. The Federal Reserve maintained its 3.50%-3.75% target range as expected, but the policy statement's characterization of economic activity as expanding at a solid pace with unemployment showing signs of stabilization suggested less urgency for rate cuts. The 10-2 vote, with governors Miran and Waller dissenting in favour of immediate easing, revealed internal divisions. Geopolitical tensions continue escalating, with Trump urging Iran to negotiate on nuclear weapons while warning that the next US attack would be far worse if diplomacy fails.

### Technical Outlook

- Stochastic is consolidating inside the overbought area.
- Price is consolidating above the 20-period moving average.
- This suggests the rally may pause but remains structurally bullish.

### Key Levels to Watch

Resistance: 5682.77; 5833.26  
Support: 5279.66; 5086.17

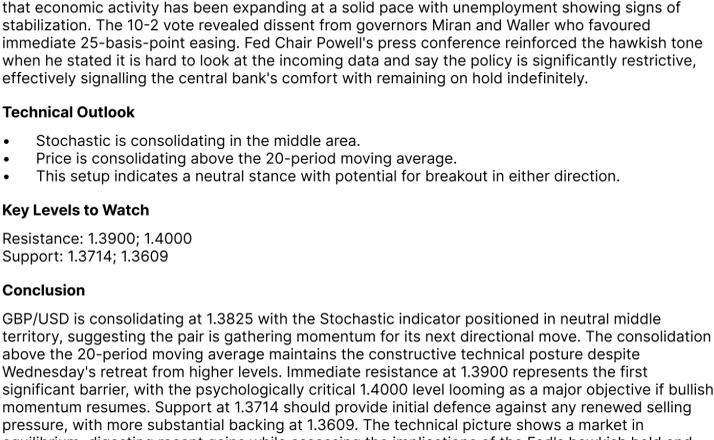
### Conclusion

Gold's extraordinary rally continues with the precious metal now trading at 5538.26, establishing fresh record territory well above the previous highs. The metal remains firmly positioned above the 20-period moving average with the Stochastic indicator consolidating in overbought territory, suggesting some near-term digestion of recent gains may occur before the next leg higher. Immediate resistance at 5682.77 represents the next psychological milestone, with a breakthrough potentially opening the path toward 5833.26. Support at 5279.66 should contain any profit-taking, with more substantial backing at 5086.17. The technical structure remains exceptionally constructive despite extreme overbought readings, as the metal continues defying traditional technical constraints amid extraordinary fundamental support. The convergence of geopolitical tensions involving Iran and the Middle East, political interference in Federal Reserve independence, Dollar weakness near multi-year lows, and the upcoming Russia-Ukraine-US negotiations creates an environment where safe-haven demand shows no signs of abating.

## GBP/USD

### Previous Session Overview

GBP/USD consolidated on Wednesday, staying between previous support and resistance levels. Currently trading at 1.3825.



### Market Outlook

Sterling traded near the 1.3770 level on Wednesday following the Federal Reserve's policy decision and turbulent Dollar price action triggered by conflicting statements from President Trump and Treasury Secretary Bessent. The British Pound demonstrated relative resilience amid the currency market volatility that saw the US Dollar Index swing from four-year lows near 95.50 to recovery above 96.60. The trading session was dominated by contradictory US policy signals. President Trump initially expressed comfort with a weaker Dollar when questioned about its sharp decline, only to have Treasury Secretary Bessent quickly counter with affirmations of a strong-dollar policy. Bessent also denied speculation about currency market intervention to support the Japanese Yen. The Federal Reserve delivered what markets characterized as a hawkish hold, maintaining the 3.50%-3.75% target range while upgrading its economic assessment. The FOMC statement noted that economic activity has been expanding at a solid pace with unemployment showing signs of stabilization. The 10-2 vote revealed dissent from governors Miran and Waller who favoured immediate 25-basis-point easing. Fed Chair Powell's press conference reinforced the hawkish tone when he stated it is hard to look at the incoming data and say the policy is significantly restrictive. Treasury yields rose following the decision, weighing on equity valuations. Market attention now shifts to major technology earnings after the close with Microsoft, Meta Platforms, and Tesla reporting Wednesday evening, followed by Apple on Thursday.

### Technical Outlook

- Stochastic is consolidating in the middle area.
- Price is consolidating above the 20-period moving average.
- This setup indicates a neutral stance with potential for breakout in either direction.

### Key Levels to Watch

Resistance: 1.3900; 1.4000  
Support: 1.3714; 1.3609

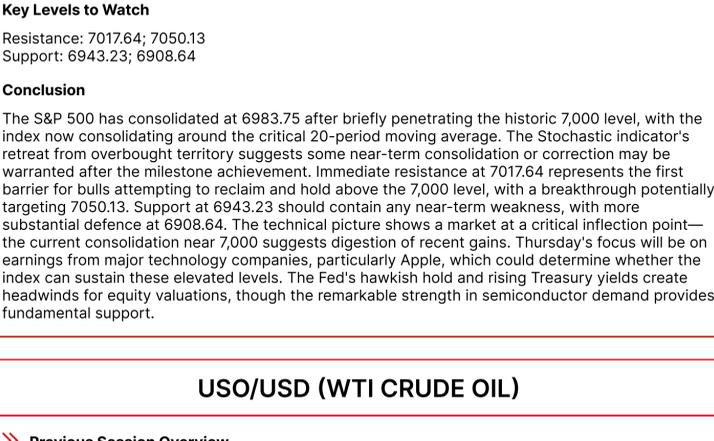
### Conclusion

GBP/USD is consolidating at 1.3825 with the Stochastic indicator positioned in neutral middle territory, suggesting the pair is gathering momentum for its next directional move. The consolidation above the 20-period moving average maintains the constructive technical posture despite Wednesday's retreat from higher levels. Immediate resistance at 1.3900 represents the first significant barrier, with the psychologically critical 1.4000 level looming as a major objective if bullish momentum resumes. Support at 1.3714 should provide initial defence against any renewed selling pressure, with more substantial backing at 1.3609. The technical picture shows a market in equilibrium, digesting recent gains while assessing the implications of the Fed's hawkish hold and conflicting Dollar policy messages. The pair's neutral Stochastic reading in mid-range suggests potential energy is building for the next significant move. Sterling's relative outperformance reflects market perception that the Bank of England maintains greater policy independence. The ability to hold above 1.3800 will be crucial.

## SPX/USD (S&P 500)

### Previous Session Overview

The S&P 500 moved lower on Wednesday, reaching previous support levels. Currently trading at 6983.75.



### Market Outlook

The S&P 500 achieved a historic milestone on Wednesday, briefly touching 7,000 for the first time and reaching an all-time intraday high of 7,002.28, before retreating to close virtually unchanged at 6,978.03. The session's reversal came as the Federal Reserve left rates unchanged while upgrading its economic assessment, prompting a reassessment of the monetary policy outlook. The broader market's initial advance was fuelled by exceptional semiconductor earnings, with Seagate Technology soaring 19% after beating expectations and citing robust artificial intelligence data storage demand. Semiconductor equipment giant ASML reported record orders and issued optimistic 2026 guidance driven by the AI boom. However, the rally failed to broaden beyond chip stocks as the market digested the Federal Reserve's hawkish policy stance. The central bank maintained its 3.50%-3.75% target range while characterizing economic activity as expanding at a solid pace with unemployment showing signs of stabilization. Fed Chair Powell reinforced this view during his press conference, stating it is hard to look at the incoming data and say the policy is significantly restrictive. Treasury yields rose following the decision, weighing on equity valuations. Market attention now shifts to major technology earnings after the close with Microsoft, Meta Platforms, and Tesla reporting Wednesday evening, followed by Apple on Thursday.

### Technical Outlook

- Stochastic has moved lower from the overbought area.
- Price is consolidating around the 20-period moving average.
- This suggests potential consolidation or minor correction after touching 7,000.

### Key Levels to Watch

Resistance: 7017.64; 7050.13  
Support: 6943.23; 6908.64

### Conclusion

The S&P 500 has consolidated at 6983.75 after briefly penetrating the historic 7,000 level, with the index now consolidating around the critical 20-period moving average. The Stochastic indicator's retreat from overbought territory suggests some near-term consolidation or correction may be warranted after the milestone achievement. Immediate resistance at 7017.64 represents the first barrier for bulls attempting to reclaim and hold above the 7,000 level, with a breakthrough potentially targeting 7050.13. Support at 6943.23 should contain any near-term weakness, with more substantial defence at 6908.64. The technical picture shows a market at a critical inflection point—the current consolidation near 7,000 suggests digestion of recent gains. Thursday's focus will be on earnings from major technology companies, particularly Apple, which could determine whether the index can sustain these elevated levels. The Fed's hawkish hold and rising Treasury yields create headwinds for equity valuations, though the remarkable strength in rising semiconductor demand provides fundamental support.

## USO/USD (WTI CRUDE OIL)

### Previous Session Overview

USO/USD moved higher on Wednesday, reaching previous resistance levels. Currently trading at 63.87.



### Market Outlook

WTI crude oil advanced 82 cents or 1.31% on Wednesday to close at \$63.21, reaching its highest level since late September, while Brent crude gained 83 cents or 1.23% to settle at \$68.40 per barrel. Both benchmarks are positioned for their largest monthly percentage gains since July 2023, with Brent set to rise approximately 12% and WTI around 10% for January. The rally was driven by multiple supportive factors, with escalating Iran tensions taking centre stage. President Trump urged Tehran to negotiate on nuclear weapons or face consequences, warning the next US attack would be far worse. Iran responded defiantly, stating it would fight back as never before if attacked. A US aircraft carrier and two supporting warships arrived in the Middle East earlier this week, significantly raising geopolitical risk premiums. Supply fundamentals also provided significant support. The US Energy Information Administration reported a surprise crude inventory draw of 2.3 million barrels for the week ending January 23, defying analyst expectations for a 1.8-million-barrel build. Weather-related production disruptions continue influencing markets, though recovery is progressing. Domestic crude output was estimated down around 600,000 barrels per day on Wednesday. The weakening US Dollar, hovering near four-year lows, provided additional lift to oil prices.

### Technical Outlook

- Stochastic is consolidating inside the overbought area.
- Price is moving higher above the 20-period moving average.
- This setup indicates strong bullish momentum but potential for consolidation.

### Key Levels to Watch

Resistance: 65.15; 66.77  
Support: 62.42; 60.82

### Conclusion

WTI crude oil demonstrates impressive strength at 63.87, trading well above the 20-period moving average with the Stochastic indicator consolidating in overbought territory. The technical picture suggests some near-term pause may be warranted after the surge to multi-month highs, though the underlying bullish momentum remains intact. Immediate resistance at 65.15 represents the next target, with a breakthrough potentially opening the path toward 66.77. Support at 62.42 should contain any profit-taking, with more substantial defence at 60.82. The technical structure shows crude at elevated levels but supported by multiple fundamental catalysts. The convergence of escalating Iran tensions with a US carrier group now positioned in the Middle East, surprise inventory draws showing 2.3 million barrels despite expectations for a build, ongoing weather-related production losses of 600,000 bpd, and Dollar weakness near four-year lows creates an exceptionally supportive environment. The market's positioning for the largest monthly gains since July 2023 reflects reassessment of supply-demand dynamics. While overbought conditions warrant caution, the fundamental backdrop suggests crude could maintain elevated levels or push toward the 65.15-66.77 resistance zone.

### Key events for today and tomorrow (GMT):

Date	Time	Currency	Events	Forecast	Previous
29 Jan	13:30	USD	Unemployment Claims	202K	200K
30 Jan	13:30	CAD	GDP m/m	0.1%	-0.3%
	13:30	USD	Core PPI m/m	0.3%	0.0%
	13:30	USD	PPI m/m	0.2%	0.2%

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