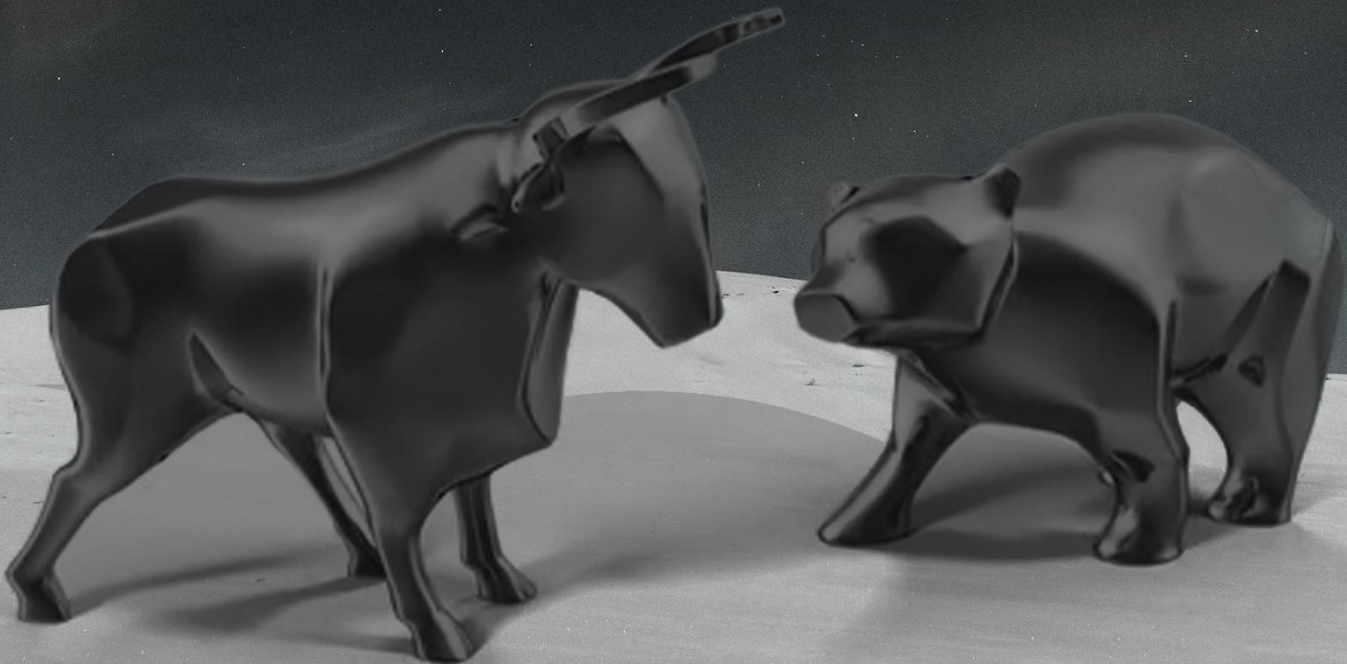




# **Givtrade**

## **Pre-U.S. Market**

**Wednesday, May 20, 2026**



CFDs and FX are complex instruments that carry a high level of risk and may result in a rapid partial or total loss of invested capital due to high leverage. You should consider whether you understand how CFDs work and ensure you can afford to take the risks involved.

## Market Review

Major stock indexes ended lower on Tuesday. The S&P 500 and the Nasdaq 100 closed lower by -0.63% and -0.64% respectively. While the Dow Jones Industrial Average decreased by -0.63%. The US Dollar (USD) keeps marching higher on Wednesday, favored by its safe-haven status, as the uncertain situation in Iran and high Oil prices keep risk appetite subdued. The US Dollar Index (DXY), which measures the value of the US Dollar against a basket of major currency peers, is trading a few pips below six-week highs at 99.44. The DXY found sellers at a previous resistance zone, in the 99.00 area on Tuesday, and bounced up again, as investors gave up hopes of a swift end to Iran's war. US President Donald Trump said on Tuesday that the US may need to attack Iran again, but that Tehran wants a deal to end a conflict that is nearing its third month. Meanwhile, the Strait of Hormuz, a key passage for Oil and other key products such as gas or fertilizers, remains effectively closed, boosting energy prices and threatening a global food crisis. The energy shock has also triggered a global bond rout, as central banks are pressured to tighten their monetary policies to tame inflation, which is feeding a global rush for safety. On the macroeconomic data front, the focus on Wednesday will be on the release of the minutes of the Federal Reserve's (Fed) April meeting, which are expected to highlight a hawkish tilt, although the committee showed a wide divergence. The committee agreed to leave rates on hold at the meeting, but one member voted for a rate cut, and three called for removing the "easing bias" expression from the bank's statement.

US producer prices rose far more than expected in April, according to data released Wednesday by the Bureau of Labor Statistics. Prices rose 1.4% in April over the previous month, far above March's revised gain of 0.7% and economists' expectations for an increase of 0.5% on the month. On an annual basis, headline prices rose by 6% in April, above estimates of 4.8% and the previous month's 4.3% year-over-year increase. Excluding the more volatile food and energy costs, "core" producer prices advanced by 1% over the previous month, more than double the 0.3% growth economists had predicted and well above the previous month's revised gain of 0.2%. Core prices rose 5.2% year over year, hotter than estimates of 4.3% and the previous month's 4% revised gain. The numbers come after consumer prices also increased more than expected in April. The Consumer Price Index published by the BLS on Monday showed prices were 3.8% higher than a year ago — the largest annual increase in three years — and up 0.6% on a monthly basis, largely due to soaring energy costs.

U.S. retail sales increased solidly for a third straight month in April, though part of the rise in receipts was due to a sharp rise in inflation since the start of the U.S.-backed war with Iran. Rising price pressures were underscored by other data on Thursday showing imported inflation last month rose at its fastest pace in four years. Larger tax refunds this year as well as strong stock market gains are providing households a cushion against rising inflation. But price rises are outpacing wage gains, the tax filing season is over and the saving rate is near a 3-1/2-year low, leaving economists to anticipate softer spending late this quarter. The continued strength in retail sales highlighted what economists call a K-shaped economy, where upper-income households are doing well while lower-income consumers are struggling.

Recent developments in the Chinese economy point to a mixed but stabilizing macro backdrop, shaped by both external geopolitical pressures and ongoing domestic adjustments. On the external side, China's engagement in high-level talks with the United States has helped temporarily ease trade-related tensions, with both sides signaling a willingness to maintain communication channels and avoid further escalation in tariffs or supply-chain restrictions. However, uncertainty remains elevated as strategic issues such as energy security, Middle East stability, and critical shipping routes continue to influence Beijing's policy positioning and its relations with Washington. Domestically, economic momentum has remained uneven, with manufacturing activity showing periods of resilience supported by targeted policy measures and export demand, while services activity has been more sensitive to shifts in household confidence and financial conditions. Inflationary pressures remain relatively contained compared to Western economies, giving Chinese policymakers more flexibility to maintain accommodative measures, including liquidity support and selective stimulus to sustain growth. Overall, the Chinese economy continues to operate in a balancing act between external geopolitical risks and internal growth stabilization efforts, with markets closely watching for additional fiscal or monetary easing signals to support activity into the next quarter.

As we enter mid-week, the calendar is light, with only FOMC Meeting Minutes released today. Investors will closely monitor the ongoing corporate earnings season, with several key reports expected from major constituents across the Nasdaq 100, Dow Jones, and S&P 500, which could further influence market direction and sector performance.

Having the geopolitical tension brewing, major developments to be taken as key market driver.

Trade safely.

# DXY.F

## US Dollar Index

Market Price: **99.404**

Daily Pivot: **99.168**



### Daily Expected Range:

95.463

97.247

101.526

103.745

### Technical View:

The major trend is Bullish.

On the H1 chart, the USD Index is hovering around 99.404. A sustainable break above 101.526 will lead to higher levels reaching 103.745. Yet, A break back below 97.247 will lead to lower levels reaching the 95.463 area.

### Comments:

- The US Dollar (USD) continues to strengthen, supported by safe-haven demand amid escalating geopolitical tensions surrounding Iran and persistently elevated oil prices.
- The USD Index (DXY) trades just below six-week highs around 99.44, after repeatedly finding support near the 99.00 area.
- Market sentiment remains risk-off as investors price out expectations for a swift resolution to the Iran conflict, with ongoing uncertainty around potential military escalation.
- US President Donald Trump stated that further strikes on Iran remain possible, while also suggesting Tehran is still seeking a negotiated settlement, keeping geopolitical risk elevated.
- The continued closure of the Strait of Hormuz is driving higher energy prices and raising broader concerns over inflation, supply chains, and even food costs globally.
- Rising inflation risks linked to energy markets are contributing to a global bond sell-off, as investors anticipate tighter monetary policy from central banks.
- Focus now turns to the Federal Reserve (Fed) meeting minutes, expected to show a hawkish tone but also internal disagreement among policymakers regarding the policy outlook.
- The Fed minutes are likely to be closely scrutinized for signals on future policy direction, especially after recent inflation pressures have increased market sensitivity to any shift in the central bank's stance.

# EURUSD

Euro

Market Price: **1.15934**

Daily Pivot: **1.16428**



## Daily Expected Range:

1.05273

1.09752

1.25823

1.32648

## Technical View:

The major trend is Bullish.

On the H1 chart, the Euro is hovering around the 1.15934 area; a sustainable break above the key level 1.25823 will lead to the 1.32648 area. Yet, a sustainable break back below 1.09752 will lead to the 1.05273 level.

## Comments:

- The Euro (EUR) remains under pressure against the US Dollar (USD), consolidating near six-week lows around 1.1600 after retreating from the 1.1660 region earlier in the week.
- Persistent geopolitical tensions between the US and Iran continue to support safe-haven demand for the USD, weighing on the common currency.
- US President Donald Trump warned that military action against Iran could occur within days if no agreement is reached, while Vice President JD Vance reiterated that the US remains ready to resume operations if necessary.
- Iran's Foreign Minister responded with strong rhetoric, warning of further escalation if hostilities resume, keeping geopolitical risk elevated.
- The continued disruption of the Strait of Hormuz has pushed Brent crude near \$108 per barrel, sustaining global energy supply concerns and adding pressure on the Eurozone economy.
- Elevated energy prices remain a key headwind for the Euro, given the region's reliance on imported oil and gas, increasing inflationary and growth risks.
- German Producer Price Index (PPI) data confirmed rising inflation pressures, with annual growth accelerating to 1.7% in April from -0.2% previously.
- Eurozone inflation data is expected to show further acceleration, reinforcing expectations of sustained price pressures across the bloc.
- In the US, attention turns to the Federal Reserve (Fed) meeting minutes, which are expected to reveal a hawkish tone amid internal disagreement among policymakers.

# USDJPY

## Japanese Yen

Market Price: **159.027**

Daily Pivot: **158.683**



### Daily Expected Range:

155.846

157.623

161.483

163.354

### Technical View:

The major trend is Bullish.

On the H1 chart, the USDJPY is hovering around the 159.027 level; A sustainable break above 161.483 will lead to the 163.354 area. Yet, a break below the 157.623 level will lead to the 155.846

### Comments:

- USD/JPY extends its rally for a seventh consecutive session, supported by broad US Dollar strength and elevated geopolitical tensions linked to the US-Iran conflict.
- The pair trades around 159.18, recovering most of the losses seen after suspected intervention in late April.
- The 160.00 level remains a key psychological threshold, keeping traders alert to potential volatility and official intervention risks.
- Brief downside pressure emerged after US Treasury Secretary Scott Bessent warned against excessive FX volatility and expressed confidence in the Bank of Japan's policy direction, triggering a short-lived pullback toward 158.65.
- The US Dollar remains underpinned by safe-haven demand as uncertainty persists over stalled US-Iran negotiations and the risk of further escalation.
- President Donald Trump confirmed that a planned strike on Iran was delayed following requests from Gulf states, but reiterated that military action remains possible if talks fail.
- Persistent high oil prices continue to support expectations of a more hawkish Federal Reserve, adding further strength to the USD.
- Rising energy costs also weigh on the Japanese Yen due to Japan's reliance on imported fuel, reinforcing USD/JPY upside momentum.

# GBPUSD

## British Pound

Market Price: **1.33870**

Daily Pivot: **1.34326**



### Daily Expected Range:

1.29345

1.31484

1.35587

1.37678

### Technical View:

The major trend is Bullish.

On the H1 chart, the Pound is hovering around the 1.33870 level; a break above 1.35587 will lead us to 1.37678. Yet, a sustainable a break under 1.31484 will lead to lower levels reaching 1.29345.

### Comments:

- GBP/USD extends losses for a second consecutive session, trading around 1.3390 as the US Dollar benefits from heightened risk aversion tied to Middle East tensions.
- Safe-haven demand for the USD has strengthened amid escalating geopolitical uncertainty surrounding the US-Iran conflict and fears of renewed military escalation.
- Reports suggest US President Donald Trump has threatened to resume strikes on Iran within days if negotiations fail, while Tehran has warned it is prepared to respond forcefully to any renewed attacks.
- The shifting geopolitical backdrop continues to support the US Dollar, keeping pressure on risk-sensitive currencies like the British Pound.
- UK labour market data delivered a mixed picture, complicating the Bank of England's policy outlook and adding uncertainty for Sterling.
- Wage growth showed signs of cooling on a headline basis, but bonus-driven earnings remained sticky, while unemployment ticked up to 5%, signaling gradual softening in labour conditions.
- Despite strong employment gains, rising unemployment and uneven wage pressures suggest the UK labour market is losing some momentum.
- This mixed data prompted intraday volatility in Sterling, with GBP briefly breaking below 1.3400 before recovering modestly.

# AUDUSD

## Australian Dollar

Market Price: **0.71093**

Daily Pivot: **0.70768**



### Daily Expected Range:

**0.67348**

**0.69235**

**0.73463**

**0.75565**

### Technical View:

The major trend is Bullish.

On the H1 chart, the Aussie is hovering around the 0.71093 level; a break above 0.73463 will lead to higher levels reaching 0.75565. Yet, a sustainable break under 0.69235 will lead to further losses reaching 0.67348.

### Comments:

- AUD/USD rebounds from an intraday low near 0.7085, recovering modestly during Wednesday trading and moving back toward the 0.7115 area.
- Despite the intraday bounce, upside momentum remains limited as a broadly stronger US Dollar continues to dominate market sentiment.
- Persistent geopolitical uncertainty surrounding the US-Iran conflict and the Strait of Hormuz continues to support safe-haven demand for the USD.
- US President Donald Trump's warning of potential renewed strikes on Iran keeps risk sentiment fragile and reinforces USD strength.
- Hawkish Federal Reserve expectations, driven by inflation risks from elevated energy prices, continue to weigh on the Australian Dollar.
- Markets are increasingly pricing in a potential Fed rate hike in 2026, supporting higher US Treasury yields and sustaining USD demand.
- Intraday gains are largely driven by short-covering and repositioning rather than a shift in underlying fundamentals, limiting follow-through buying in AUD/USD.
- Overall, the broader trend bias remains tilted to the downside, with any recovery in AUD/USD likely to face selling pressure unless there is a clear easing in geopolitical tensions or a dovish shift in Fed expectations.

# USDCAD

## Canadian Dollar

Market Price: **1.37711**

Daily Pivot: **1.37432**



### Daily Expected Range:

1.33267

1.35613

1.39578

1.41719

### Technical View:

The major trend is Bullish.

On the H1 chart, the USDCAD is hovering around the 1.37711 level; a break above 1.39578 will lead to higher levels reaching 1.41719. Yet, a sustainable break below 1.35613 will lead to the 1.33267 level.

### Comments:

- USD/CAD extends gains for a second straight session, trading around 1.3760 as the US Dollar strengthens across markets.
- The Canadian Dollar remains under pressure as oil prices slip, reducing support for Canada's commodity-linked currency.
- Canada's heavy reliance on crude exports to the US means fluctuations in oil prices directly impact the CAD's outlook.
- WTI oil pauses its recent rally near \$102.80, though prices remain sensitive to renewed geopolitical risks.
- Escalating US-Iran tensions continue to create volatility in oil markets, with the potential for renewed supply disruptions keeping crude supported.
- Canada's April inflation rose to 2.8% YoY, below expectations, while core measures eased, reducing pressure for further Bank of Canada tightening.
- Softer core inflation reinforces the view that energy-driven price pressures may gradually fade over time.
- The US Dollar remains supported by safe-haven demand amid geopolitical uncertainty and elevated Treasury yields.
- Rising oil-driven inflation risks continue to reinforce expectations that the Federal Reserve may keep rates higher for longer or consider further tightening.

# USOIL

## WTI Crude Oil

Market Price: **106.390**

Daily Pivot: **103.761**



### Daily Expected Range:

**95.738**

**100.452**

**112.243**

**116.627**

### Technical View:

The major trend is Bullish.

On the H1 chart, the US Oil is hovering around the 106.390 level; a sustainable break above 112.243 level will lead to the 116.627 level. While a break below 100.452 will lead to the 95.738 level.

### Comments:

- WTI crude oil trades around \$103.20 during Wednesday Asian hours, posting mild losses as traders digest mixed geopolitical headlines and uncertain signals from the US regarding its next move on Iran.
- Oil markets remain highly sensitive to shifting rhetoric from US President Donald Trump, with investors struggling to price in whether the US is moving toward escalation or a continued pause in military action.
- Trump stated that the US may need to deliver “another big hit” to Iran, reinforcing concerns that tensions could escalate further and keep a risk premium embedded in oil prices.
- At the same time, he confirmed that a previously planned strike was called off at the request of Gulf leaders, highlighting the unpredictable and fluid nature of current US decision-making.
- Iran responded firmly, warning that any renewed US military action would be met “resolutely,” with officials reiterating that Tehran is fully prepared for confrontation if required.
- This back-and-forth continues to fuel uncertainty around global energy supply routes, particularly given the strategic importance of Middle East production and shipping lanes.
- Despite the recent pullback, traders remain cautious as the broader backdrop of geopolitical tension still supports an underlying risk premium in crude prices.
- Market participants are also closely monitoring developments in US-Iran negotiations, with no clear breakthrough yet in efforts to stabilize the situation or restore normal supply flows.
- Attention now shifts to the upcoming US Energy Information Administration (EIA) crude oil inventory report, which is expected to be a key short-term catalyst for price direction.

# XAUUSD

## Gold

Market Price: **4479.52**

Daily Pivot: **4406.84**



### Daily Expected Range:

4144.17

4304.22

4635.24

4809.85

### Technical View:

The major trend is Bullish.

On the H1 chart, the Gold is hovering around the 4479.52 level; a sustainable break above 4635.24 will lead to gains reaching 4809.85. While a break below 4304.22 will lead to the 4144.17 level.

### Comments:

- Gold (XAU/USD) edges slightly higher from its lowest level since March 30, touched earlier on Wednesday, but remains firmly under pressure below the key \$4,500 psychological level during European trading hours.
- The modest rebound lacks strong conviction as broader market conditions continue to favor the US Dollar, limiting any meaningful recovery in bullion.
- Persistent skepticism around a US-Iran peace deal continues to weigh on sentiment, with investors doubting the likelihood of a durable diplomatic breakthrough.
- US President Donald Trump warned that the US may still consider additional strikes on Iran, highlighting the ongoing risk of escalation despite earlier pauses in military action.
- Mixed signals from US officials, including comments suggesting progress in negotiations, have done little to reduce uncertainty given deep disagreements over Iran's nuclear program and the Strait of Hormuz.
- This geopolitical uncertainty continues to support safe-haven demand for the US Dollar, reinforcing its strength near a six-week high and acting as a headwind for gold.
- Elevated crude oil prices, driven by supply risks from the Middle East, are fueling inflation concerns and strengthening expectations for a more hawkish Federal Reserve policy stance.
- Markets are now pricing in a growing probability of at least one Fed rate hike in 2026, while rising US Treasury yields further increase pressure on non-yielding assets like gold.
- Despite this, traders remain cautious ahead of the FOMC Minutes release, which could provide fresh insight into the Fed's policy outlook and near-term direction for the USD.

# DJIA

## Dow Jones Industrial Average Index

Market Price:

Daily Pivot: **48967.29**



### Daily Expected Range:

47977.65

48675.47

50115.67

50768.95

### Technical View:

The major trend is Bullish.

On the H1 chart, the Dow is hovering around the 49354.00 level; a sustainable break above the 50115.67 level will lead to the 50768.95 area. However, a close below 48675.47 can lead to further losses reaching 47977.65.

### Comments:

- The Dow Jones gave back a significant portion of its recent record-breaking rally on Tuesday, retreating from the 50,000 level it had briefly reached days earlier as broader equity sentiment weakened.
- Equities came under pressure as bond markets drove the downside move, with rising yields acting as the dominant macro force overshadowing short-term geopolitical relief.
- Futures initially attempted a recovery after overnight news that President Trump had paused planned action on Iran, but optimism quickly faded once cash trading resumed and broader risk sentiment deteriorated.
- The 30-year US Treasury yield surged above 5.18%, marking its highest level in nearly two decades, signaling intense stress in long-duration fixed income markets.
- Notably, the rise in yields occurred even as oil prices declined, breaking the usual inflation narrative link and suggesting that bond markets are pricing in more structural inflation pressures rather than purely energy-driven shocks.
- This divergence has reinforced the view that inflation expectations are becoming more entrenched, raising concerns that the Federal Reserve may already be falling behind the curve.
- Market attention is also turning toward incoming Fed leadership changes, with Kevin Warsh set to be sworn in as Fed Chair, prompting speculation that bond markets may test the credibility of the new policy regime early in his tenure.

# DAX

## Dax Performance Index

Market Price: **24282.35**

Daily Pivot: **24459.81**



### Daily Expected Range:

**23654.33**

**24005.49**

**24692.20**

**25027.75**

### Technical View:

The major trend is Bullish.

On the H1 chart, the Dax is hovering around the 24282.35 level. A sustainable break above 24692.20 will lead to the 25027.75 level. While a break back below 24005.49 will lead to the 23654.33 level.

### Comments:

- The German DAX 40 is trading around 24,359.50, remaining relatively stable despite continued volatility across global financial markets.
- European equities are showing resilience compared to US markets, although investor sentiment remains cautious due to elevated global bond yields and persistent geopolitical tensions.
- Rising US Treasury yields continue to pressure global equity valuations, particularly growth and technology sectors, while European indices remain supported by industrial and export-oriented companies.
- Ongoing uncertainty surrounding the US-Iran conflict and the Strait of Hormuz continues to influence European market sentiment through higher energy prices and inflation concerns.
- Elevated Oil prices remain a major risk for the Eurozone economy, as Europe is heavily dependent on energy imports, increasing pressure on corporate margins and inflation expectations.
- Expectations for additional interest rate hikes from both the Federal Reserve and the European Central Bank are also contributing to cautious trading conditions across European equities.
- Despite these headwinds, the DAX continues to find support from improving global trade sentiment and relative strength in sectors such as industrials, automotive, and defense stocks.
- Investors are closely monitoring upcoming FOMC Minutes, Eurozone inflation expectations, and global PMI data for further direction on monetary policy and economic momentum.