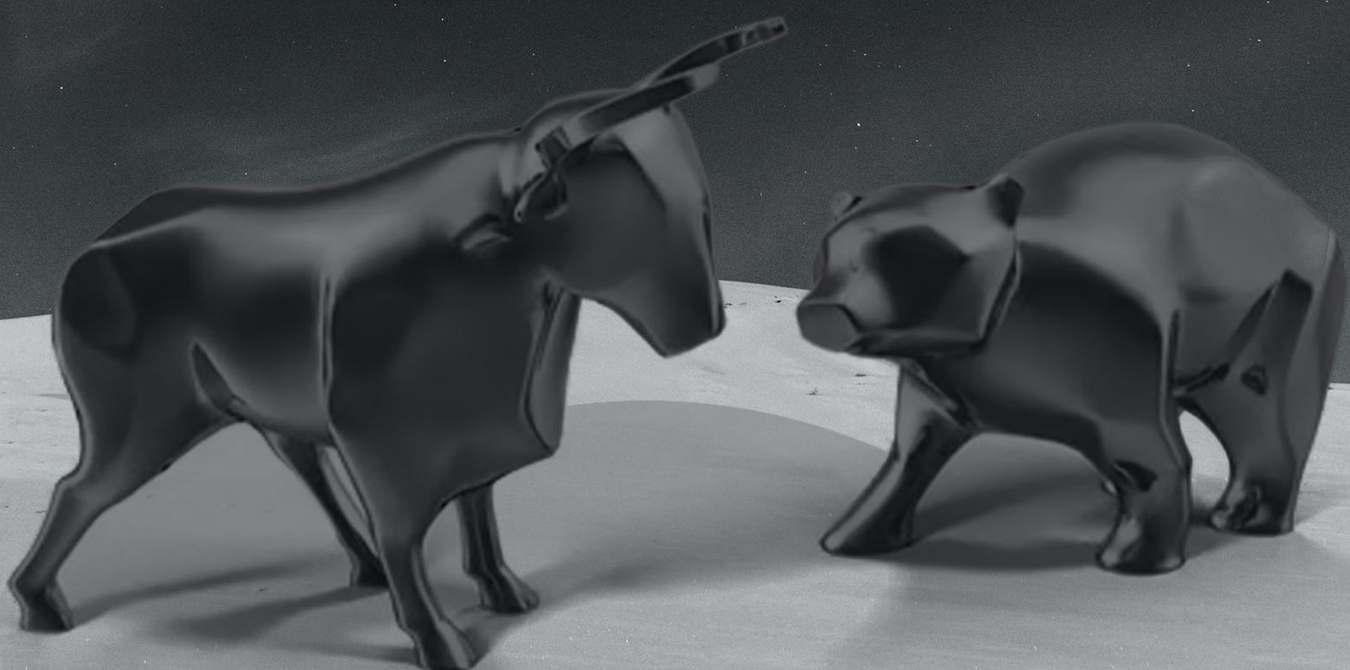
Givtrade

Pre-U.S. Market

Wednesday, August 12, 2026



Market Review

Major stock indexes ended lower on Tuesday. The S&P 500 and the Dow Industrial Average closed lower by -0.28% and -0.30% respectively. However, the Nasdaq 100 decreased by -0.37%. The US Dollar Index (DXY), which measures the value of the US Dollar (USD) against six major currencies, is extending gains for the third successive day and trading around 99.90 during the Asian hours on Wednesday. Traders are likely observing the upcoming inflation report closely due later in the day, as it is expected to play a major role in shaping the Federal Reserve's (Fed) next interest rate decision. Analysts at Commerzbank highlight that, in the US, the key issue for markets is "whether inflation is falling quickly enough to prevent the Fed from raising interest rates," with the trajectory of price pressures seen as central to the Dollar's medium-term policy and yield backdrop. The DXY gains ground on increased safe-haven demand amid rising uncertainty surrounding Middle-East peace talks. Pakistan's defense minister indicated that Washington and Tehran were approaching an agreement regarding the Strait of Hormuz, alongside reports that parallel negotiations between Iran and Oman had reached an advanced stage. However, US President Donald Trump insisted that Tehran must pay reparations to the victims of attacks associated with the Islamic Republic, injecting renewed caution into the markets. Market expectations remain divided over the central bank's rate trajectory following its decision to hold rates steady in July.

The U.S. economy saw an unexpected declined in jobs during July while the unemployment rate edged lower, the Bureau of Labor Statistics reported Friday in a snapshot that showed a slowing employment picture. Nonfarm payrolls fell by a seasonally adjusted 23,000 for the month, compared with a downwardly revised 20,000 for June. The Dow Jones consensus forecast had been looking for a gain of 83,000. At the same time, the unemployment rate slipped to 4.1% as the labor force participation rate fell further to 61.4%, its lowest in more than five years, another indication that fewer Americans were working or looking for jobs. In addition to the weak numbers for June and July, the final count for May was revised down to 63,000, or 66,000 lower than the prior estimate. The revised numbers brought the 12-month average down to just 34,000. "The July employment report solidified that the labor market is not out of the woods quite yet," said Nicole Bachaud, a labor economist at ZipRecruiter. The drop was led by a 50,000 decline in local government education and a loss of 19,000 retail jobs. Financial activities also posted a fall of 14,000 and leisure and hospitality lost 40,000, a possible consequence of the World Cup tournament ending.

The report comes with Federal Reserve policymakers split on where interest rates should head in an economy where the labor market had been improving from a moribund year in 2025 while inflation has remained well above the central bank's 2% target. In recent days, several Fed officials have spoken in favor of raising rates as soon as September if the pace of price increases doesn't ease. The Federal Open Market Committee last week voted 9-3 to hold its benchmark rate in place. Following the jobs report, traders shifted their bets on when the Fed might hike. Odds for a move in September fell to 44% and to 58.3% for October, according to the CME Group's Fed Watch gauge of futures prices. Stock market futures, meanwhile, posted solid gains amid the expectations for a more dovish Fed. Futures tied to the Dow Jones Industrial Average were up close to 200 points and Treasury yields plummeted after being around the flatline earlier in the session.

China's economy is showing mixed and increasingly uneven momentum, with strong exports and high-tech manufacturing helping offset weaker domestic demand. GDP growth slowed to 4.3% year-on-year in Q2 2026 from 5.0% in Q1, while July exports remained exceptionally strong, rising 23.9% year-on-year, supported by demand for semiconductors, AI-related products, electric vehicles and other high-tech goods. However, domestic consumption remains subdued, with weak consumer confidence and the prolonged property-sector downturn continuing to weigh on household spending and investment. At the same time, inflationary pressures remain limited, with July producer-price inflation easing to 3.5%, while core consumer inflation remained relatively low, highlighting persistent weakness in domestic demand. Overall, China is increasingly relying on exports, manufacturing and technology investment to support growth, while policymakers face the challenge of stimulating consumption and stabilizing the property sector without further intensifying trade tensions with major partners.

As we enter mid-week, the economic calendar gets heavy, with Core CPI and CPI figures due today, followed by

DXY.F

US Dollar Index

Market Price: 99.857 **Daily Pivot: 99.632**

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 99.857. 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 U.S. Dollar Index (DXY) extends its gains for a third consecutive session, trading around 99.90 as investors position ahead of the U.S. inflation report due later today.
- The upcoming CPI report is the key catalyst for the Dollar, as the data could determine whether inflation is easing quickly enough to prevent the Federal Reserve from raising interest rates.
- Markets remain divided over the Fed's September policy decision, with expectations for a 25-basis-point rate hike currently at around 48%, down from 52% a day earlier.
- Rising crude oil prices are complicating the inflation outlook, potentially keeping price pressures elevated and strengthening the case for a more hawkish Fed stance.
- Safe-haven demand is providing additional support to the Dollar, as uncertainty surrounding U.S.-Iran negotiations and the reopening of the Strait of Hormuz continues to weigh on market sentiment.
- Diplomatic developments remain mixed, with reports of progress in negotiations between Iran and Oman and potential U.S.-Iran discussions.
- A stronger-than-expected CPI reading could further support the USD, while softer inflation would likely reduce rate-hike expectations and potentially limit the Dollar's recent three-day advance.

EURUSD

Euro

Market Price: 1.15380

Daily Pivot: 1.15671

Daily Expected Range:

1.04873 | 1.09752 | 1.23823 | 1.30648

Technical View:

The major trend is Bullish.

On the H1 chart, the Euro is hovering around the 1.15380 area; a sustainable break above the key level 1.23823 will lead to the 1.30648 area. Yet, a sustainable break back below 1.09752 will lead to the 1.04873 level.

Comments:

- EUR/USD remains subdued around the mid-1.1500s, continuing to trade within the range established over the past week as investors await fresh catalysts.
- U.S. CPI data due today and PPI data on Thursday are the main market drivers, with both releases expected to influence expectations for the Federal Reserve's future interest-rate path and the direction of the U.S. Dollar.
- Rising oil prices are keeping inflation concerns elevated, as uncertainty surrounding the Strait of Hormuz and increased attacks by Iran-backed Houthis have pushed crude prices to their highest level in around one and a half weeks.
- Persistent geopolitical tensions are supporting safe-haven demand for the U.S. Dollar, limiting the upside potential of EUR/USD as investors remain cautious.
- Markets continue to price in the possibility of at least one Fed rate hike by year-end, with elevated expectations supported by renewed energy-driven inflation risks.
- Higher U.S. Treasury yields are providing additional support to the Dollar, increasing the pressure on EUR/USD and making a sustained recovery in the pair more difficult.
- A softer-than-expected U.S. CPI reading could weaken the Dollar and provide EUR/USD with upward momentum, while a hotter inflation print could strengthen rate-hike expectations and place further downward pressure on the pair.
- EUR/USD remains vulnerable to further downside if geopolitical tensions intensify, particularly if renewed disruptions to energy supplies push oil prices higher and strengthen expectations for

USDJPY
Japanese Yen
Market Price: 159.356 Daily Pivot: 158.918

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 159.356 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 climbs to a one-and-a-half-week high, with the pair trading above the mid-159.00s as the U.S. Dollar continues to benefit from a supportive fundamental backdrop.
- The impact of the recent U.S.-Japan joint currency intervention has faded, as the wide interest-rate differential between Japan and other major economies continues to support carry-trade demand and weigh on the Japanese Yen.
- Japan's expansionary fiscal policies are adding pressure on the Yen, with aggressive stimulus measures and proposed tax cuts raising concerns over the country's deteriorating fiscal position.
- Energy-market disruptions linked to the Iran conflict are another headwind for Japan, as higher energy costs could weigh on the country's economy and increase pressure on the import-dependent Japanese Yen.
- Japanese business sentiment has improved, with the Reuters Tankan manufacturers' index rising to 18 in August from 13, while the non-manufacturing index increased to 28 from 25.
- Expectations for another Bank of Japan rate hike are increasing, with markets pricing around a 66% probability of a September hike, although this has so far failed to generate significant demand for the Yen.
- The U.S. Dollar remains supported by expectations of renewed inflationary pressure,

GBPUS
British Pound
Market Price: 1.35086

Daily Pivot: 1.34746

Daily Expected Range:

1.31345 1.33484 1.37587 1.39678

Technical View:

The major trend is Bullish.

On the H1 chart, the Pound is hovering around the 1.35086 level; a break above 1.37587 will lead us to 1.39678. Yet, a sustainable a break under 1.33484 will lead to lower levels reaching 1.31345.

Comments:

- GBP/USD edges lower toward the 1.3500 level, as the U.S. Dollar strengthens ahead of the key U.S. inflation report due later today.
- The upcoming U.S. CPI report is the main catalyst for the pair, with the data expected to influence expectations for the Federal Reserve's next interest-rate decision.
- Fed rate-hike expectations have eased slightly, with markets pricing around a 48% probability of a 25-basis-point rate increase in September, down from 52% previously.
- Higher crude oil prices continue to complicate the U.S. inflation outlook, potentially keeping the Fed cautious about easing policy and providing support to the Dollar.
- Geopolitical uncertainty surrounding the U.S.-Iran conflict is also supporting the safe-haven USD, limiting upside potential for the Pound.
- Hopes for a diplomatic agreement over the Strait of Hormuz have been mixed, with reports of progress in U.S.-Iran and Iran-Oman discussions offset by renewed demands from Washington for reparations.
- GBP/USD could remain range-bound in the near term, with traders likely to avoid aggressive positioning until the CPI release provides clearer direction for the Dollar and Fed policy expectations.
- A softer-than-expected U.S. CPI reading could weaken the Dollar and provide support for GBP/USD, particularly if it further reduces expectations of a September Fed rate

AUDUS
Australian Dollar
Market Price: 0.70578 **Daily Pivot: 0.70247**

Daily Expected Range:

0.66348 | 0.68235 | 0.72463 | 0.74565

Technical View:

The major trend is Bullish.

On the H1 chart, the Aussie is hovering around the 0.70578 level; a break above 0.72463 will lead to higher levels reaching 0.74565. Yet, a sustainable break under 0.68235 will lead to further losses reaching 0.66348.

Comments:

- AUD/USD declines toward 0.7060, as the U.S. Dollar gains strength ahead of the crucial U.S. inflation report, which is expected to influence the Federal Reserve's monetary policy outlook.
- Fed rate-hike expectations have eased slightly, with markets pricing around a 48% probability of a 25-basis-point hike in September, down from 52% the previous day.
- Geopolitical uncertainty is supporting the safe-haven U.S. Dollar, as hopes for a U.S.-Iran agreement over the Strait of Hormuz remain uncertain following renewed demands from Washington for reparations.
- The Reserve Bank of Australia kept its cash rate unchanged at 4.35% in August, although policymakers and economists remain divided over the future path of interest rates.
- Surging energy prices could increase inflationary pressure in Australia, with MUFG warning that disruptions linked to the U.S.-Iran conflict could force the RBA to consider another rate hike as early as September.
- Westpac describes the RBA's decision as a "hawkish hold", noting that weaker domestic data reduced the need for immediate tightening, although elevated energy prices could still justify a rate increase later this year.
- NAB takes a more dovish view, expecting the RBA to keep rates unchanged through 2026 before beginning to cut rates in 2027, highlighting the divergence in expectations for

USDCA

Canadian Dollar

Market Price: 1.39323

Daily Pivot: 1.39038

Daily Expected Range:

1.35267 | 1.37613 | 1.41578 | 1.43719

Technical View:

The major trend is Bullish.

On the H1 chart, the USDCAD is hovering around the 1.39323 level; a break above 1.41578 will lead to higher levels reaching 1.43719. Yet, a sustainable break below 1.37613 will lead to the 1.35267 level.

Comments:

- USD/CAD edges higher around 1.3930, snapping a three-day losing streak that had taken the pair to 1.3915, its lowest level since June 10.
- The pair lacks strong bullish momentum, with traders reluctant to take aggressive positions ahead of the U.S. CPI report due today and PPI data scheduled for Thursday.
- U.S. inflation data will be crucial for USD/CAD, as the results could significantly influence expectations for the Federal Reserve's future interest-rate policy and determine the near-term direction of the U.S. Dollar.
- Rising crude oil prices are supporting the Canadian Dollar, with WTI reaching a one-and-a-half-week high amid uncertainty over the reopening of the Strait of Hormuz and increased attacks on vessels in the Red Sea and Bab el-Mandeb Strait.
- Higher oil prices are benefiting the commodity-linked Loonie, creating a fundamental headwind for USD/CAD and limiting the pair's upside potential.
- At the same time, elevated energy prices are raising concerns about renewed inflation, which could encourage the Fed to maintain a more hawkish stance and provide support for the U.S. Dollar.
- Markets are pricing in more than a 75% probability of at least one Fed rate hike by year-end, helping to keep U.S. Treasury yields elevated and providing a floor for USD/CAD.
- Persistent geopolitical uncertainty is also supporting safe-haven demand for the U.S. Dollar, meaning further USD/CAD declines could remain limited despite the pair's recent downward trend.
- A sustained break below the 1.3915 area could reinforce the pair's bearish momentum, while a

USOIL

WTI Crude Oil

Market Price: 84.570

Daily Pivot: 80.536

Daily Expected Range:

74.356 | 78.738 | 90.472 | 94.632

Technical View:

The major trend is Bullish.

On the H1 chart, the US Oil is hovering around the 84.570 level; a sustainable break above 90.472 level will lead to the 94.632 level. While a break below 78.738 will lead to the 74.356 level.

Comments:

- WTI crude oil extends its gains for a third consecutive day, trading around $82.70 per barrel as markets assess mixed signals surrounding a potential U.S.-Iran agreement.
- Initial optimism over a possible diplomatic breakthrough supported sentiment, after Pakistan's defense minister said Washington and Tehran were close to an arrangement concerning the Strait of Hormuz.
- Advanced talks between Iran and Oman provided additional hope for a resolution, potentially paving the way for safer shipping through the strategically important waterway.
- However, optimism faded as tensions between Washington and Tehran intensified, with President Donald Trump demanding reparations from Iran for victims of attacks linked to the Islamic Republic.
- Iran's demands for compensation and the removal of restrictions on the Strait of Hormuz have complicated negotiations, reducing expectations for a swift reopening of the critical shipping route.
- The deteriorating diplomatic outlook is keeping a significant geopolitical risk premium embedded in oil prices, with markets increasingly concerned about prolonged disruptions to energy flows.
- Further developments surrounding the Strait of Hormuz will remain a key driver for crude oil, with any signs of a diplomatic breakthrough potentially easing prices, while renewed tensions

XAUUS
Gold
Market Price: 4408.15

Daily Pivot: 4319.72

Daily Expected Range:

4080.53 | 4242.39 | 4553.99 | 4703.72

Technical View:

The major trend is Bullish.

On the H1 chart, the Gold is hovering around the 4408.15 level; a sustainable break above 4553.99 will lead to gains reaching 4703.72. While a break below 4242.39 will lead to the 4080.53 level.

Comments:

- Gold (XAU/USD) remains elevated near $4,400, up around 0.50% on the day, and continues to trade close to its highest level since June 5 as investors await the U.S. CPI report.
- U.S. inflation data is the key near-term catalyst for Gold, with the CPI report expected to provide fresh clues about the Federal Reserve's future interest-rate path and influence the U.S. Dollar.
- Oil prices remain near one-and-a-half-week highs as hopes for a quick reopening of the Strait of Hormuz fade, keeping geopolitical risk premiums elevated.
- Iran continues to impose conditions for reopening the Strait of Hormuz, while Iran-backed Houthi forces have intensified attacks on vessels in the Red Sea and Bab el-Mandeb, particularly those linked to Saudi Arabia.
- Fading hopes for a U.S.-Iran agreement are supporting crude oil prices and reviving inflation concerns, potentially limiting Gold's upside by increasing expectations for tighter monetary policy.
- Markets continue to price in a high probability of at least one Fed rate hike by year-end, with expectations remaining above 75%, supporting elevated U.S. Treasury yields and providing some support to the U.S. Dollar.
- A stronger U.S. Dollar and higher Treasury yields could weigh on Gold, as the precious metal remains a non-yielding asset and becomes relatively less attractive when interest rates and bond yields rise.
- Geopolitical risks remain supportive of safe-haven demand for Gold, with the ongoing U.S.-Iran standoff compounded by a North Korean ballistic missile launch, keeping investors cautious ahead

DJIA
Dow Jones Industrial Average Index
Market Price: Daily Pivot: 53429.84

Daily Expected Range:

52351.71 | 53097.93 | 54529.87 | 55228.67

Technical View:

The major trend is Bullish.

On the H1 chart, the Dow is hovering around the 53804.50 level; a sustainable break above the 54529.87 level will lead to the 55228.67 area. However, a close below 53097.93 can lead to further losses reaching 52351.71.

Comments:

- The Dow Jones Industrial Average briefly broke above 54,200 before giving back the entire advance, leaving the index near 54,000 and virtually unchanged on the session.
- The 53,800 area continues to provide support, having been tested and held for three consecutive sessions, highlighting the market's current consolidation phase.
- Renewed uncertainty over the reopening of the Strait of Hormuz weighed on risk sentiment, as Iranian officials indicated that an agreement with Oman would not automatically reopen the strategic waterway.
- Crude oil prices climbed around 1%, with WTI trading above $83 per barrel and Brent above $88, as markets continued to price in a higher geopolitical risk premium.
- Negotiations between Washington and Tehran remain complicated by competing demands, with Iran seeking compensation, sanctions relief, and the withdrawal of U.S. forces, while the U.S. is also demanding compensation for damages and casualties.
- Higher oil prices are reinforcing inflation concerns and putting upward pressure on Treasury yields, with the 10-year yield moving back above 4.72%.
- Markets are again increasing expectations for a September Fed rate hike, as rising energy prices and renewed geopolitical tensions complicate the outlook for inflation and monetary policy.
- The divergence between bond and equity markets remains notable, with Treasury yields

DAX
Dax Performance Index
Market Price: 26427.35

Daily Pivot: 26237.94

Daily Expected Range:

25317.15 | 25865.39 | 26952.27 | 27539.24

Technical View:

The major trend is Bullish.

On the H1 chart, the Dax is hovering around the 26427.35 level. A sustainable break above 26952.27 will lead to the 27539.24 level. While a break back below 25865.39 will lead to the 25317.15 level.

Comments:

- The DAX trades around 26,410, remaining close to record territory after closing Tuesday at 26,391.42. The index is only slightly below its recent record high of around 26,454.
- German equities continue to show strong momentum, with the DAX having broken above the 26,000 level earlier this month and repeatedly testing fresh record highs.
- Positive corporate earnings and resilient profit expectations continue to support the index, helping offset concerns surrounding elevated energy prices and geopolitical uncertainty.
- Investor sentiment remains broadly constructive, although the DAX's proximity to record highs increases the potential for profit-taking and short-term consolidation.
- Geopolitical developments remain an important market driver, particularly the uncertainty surrounding the Strait of Hormuz. A sustained rise in oil prices could increase inflation concerns and weigh on European equities.
- SAP and other major DAX constituents remain important contributors to the index's performance, with the recent rally benefiting from strength in large-cap German companies. SAP was among the strongest performers during the DAX's recent record run.
- The 26,000 level remains an important psychological support area, while a sustained