MARKET INSIGHT WEEK 19

RISEON

INDEX

UPCOMING ECONOMIC EVENTS

	Time*	Forecast	Previous
Monday, May 4			
Tuesday, May 5			
AU RBA Interest Rate Decision	05:30	4.35%	4.10%
US JOLTS Job Openings (Mar)	15:00	6.870M	6.882M
Wednesday, May 6			
US Crude Oil Inventoires	15:30		-0.796M
Thursday, May 7			
US Initial Jobless Claims	13:30	203K	189K
Friday, May 8			
US Nonfarm Payrolls (Apr)	13:30	73K	178K
US Unemployment Rate (Apr)	13:30	4.3%	4.3%
CA Employment Change (Apr)	13:30	5.1K	14.1K
CA Unemployment Rate (Apr)	13:30	6.7%	6.7%

*US moves forward one hour for daylight saving time.

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Weekly Recap – Apr 27–May 1, 2026 (W18)

Fragile Consolidation Holds as Markets Continue to Await a Catalyst
Week 18 unfolded almost exactly as outlined: a fragile consolidation phase, where markets remained trapped between elevated yields, cautious central banks, and the absence of a decisive macro or geopolitical catalyst. Despite expectations of potential breakout, the week was ultimately defined by continuity rather than change, confirming that markets are still in a "waiting mode".

United States
Stability Without Breakout
U.S. data broadly came in in line with expectations, reinforcing:
- Resilient but not accelerating growth
- No meaningful reacceleration in inflation
- Continued Fed patience

As a result:
- Yields remained elevated but failed to push higher
- Rate-cut expectations remained delayed but stable
- USD stayed supported, but did not extend gains

The key takeaway: markets lacked the data impulse needed to break the range.

Geopolitics
Risk Present but Contained
The Iran ceasefire remained intact throughout the week:
- No material escalation
- Continued underlying tension
- Headlines caused only temporary volatility spikes

Oil and gold reacted intermittently, but the absence of escalation meant geopolitics remained a secondary driver, consistent with expectations.

Eurozone & United Kingdom
No Internal Momentum
Both EUR and GBP behaved as expected:
- No domestic catalysts
- Fully dependent on USD and yield dynamics

With U.S. yields stable, both currencies remained range-bound, confirming their externally driven nature.

Asia-Pacific
Pressure Without Breakdown
Asia-Pacific assets remained constrained:
- Elevated U.S. yields limited upside
- USD stability capped recovery
- China remained inactive

AUD and NZD showed limited movement, confirming a lack of structural support.

Commodities
Range-Bound with Headline Sensitivity
Gold remained trapped between:
- Elevated real yields » downside pressure
- Geopolitical risk » support on dips

WTI crude continued to trade in a volatile range:
- Iran risk provided support
- Demand concerns capped upside

No sustained directional move emerged.

Equities
Rotation Without Expansion
Equities remained consistent with a fragile consolidation regime:
- Higher yields limited upside
- No macro shock prevented downside
- Leadership remained narrow

Markets continued to rotate internally rather than trend, reflecting ongoing valuation discipline.

Summary

Week 18 confirmed a fragile equilibrium.
Markets remained supported by stable growth and elevated yields, but lacked the catalyst needed for a directional move. The USD held firm without extending, equities consolidated, commodities remained range-bound, and geopolitics added only intermittent volatility.

The key takeaway:
» Markets are stable, but increasingly fragile
» Direction requires a new catalyst
» Yields remain the primary anchor, with geopolitics as a secondary volatility driver

Market Outlook: Key Levels and Trends to Watch Across Major Pairs and Commodities

U.S. Dollar Index

DXY remains under broader bearish pressure, but price is trying to stabilize above the 97.55 support zone. The latest bounce is still corrective in nature, with 98.87 acting as the key short-term resistance.
As long as DXY stays below that level, the downside bias remains intact, while holding above support may allow a temporary rebound.

EUR/USD

EURUSD remains constructive in the broader structure, but the pair is now pulling back from the recent rebound and testing the 1.16 support zone. Price is hovering around the 50 EMA, so this area becomes the key short-term pivot for direction. As long as 1.16 holds, the bullish structure remains intact, while a break lower would open room for a deeper correction toward 1.14.

GBP/USD

GBPUSD is still trading in a constructive structure, but the pair is now pulling back toward the 1.3450 support area around the 50 EMA. This zone is acting as the key short-term pivot after the recent recovery. As long as price holds above support, the broader bias remains positive, while a break below would weaken the rebound and expose a deeper correction.

USD/JPY

USDJPY remains in a broader bullish structure, with price still consolidating just below the 160 resistance zone and above the 50 EMA. The recent pullback was quickly absorbed, which keeps upside pressure intact while 155.97 holds as support. A sustained break above 160 would reinforce bullish continuation, while failure there could trigger another short-term retracement.

USD/CHF

USDCHF remains under broader bearish pressure inside the descending channel, but the pair is trying to rebound from the lower end of the range. Price is still trading around the 50 EMA, with 0.7900 acting as the key short-term resistance. As long as the pair stays below that area, the move still looks corrective, while a break higher would improve the recovery structure.

USD/CAD

USDCAD remains under bearish pressure, with price still trading below the 50 EMA and holding near the recent lows. The latest bounce looks corrective so far, while 1.3695 acts as the key short-term resistance zone. As long as the pair stays below that level, downside risk remains dominant, with 1.3480 as the main support area.

AUD/USD

AUDUSD remains in a strong bullish structure, with price still holding above the 50 EMA and consolidating near the recent highs. The latest pause looks corrective rather than a reversal, while 0.7070 acts as the key support zone. As long as that area holds, the broader bias stays positive, with room for another attempt toward the 0.72 region.

NZD/USD

NZDUSD is stabilizing after the recent rebound, but price is now losing momentum around the 50 EMA. The current move looks more corrective than impulsive, with 0.5825 acting as the key short-term support. As long as the pair stays above that level, consolidation can continue, while a break lower would expose the 0.5700 area again.

Gold (XAU/USD)

Gold remains under corrective pressure, with price trading below the 50 EMA and failing to sustain the recent rebound. The broader uptrend is still intact on a higher timeframe, but in the short term the structure favors further downside while price stays below the recent consolidation zone. If weakness continues, Gold may extend toward the 4,380 support area, which is the next key level to watch.

WTI Crude

WTI remains in a strong bullish structure after the explosive breakout, with price now trading firmly above the 100 level. The latest consolidation appears constructive, and as long as Oil holds above 100, the market keeps upside potential toward the 108–110 resistance zone.

A loss of that support would shift the move back into a deeper corrective phase.

S&P 500

S&P 500 remains in a strong bullish structure, but price is now testing the 7,300 resistance zone after an extended rally. Momentum is still positive above the 50 EMA, although the market looks stretched in the short term. As long as the index holds above 6,968, the broader bias remains constructive, even if a temporary pullback develops from current highs.

EuroStoxx 50

EuroStoxx 50 is losing short-term momentum after failing to hold above the recent rebound zone, with price slipping back toward 5,839 support. The index is still close to the 50 EMA, but the latest move suggests the recovery is weakening below the highs. As long as price remains under the recent resistance area, downside risk may extend toward the 5,650 region.

Strategic Outlook
Week 19 (May 4 – 8, 2026)

From Fragile Equilibrium to Event Risk: NFP Set to Define Direction

Week 19 begins after a prolonged phase of fragile consolidation, where markets remained range-bound due to the absence of a decisive catalyst. With yields elevated but stable, the USD supported but not trending, and risk assets lacking conviction, attention now shifts to the next major macro event: U.S. Nonfarm Payrolls (May 8).

This week represents a transition from low-volatility positioning to event-driven repricing, with labour-market data expected to determine whether the current equilibrium holds or breaks.

<u>Macro Themes</u>

1.United States - Labour Market Back in Focus

Key Focus
- Nonfarm Payrolls (Fri, May 8)
- Unemployment rate
- Wage growth
- Jobless claims trend

After recent weeks of stable but unconvincing data, the labour market becomes the primary signal for growth sustainability.

Strategic Scenarios

Moderate NFP (balanced labour market)
- Confirms soft-landing narrative
- Yields remain stable
- USD holds current levels
- Equities continue selective consolidation

Strong NFP
- Reinforces growth resilience
- Pushes yields higher
- USD strengthens
- Equities face valuation pressure

Weak NFP
- Revives growth concerns
- Brings forward rate-cut expectations
- USD weakens
- Gold rallies
- Equities become volatile (growth fear vs easing support)

After a long period of consolidation, market reactions to NFP are likely to be sharp, as positioning is relatively neutral.

USD Bias: Neutral into NFP; highly directional post-release.

2.Geopolitics - Iran Risk Still a Background Factor

The Iran ceasefire remains intact but fragile:
- No escalation keeps markets stable
- Any deterioration could quickly impact oil and risk sentiment

Geopolitics continues as a latent volatility risk, not a primary driver unless escalation occurs.

3.Eurozone - Still Driven by External Factors

Eurozone fundamentals remain weak:
- Industrial softness
- Fragile confidence
- ECB constrained

EUR direction will depend almost entirely on USD movement post-NFP, with no internal catalyst likely to drive independent strength.

4.United Kingdom - Sterling Remains Reactive

UK macro backdrop unchanged:
- Growth soft
- Inflation persistent
- BoE cautious

GBP continues to behave as a high-beta USD trade, reacting to global macro shifts rather than domestic developments.

5.Asia-Pacific - Binary Setup Around USD Direction

Asia-Pacific assets remain exposed to:
- U.S. yields
- USD direction
- Lack of China stimulus

Strong NFP » pressure on AUD/NZD

Weak NFP » relief rally

China remains the missing structural support.

6.Commodities -
Labour Data Through the Rates Channel

Gold

Gold remains tightly linked to real yields:
- Weak NFP » yields fall » bullish gold
- Strong NFP » yields rise » gold pressured

WTI Crude

Oil remains range-bound:
- Iran risk supports prices
- Demand concerns cap upside

Short-term moves may follow risk sentiment post-NFP, but fundamentals remain unchanged.

7.Equities - Breakout Risk After Consolidation

Equities enter Week 19 after multiple weeks of consolidation:
- Stable NFP » continuation of range
- Strong NFP » valuation pressure via higher yields
- Weak NFP » volatility with mixed signals

Markets remain selective, but NFP could trigger a directional move after prolonged indecision.

Summary & Key Risks

Summary
Week 19 is defined by the return of a major macro catalyst. After weeks of fragile equilibrium, the U.S. NFP (May 8) becomes the key driver for USD direction, yield movement, and cross-asset positioning. Markets are balanced but lack conviction, making them highly sensitive to the labour data outcome.

Key Risks
1. Strong NFP » yields higher, USD stronger, equities pressured
2. Weak NFP » growth fears, USD weakness, gold rally
3. Wage inflation surprise » amplified rate volatility
4. Iran ceasefire breakdown » oil spike, risk-off move
5. China inactivity » continued pressure on commodity FX

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