



STAT EDGE

Forex Weekly Research Report

2 February 2025

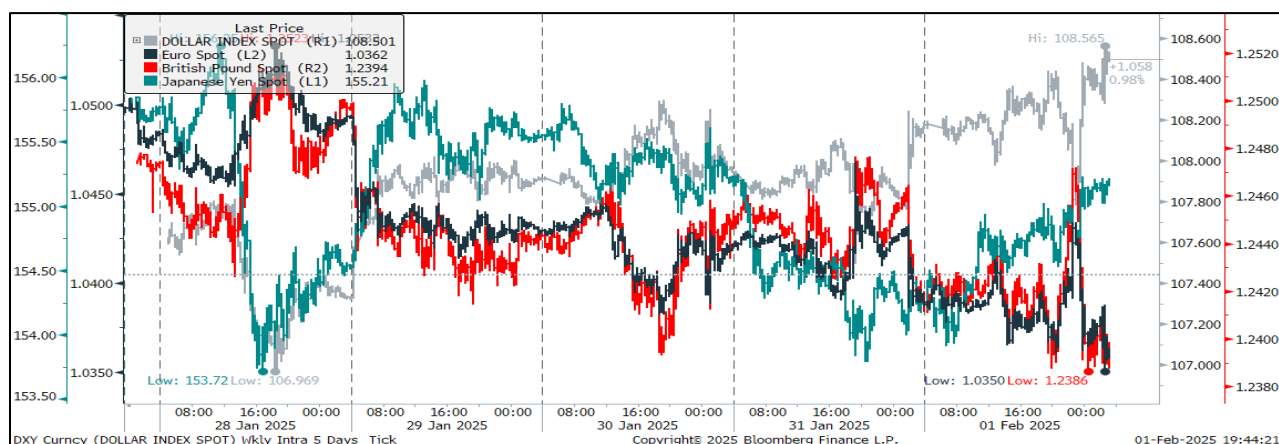
Forex Weekly Research Report

Market Summary & Outlook:

- In the week gone, the Dollar Index, which tracks the US Dollar against a basket of other major currencies, increased from 107.44 on January 24 to 108.37 on February 1, marking a 0.86% increase, its best week in eleven weeks
- The rise in the Dollar Index comes in the wake of significant trade policy developments under the Trump administration, which reintroduced tariffs on Mexico, Canada, and China, effective from February 1, 2025.
- In response to these tariffs, both Canada and Mexico have vowed to retaliate with tit-for-tat measures, indicating the beginning of a trade war that is expected to have profound implications for global supply chains.
- China's Commerce Ministry pledged to file proceedings to the World Trade Organization in a Sunday statement, but stopped short of explicitly threatening counter-tariffs on US imports.
- This development is likely to have broader economic implications, with potential ripple effects across financial markets. Additionally, with the US Dollar strengthening, it may make American exports less competitive in global markets, creating a further layer of complexity for trade relations.
- The Euro fell to its lowest level since January 21, marking its longest losing streak in seven weeks, following disappointing inflation data from the region's two largest economies, Germany and France. This drop in the Euro is reflective of ongoing concerns about the economic health of the Eurozone, with inflation continuing to pose challenges for the European Central Bank. The inflation data has led to growing speculation that the European Central Bank may reconsider its stance on monetary policy. According to sources familiar with the Governing Council's discussions, the ECB could stop describing its monetary policy as "restrictive" in its upcoming decision in March 2025. This potential shift suggests that the ECB may ease its current hawkish approach to managing inflation, particularly if economic growth continues to slow and inflationary pressures begin to abate.

Currency Performance			
Currency	01-Feb-25	24-Jan-25	% Change
Dollar Index Spot	108.37	107.44	0.86%
Euro Spot	1.0362	1.0497	-1.29%
British Pound Spot	1.2395	1.2484	-0.71%
Japanese Yen Spot	155.19	156.00	-0.52%
Chinese Yuan Spot	7.322	7.244	1.07%
USDINR	86.62	86.21	0.48%
EURINR	89.96	90.47	-0.57%
GBPINR	107.59	107.13	0.43%

Dollar Index, EURUSD, GBPUSD, USDJPY



Currency Performance and Level to Watch:

Currency	Weekly High	Weekly Low	Weekly Close	Weekly % Chg.	MTD % Chg.	QTD % Chg.	YTD % Chg.
Dollar Index	108.57	106.97	108.37	0.86%	0.00%	-0.11%	-0.12%
EURUSD Spot	1.0533	1.0350	1.0362	-1.29%	0.00%	0.08%	0.00%
EURINR Spot	90.66	89.80	89.96	1.30%	0.00%	-0.84%	0.76%

Currency	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3
Dollar Index	107.97	104.78	106.37	107.37	108.97	109.56	111.16
EURUSD	1.0415	1.0049	1.0232	1.0297	1.048	1.0598	1.0781
EURINR	90.14	88.42	89.28	89.62	90.48	91.00	91.87

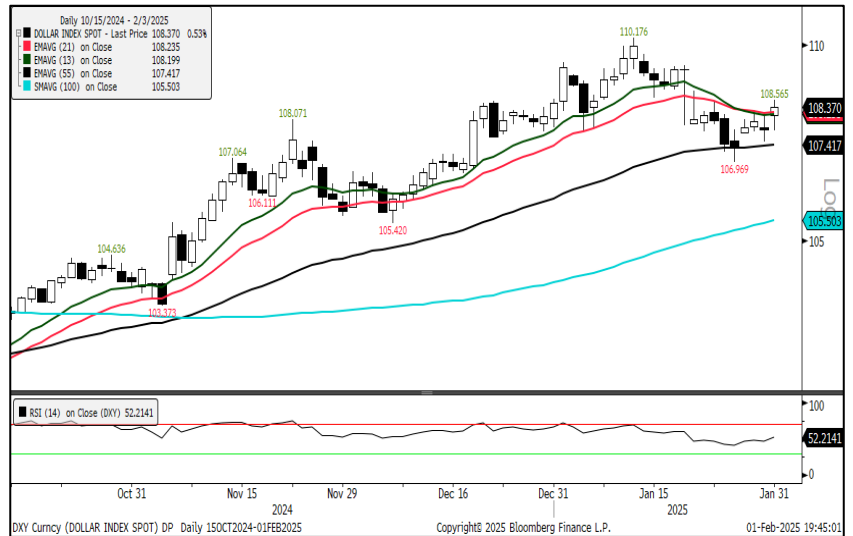
Forex Weekly Research Report

Technical Outlooks:

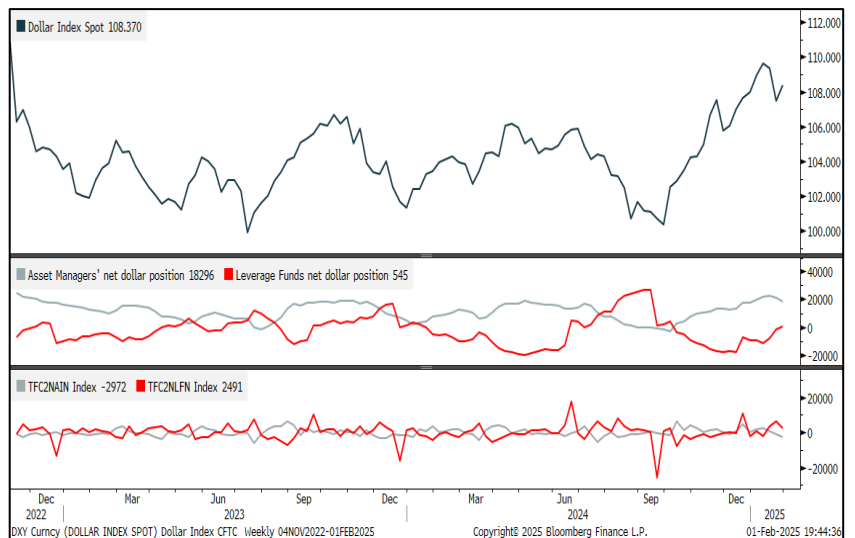
Dollar Index View:

- The dollar index took the support at 55 DEMA in the week gone.
- On the weekly chart, it holds the bullish formation of higher highs and lows.
- Oscillators on the daily chart remained positive for the bulls.
- It has support at 106.80 and continuing to face resistance at 110.17

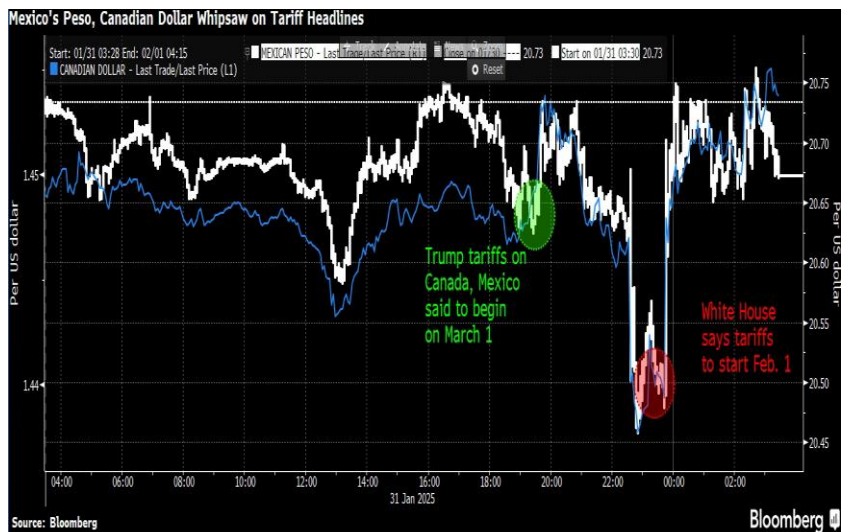
Spot EURINR: Profit Booking
Support 89.40, Resistance 90.90



Speculators keep their bets on dollar gains, now hold \$33.7bn



Mexican Peso and Canadian Dollar Whipsaw on Tariff Headlines



Equity Weekly Research Report

Economic Calendar					
Date	Country	Event	Period	Survey	Prior
03-Feb	Japan	Jibun Bank Japan PMI Mfg	Jan F	--	48.8
	China	Caixin China PMI Mfg	Jan	50.6	50.5
	India	HSBC India PMI Mfg	Jan F	--	58
	EC	HCOB Eurozone Manufacturing PMI	Jan F	46.1	46.1
	UK	S&P Global UK Manufacturing PMI	Jan F	--	48.2
	EC	CPI Core YoY	Jan P	2.60%	2.70%
	US	S&P Global US Manufacturing PMI	Jan F	50.1	50.1
	US	Construction Spending MoM	Dec	0.20%	0.00%
	US	ISM Manufacturing	Jan	49.3	49.2
04-Feb					
	US	JOLTS Job Openings	Dec	--	8098k
	US	Factory Orders	Dec	0.50%	-0.40%
	US	Durable Goods Orders	Dec F	--	-2.20%
05-Feb	Japan	Jibun Bank Japan PMI Services	Jan F	--	52.7
	China	Caixin China PMI Services	Jan	52.4	52.2
	India	HSBC India PMI Services	Jan F	--	56.8
	EC	HCOB Eurozone Services PMI	Jan F	51.4	51.4
	UK	S&P Global UK Services PMI	Jan F	51.2	51.2
	EC	PPI YoY	Dec	0.20%	-1.20%
	US	MBA Mortgage Applications	Jan-31	--	-2.00%
	US	ADP Employment Change	Jan	153k	122k
	US	Trade Balance	Dec	-\$80.4b	-\$78.2b
	US	S&P Global US Services PMI	Jan F	--	52.8
	US	ISM Services Index	Jan	54.5	54
06-Feb	UK	S&P Global UK Construction PMI	Jan	--	53.3
	EC	Retail Sales YoY	Dec	2.00%	1.20%
	UK	Bank of England Bank Rate	Feb-06	4.50%	4.75%
	US	Challenger Job Cuts YoY	Jan	--	11.40%
	US	Nonfarm Productivity	4Q P	1.90%	2.20%
	US	Initial Jobless Claims	Feb-01	--	207k
	US	Continuing Claims	Jan-25	--	1858k
07-Feb	India	RBI Repurchase Rate	Feb-07	6.25%	6.50%
	India	RBI Cash Reserve Ratio	Feb-07	4.00%	4.00%
	Japan	Leading Index CI	Dec P	108.2	107.5
	India	Foreign Exchange Reserves	Jan-31	--	--
	US	Change in Nonfarm Payrolls	Jan	150k	256k
	US	Unemployment Rate	Jan	4.10%	4.10%
	US	U. of Mich. Sentiment	Feb P	--	71.1
	US	Wholesale Inventories MoM	Dec F	--	-0.50%

Disclaimer:

The information provided does not constitute, in any way, a solicitation or inducement to buy or sell securities and similar products. Comments and analysis reflect the views of STAT EDGE CAPITAL at any given time and are subject to change at any time. Moreover, they cannot constitute a commitment or guarantee from STAT EDGE CAPITAL. The recipient acknowledges and agrees that by their very nature, any investment in a financial instrument is random; therefore, any such investment constitutes a risky investment for which the recipient is solely responsible. It is specified that the past performance of a financial product does not prejudice in any way its future performance. The foreign exchange market and financial derivatives such as futures, CFDs (Contracts for Difference), warrants, turbos, or certificates involve high risk. They require a good level of financial knowledge and experience. STAT EDGE CAPITAL recommends the consultation of a financial professional who would have perfect knowledge of the financial and patrimonial situation of the recipient of this message and would be able to verify that the financial products mentioned are adapted to the said situation and the financial objectives pursued. STAT EDGE CAPITAL recommends reading the "risk factors" section of the prospectus for any financial product mentioned.