STAT EDGE

Forex Weekly Research Report

20 December 2025

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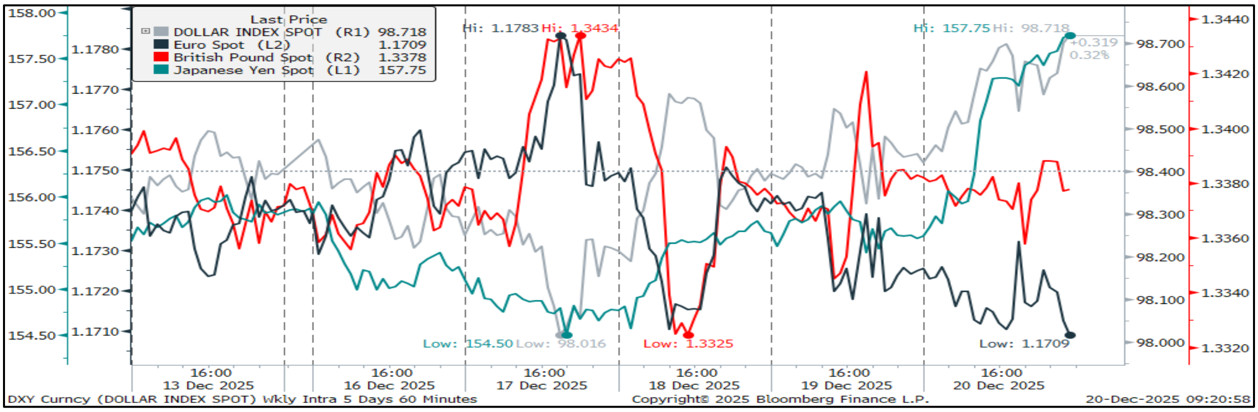
Market Summary & Outlook:

Currency Performance			
Currency	19-Dec-25	12-Dec-25	% Change
Dollar Index Spot	98.60	98.40	0.20%
Euro Spot	1.1710	1.1740	-0.26%
British Pound Spot	1.3379	1.3371	0.06%
Japanese Yen Spot	157.75	155.81	1.25%
Chinese Yuan Spot	7.034	7.053	-0.27%
USDINR	89.29	90.42	-1.25%
EURINR	104.56	106.09	-1.44%
GBPINR	119.47	121.01	-1.27%

- The US dollar strengthened modestly as markets digested fresh economic data and drew a line under the final round of major central bank meetings for the week. A widely followed gauge of the greenback advanced after a mixed reading on US consumer sentiment, while currency traders adjusted positions in an environment where monetary policy signals are becoming clearer. With fewer near-term surprises expected from policymakers, attention has shifted toward how resilient the US economy remains relative to its peers.
- The ICE Dollar Spot Index was on track for a weekly gain of about 0.2%, reflecting renewed support for the currency. Data from the University of Michigan showed that consumer sentiment improved slightly in December, rising to 52.9, though it still fell short of expectations.
- At the same time, the measure of current economic conditions dropped to a record low of 50.4, underscoring the uneven nature of household confidence. The mixed figures suggested that while consumers are not becoming markedly more pessimistic, they remain under pressure from high living costs and borrowing rates.
- In contrast, the Japanese yen came under sharp pressure after the Bank of Japan delivered a widely expected rate increase but paired it with a notably cautious message. Governor Kazuo Ueda emphasised that future rate hikes would be approached carefully, even after the central bank lifted its key policy rate by a quarter point to 0.75%, the highest level since 1995. The yen slid aggressively in response, with the dollar jumping 1.25% against the Japanese currency to around 157.75, marking its weakest level in a month.
- More broadly, as central bank uncertainties fade, volatility across major currency pairs has continued to ease. The cost of hedging exchange-rate swings is falling into year-end, not merely due to seasonal factors but because policy trajectories among the world's largest central banks now appear more firmly mapped out. That sense of clarity is extending into January, with markets expecting a relatively narrow range of outcomes in the near term as monetary paths remain steady and well-telegraphed.
- Looking ahead to next week, the US dollar is expected to trade steadily as holiday-thinned liquidity keeps market moves restrained and limits follow-through in either direction.

Intraday Currency Performance:



Currency Performance and Level to Watch:

Currency	Weekly High	Weekly Low	Weekly Close	Weekly % Chg.	MTD % Chg.	QTD % Chg.	YTD % Chg.
Dollar Index	98.75	97.87	98.60	0.20%	-0.70%	0.84%	-9.89%
EURUSD Spot	1.1804	1.1703	1.171	-0.26%	0.13%	-0.20%	4.64%
EURINR Spot	107.03	104.56	104.56	-1.44%	1.14%	-0.24%	15.36%

Currency	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3
Dollar Index	98.51	97.11	97.63	98.27	99.15	99.39	100.27
EURUSD	1.1789	1.1615	1.1688	1.1774	1.1875	1.189	1.1991
EURINR	101.81	100.21	99.34	96.59	99.06	104.28	106.75

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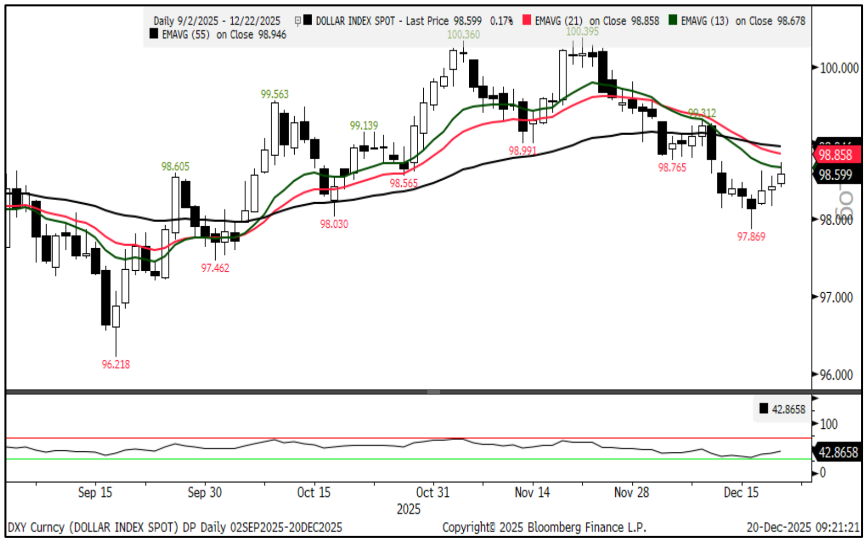
Technical Analysis:

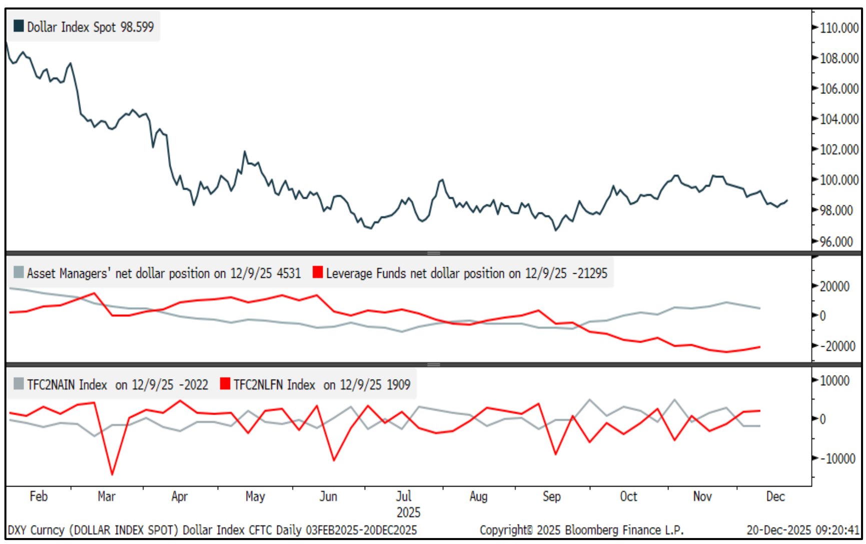
Dollar Index View:

- The DXY Index formed a bearish chart pattern of the lower highs and lows.
- It has been trading in a descending channel.
- RSI is placed below50, reflecting negative momentum.

Spot Dollar Index: ***Support 97, Resistance 99.60***



CFTC Positioning



Economic Calendar					
Date	Country	Event	Period	Survey	Prior
22-Dec	China	1-Year Loan Prime Rate	22-Dec	3.00%	3.00%
	China	5-Year Loan Prime Rate	22-Dec	3.50%	3.50%
	UK	GDP YoY	3Q F	1.30%	1.30%
	UK	Current Account Balance	3Q	-19.0b	-28.9b
	India	Eight Infrastructure Industries	Nov	--	0.00%
	US	Chicago Fed Nat Activity Index	Sep	-0.17	--
23-Dec	US	ADP Weekly Employment Change	06-Dec	--	16.250k
	US	GDP Annualized QoQ	3Q S	3.20%	3.80%
	US	Personal Consumption	3Q S	2.70%	2.50%
	US	Core PCE Price Index QoQ	3Q S	2.90%	2.60%
	US	Durable Goods Orders	Oct P	-1.50%	0.50%
	US	Industrial Production MoM	Nov	0.10%	0.10%
	US	Manufacturing (SIC) Production	Nov	0.10%	0.00%
	US	Capacity Utilization	Nov	75.90%	75.90%
	US	Richmond Fed Manufact. Index	Dec	-10	-15
24-Dec	Japan	Leading Index CI	Oct F	--	110
	US	MBA Mortgage Applications	19-Dec	--	-3.80%
	US	Initial Jobless Claims	20-Dec	223k	224k
	US	Continuing Claims	13-Dec	1888k	1897k
25-Dec	Japan	Housing Starts YoY	Nov	0.60%	3.20%
26-Dec	Japan	Retail Sales YoY	Nov	1.00%	1.70%
	Japan	Industrial Production YoY	Nov P	-0.50%	1.60%
	India	Foreign Exchange Reserves	19-Dec	--	$688.9b