



STAT EDGE

Forex Monthly Research Report

September 2025

Forex Monthly Research Report

Market Summary & Outlook:

- The US Dollar Index (DXY) in August 2025 showed a volatile and slightly weakening performance. The index started the month strong, briefly touching levels above 100.2 early in August, but faced pressure later in the month, ending near 98.2, down slightly for August and reflecting almost a 2% monthly decline. Overall, the dollar continued a wider trend of weakening versus major currencies, with the euro gaining notable strength against it.
- Political interference in Federal Reserve leadership created uncertainty about the Fed's independence, adding to volatility and undermining confidence in the dollar.
- Strength in the euro (up nearly 14% against the dollar for the year) and resilience in other major currencies such as the Japanese yen and British pound weighed on the dollar. The divergence in bond yields, with German yields rising more than U.S. Treasuries, also detracted from dollar strength.
- The U.S. economy showed mixed signals with some resilience, but increasing concerns about the labour market contributed to cautious sentiment on the dollar.
- September is often associated with a "back-to-school" or "back-to-work" mentality after the summer lull. Historically, it can be a turbulent month for risk assets like stocks. When there is increased market uncertainty, a flight to safety occurs, and investors tend to buy the U.S. dollar as a safe-haven currency.
- **Seasonal analysis** of the US Dollar Index (DXY) suggests that September has historically shown a tendency for the dollar to strengthen. An average gain of 0.92% with 6 out of 10 positive months over the past decade. The Federal Reserve's monetary policy decisions are a primary driver of the DXY. September is often a key month for FOMC meetings, and any signals regarding interest rate hikes or cuts can have a significant impact. A dovish stance, leaning towards cutting rates, would pressure the dollar lower. While historical data might show a seasonal tendency for the DXY to strengthen in September, this is not a hard-and-fast rule. The performance of the dollar will be dictated by a combination of monetary policy expectations, economic data, and overall market sentiment. The current market conditions are not favourable for a stronger dollar.
- Technically, the dollar traded in a range during August, finding support around 97.6-97.7 and resistance near 98.8-99.0, reflecting indecision among traders amid the fundamental uncertainty. Two consecutive gravestone doji on the weekly chart is a significant bearish signal, indicating a strong rejection of higher prices. A sustained move below the key support level of 97.50 would confirm the breakdown and could set the stage for a further decline toward the yearly low of 96.38.
- The Euro's strength in August was fundamentally driven by a favourable monetary policy narrative—the ECB's stability versus the Fed's potential dovish shift—combined with evidence of the Eurozone's economic resilience, which was reinforced by a broader "risk-on" sentiment in global markets.

Monthly Currency Performance			
Currency	Aug-25	Jul-25	% Change
Dollar Index	97.771	99.968	-2.20%
Spot EURUSD	1.1686	1.1415	2.37%
Spot GBPUSD	1.3504	1.3207	2.25%
Spot USDJPY	147.05	150.75	-2.45%
Spot USDCNH	7.1223	7.2091	-1.20%
Indian Rupee			
Spot USDINR	88.21	87.60	0.70%
Spot EURINR	102.96	100.15	2.81%
Spot GBPINR	118.74	115.89	2.46%

Currency Performance and Level to Watch:

Monthly Price Actions							
Currency	High	Low	Close	% Chg.	Qtly % Chg.	Hly % Chg.	Yrly % Chg.
Dollar Index	100.10	96.38	97.77	-2.20%	0.92%	-9.84%	-10.72%
EURUSD	1.1829	1.1401	1.1686	2.37%	-0.86%	0.13%	0.13%
EURINR	101.81	99.49	102.96	2.81%	-2.37%	11.98%	13.76%
Currency	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3
Dollar Index	98.08	90.64	94.36	96.07	99.79	101.81	105.53
EURUSD	1.1045	1.0529	1.0787	1.0880	1.1138	1.1303	1.1561
EURINR	93.02	90.20	91.61	92.10	93.50	94.43	95.83

Forex Monthly Research Report

DXY Index: Bearish
Support: 96.35
Resistance: 100.30



EURINR: Bullish
Support: 99.10
Resistance: 103.50



DXY Seasonality

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
10 Yr Avg	.27	.78	.25	-.10	-.36	.09	-.50	.10	.92	.85	-.07	-.91
2025	-.11	-.70	-3.16	-4.55	-.14	-2.47	3.19	-2.20				
2024	1.92	.85	.32	1.66	-1.46	1.14	-1.67	-2.30	-.90	3.17	1.69	2.60
2023	-1.38	2.72	-2.25	-.83	2.62	-1.36	-1.03	1.73	2.47	.46	-2.97	-2.09
2022	.91	.17	1.66	4.73	-1.17	2.88	1.16	2.64	3.14	-.53	-5.00	-2.29
2021	.72	.33	2.59	-2.09	-1.59	2.90	-.28	.49	1.73	-.11	1.99	-.34
2020	1.04	.76	.93	-.03	-.68	-.97	-4.15	-1.29	1.89	.16	-2.31	-2.10
2019	-.62	.61	1.17	.20	.28	-1.66	2.48	.41	.47	-2.04	.95	-1.92
2018	-3.25	1.66	-.71	2.08	2.33	.52	.09	.62	-.01	2.10	.15	-1.13
2017	-2.64	1.62	-.76	-1.30	-2.15	-1.34	-2.89	-.21	.44	1.59	-1.59	-.99
2016	.99	-1.40	-3.69	-1.59	3.02	.26	-.64	.52	-.58	3.12	3.10	.70
2015	5.02	.52	3.22	-3.82	2.44	-1.47	1.94	-1.55	.55	.62	3.33	-1.54

-5.00 5.02

Forex Monthly Research Report

Monday	Tuesday	Wednesday	Thursday	Friday
01 Sept	02 Sept	03 Sept	04 Sept	05 Sept
US: Holiday Japan, UK, EU, India; Mfg. PMI EU: Unemployment Rate	EU: CPI US: Mfg. PMI, ISM Mfg., Construction Spending	Japan, China, India, EU, UK: Service PMI US: MBA Mortgage, JOLTS Job, Factory Orders, Durable Goods, Fed Beige	UK: Construction PMI EU: Retail Sales US: ADP Emp. , Initial & Conti. Claims, Trade Balance, Service PMI, ISM Service	EU: GDP US: Change in NFP, Unemployment Rate
08 Sept	09 Sept	10 Sept	11 Sept	12 Sept
Japan: GDP, Trade Balance, BoP China: Trade Balance	US: NFIB Small Busi. Optimism	China: CPI US: MBA Mortgage, Wholesale Invt.	ECB Monetary Policy US: CPI, Initial & Conti. Claims, Fed. Budget Balance	Japan: IIP UK: IIP, Mfg. Production, Trade Balance, India: CPI US: Uni. of Mich. sentiment
15 Sept	16 Sept	17 Sept	18 Sept	19 Sept
Japan: Holiday China: New Home & Retail Sales, IIP India: WPI, Trade Balance EU: Trade Balance US: Empire Mfg.	UK: Claimant count EU: IIP US: IIP, Mfg.(SIC), Capacity Utilisation, NAHB Housing Mkt Index	Japan: Trade Balance UK, EU: CPI US: MBA Mortgage App., Housing Starts, Building permits FOMC Monetary Policy	UK: BoE Monetary Policy US: Initial & Conti. Claims, Phil. Fed Business Index, Leading Index	Japan: BoJ Monetary Policy
22 Sept	23 Sept	24 Sept	25 Sept	26 Sept
China: 1 & 5 Yr. LPR India: Eight core Infra, EU: Consumer Conf.	Japan: Holiday India, EU, UK, US: Flash PMI US: Current Account, Existing Home Sales, Rich. Fed. Mfg. Index	Japan: Flash PMI US: MBA Mortgage, New Homes Sales, Building permits	US: GDP, Pers. Cons., Durable goods, Wholesale Invt. Initial & Conti. Jobless Claims	India: IIP US: Personal Income & Spending, Core PCE, Uni. Mich. Of Sentiment
29 Sept	30 Sept	01 Oct	02 Oct	03 Oct
EU: Consumer Conf. US: Pending Home sales, Dallas Fed. Mfg. Activity	Japan: IIP China: PMI UK: GDP, Current Account, India: Fiscal Deficit US: JOLTS Job, Dallas Fed Activity India: Bank Credit	China: Holiday Japan, India, EU, UK, US: Mfg. PMI India: RBI Monetary Policy EU: CPI US: MBA Mortgage, ADP Emp., ISM Mfg., Construction Spend	China, India: Holiday EU: Unemployment US: Challengers Job cut, Initial & Conti. Claims, Durable Goods & Factory Orders,	China: Holiday Japan, EU, UK, US: Service PMI US: Change in NFP, Unemployment, ISM Service

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.