

# EURUSD – 05/12/2025

December 5, 2025

[Daily Fib, EURUSD](#)

## Fundamental / Economic Backdrop (short term)

Recent macroeconomic and market-environment factors shaping EUR/USD:

- The US dollar (USD) remains under pressure in many markets due to growing expectations that the Federal Reserve (Fed) may pivot toward easing — this tends to reduce real yields in USD and supports EUR/USD.
- The euro (EUR) is supported to some extent by signs of relatively stable economic data in parts of the eurozone, and by global demand for yield-sensitive or carry-type positioning if risk sentiment remains stable.
- Global risk sentiment remains mixed: potential geopolitical risks, macro uncertainty, and safe-haven flows could strengthen USD — which would be a headwind to EUR/USD. Additionally, any surprise strong US data or hawkish Fed signals could quickly reverse USD weakness.
- Currency and interest-rate differentials — especially U.S. vs eurozone yields — remain a key driver: if US yields re-rise, USD strength could push EUR/USD lower; if yields fall or remain stable, EUR could benefit.

## Fundamental / Economic verdict

Near-term fundamentals lean **moderately supportive for EUR/USD**, thanks to dollar softness and stabilization in EUR-side fundamentals. However, the environment remains **fragile**, with USD-yield shifts or global-risk events capable of rapidly swinging the balance. As such, upside exists — but with high sensitivity to macro triggers.

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## Technical and Market Sentiment (short term)

Current technical and sentiment conditions for EUR/USD suggest a consolidation phase, with key levels acting as pivots for intraday and near-term trading.

- Recent price action indicates EUR/USD has bounced off support zones after dips, showing some demand around lower bands; resistance remains near recent highs where sellers have re-emerged.
- Key technical reference levels (approximate):

Level type	Zone / Value*
<b>Support</b>	~ 1.1480 – 1.1520 (recent swing-low / consolidation base)
<b>Mid-range pivot</b>	~ 1.1560 – 1.1580 (near-term equilibrium zone)
<b>Resistance</b>	~ 1.1650 – 1.1680 (recent swing-highs / supply zone)
<b>Upside breakout trigger</b>	~ 1.1700 – 1.1720 (if resistance is convincingly cleared)

\*Actual price levels should be confirmed on a live chart before trading.

- Market sentiment on intraday / short-term timeframes appears cautious: oscillators show limited momentum, and volatility remains moderate. Traders seem to be waiting for fresh macro catalysts before committing to directional moves.
- Liquidity and correlation risk (e.g. with USD, risk assets) remain relevant: sudden moves in USD or global risk sentiment can easily disrupt range-bound patterns.

## Technical verdict

EUR/USD is currently in a **consolidation / range-bound** state, trading between roughly **1.1480 and 1.1680**, with modest bullish tilt. Without a strong fresh catalyst, continuation within this range or modest swings seem more probable than a clean breakout.

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## Strategy (short term)

### Intraday / Early-Week (Friday 5 Dec 2025) – Setup and Trade Ideas

Scenario	Context / Trigger	Trade Setup
<b>Range-play (base case)</b>	No major macro data; USD remains soft or neutral; market calm	<ul style="list-style-type: none"><li>• <b>Buy near support</b> around <b>1.1500–1.1520</b>, target <b>1.1560–1.1580</b>, stop below <b>1.1465</b></li><li>• <b>Sell near resistance</b> around <b>1.1650–1.1670</b>, target <b>1.1590–1.1550</b>, stop above <b>1.1700</b></li></ul>
<b>Upside breakout</b>	USD weakens further, risk sentiment stable, EUR-positive data / flows	<ul style="list-style-type: none"><li>• <b>Buy on bullish breakout</b> above <b>1.1685–1.1700</b>, target <b>1.1730–1.1775</b>, stop below <b>1.1640</b></li></ul>
<b>Downside break / USD rebound</b>	Strong US data or risk-off shift; USD strength returns	<ul style="list-style-type: none"><li>• <b>Sell breakdown</b> below <b>1.1480–1.1460</b>, target <b>1.1420–1.1380</b>, stop above <b>1.1520</b></li></ul>

Note: Monitor key U.S./Eurozone macro data, risk-sentiment indicators, and USD strength — all can act as catalysts for large moves. Use conservative position sizing and tight risk control.

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### Base Case & Risk-Managed Outlook

- Most probable near-term path: **range trading between support ( $\approx 1.1500$ ) and resistance ( $\approx 1.1650$ – $1.1680$ )**.
  - Trading strategy: **buy dips near support, sell rallies near resistance**, prefer short-term moves over long-term holds.
  - Risk controls: maintain modest position sizes, place reasonable stop-losses, avoid over-leveraging — especially around macro release windows.
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### 5 Day Outlook Scenarios

Scenario	Approx. Probability*	Expected Range (next 5 days)	Key Drivers / Bias
<b>Base – Consolidation / Sideways Drift</b>	$\sim 50\%$	<b>1.1450 – 1.1680</b>	Mixed macro signals, lack of strong catalyst, modest volatility — range-bound movement likely
<b>Bullish Breakout</b>	$\sim 25\%$	<b>1.1680 – 1.1750</b>	USD softness continues, positive euro-zone data or risk-on flows, potential technical breakout
<b>Bearish Break / USD Rebound</b>	$\sim 25\%$	<b>1.1380 – 1.1500</b>	Strong USD/ yield rise, risk-off sentiment, euro-zone disappointments or negative global risk events

\*Probabilities are indicative, reflecting current balance of macro, technical and sentiment conditions — not guarantees.

### Scenario Interpretations

- **Base scenario:** Most likely — pair remains within defined bounds; opportunity for range-trading.
  - **Bullish scenario:** Potential if macro tides turn in favor of EUR (e.g. further USD weakness, euro economic surprises). Breakout could lead to a test of 1.1750 area.
  - **Bearish scenario:** Equally possible given USD's role as global funding currency and high sensitivity to yield/ risk cycles. Could push euro lower toward 1.1380 area if USD revives strongly or risk sentiment sours.
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## Final Observations

