

GBPUSD 12/12/2025

December 11, 2025

[Daily Fib, GBPUSD](#)

Fundamental / Economic Backdrop (short term)

Recent GBP performance reflects a combination of *UK inflation trajectory*, *Bank of England (BoE) rate expectations*, and *US dollar behaviour* ahead of key macro data. UK economic conditions remain mixed: services activity shows resilience, but consumer demand softens, leaving the BoE cautious rather than aggressive. Markets expect the BoE to maintain a restrictive stance but avoid signalling premature rate cuts.

On the US side, softer inflation readings and expectations of a gradual policy-easing cycle place mild downward pressure on the dollar. The net effect is a steadier GBP/USD environment, with sterling supported by relative policy stability while still vulnerable to global risk sentiment changes.

Short-term drivers include any BoE commentary shifts, US data surprises, and broader risk appetite. Sterling often strengthens in stable or mildly risk-on environments but can weaken if US yields rebound.

Fundamental / Economic verdict

The fundamental tone is **moderately sterling-supportive**, with mild upside bias unless a stronger US dollar resurgence or risk-off tone emerges.

Technical and Market Sentiment (short term)

Price reference: **GBP/USD = 1.3409**

GBP/USD remains within an upward-tilting short-term structure, with higher lows forming a constructive base. Momentum remains steady rather than forceful, with resistance overhead limiting immediate progression. Intraday bias leans towards controlled bullishness unless price breaks below support.

Key support and resistance areas:

Level Type	Price Zone	Notes
Immediate support	1.3360–1.3380	Short-term floor; holds the current upward structure
Secondary support	1.3300–1.3320	Structural support; break would weaken bullish case
Immediate resistance	1.3440–1.3460	Short-term supply; frequent rejection zone
Upper resistance	1.3500	Psychological threshold and next upside target

Technical sentiment is stable. Price action remains constructive as long as price holds above 1.3360; dips are likely to attract demand.

Technical verdict

GBP/USD outlook is **mildly bullish within a controlled range**, with upside limited unless 1.3460 breaks cleanly. Supports remain clearly defined and influential.

Strategy (short term)

Intraday / Friday 12 December 2025 – Setup and Trade Ideas

Scenario	Trigger	Potential Positioning
Range continuation (base case)	Price trades between 1.3360 and 1.3460	Buy dips near 1.3370–1.3380 , target 1.3440–1.3460 ; stop below 1.3345
Upside extension	Break and hold above 1.3460	Buy breakout toward 1.3495–1.3500 ; stop below 1.3430
Downside retracement	Break below 1.3360	Sell towards 1.3320–1.3300 ; stop above 1.3385

Preferred actions favour dip-buying while the structure remains constructive.

Base Case & Risk-Managed Outlook

The near-term base case is **range-to-slightly-bullish**, with GBP/USD expected to trade between roughly **1.3360 and 1.3460**. Momentum retention requires the pair to remain above 1.3360; failure to hold this area shifts the bias to neutral or mildly bearish.

Risk management considerations:

- Avoid chasing a breakout unless confirmed by a strong closing candle above 1.3460.
- Maintain conservative stops given potential volatility around macro releases.
- Monitor US dollar strength closely; any rebound can cap sterling upside.

1 Day Outlook Scenarios

Scenario	Probability (indicative)	Expected Behaviour	Notes
Base case: Range with mild bullish tilt	~60%	1.3360–1.3460	Stable fundamental tone and technical structure
Bullish extension	~25%	Move towards 1.3500	Requires breakout above 1.3460
Bearish retracement	~15%	Drop to 1.3320–1.3300	Triggered by USD strength or risk-off sentiment



The Daily Fib

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