

EURUSD 16/12/2025

December 15, 2025

[Daily Fib, EURUSD](#)

Fundamental / Economic Backdrop (short term)

Short-term EURUSD price action remains primarily driven by relative monetary policy expectations between the Federal Reserve and the European Central Bank, alongside risk sentiment and upcoming macro releases.

In the near term, markets continue to price a gradual easing path from both central banks in 2026, but with the Federal Reserve expected to retain a relatively restrictive stance for longer compared with the ECB. This maintains an underlying yield advantage for the USD, limiting sustained EUR upside. US data momentum remains mixed, with labour market resilience offset by moderating inflation pressures. In the Eurozone, growth remains subdued, and inflation trends continue to ease, reinforcing expectations of a more accommodative ECB bias.

Risk sentiment is stable but sensitive to US data surprises and geopolitical headlines, which may generate short-lived USD demand during periods of uncertainty.

Fundamental / Economic verdict

The short-term fundamental backdrop remains mildly USD-supportive. EURUSD upside is likely to be corrective rather than trend-defining unless US data weakens materially or ECB communication turns unexpectedly hawkish.

Technical and Market Sentiment (short term)

EURUSD is trading near the upper region of its recent range, with momentum indicators showing signs of deceleration rather than outright reversal.

Key technical levels are outlined below:

Type	Level (approx.)	Notes
Resistance	1.1785 – 1.1800	Recent swing high / psychological zone
Resistance	1.1850	Medium-term range cap
Support	1.1705 – 1.1720	Minor demand zone / prior breakout
Support	1.1650	Range midpoint
Support	1.1580 – 1.1600	Lower range support

Price remains above short-term moving averages, but upside follow-through has slowed. Momentum oscillators are neutral-to-soft, suggesting consolidation or a shallow pullback rather than aggressive continuation.

Technical verdict

The technical structure favours range trading. Bullish bias above 1.1700 remains intact, but resistance near 1.1785–1.1800 is likely to cap gains in the immediate term.

Strategy (short term)

Intraday / Tuesday, 16 December 2025 – Setup and Trade Ideas

Scenario	Bias	Entry Zone	Initial Target	Invalidation
Range fade	Sell	1.1780–1.1800	1.1720	Sustained break above 1.1830
Dip buy	Buy	1.1705–1.1720	1.1770	Daily close below 1.1680

Intraday strategies favour fading extremes of the established range rather than momentum chasing.

Base Case & Risk Managed Outlook

The base case anticipates continued consolidation between 1.1700 and 1.1800. Risk should be managed tightly around US data releases, with position sizing adjusted for potential volatility spikes.

4 Day Outlook Scenarios

Scenario	Description	Probability
Range continuation	Price oscillates between 1.1650 and 1.1800	Higher
Bullish extension	Break above 1.1800 towards 1.1850	Moderate
Bearish correction	Pullback towards 1.1600 support	Moderate

Summary

The fundamental backdrop modestly favours the USD, limiting EURUSD upside potential in the short term. Technically, the pair remains range-bound with resistance near 1.1800 and solid support around 1.1700. The preferred approach over the next four days is tactical range trading, with a focus on selling rallies into resistance and buying dips into well-defined support, while remaining responsive to US data-driven volatility.











EURUSD Chart






Economic News relating to EURUSD









December 16

13:30	Building Permits: Number ▼		
		Forecast: 1.336 MNumber of	Prior: 1.312 MNumber of
13:30	Non-Farm Payrolls ▼		
		Forecast: 50 KPerson	
13:30	Retail Sales MM ▼		
		Forecast: 0.1%	Prior: 0.2%
13:30	Unemployment Rate ▼		
		Forecast: 4.4%	
14:45	S&P Global Comp PMI Flash ▼		
			Prior: 54.8Index (diffusion)

December 17

10:00	HICP Final MM * ▼		
		Forecast: -0.3%	Prior: 0.2%
10:00	HICP Final YY * ▼		
		Forecast: 2.2%	Prior: 2.1%

December 18

13:15	ECB Deposit Rate * ▼		
		Forecast: 2%	
13:15	ECB Refinancing Rate * ▼		
		Forecast: 2.15%	
13:30	Core CPI MM, SA ▼		
		Forecast: 0.3%	

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The Daily Fib

Daily Fibs for the FX Market

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