

EURGBP 18/12/2025

December 17, 2025
[Daily Fib, EURGBP](#)

Fundamental / Economic Backdrop (short term)

Short-term fundamentals remain relatively balanced, with neither Sterling nor the Euro showing a decisive macro advantage. UK data flow has been mixed, with resilience in services activity offset by ongoing sensitivity to restrictive financial conditions and slowing consumer momentum. In the Euro area, growth remains subdued, and markets continue to price a cautious European Central Bank stance, limiting Euro upside.

Risk sentiment is moderately stable, reducing safe-haven distortions and keeping EURGBP primarily driven by relative rate expectations rather than broader risk flows. With no major tier-one data surprises immediately ahead, short-term movement is likely to remain technically driven within established ranges.

Fundamental / Economic verdict

The fundamental backdrop is neutral to mildly range-supportive. Neither currency holds a clear short-term macro advantage, favouring consolidation rather than trend expansion over the next 1–2 sessions.

Technical and Market Sentiment (short term)

EURGBP continues to trade within a medium-term consolidation band. The pair remains capped below recent swing highs, while buyers continue to defend dips into well-defined support.

Key technical observations:

- Price is holding near the middle of the recent range, suggesting balance rather than momentum.
- Momentum indicators are neutral, with no strong divergence signals.
- Volatility remains compressed, increasing the probability of short-term range trading.

Key levels:

Level type	Price zone
Resistance 2	0.8820 – 0.8840
Resistance 1	0.8795 – 0.8805
Spot reference	0.8775
Support 1	0.8745 – 0.8755
Support 2	0.8715 – 0.8725

Technical verdict

The technical structure favours range continuation. Bias remains neutral while price holds between 0.8745 and 0.8805, with breakouts required for directional conviction.

Strategy (short term)

Intraday / Thursday, December 18, 2025 – Setup and Trade Ideas

Scenario	Bias	Area of interest	Notes
Range sell	Mild bearish	0.8795 – 0.8805	Fade rallies into resistance with tight risk
Range buy	Mild bullish	0.8745 – 0.8755	Look for stabilisation near support
Breakout buy	Bullish	Above 0.8820	Requires sustained close above resistance

Scenario	Bias	Area of interest	Notes
Breakout sell	Bearish	Below 0.8715	Opens scope for range expansion lower

Base Case & Risk Managed Outlook

The base case remains sideways price action. Strategies favour mean reversion rather than momentum chasing. Risk should be kept tight due to compressed volatility and potential false breaks.

2 Day Outlook Scenarios

Scenario	Probability	Description
Range continuation	High	Price oscillates between 0.8745 and 0.8805
Bullish extension	Low-moderate	Break above 0.8820 targets 0.8870
Bearish extension	Low-moderate	Break below 0.8715 exposes 0.8680

Summary

Fundamentally, EURGBP lacks a clear short-term driver, reinforcing a neutral macro stance. Technically, price remains confined within a well-defined consolidation range, with neither buyers nor sellers in control. The combined outlook supports range-based strategies over the next two sessions, with breakout scenarios requiring confirmation beyond established support and resistance levels.

EURGBP Chart



Economic News relating to EURGBP



December 18

12:00	BOE Bank Rate	▼		
			Forecast: 3.75%	Prior: 4%
12:00	BOE MPC Vote Cut	▼		
			Forecast: 5 Number of	Prior: 4 Number of
12:00	BOE MPC Vote Hike	▼		
			Forecast: 0 Number of	Prior: 0 Number of
12:00	BOE MPC Vote Unchanged	▼		
			Forecast: 4 Number of	Prior: 5 Number of
13:15	ECB Deposit Rate	* ▼		
			Forecast: 2%	
13:15	ECB Refinancing Rate	* ▼		
			Forecast: 2.15%	

December 19

15:00	Consumer Confid. Flash	* ▼		
			Forecast: -14 Net balance	Prior: -14.2 Net balance

December 22

07:00	GDP QQ	▼		
			Forecast: 0.1%	Prior: 0.3%
07:00	GDP YY	▼		
				Prior: 1.4%

January 6

09:30	CSFB GLOBAL SERVICE PMI	▼		
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Daily Fibs for the FX Market

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