

# EURUSD 29/12/2025

December 28, 2025

[Daily Fib, EURUSD](#)

## Fundamental / Economic Backdrop (short term)

Short-term fundamentals remain dominated by late-year liquidity conditions, relative central-bank policy expectations, and residual US dollar positioning after recent macro releases.

- **United States:**  
The Federal Reserve is firmly in a data-dependent holding pattern. Recent inflation moderation has reduced near-term rate-hike expectations, while growth indicators point to a slowing but resilient economy. This keeps US yields supported but capped, limiting further aggressive USD appreciation in the very short term.
- **Euro Area:**  
The European Central Bank maintains a cautious stance, balancing weaker growth momentum against sticky services inflation. While recession risks linger, expectations of additional ECB tightening are largely priced out, shifting focus towards relative yield stability rather than divergence.
- **Macro positioning:**  
With year-end approaching, flows are increasingly technical and portfolio-driven. This tends to reduce the impact of high-frequency data and favours range-bound price action unless a clear catalyst emerges.

## Fundamental / Economic verdict

Fundamentals mildly favour **EUR stability against the USD** in the immediate short term, with reduced US rate-hike expectations offsetting softer Eurozone growth. The backdrop supports consolidation rather than a decisive trend.

---

## Technical and Market Sentiment (short term)

EURUSD remains within a broader recovery structure but shows signs of near-term consolidation around current levels.

- **Trend structure:**  
The pair continues to trade above key medium-term moving averages, indicating a constructive bias, though upside momentum has slowed.
- **Momentum:**  
Daily RSI is neutral-to-slightly bullish, suggesting scope for continuation without immediate overbought conditions.
- **Key levels:**

Type	Level	Notes
Resistance	1.1815	Recent swing high / supply zone
Resistance	1.1860	Upper range extension
Support	1.1720	Near-term demand / prior breakout
Support	1.1665	Deeper corrective support

Price action near 1.1770 suggests equilibrium, with volatility likely to compress ahead of a directional move.

## Technical verdict

Technicals indicate a **neutral-to-slightly bullish bias**, favouring buying on dips above 1.1720 while upside remains capped below 1.1860 in the short term.

---

## Strategy (short term)

### Intraday / Monday, December 29, 2025 – Setup and Trade Ideas

Scenario	Bias	Entry Zone	Target	Invalidation
----------	------	------------	--------	--------------

Dip buy	Long	1.1720–1.1740	1.1800	Below 1.1685
---------	------	---------------	--------	--------------

Range sell	Short	1.1810–1.1830	1.1750	Above 1.1865
------------	-------	---------------	--------	--------------

Intraday trading favours **mean-reversion and range strategies** due to expected lower liquidity.

---

### Base Case & Risk Managed Outlook

- **Base case:**  
EURUSD oscillates within a **1.1720–1.1830 range**, with shallow pullbacks attracting buyers.
  - **Risk factors:**  
Unexpected US yield spikes or sharp risk-off sentiment could temporarily strengthen the USD.
  - **Risk management:**  
Reduced position sizing is advisable given holiday-impacted liquidity and potential for erratic price behaviour.
- 

### 5 Day Outlook Scenarios

Scenario	Probability	Description
Range continuation	High	Sideways trade between 1.1700–1.1850
Bullish extension	Medium	Break above 1.1860 towards 1.1950
Bearish correction	Low	Drop below 1.1665 towards 1.1580

---

## Summary

- **Fundamental / Economic verdict:**  
A neutral-to-slightly supportive backdrop for EURUSD, with diminishing US dollar tailwinds and no strong ECB-driven downside pressure.
- **Technical verdict:**  
Constructive but consolidative technical structure, favouring dip-buying within a defined range.

Overall, EURUSD is expected to **remain range-bound with a mild bullish bias** over the next five days, with intraday opportunities best suited to tactical, risk-managed positioning rather than trend chasing.

---

EURUSD Chart



Economic News relating to EURUSD



December 31

13:30 Initial Jobless Clm \* ▾



Forecast: 220 KPerson

Prior: 214 KPerson

January 5

15:00 ISM Manufacturing PMI ▾



Forecast: 48.3 Index

Prior: 48.2 Index

January 6

14:45 S&P Global Comp PMI Final ▾



Prior: 54.2 Index (diffusion)

15:00 ISM N-Mfg PMI ▾



Forecast: 52.4 Index

Prior: 52.6 Index

January 7

13:15 ADP National Employment ▾



Forecast: 45 KPerson

Prior: -32 KPerson

15:00 JOLTS Job Openings ▾



Forecast: 7.751 MPerson

Prior: 7.67 MPerson

January 8

10:00 Consumer Confid. Final \* ▾



Forecast: -14.6 Net balance

Prior: -14.2 Net balance

10:00 Unemployment Rate ▾



Forecast: 6.4%

Prior: 6.4%

13:30 Initial Jobless Clm \* ▾



[More events >](#)





# ***The Daily Fib***

**Daily Fibs for the FX Market**

[Fibbinarchie.com](http://Fibbinarchie.com)

*secundum Liber Abaci  
Praemonitus, Praemunitus  
Fibbinarchie*