

Currency outlook for the Week 15 Dec – 19 Dec 25-Venkat's Blog

#syfx.org #Dollar Index #EUR #GBP #JPY

Dollar index (DXY)



(Chart image source: TradingView.com)

The Dollar index stayed under pressure after having breached the long-term trend line support as well as the ascending channel support at 99.45. As noted in the previous blog, the Index would drift towards 98.50 has happened. Only a daily close above 100.40 would lead to higher levels. The outlook for DXY seems to be neutral to negative even after the FED rate cut. We can expect a consolidation between 97.40 & 99.10. Only a breach on either side will attract attention for a review. Crucial levels to watch are the support at 98.05 & 97.40 and resistance at 99.10 followed by 99.50. The oscillators are showing mixed signals. We can't expect any major rebound as the Dollar Index is consolidating in the range of 96.40-99.40 from June 25 with marginal breaches a couple of time. Will it break below 96.30? - is a big question as of now. The technical signals do suggest such probability.

EUR



(Chart image source: TradingView.com)

The currency-pair made decent progress for the second week after it broke out of the descending channel after 10 weeks of gradual drift. The currency pair made a bullish candle. The currency pair moved in a range of 1.1615 & 1.1762, forming a positive candle. A break and a daily close above 1.1770 required for further upside. Expected range for the week 1.1660-1.1870 with a positive bias. Any breach of this range would see a quick move of 70 100 pips.

Disclaimer: The views expressed here are personal and not connected to SYFX Treasury Foundation. The views are for learning and reference purpose only.

GBP



(Chart image source: TradingView.com)

The currency pair made a bullish candle with higher low and higher high and also closed above 1.3370 which is the descending channel top. The potential for this break-out is 350 pips which ideally should help the currency pair to hit the Jun/Sep highs. Any decline towards 1.3310 is likely to be met with demand. The current set-up suggests that the currency pair is likely to consolidate in the range of 1.3310 1.3510 with a positive bias. Breach on either side would make the pair move by another 75-100 pips in the direction of breach.

JPY



(Chart image source: TradingView.com)

The currency pair is moving in an ascending channel with lower end support at 152.75 and the top of the channel at 158.10 and the middle range of 155.40. The currency pair after consolidating for 2 weeks, is making attempts to re-entre the resistance zone at around 157.80-158.00 range. It formed a bullish candle. The previous down move in Jan 25 started from 158.85 and slipped all the way to 140. It remains to be seen whether the currency pair will be replicating similar move this time as well. The oscillators showing mixed signals. We can expect a consolidation in the range of 154.45-158.10. Only a daily close below 154.40 could signal possibilities of lower range. We may see volatile sessions with stops getting triggered on either side.

#Stay safe

Disclaimer: The views expressed here are personal and not connected to SYFX Treasury Foundation. The views are for learning and reference purpose only.