



STAT EDGE

Forex Weekly Research Report

11 January 2025

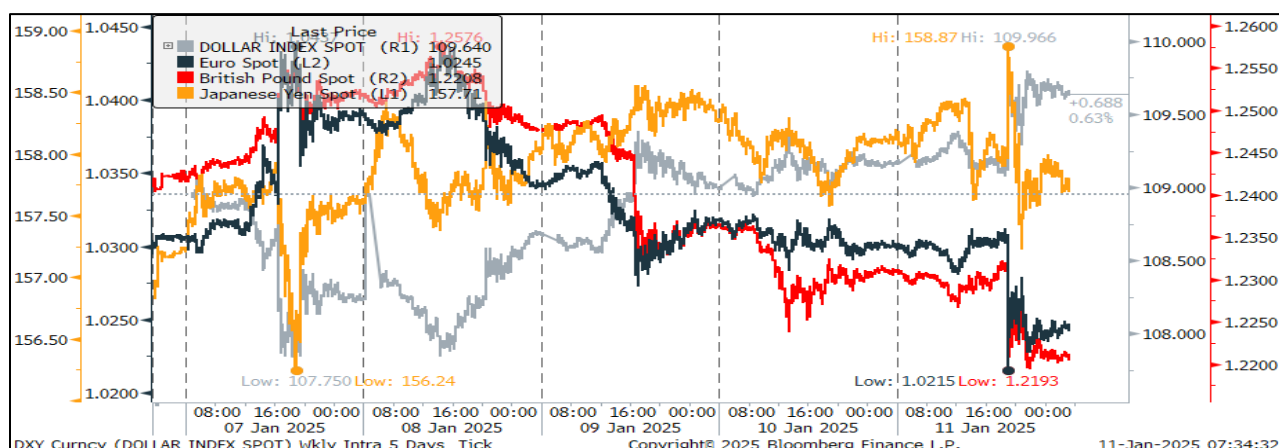
Forex Weekly Research Report

Market Summary & Outlook:

- A gauge of the U.S. dollar rose sharply following the release of the December jobs report, which showed that the U.S. economy had added more jobs than expected, marking the largest monthly increase since March 2023. This stronger-than-anticipated jobs data led investors to reassess their expectations regarding future Federal Reserve monetary policy, particularly with regard to interest rate cuts. The December jobs report revealed that the U.S. economy added 223,000 jobs in December, a significant rebound compared to prior months. This exceeded analysts' predictions and was the biggest gain since March 2023. The unemployment rate remained at 3.5%, near its historic lows, signaling ongoing strength in the labour market despite concerns over a potential economic slowdown.
- In the past week, the ICE U.S. Dollar Index increased by 0.64%, reaching a level of 109.65, while the yield on 10-year Treasuries rose to 4.76%. Among the major currencies, the British pound experienced the most significant losses against the U.S. dollar. This sharp decline was attributed to deteriorating economic conditions in the UK. Rising energy prices, combined with ongoing challenges within the British economy, placed additional pressure on the pound. The UK continues to face high inflation, sluggish economic growth, and concerns over potential energy shortages, all of which have undermined investor confidence in the British currency.
- In the broader market context, the euro and other currencies also weakened against the dollar, though their losses were less pronounced compared to the pound. The strength of the U.S. dollar during this period reflects a more resilient U.S. economy in comparison to several other global economies, as well as expectations that the Federal Reserve might adopt a more cautious approach to reducing interest rates in the near future.
- Going Ahead outlook for the greenback continued to remain bullish amid risk-averse sentiments and favourable fundamentals.

Currency Performance			
Currency	10-Jan-25	03-Jan-25	% Change
Dollar Index Spot	109.65	108.95	0.64%
Euro Spot	1.0244	1.0308	-0.62%
British Pound Spot	1.2207	1.2423	-1.74%
Japanese Yen Spot	157.73	157.26	0.30%
Chinese Yuan Spot	7.363	7.358	0.07%
USDINR	85.97	85.78	0.22%
EURINR	88.56	88.26	0.34%
GBPINR	105.77	106.41	-0.60%

Dollar Index, EURUSD, GBPUSD, USDJPY



Currency Performance and Level to Watch:

Currency	Weekly High	Weekly Low	Weekly Close	Weekly % Chg.	MTD % Chg.	QTD % Chg.	YTD % Chg.
Dollar Index	109.97	107.75	109.65	0.64%	1.07%	1.07%	1.16%
EURUSD Spot	1.0437	1.0215	1.0244	-0.62%	-1.06%	-1.06%	-0.01%
EURINR Spot	89.44	88.29	88.56	-0.27%	0.72%	0.72%	-0.64%

Currency	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3
Dollar Index	109.12	104.69	106.91	108.28	110.49	111.34	113.55
EURUSD	1.0299	0.9855	1.0077	1.016	1.0382	1.0521	1.0743
EURINR	88.76	86.47	87.61	88.09	89.24	89.91	91.06

Forex Weekly Research Report

Technical Outlooks:

Dollar Index View:

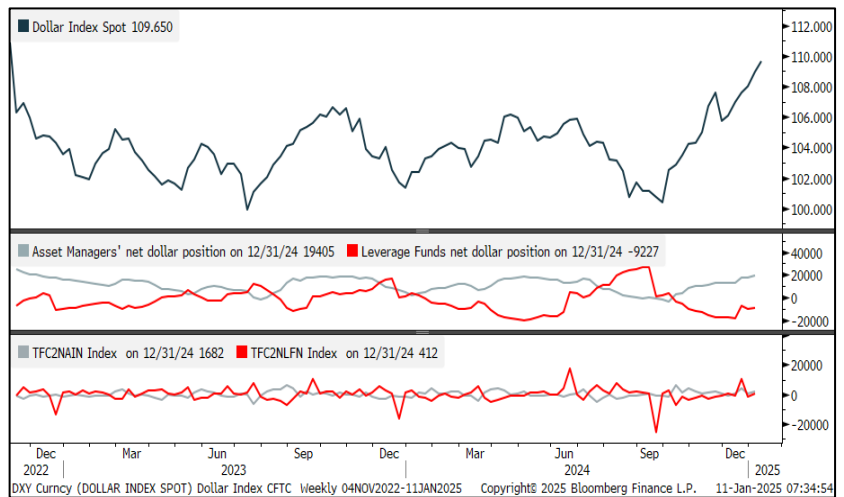
- The dollar closed marched towards the psychological level of 110.
- On the weekly chart, the relative strength index (RSI) entered the overbought zone.
- It has been trading well above the major moving averages on all time frames.
- The index has support at 107.30 and resistance at 110.10

Spot EURINR: Bearish

Sell below 88 SL 89 Target 86.70



Non-commercial long positions trimmed to \$26.6 bn



Market Faces Fading Prospect of Fed Rate Cuts

Fed Funds Target Almost at Two-Year Yield



Equity Weekly Research Report

Economic Calendar					
Date	Country	Event	Period	Survey	Prior
13-Jan	China	Trade Balance	Dec	\$100.00b	\$97.44b
	India	CPI YoY	Dec	5.30%	5.48%
14-Jan	US	Federal Budget Balance	Dec	-\$73.8b	-\$366.8b
	Japan	Trade Balance BoP Basis	Nov	-¥19.1b	-¥155.7b
	India	Wholesale Prices YoY	Dec	2.20%	1.89%
	India	Trade Balance	Dec	-\$25800m	-\$37840m
15-Jan	UK	CPI YoY	Dec	2.60%	2.60%
	UK	CPI Core YoY	Dec	3.40%	3.50%
	UK	RPI YoY	Dec	3.80%	3.60%
	UK	House Price Index YoY	Nov	--	3.40%
	EC	Industrial Production SA MoM	Nov	0.30%	0.00%
	US	MBA Mortgage Applications	10-Jan	--	-3.70%
	US	Empire Manufacturing	Jan	3	0.2
	US	CPI YoY	Dec	2.90%	2.70%
16-Jan	US	Federal Reserve Releases Beige Book			
	Japan	PPI YoY	Dec	3.80%	3.70%
	UK	Monthly GDP (MoM)	Nov	0.20%	-0.10%
	UK	Industrial Production YoY	Nov	-1.00%	-0.70%
	UK	Manufacturing Production YoY	Nov	-0.40%	0.00%
	UK	Index of Services MoM	Nov	0.10%	0.00%
	UK	Construction Output YoY	Nov	0.10%	-0.70%
	UK	Trade Balance GBP/Mn	Nov	-£3700m	-£3718m
	EC	Trade Balance SA	Nov	--	6.1b
	US	Retail Sales Advance MoM	Dec	0.60%	0.70%
	US	Initial Jobless Claims	11-Jan	210k	201k
	US	Continuing Claims	04-Jan	1877k	1867k
	US	NAHB Housing Market Index	Jan	45	46
17-Jan	China	GDP YoY	4Q	5.00%	4.60%
	China	GDP SA QoQ	4Q	1.60%	0.90%
	China	Industrial Production YoY	Dec	5.40%	5.40%
	China	Retail Sales YoY	Dec	3.50%	3.00%
	China	Residential Property Sales YTD YoY	Dec	--	-20.00%
	EC	ECB Current Account SA	Nov	--	25.8b
	EC	CPI YoY	Dec F	2.40%	2.40%
	EC	CPI Core YoY	Dec F	2.70%	2.70%
	India	Foreign Exchange Reserves	10-Jan	--	\$634.6b
	US	Housing Starts	Dec	1325k	1289k
	US	Building Permits	Dec P	1460k	1493k
	US	Industrial Production MoM	Dec	0.30%	-0.10%
	US	Capacity Utilization	Dec	77.00%	76.80%
	US	Manufacturing (SIC) Production	Dec	0.20%	0.20%

Disclaimer:

The information provided does not constitute, in any way, a solicitation or inducement to buy or sell securities and similar products. Comments and analysis reflect the views of STAT EDGE CAPITAL at any given time and are subject to change at any time. Moreover, they cannot constitute a commitment or guarantee from STAT EDGE CAPITAL. The recipient acknowledges and agrees that by their very nature, any investment in a financial instrument is random; therefore, any such investment constitutes a risky investment for which the recipient is solely responsible. It is specified that the past performance of a financial product does not prejudice in any way its future performance. The foreign exchange market and financial derivatives such as futures, CFDs (Contracts for Difference), warrants, turbos, or certificates involve high risk. They require a good level of financial knowledge and experience. STAT EDGE CAPITAL recommends the consultation of a financial professional who would have perfect knowledge of the financial and patrimonial situation of the recipient of this message and would be able to verify that the financial products mentioned are adapted to the said situation and the financial objectives pursued. STAT EDGE CAPITAL recommends reading the "risk factors" section of the prospectus for any financial product mentioned.