



# Global FX Outlook

DECEMBER  
2025

convera



# Key insights

## Stress signals mount into year-end

Volatility is building across financial markets as a confluence of negative forces weighs on sentiment. Delayed US data has clouded the economic picture, leaving investors without a clear compass. Fed rate expectations are swinging wildly. Stress in crypto markets is spilling into equities, which are also under growing pressure amid fears of an AI bubble. The result is a foggy landscape where risk appetite is fragile.

The end of the 43-day government shutdown offered temporary relief, but with funding only secured through January 30, the prospect of renewed disruption lingers — leaving investors wary that the truce may not hold.

Equity and bond volatility gauges are climbing in tandem, underscoring an uncertain backdrop and putting investors on edge. The MSCI global stock index has endured its worst month in eight, highlighting the breadth of risk aversion.

As for FX, US dollar resilience has been the name of the game of late, but seasonal headwinds and the prospect of a Fed rate cut in December could temper that strength, opening the door for selective rebounds in major peers.

This monthly guide provides analysis of the global trends and events driving FX volatility, to help SMEs and corporates uncover the potential opportunities or risks involved with cross-border trade. We hope that with better access to insights, more informed international trade and payment strategies may lead to better financial outcomes for our customers.

US



The US dollar index hit a six-month high in November amidst renewed safe haven appeal and uncertainty over the Fed's easing trajectory.

EU



Despite falling almost 4% from 2025 peaks, EUR/USD spot remains 2.4% above its year-to-date average. Options markets signal volatility is set to rise into year-end.

UK



The pound slipped to more than a two-year low versus the euro with GBP/EUR offering the cleaner expression of downside risk amidst ongoing UK macro and political headwinds.

Australia



AUD/USD has fallen for two months straight, notching three-month lows near 0.64. As a high-beta currency, the Aussie has felt the pinch of fragile risk sentiment.

# Global economic outlook

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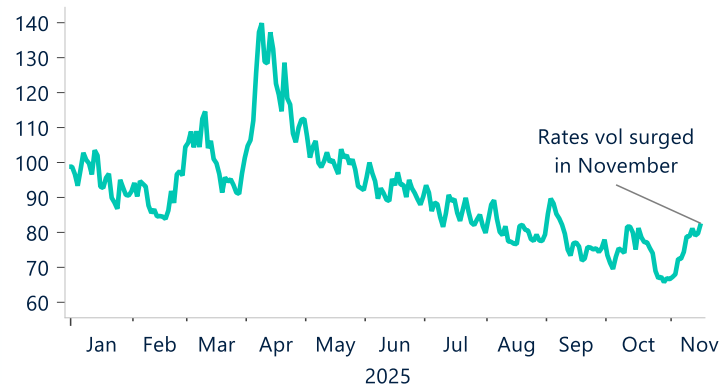
# Key market themes to watch

## Third cut in question

Amid a backlog of data slowly released following the end of the longest shutdown in US history, uncertainty over whether the Fed will cut or hold steady in December is at its highest. The MOVE index - on a one-month horizon - is up 15% so far in November. What aggravates this uncertainty is a US economy that, despite a softer labor market, continues to prove resilient, alongside inflation still above target. And with the post-Covid neutral rate considered higher by many, investors are questioning whether the criteria justify a third consecutive cut.

### Interest rate volatility is on the rise again

Fixed income volatility (MOVE index)



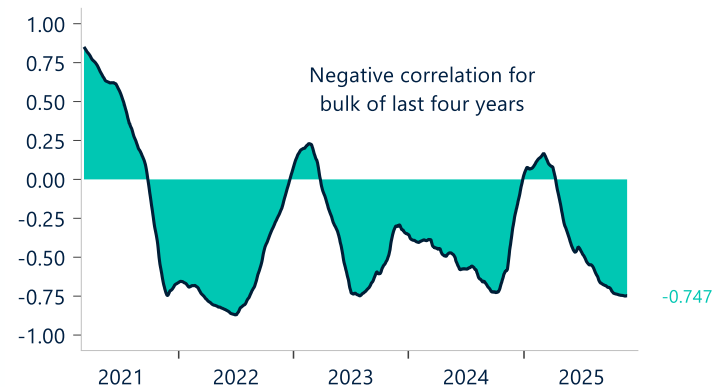
Source: Convera, Macrobond

## Peace hopes lift FX

Sanctions seem to have nudged Russia toward greater interest in a peace deal, with the US distancing itself from maximalist demands and Zelenskyy expected in Washington later this month for talks with Trump. Details from Geneva remain scarce, but sentiment is cautiously upbeat. If momentum builds, FX markets could react: CEE currencies stand to gain, the euro may benefit from lower oil prices, while the dollar could face mild headwinds as a resolution softens the advantage of US energy independence.

### Euro should benefit from lower oil prices

12-month correlation between EUR/USD and oil prices



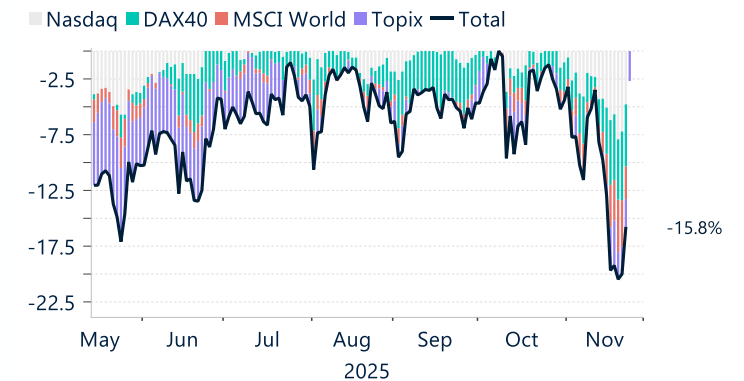
Source: Convera, Macrobond

## AI hype wavers

Nvidia's stronger-than-expected Q3 earnings did not placate investor concerns over frothy valuations tied to this year's AI euphoria. The government shutdown - which stripped away key data needed to gauge the US economy - amplified worries, feeding fears of overvaluations detached from economic reality. These concerns are likely to persist at least until the outlook for the US economy becomes clearer, with safe-haven assets set to benefit in the meantime.

### AI bubble fears add to market woes

Equity drawdown from recent peak in %



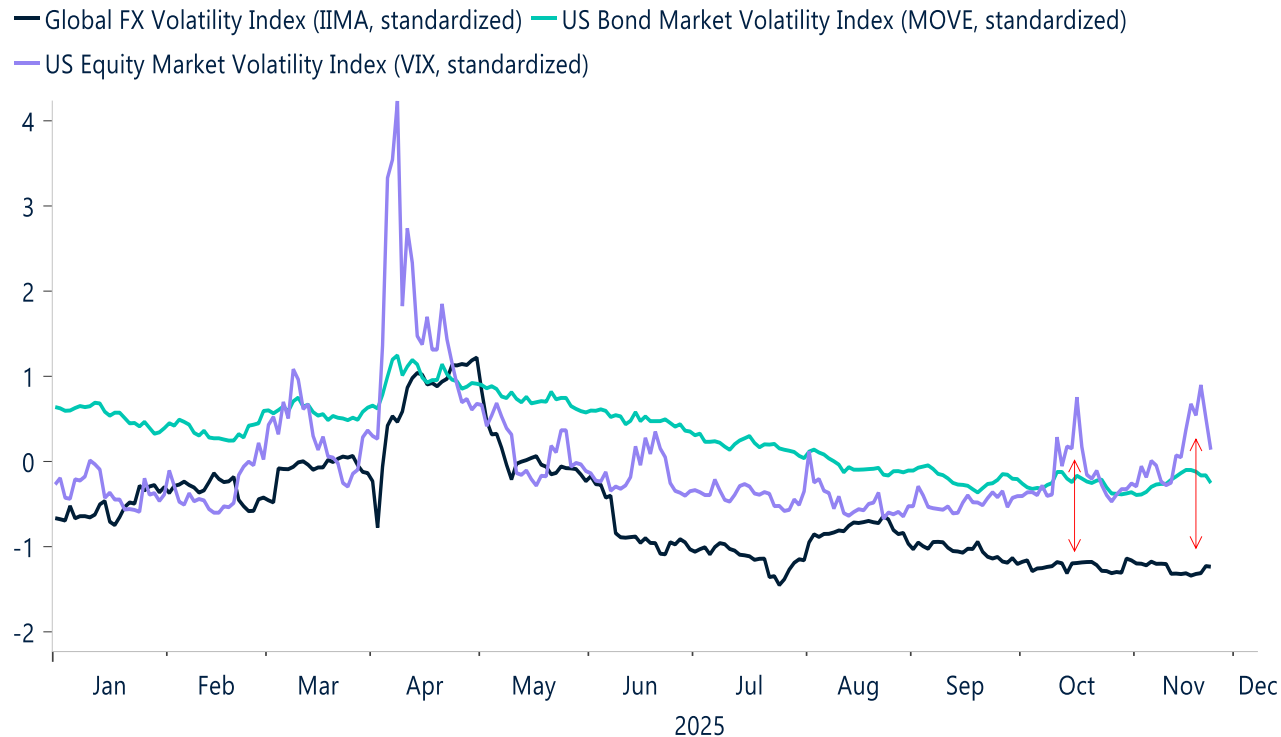
Source: Convera, Macrobond

Chart sources: Convera, Macrobond – November 25, 2025

# Theme in focus: Equity storm meets FX lull

## Equity turbulence rises in Q3, FX volatility rest at historic lows

US bond & equity market and global FX volatility year-to-date

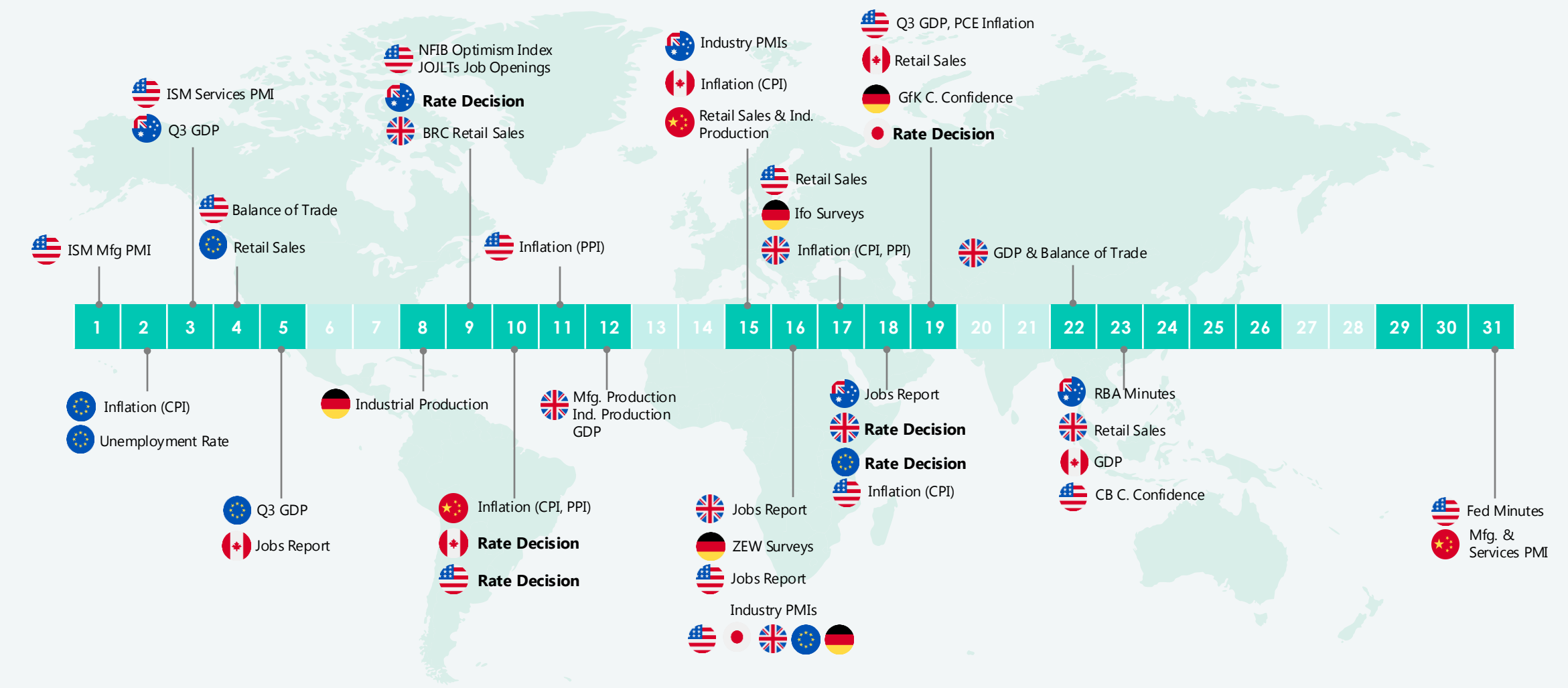


Source: Convera, Macrobond

- Coinciding with the U.S. government shutdown and delays in key macro reports, Q3 saw FX markets continue their quiet dance, even as equities experienced two sharp bouts of volatility. The first came in October, driven by escalating tariff tensions between the U.S. and China. The second was more recent, sparked by concerns around whether valuations of big-tech high-flyers are truly justified or simply echoing the excesses of the dot-com bubble.
- At the same time, worries have been mounting in US dollar funding markets. The Standing Repo Facility (SRF) has seen historic usage, while the SOFR rate has climbed under funding pressures, adding another layer of unease.
- Meanwhile, expectations around the Fed's next move at its December 10 meeting have swung wildly: from nearly 80% in mid-October, down to 30% after hawkish remarks from Chair Powell, and back above 60% following comments from New York Fed President John Williams. To make things more complex, US payrolls report for the month of November will be released a week after the Fed meeting.
- Markets clearly remain uncertain. The question now is whether this closely contested Fed meeting, and/or the labor market report will serve as the catalyst that reignites FX volatility, or if we're set to sail into the new year on calm waters.

# Key market events to watch

December 2025



Source: Convera, Bloomberg – November 26, 2025. Dates GMT.



# UK currency outlook

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# GBP volatility analysis



## GBP/JPY close to 2016 highs

Chart: GBP 30-day, year-to-date trading range



	Spot	High 30D	Low	High YTD	Low	Trading range		Position within the range	
						30D	YTD	30D	YTD
GBP/JPY	205.5	206.8	199.0	206.8	184.3	3.9%	12.2%	83%	94%
GBP/ZAR	22.67	23.13	22.30	25.47	22.30	3.7%	14.2%	45%	12%
GBP/NZD	2.335	2.345	2.280	2.352	2.168	2.9%	8.5%	85%	91%
GBP/AUD	2.027	2.051	1.995	2.164	1.959	2.8%	10.5%	57%	33%
GBP/USD	1.310	1.337	1.301	1.378	1.21	2.8%	13.9%	25%	60%
GBP/CNY	9.311	9.515	9.273	9.875	8.873	2.6%	11.3%	16%	44%
GBP/CHF	1.059	1.063	1.036	1.150	1.036	2.6%	11.0%	85%	20%
GBP/NOK	13.41	13.47	13.14	14.34	13.14	2.5%	9.1%	82%	23%
GBP/CAD	1.848	1.872	1.832	1.891	1.745	2.2%	8.4%	40%	71%
GBP/EUR	1.137	1.148	1.128	1.213	1.128	1.8%	7.5%	45%	11%

- Overall, the pound has been weighed down by domestic fiscal concerns, softer growth signals, and rising volatility, even as seasonal resilience around year-end offers a potential counterbalance. Easing inflation and cooling aggregate demand have raised bets of BoE easing, reducing the pound's yield appeal.
- GBP/USD** is still holding firm around \$1.30, yet upside momentum remains capped by the 21-day moving average at \$1.3184. The dollar's rebound and UK macro and political headwinds have kept the downside bias intact over the past few months.
- GBP/EUR** is hovering near two-year lows close to €1.13 having been above €1.21 in Q1. The pair has dropped for six months straight as UK fiscal fears ramp up, and BoE easing bets rise versus as ECB that's likely ended its easing cycle.
- GBP/JPY** has risen for three months straight and is back in the top 10% of YTD trading range. The pound is not far from its highest level since 2016 against the yen, due to the widening UK-JP interest rate differential.

Source: Bloomberg, Convera – November 25, 2025

# GBP value indicator



## GBP/EUR trading over 3% below 2-year average

Chart: GBP performance versus year-to-date, 1, 2, and 5-year averages

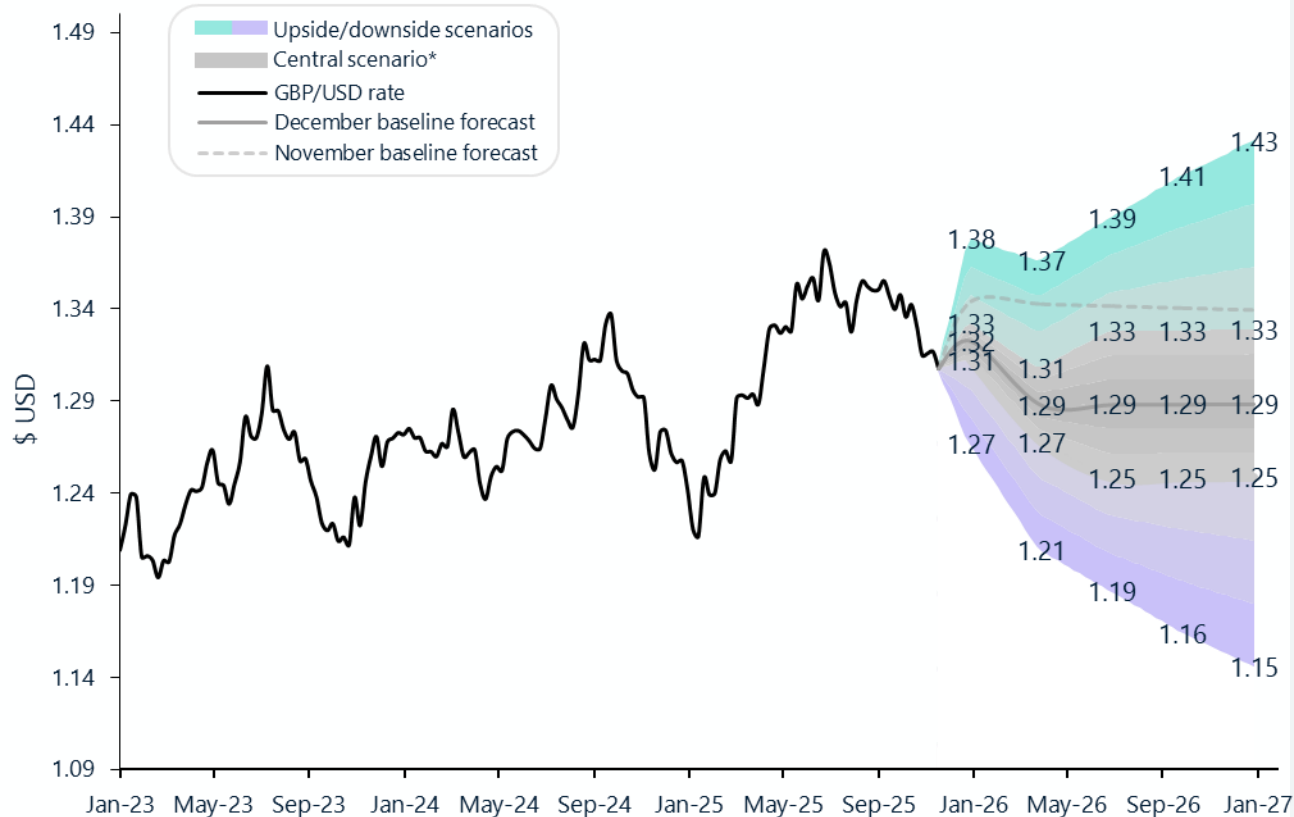
● Appreciation ● Depreciation

Spot (As of 25.11.2025)		Spot vs			
		YTD average	1-year average	2-year average	5-year average
GBP/JPY	205.5	4.8% Avg.: 196.0	4.9% Avg.: 195.8	5.9% Avg.: 194.1	17.9% Avg.: 174.3
GBP/NZD	2.335	3.3% Avg.: 2.260	3.6% Avg.: 2.252	7.3% Avg.: 2.175	13.9% Avg.: 2.050
GBP/CAD	1.848	0.4% Avg.: 1.841	0.6% Avg.: 1.836	3.3% Avg.: 1.788	7.6% Avg.: 1.718
GBP/USD	1.310	-0.5% Avg.: 1.316	-0.1% Avg.: 1.311	1.2% Avg.: 1.294	1.5% Avg.: 1.290
GBP/AUD	2.027	-1.0% Avg.: 2.047	-0.7% Avg.: 2.041	2.1% Avg.: 1.984	7.3% Avg.: 1.888
GBP/CNY	9.311	-1.8% Avg.: 9.483	-1.5% Avg.: 9.453	-0.1% Avg.: 9.318	4.4% Avg.: 8.921
GBP/EUR	1.137	-2.9% Avg.: 1.170	-3.2% Avg.: 1.174	-3.3% Avg.: 1.175	-2.5% Avg.: 1.166
GBP/CHF	1.059	-3.5% Avg.: 1.097	-3.7% Avg.: 1.100	-4.7% Avg.: 1.111	-8.5% Avg.: 1.157

- Sterling no longer as favorably positioned when measured against its long-term averages versus most major currencies. Domestic conditions have turned more fragile, and rising policy uncertainty is starting to erode investor confidence in the pound's resilience.
- **GBP/USD** still sits over 1% above its two- and five-year averages, but pales in comparison to the more than 5% advantage it had early this year.
- **GBP/JPY** is still above all major long-term moving averages and sits almost 18% above its five-year average. This reflects widening rate differentials and the ongoing carry trade hurting the yen.
- **GBP/CHF** has faced a more challenging year though. The pair remains 8% below its five-year average despite the threat of negative Swiss interest rates, suggesting the traditional haven status of the franc remains intact.
- **GBP/EUR** is also trading below its key long-term moving averages – 3.3% below its two-year average - as fiscal risk premium is baked into sterling's valuation.

Source: Bloomberg, Convera – November 25, 2025. Note: YTD average refers to the following time periods: 01.01.2025 - 25.11.2025; 1Y: 25.11.2024 - 25.11.2025; 2Y: 24.11.2023 - 25.11.2025; 5Y: 26.11.2020 - 25.11.2025.

# GBP/USD future scenarios



## Upside scenario: US confidence crisis

- Geopolitical risks ease and growth outlook improves, boosting pro-cyclical GBP, or trade war escalates and hurts the US economy more than peers.
- The BoE keeps interest rates elevated due to resilient UK data and persistent services inflation, whilst Fed forced to cut on recession risks.

## Central scenario: Growth and rate uncertainty

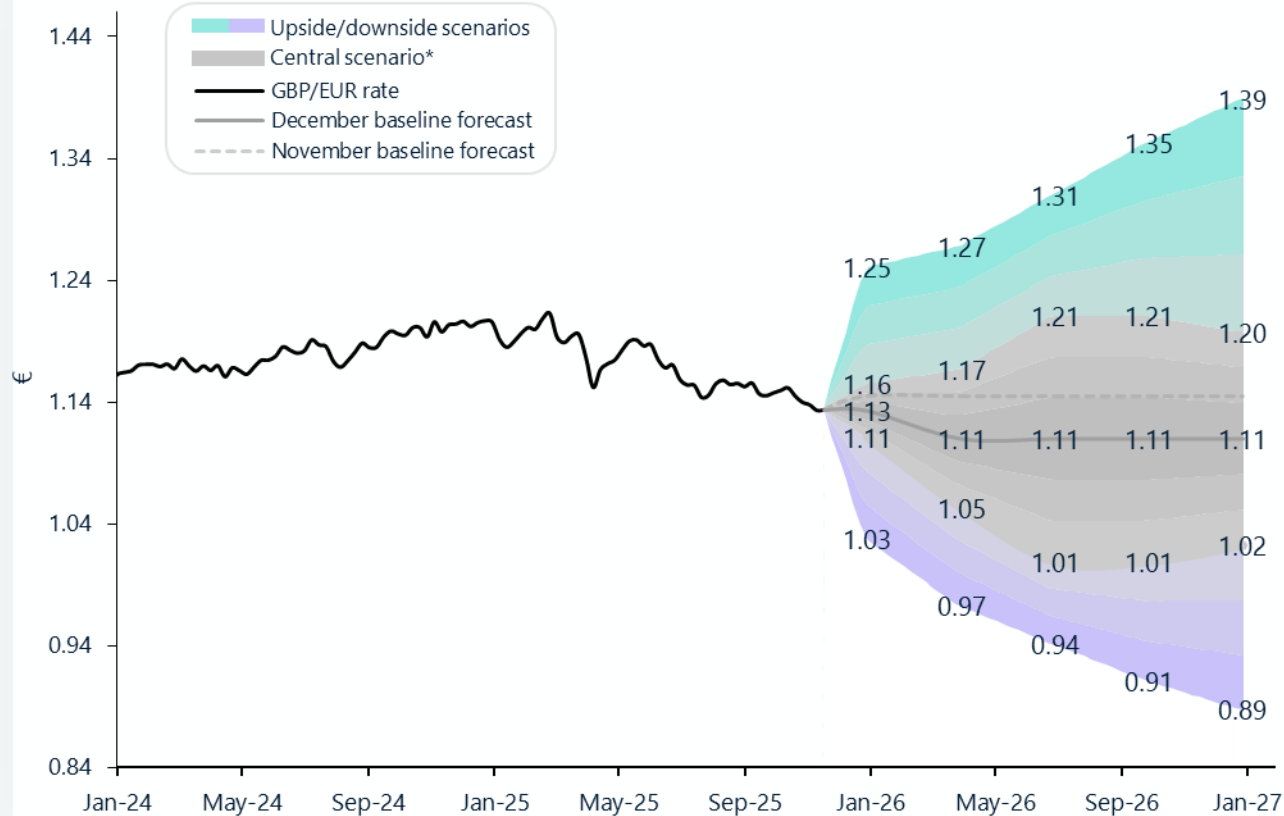
- Fed cuts rates more than BoE to tackle weak labor market, allowing sterling to edge up to higher band of central scenario.
- Or US economy proves resilience whilst UK outlook weakens, meaning UK - US rate spread falls, dragging cable under \$1.30.

## Downside scenario: UK confidence crisis

- BoE forced to cut interest rates more as UK falls into recession and confidence crisis in UK policy as government borrowing costs soar higher.
- Risk sentiment sours due to external global risks, both geopolitical and financial, challenging sterling and USD emerges as safe haven again.

Chart sources: Oxford Economics, Bloomberg, Convera – November 25, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
\*+/-1 standard deviation from baseline (68% chance rate falls within this range)

# GBP/EUR future scenarios



## Upside scenario: Hawkish BoE and positive UK

- BoE keeps interest rates high amid stronger UK economy and sticky inflation, whilst ECB forced to cut again amid disinflationary impulse accelerating.
- Meanwhile, the Eurozone is hit hard by US tariffs as US-EU trade war escalates.

## Central scenario: Risk appetite chops and changes

- The euro is seen as a safer bet than the pound in the global trade war thanks to its liquidity and EZ fiscal stimulus and current account surplus.
- The pound is more sensitive to risk aversion and elevated volatility so developments here could cap sterling upside.

## Downside scenario: European exceptionalism

- Historic fiscal reforms translate to stronger Eurozone economic growth, and more demand for European assets amidst global trade and policy risks.
- BoE forced to cut rates more than currently priced in by markets, eroding sterling's yield advantage, whilst ECB rate hike chatter begins to emerge.

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# EU currency outlook

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# EUR volatility analysis



## Muted euro sentiment leaves peers with greater directional power

Chart: EUR 30-day, year-to-date trading range



	Spot	High 30D	Low	High YTD	Low	Trading range		Position within the range	
						30D	YTD	30D	YTD
EUR/JPY	180.7	182.0	175.7	182.0	154.8	3.6%	17.6%	79%	95%
EUR/NZD	2.053	2.065	2.007	2.065	1.811	2.9%	14.0%	79%	95%
EUR/AUD	1.782	1.793	1.756	1.855	1.635	2.1%	13.5%	70%	67%
EUR/GBP	0.879	0.886	0.870	0.886	0.824	1.8%	7.5%	56%	89%
EUR/SEK	11.00	11.07	10.88	11.53	10.66	1.7%	8.2%	63%	39%
EUR/USD	1.152	1.166	1.146	1.191	1.014	1.7%	17.5%	30%	78%
EUR/CZK	24.16	24.42	24.00	25.31	24.00	1.8%	5.5%	38%	12%
EUR/CHF	0.931	0.933	0.917	0.966	0.917	1.7%	5.3%	88%	29%
EUR/CNY	8.187	8.294	8.167	8.468	7.383	1.6%	14.7%	16%	74%
EUR/CAD	1.625	1.634	1.614	1.646	1.468	1.2%	12.1%	55%	88%

- The euro's own strength has weakened over the past few months, leaving price action increasingly driven by counterpart currencies. France's political instability remains a key issue, while Germany's underwhelming economic backdrop continues to weigh, offering little support to the common currency.
- **EUR/JPY** led volatility in November, with broad JPY weakness on concerns over PM Takaichi's ambitious spending plans and pressure on the BoJ to maintain easy policy despite rising debt and inflation. The yen strengthened after the stimulus approval as intervention risks grew.
- In **EUR/GBP**, sterling did most of the heavy lifting. The pair was dragged higher on increased bets of further BoE easing amid a soft macro backdrop and easing (though still elevated) inflation. Gains were pared later in the month as heavy GBP short positions were trimmed, pushing sterling higher ahead of the budget.
- **EUR/USD** price action was largely lifeless through November. The lack of US government data - only now slowly returning - stripped the pair of any decisive directional impetus.

Source: Bloomberg, Convera – November 25, 2025

# EUR value indicator



## Euro year-to-year outperformance hinges on fragile ground

Chart: EUR performance versus year-to-date, 1, 2, and 5-year averages

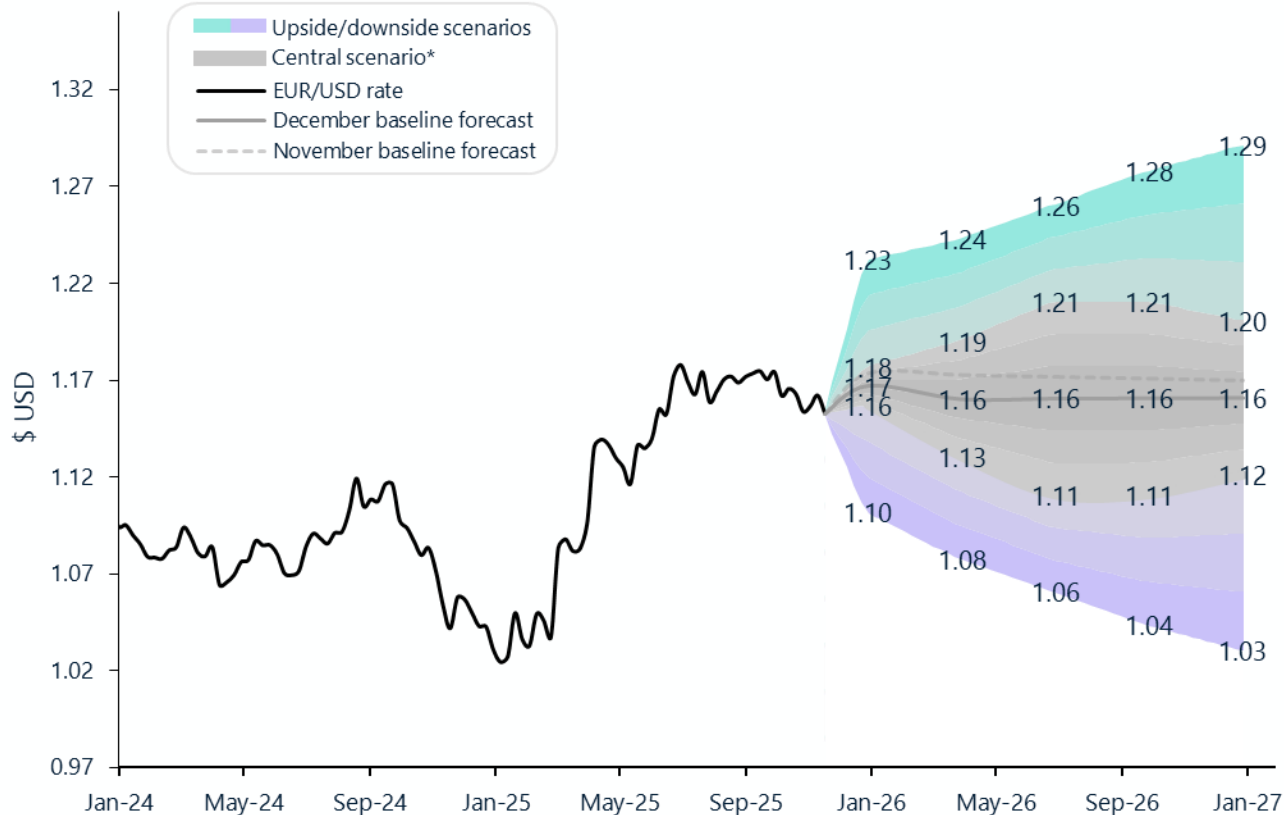
● Appreciation ● Depreciation

	Spot (As of 25.11.2025)	Spot vs			
		YTD average	1-year average	2-year average	5-year average
EUR/JPY	180.7	7.8% Avg.: 167.5	8.3% Avg.: 168.8	9.4% Avg.: 165.2	20.9% Avg.: 149.4
EUR/NZD	2.053	6.3% Avg.: 1.931	6.9% Avg.: 1.920	10.9% Avg.: 1.801	16.8% Avg.: 1.758
EUR/CAD	1.625	3.3% Avg.: 1.573	3.9% Avg.: 1.564	6.7% Avg.: 1.522	10.3% Avg.: 1.473
EUR/GBP	0.879	2.9% Avg.: 0.854	3.2% Avg.: 0.851	3.3% Avg.: 0.851	2.5% Avg.: 0.857
EUR/USD	1.152	2.4% Avg.: 1.125	3.1% Avg.: 1.117	4.5% Avg.: 1.102	4.1% Avg.: 1.106
EUR/AUD	1.782	1.8% Avg.: 1.749	2.5% Avg.: 1.739	5.5% Avg.: 1.689	10.0% Avg.: 1.619
EUR/CHF	0.931	-0.7% Avg.: 0.937	-0.6% Avg.: 0.936	-1.5% Avg.: 0.945	-6.2% Avg.: 0.992
EUR/CZK	24.16	-2.3% Avg.: 24.73	-2.5% Avg.: 24.78	-3.0% Avg.: 24.91	-2.8% Avg.: 24.84

- The euro continues to outperform most peers, even as optimism from Germany's early-2025 spending promises has faded. Risks loom for 2026 as spot price action better realigns with fundamentals - eurozone rates remain one of the lowest in the G10 - while demand from dollar weakness is poised to wane.
- EUR/USD** spot remains 2.4% above its year-to-date average. That said, bullish momentum has clearly waned, with the likelihood of a bearish correction rising should the US economy continue to prove resilient, recalibrating expectations for the Fed's policy path.
- EUR/GBP** remains almost 3% above its year-to-date average, as risk premium has pressured GBP price action and detached the pair from rate differentials. The latter point to a more favorable setup for sterling, given relatively higher rates.
- EUR/CZK** stands out as a bearish outlier, with the pair reaching its lowest levels since summer 2023. Entrenched domestic price pressures - specifically rapid wage growth - and solid macro fundamentals relative to the eurozone justify the move, leaving the koruna well positioned to benefit from higher rates compared to peers.

Source: Bloomberg, Convera – November 25, 2025. Note: YTD average refers to the following time periods: 01.01.2025 - 25.11.2025; 1Y: 25.11.2024 - 25.11.2025; 2Y: 24.11.2023 - 25.11.2025; 5Y: 26.11.2020 - 25.11.2025.

# EUR/USD future scenarios



## Upside scenario: Fed independence at risk

- Political interference with the Fed's independence intensifies as a new Fed president - Trump's appointee - takes office in May. The dollar suffers from more aggressive easing as well as a built-up risk premium.
- Germany delivers on spending promises, lifting optimism and real growth for the country and the broader bloc.

## Central scenario: Cautious Fed

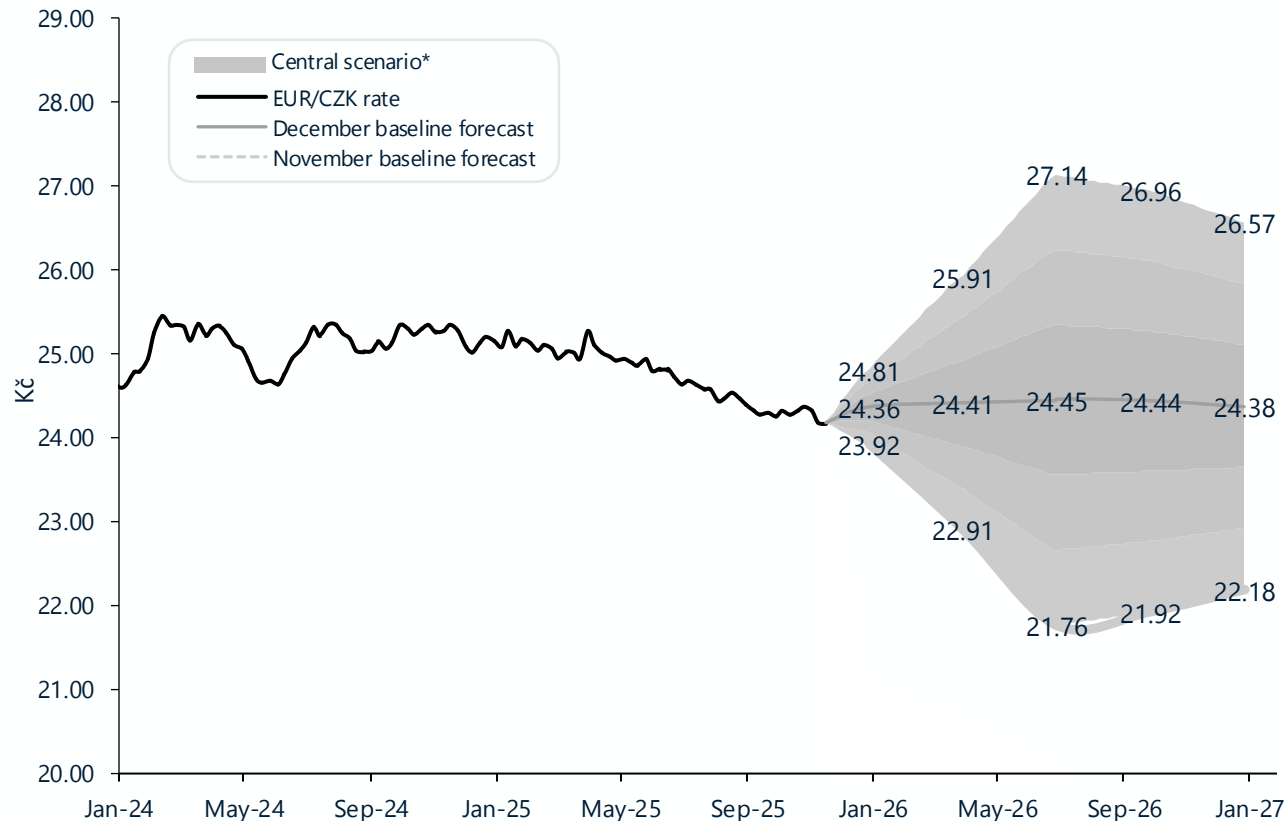
- The Fed cuts once or twice for the rest of the year, with no need for more aggressive easing as the economy stabilizes. Inflation remains sticky, driven both by tariffs and robust AI-buoyed spending.
- The ECB keeps rates unchanged as inflation steadies, while growth remains weak, partly to tariff drag.

## Downside scenario: No "we're in a good place" anymore

- Eurozone inflation undershoots on lower oil prices and weaker-than-expected growth, prompting the ECB to implement further easing, sending the euro lower.
- No cut from the Fed in light of a significantly resilient economy, while inflation stays somewhat elevated.

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# EUR/CZK future scenarios

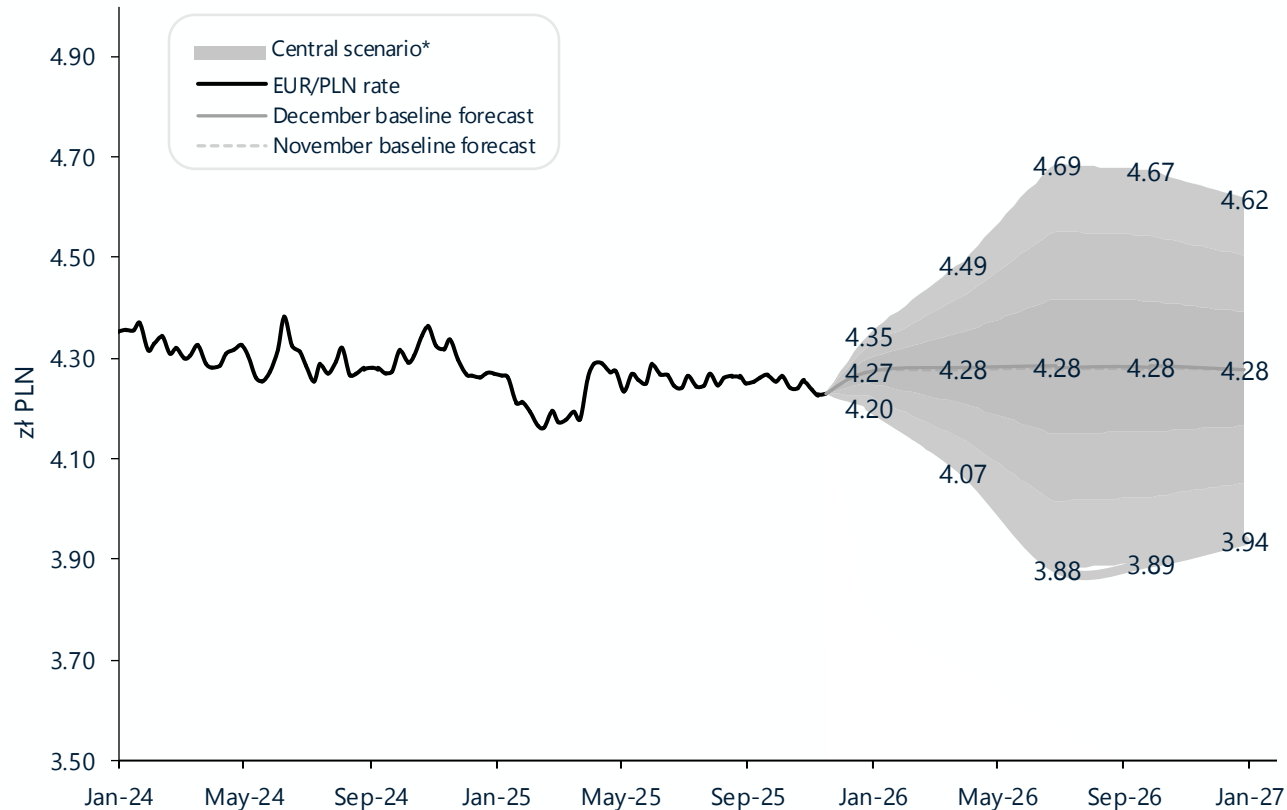


## Central scenario: Koruna rises on steady hawkishness

- EUR/CZK reached its lowest levels since summer 2023, bouncing off support at the critical 24.00 mark. The bearish trend remains intact, with the pair more than 4% lower year-to-date.
- The Czech National Bank has not cut rates since May, keeping policy tight at 3.5%. Governor Ales Michl stressed that “relatively tight” monetary policy remains necessary, with board members agreeing that holding steady carries minimal risk.
- Entrenched domestic price pressures – specifically tied to rapid wage growth - and solid macro fundamentals support this stance, leaving the koruna well positioned to benefit from higher rates relative to peers.
- Meanwhile, eurozone wage growth appears to be easing, raising the likelihood of further policy rate cuts later in 2026 as inflation undershoots target. This dynamic would weigh on the euro, given how underpriced further easing remains in current market pricing.

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# EUR/PLN future scenarios



## Central scenario: Zloty still attractive despite NBP cuts

- Bearish pressure picked up in October and November, with the pair breaking below the 4.24–4.28 range it had held for most of 2025. EUR/PLN is currently 0.6% lower month-to-date and more than 1% lower year-to-date.
- Despite a fifth consecutive rate cut by the Polish central bank in early November, the zloty outperformed as resilient domestic data and a relatively hawkish tone contrasted with broader eurozone softness.
- The Polish zloty continues to benefit from comparatively solid macro fundamentals - outperforming peers in CEE and the eurozone, supported, also, by relatively higher interest rates. Yet these factors are largely priced in, providing baseline support but limited scope for fresh bullish momentum through 2026.
- Greater hopes following US-brokered peace talks between Ukraine and Russia have so far boosted CEE FX disproportionately compared with the euro, adding further pressure on the pair.

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\*+/-1 standard deviation from baseline (68% chance rate falls within this range)



# APAC currency outlook

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# APAC volatility analysis



## Regional FX dispersion widens on divergent policy and growth paths

Chart: AUD 30-day, year-to-date trading range



	Spot	High 30D	Low	High YTD	Low	Trading range		Position within the range	
						30D	YTD	30D	YTD
NZD/USD	0.561	0.580	0.558	0.612	0.548	3.9%	11.7%	<div><div></div></div> 14%	<div><div></div></div> 20%
AUD/JPY	101.4	102.4	98.82	102.4	86.04	3.6%	19.0%	<div><div></div></div> 72%	<div><div></div></div> 94%
AUD/USD	0.646	0.661	0.642	0.670	0.591	3.0%	13.4%	<div><div></div></div> 21%	<div><div></div></div> 70%
NZD/AUD	0.868	0.885	0.859	0.938	0.859	3.0%	9.2%	<div><div></div></div> 35%	<div><div></div></div> 11%
NZD/EUR	0.487	0.498	0.484	0.552	0.484	2.9%	14.0%	<div><div></div></div> 21%	<div><div></div></div> 4%
AUD/CNY	4.591	4.697	4.565	4.763	4.352	2.9%	9.4%	<div><div></div></div> 20%	<div><div></div></div> 58%
AUD/GBP	0.493	0.501	0.487	0.510	0.461	2.9%	10.6%	<div><div></div></div> 43%	<div><div></div></div> 65%
AUD/EUR	0.561	0.569	0.557	0.611	0.539	2.2%	13.4%	<div><div></div></div> 33%	<div><div></div></div> 31%
USD/SGD	1.305	1.309	1.292	1.375	1.269	1.3%	8.4%	<div><div></div></div> 76%	<div><div></div></div> 34%
USD/CNY	7.100	7.133	7.092	7.351	7.092	0.6%	3.7%	<div><div></div></div> 20%	<div><div></div></div> 3%

- **AUD/JPY** leads regional volatility metrics with a 19.0% YTD range and 3.6% 30-day movement, highlighting persistent sensitivity to diverging central bank trajectories and shifting global growth expectations.
- **NZD** pairs exhibit elevated short-term volatility, with **NZD/USD** posting a 3.9% 30-day range and currently positioned 14% at its 30D range, reflecting ongoing reassessment of **RBNZ** policy stance and domestic growth dynamics.
- **USD/CNY** demonstrates remarkable stability at just 0.6% 30-day volatility and 3.7% YTD range, as policy-driven anchor mechanisms continue to dampen price action despite broader regional currency movements.
- Oceanic currency pairs remain focal points for regional FX volatility, with both **AUD** and **NZD** showing amplified reactions to shifting global policy narratives and domestic economic data releases.

Source: Bloomberg, Convera – November 25, 2025

# APAC value indicator



## AUD undervaluation signals room for multi-year mean reversion

Chart: AUD performance versus year-to-date, 1, 2, and 5-year averages

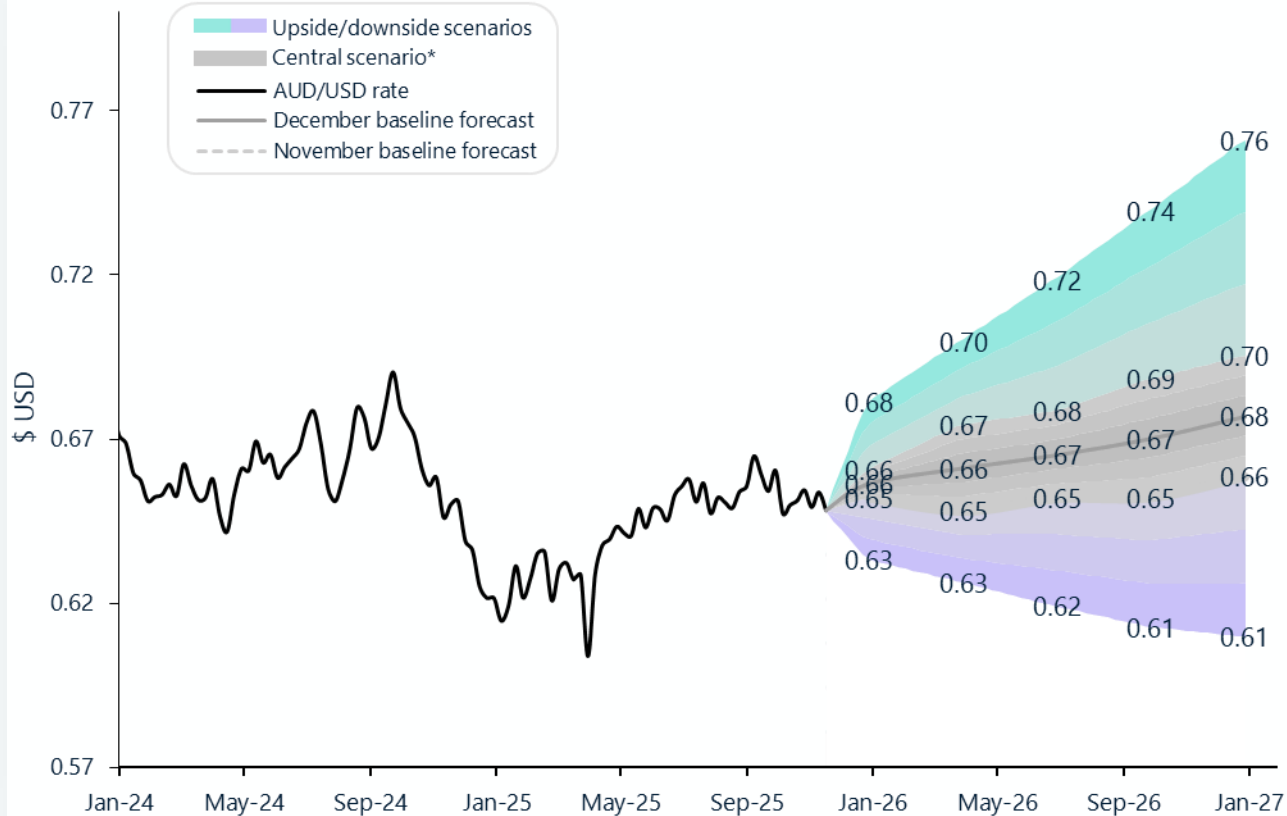
● Appreciation ● Depreciation

	Spot	Spot vs			
	(As of 25.11.2025)	YTD average	1-year average	2-year average	5-year average
AUD/JPY	101.4	5.9% Avg.: 93.76	5.7% Avg.: 93.97	3.6% Avg.: 97.88	10.0% Avg.: 92.15
AUD/NZD	1.152	4.3% Avg.: 1.104	4.3% Avg.: 1.104	5.1% Avg.: 1.095	6.1% Avg.: 1.085
AUD/CAD	0.911	1.3% Avg.: 0.899	1.3% Avg.: 0.899	1.1% Avg.: 0.901	0.1% Avg.: 0.910
AUD/GBP	0.493	0.9% Avg.: 0.488	0.6% Avg.: 0.490	-2.3% Avg.: 0.504	-7.2% Avg.: 0.530
AUD/USD	0.646	0.5% Avg.: 0.642	0.6% Avg.: 0.642	-1.0% Avg.: 0.652	-5.7% Avg.: 0.684
AUD/SGD	0.843	0.2% Avg.: 0.841	0.0% Avg.: 0.843	-2.4% Avg.: 0.863	-8.3% Avg.: 0.919
AUD/CNY	4.591	-0.8% Avg.: 4.630	-0.9% Avg.: 4.630	-2.2% Avg.: 4.696	-2.8% Avg.: 4.725
AUD/EUR	0.561	-1.9% Avg.: 0.571	-2.5% Avg.: 0.575	-5.4% Avg.: 0.592	-9.4% Avg.: 0.619

- **AUD** trades 7.2% below its five-year average versus **GBP** and 9.4% below versus **EUR**, creating substantial mean reversion potential despite Australia's solid economic fundamentals and supportive commodity backdrop.'
- Current **AUD** positioning shows 0.5% above 2025 YTD average versus **USD**, supported by recent dollar softness, yet material discounts persist across European crosses where policy divergence has created structural mispricing opportunities.
- **AUD/CNY** stands 0.8% below YTD average, reflecting broader regional currency dynamics and the contrast between China's accommodative policy stance alongside weak domestic demand pressures weighing on the Australian dollar.
- Value dislocations are most pronounced in **AUD/EUR** and **AUD/GBP**, where sustained policy divergence and European fiscal uncertainty have generated conditions for persistent undervaluation relative to multi-year equilibrium levels.
- The magnitude of valuation gaps suggests scope for meaningful appreciation in **Antipodean** currencies versus **European** counterparts, particularly as commodity prices stabilize and global trade conditions improve into the new year.

Note: YTD average refers to the following time periods: 01.01.2025 - 25.11.2025; 1Y: 25.11.2024 - 25.11.2025; 2Y: 24.11.2023 - 25.11.2025; 5Y: 26.11.2020 - 25.11.2025.

# AUD/USD future scenarios



## Upside scenario: Easing of tariff tensions

- The Australian government plans to boost growth prospects by compensating for cost savings with another significant fiscal easing.
- Easing of tariff tensions supports a rebound in risk assets and helps restore AUD-USD rate differentials to positive levels.

## Central scenario: Greenback recovers

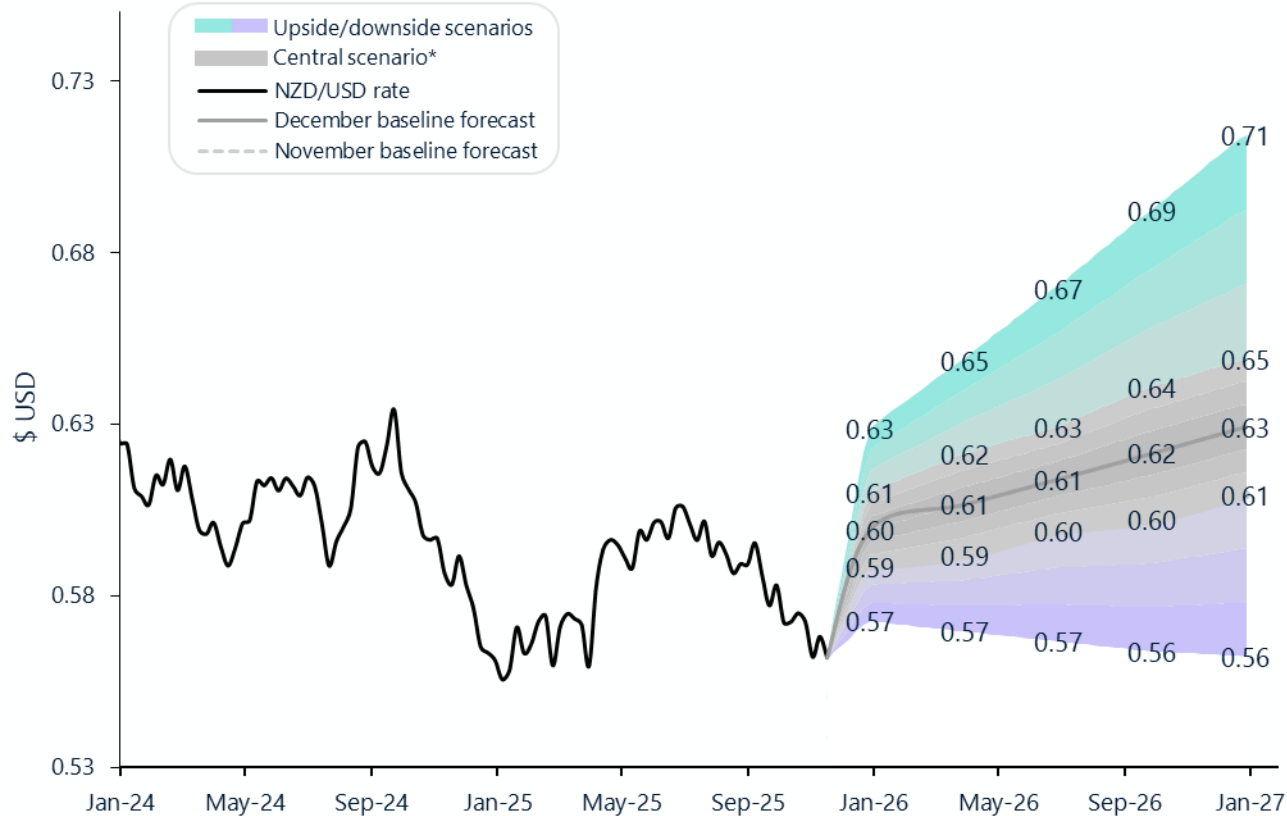
- The Australian dollar might rise in response to the Reserve Bank of Australia's resistance to a worldwide cycle of rate cuts.
- Although the RBA may hold steady in coming meetings, US rates are likely to remain above Australian rates, capping growth in the AUD/USD.

## Downside scenario: Escalation of tariffs - too fast too furious

- Escalation of tariffs happens more quickly or widely than anticipated.
- Concentrated weakening in Asian trade and commodities prices is caused by slower global growth.

Chart sources: Oxford Economics, Bloomberg, Convera – November 25, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
\*+/-1 standard deviation from baseline (68% chance rate falls within this range)

# NZD/USD future scenarios



## Upside scenario: Change in leadership at the RBNZ

- Immigration rises sharply as improving labor market conditions boost confidence.
- A change in leadership at the RBNZ opens the door to easing macroprudential and capital requirements.

## Central scenario: NZD susceptible to risk-off events

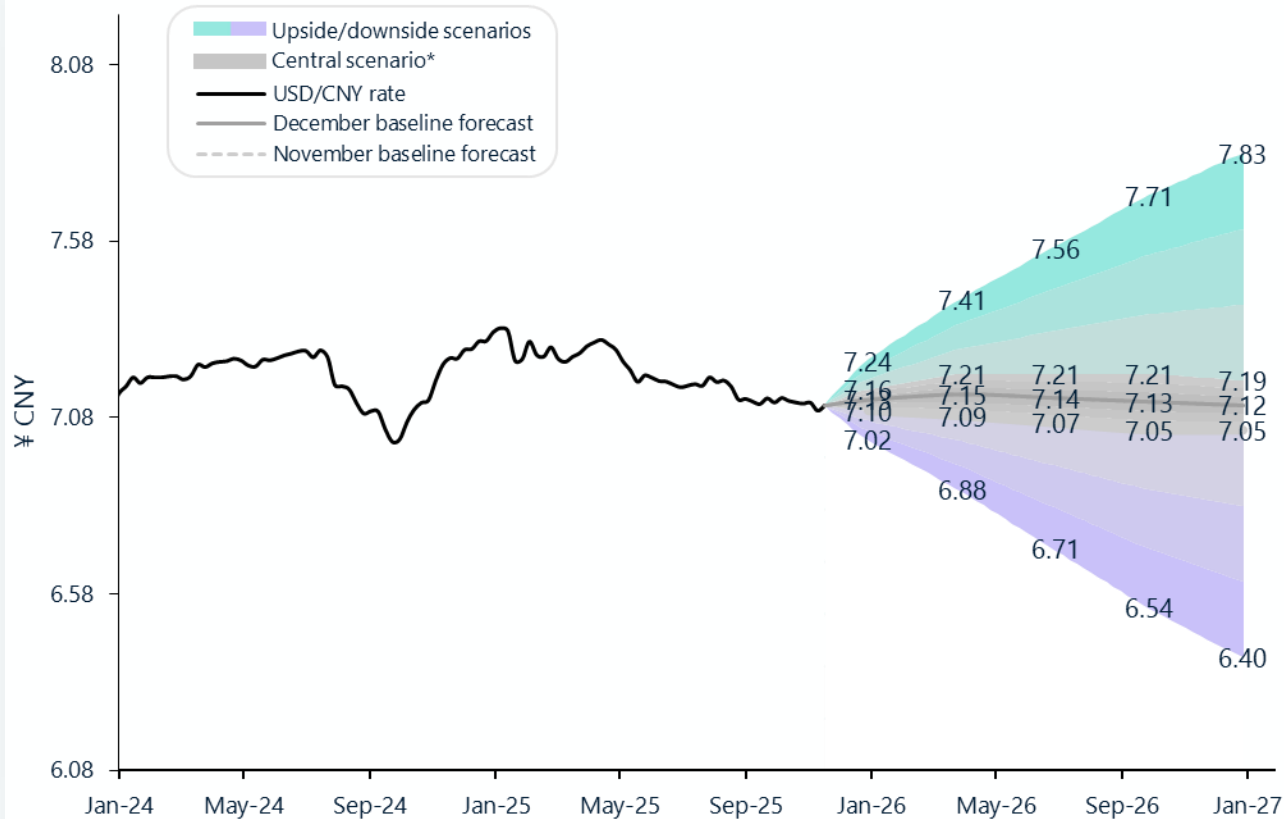
- NZD is still susceptible to any global risk-off events, even if China surprises to the upside.
- A slowdown in growth means commodities remain under pressure with dairy prices key for NZD.

## Downside scenario: More aggressive RBNZ easing

- A more expansive and forceful tariff policy.
- When the RBNZ begins to ease, domestic growth stagnates, and a more aggressive policy response is pursued.

Chart sources: Oxford Economics, Bloomberg, Convera – November 25, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
\*+/-1 standard deviation from baseline (68% chance rate falls within this range)

# USD/CNY future scenarios



## Upside scenario: Higher PBoC tolerance for a yuan that is weaker

- Higher PBoC tolerance for a yuan that is weaker.
- Geopolitical unrest intensifies.

## Central scenario: China recovery improves

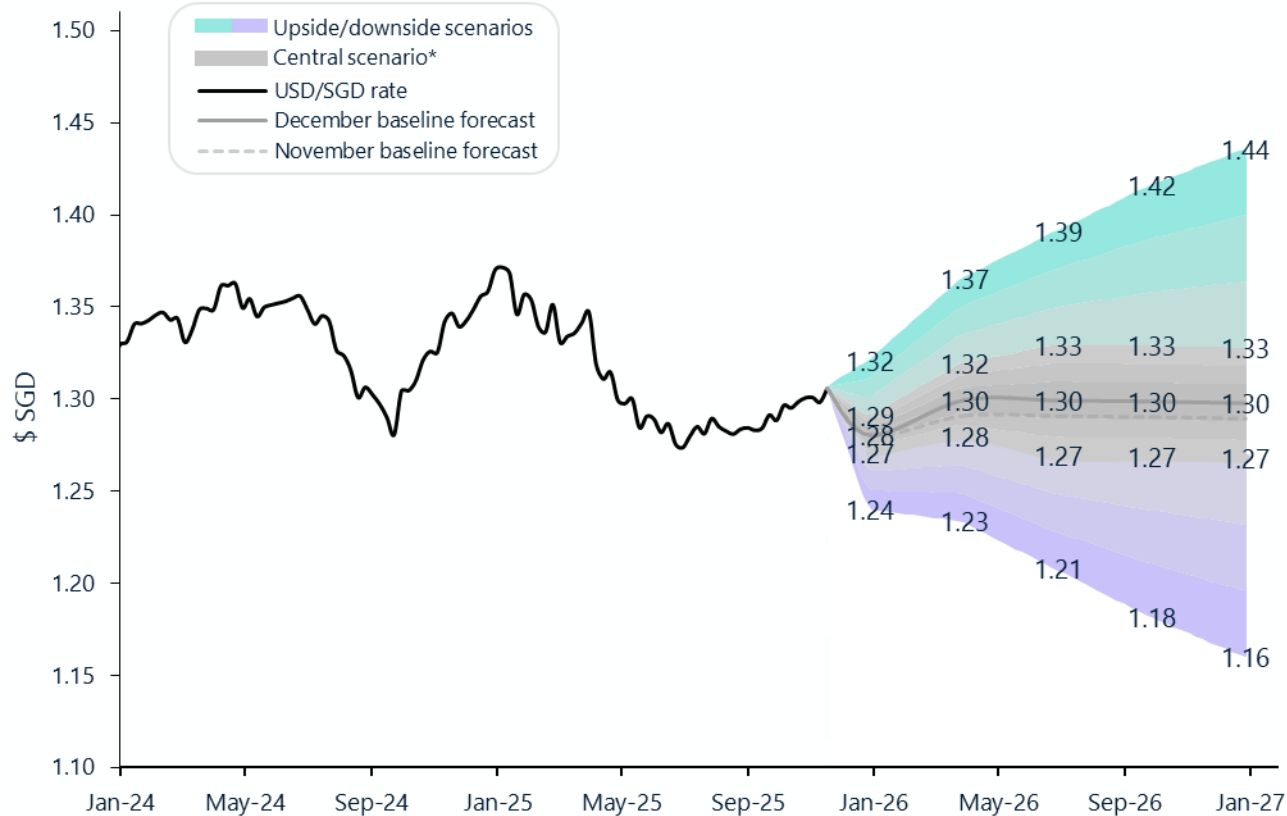
- The Chinese government's recent supportive action to the local economy could see the CNY strengthen.
- Once the Fed confirms a cut in rates, the US dollar might ease.

## Downside scenario: Larger-than-expected stimulus from PBoC

- Larger-than-expected stimulus from PBoC.
- The USD could fall if the Fed is forced to cut official interest rates to support the US economy.

Chart sources: Oxford Economics, Bloomberg, Convera – November 25, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
 \*+/-1 standard deviation from baseline (68% chance rate falls within this range)

# USD/SGD future scenarios



## Upside scenario: Global sell-off hits risk

- US equities could turn from higher levels, causing safe-haven FX like the US dollar to gain.
- SGD NEER trades in the top half of the band and poses downside risks to SGD.

## Central scenario: Global growth remains underwhelming

- Global trade is likely disappointing as Chinese growth remains sluggish, keeping the USD/SGD near recent highs.
- The USD rises as risk aversion comes to the fore.

## Downside scenario: Fed cuts, and fast

- USD might weaken if the Fed is forced to cut official interest rates as the US economy slows.
- An improving global growth outlook could help trade and the SGD.

Chart sources: Oxford Economics, Bloomberg, Convera – November 25, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
 \*+/-1 standard deviation from baseline (68% chance rate falls within this range)



# NAM currency outlook

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# NAM volatility analysis



## USD/JPY, USD/CHF, and USD/CAD Push Near 30-Day Highs as Commodity Currencies Retreat

Chart: NAM 30-day, year-to-date trading range



	Spot	High 30D	Low	High YTD	Low	Trading range		Position within the range	
						30D	YTD	30D	YTD
USD/JPY	156.8	157.8	151.5	158.8	139.8	4.2%	13.6%	84%	89%
NZD/USD	0.561	0.580	0.558	0.612	0.548	3.9%	11.7%	14%	20%
USD/CHF	0.808	0.812	0.787	0.920	0.782	3.2%	17.6%	84%	19%
AUD/USD	0.646	0.661	0.642	0.670	0.591	3.0%	13.4%	21%	70%
USD/MXN	18.50	18.77	18.25	21.29	18.20	2.8%	17.0%	48%	10%
GBP/USD	1.310	1.337	1.301	1.378	1.21	2.8%	13.9%	25%	60%
USD/CAD	1.410	1.414	1.388	1.479	1.354	1.9%	9.2%	85%	45%
EUR/USD	1.152	1.166	1.146	1.191	1.014	1.7%	17.5%	30%	78%
EUR/CAD	1.625	1.634	1.614	1.646	1.468	1.2%	12.1%	55%	88%
USD/CNY	7.100	7.133	7.084	7.351	7.084	0.7%	3.8%	33%	6%

- The **USD/JPY** is trading at the extreme high of its recent range. The spot rate of 156.8 is positioned at 84% within its 30-day range and 89% of its YTD range, reflecting strong and sustained dollar momentum against the Japanese yen.
- The **USD/CHF** also shows a very strong short-term bias for the USD. The spot rate of 0.808 is at 84% of its 30-day range, close to its monthly high. It remains relatively low in its YTD range (19%), suggesting a significant recent strengthening of the USD against the Swiss franc.
- The **GBP/USD** is also showing a bearish short-term bias for the British pound, sitting at only 25% of its 30-day range, placing it closer to its monthly low. However, its YTD position is higher (60%), indicating a more moderate long-term trend.
- The **USD/CAD** is near its 30-day high, with its spot rate of 1.410 positioned at 85% within its 30-day range, which indicates continued Canadian Dollar weakness against the USD.
- The **EUR/USD** and **USD/CHF** pairs show the highest YTD trading ranges (both 17.5% and 17.6%, respectively), suggesting they have experienced the greatest volatility year-to-date.
- The **USD/MXN** is near the midpoint of its 30-day range (48%). Notably, it is at the extreme low of its YTD range (only 10%), reflecting the strong year-to-date performance.

Source: Bloomberg, Convera – November 26, 2025

# NAM value indicator



## US Dollar Stays Bid as USD/JPY and NZD/USD Mark Polar Opposites in FX Valuation

Chart: NAM performance versus year-to-date, 1, 2, and 5-year averages

● Appreciation ● Depreciation

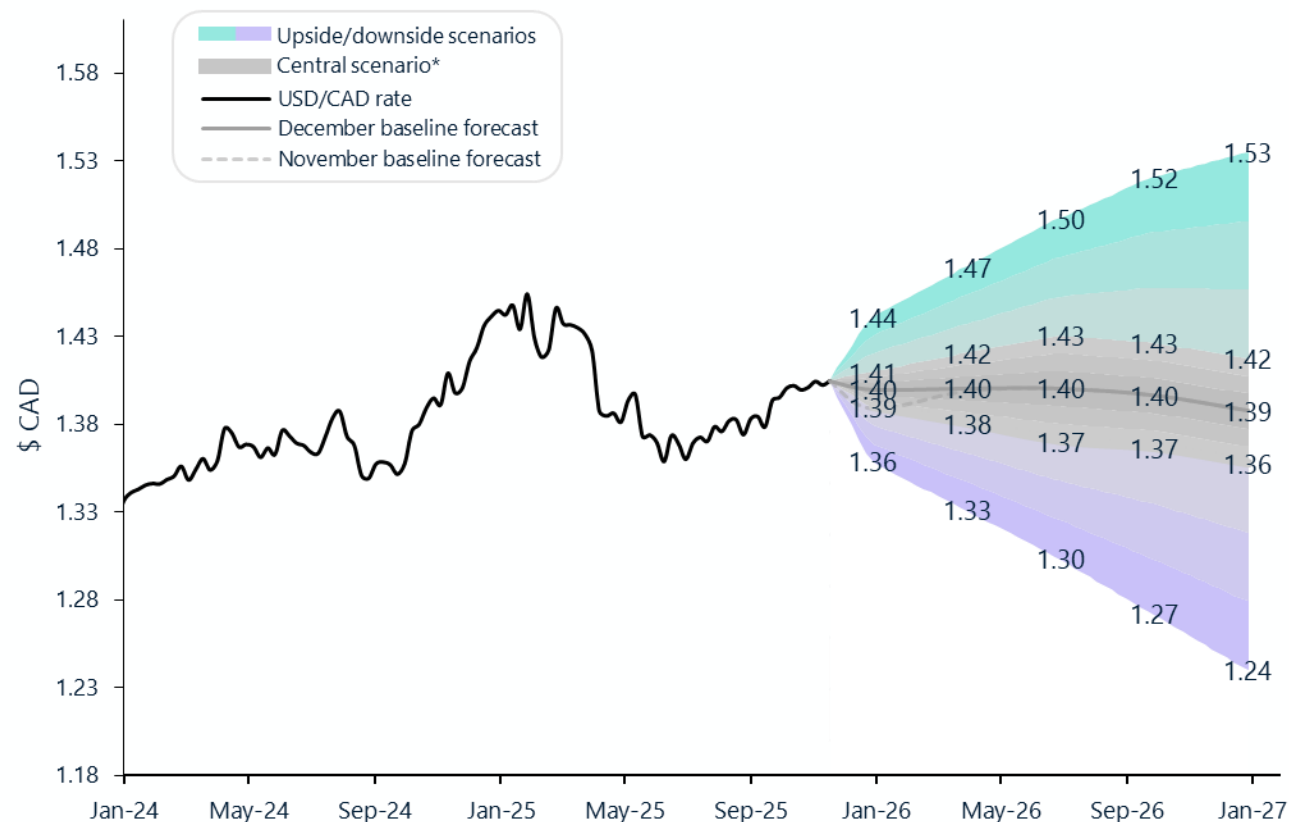
	Spot	Spot vs			
	(As of 25.11.2025)	YTD average	1-year average	2-year average	5-year average
USD/JPY	156.8	5.2% Avg.: 148.9	4.9% Avg.: 148.4	4.5% Avg.: 150.0	15.7% Avg.: 135.5
EUR/CAD	1.625	3.3% Avg.: 1.573	3.9% Avg.: 1.564	6.7% Avg.: 1.522	10.3% Avg.: 1.473
EUR/USD	1.152	2.4% Avg.: 1.125	3.1% Avg.: 1.117	4.5% Avg.: 1.102	4.1% Avg.: 1.106
USD/CAD	1.410	0.8% Avg.: 1.399	0.6% Avg.: 1.401	2.0% Avg.: 1.381	5.8% Avg.: 1.332
AUD/USD	0.646	0.5% Avg.: 0.642	0.6% Avg.: 0.642	-1.0% Avg.: 0.652	-5.7% Avg.: 0.684
GBP/USD	1.310	-0.5% Avg.: 1.316	-0.1% Avg.: 1.311	1.2% Avg.: 1.294	1.5% Avg.: 1.290
NZD/USD	0.561	-3.7% Avg.: 0.582	-3.6% Avg.: 0.581	-5.8% Avg.: 0.595	-11.2% Avg.: 0.631
USD/MXN	18.50	-4.3% Avg.: 19.33	-4.8% Avg.: 19.43	-1.1% Avg.: 18.71	-3.5% Avg.: 19.16

The US dollar has logged a 2% recovery over the last two months, but is trapped in consolidation, having failed to break the ceiling of its six-month trading range.

- The **USD/JPY** (156.8) is highly overvalued, sitting 15.7% above its 5-year average.
- The **NZD/USD** looks extremely weak, trading 11.2% below its five-year average, indicating a substantial undervaluation. The **AUD/USD**, despite recent minor strength (slightly above its 1-year average), is still trading significantly 5.7% below its 5-year average.
- The **EUR/USD** maintains a solid long-term uptrend, positioned 4.1% above its five-year average.
- The Canadian dollar is broadly under pressure, evidenced by both the **USD/CAD** being near its monthly high (85% of 30D range), above its medium and long-term averages and the **EUR/CAD** showing strong long-term appreciation, trading 10.3% above its five-year average.
- The Mexican peso's exceptional year has pushed the **USD/MXN** rate to be valued 4.3% below its YTD average and 3.5% below its five-year average.

Source: Bloomberg, Convera – November 26, 2025. Note: YTD average refers to the following time periods: 01.01.2025 - 26.02.2025; 1Y: 27.02.2024 - 26.02.2025; 2Y: 27.02.2023 - 26.02.2025; 5Y: 28.02.2020 - 26.02.2025.

# USD/CAD future scenarios



**Upside scenario:** Cautious Federal Reserve/Dovish BoC. Tariffs higher for longer.

- Fed remains hawkish despite softer macro data.
- BoC is forced to keep cutting rates due to tariffs weighing more heavily, thus widening US-Canada interest rate differential.
- Prolonged trade negotiation push USD/CAD above 1.4200.

**Central scenario:** Fed cuts rates less than anticipated. USD remains supported.

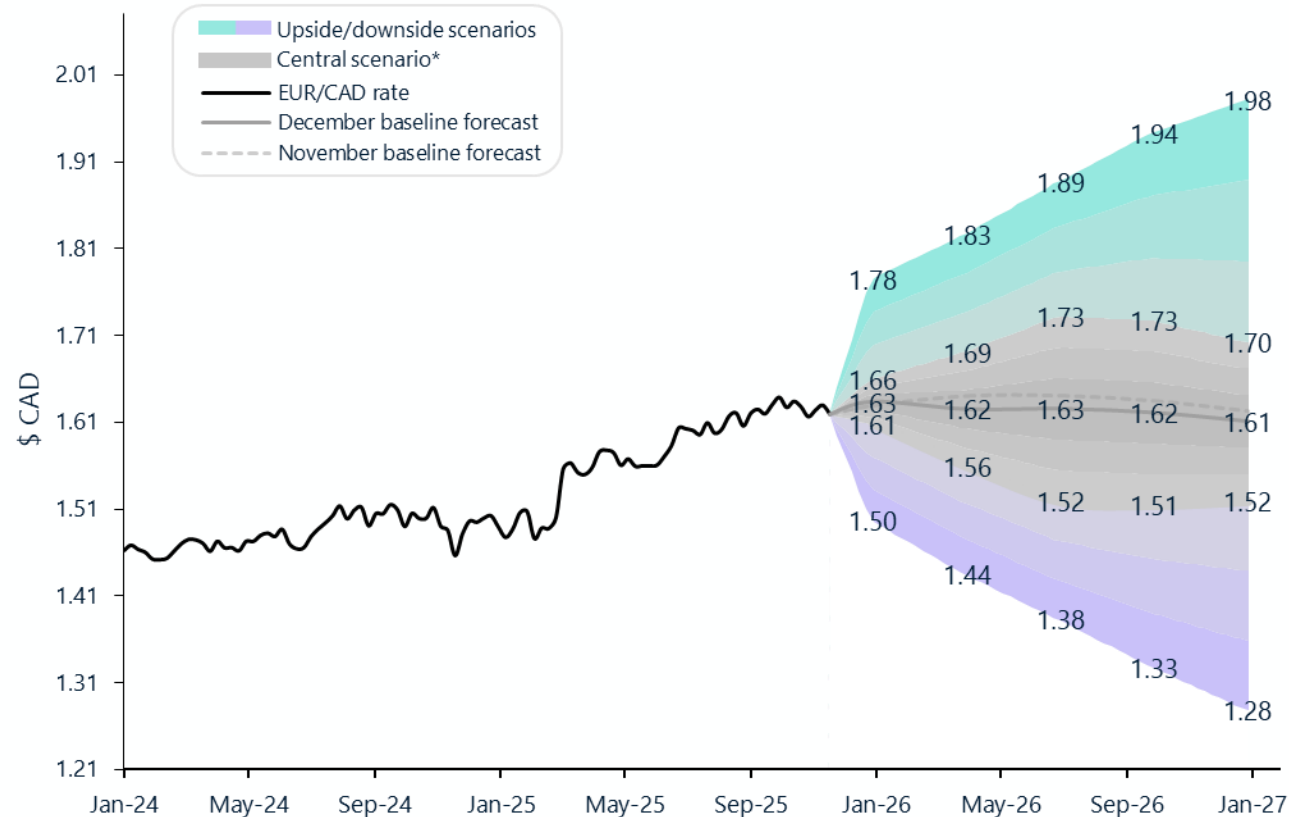
- Lingering upside risks to US inflation.
- Wait-and-see, data- dependent approach to Fed easing.
- USD remains supported.

**Downside scenario:** US dollar weakens. Canadian economy proves resilient.

- US dollar weakness supports USD/CAD momentum below 1.3600.
- Fed delivers a more aggressive cutting cycle than expected, thus reducing the US-Canada interest rate differential.
- The BoC ends easing cycle and shifts focus from growth to inflation.

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
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# EUR/CAD future scenarios



**Upside scenario:** Dovish BoC, cautious ECB, tariffs higher for longer.

- ECB ends easing cycle, BoC is forced to keep cutting rates due to tariffs weighing more heavily than expected on the. Soft dollar supports EUR momentum.
- Prolonged trade tariffs negotiations/recession push the EUR/CAD above 1.65.

**Central scenario:** ECB continues easing cycle, USD remains supported.

- The baseline forecast holds, with no ECB cut anticipated in the second half of the year.
- Euro remains supported despite regional turmoil and fiscal worries in France. EUR holds on to gains, CAD stays close to fair value vs. USD.

**Downside scenario:** EUR weakens, Canadian economy proves resilient.

- EUR weakens; US dollar recovers. EUR economy deteriorates supporting EUR/CAD below 1.59.
- Fed delivers a more aggressive cutting cycle as US labor market weakens, reducing the US dollar interest rate differential. Developed economies central banks rates converge
- The BoC ends easing cycle and shifts focus from growth to inflation.

Chart sources: Oxford Economics, Bloomberg, Convera – November 26, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
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# USD/MXN future scenarios



## Upside scenario: Dovish Banxico, cautious Fed, tariffs higher for longer.

- Fed remains hawkish despite softer macro data.
- Banxico is forced to keep cutting rates due to tariffs weighing more heavily than expected on the economy.

## Central scenario: Regional growth supports MXN, Fed cuts rates less than anticipated.

- Strong growth prospects for both the US and Mexico, usually more positive for the economically-sensitive MXN. Bid for local emerging market assets hold in 2H, supporting high carry currencies such as the Peso.
- Banxico continues policy easing as expected, with inflation stable.

## Downside scenario: Demand for high-yield, EM/Latam currencies supports peso.

- US dollar weakness supports USD/MXN below 18.4 level.
- Fed delivers one rate cut in the first half of 2026. Demand for EM/Latam expands in 2H.
- CUSMA re-negotiation begins with tariff resolution in sight; Banxico ends easing cycle on target rate (~6.75%).

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# International strategy

# Considerations for global businesses



## Currency volatility

What if we continue to see material 5-10% shifts in your key exchange rates, or your target rate stays at levels significantly above or below your budgeted level?

## Risk management

Talk to us about our full range of currency risk management tools<sup>^</sup>.



## Geopolitics

What if your industry, or specific country of interest remains exposed to supply chain risks, whilst pressures to diversify and speed up delivery remains high?

## Diversification

Talk to us about our trade solutions and how we help organizations accelerate payment speed or diversify into alternative markets.

We support 140 currencies and operate across 200 countries and territories.



## Sanctions

What if factors like sanctions escalate, and your payment and regulatory complexities increase? Is managing reputational risks and customer experience related to global payments important to you?

## Efficiency and security

Talk to us about our automated global payment solutions, compliance controls and fraud prevention measures.

We invest annually in managing compliance and regulations globally.

<sup>^</sup>Options products are not available in Hong Kong.

\*Certain hedging products are not available in all countries. For more information on availability, contact [AskMarketInsights@Convera.com](mailto:AskMarketInsights@Convera.com)

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# Appendix

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# Future scenarios



	Scenarios	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4
GBP/USD	High	1.378	1.366	1.389	1.412	1.431	1.445	1.455	1.461	1.462
	Baseline + $\sigma$	1.332	1.307	1.328	1.328	1.328	1.328	1.329	1.329	1.339
	<b>Baseline</b>	<b>1.322</b>	<b>1.287</b>	<b>1.288</b>	<b>1.288</b>	<b>1.288</b>	<b>1.288</b>	<b>1.289</b>	<b>1.289</b>	<b>1.289</b>
	Baseline - $\sigma$	1.312	1.267	1.248	1.248	1.248	1.248	1.249	1.249	1.239
	Low	1.267	1.209	1.187	1.164	1.145	1.131	1.122	1.117	1.116
GBP/EUR	High	1.250	1.267	1.309	1.353	1.388	1.416	1.435	1.445	1.446
	Baseline + $\sigma$	1.154	1.166	1.209	1.209	1.197	1.196	1.197	1.196	1.206
	<b>Baseline</b>	<b>1.133</b>	<b>1.110</b>	<b>1.109</b>	<b>1.109</b>	<b>1.110</b>	<b>1.109</b>	<b>1.110</b>	<b>1.109</b>	<b>1.110</b>
	Baseline - $\sigma$	1.111	1.053	1.008	1.008	1.022	1.021	1.022	1.021	1.013
	Low	1.028	0.973	0.941	0.911	0.887	0.869	0.857	0.851	0.850
GBP/JPY	High	224.0	224.8	234.1	243.6	251.5	257.2	260.8	262.0	260.8
	Baseline + $\sigma$	207.9	200.7	203.6	202.5	201.3	199.6	198.2	198.9	199.7
	<b>Baseline</b>	<b>203.0</b>	<b>193.5</b>	<b>191.9</b>	<b>190.3</b>	<b>188.9</b>	<b>187.5</b>	<b>186.0</b>	<b>184.5</b>	<b>182.9</b>
	Baseline - $\sigma$	198.0	186.2	180.1	178.0	176.4	175.3	173.7	170.0	166.0
	Low	187.4	170.6	161.6	152.9	145.6	139.9	135.6	132.6	130.9
GBP/AUD	High	2.175	2.180	2.243	2.304	2.346	2.367	2.371	2.365	2.348
	Baseline + $\sigma$	2.042	2.016	2.035	2.034	2.015	1.989	1.961	1.937	1.933
	<b>Baseline</b>	<b>2.014</b>	<b>1.947</b>	<b>1.936</b>	<b>1.922</b>	<b>1.903</b>	<b>1.878</b>	<b>1.851</b>	<b>1.828</b>	<b>1.810</b>
	Baseline - $\sigma$	1.985	1.877	1.836	1.809	1.790	1.766	1.740	1.718	1.686
	Low	1.859	1.728	1.651	1.574	1.506	1.445	1.395	1.361	1.342

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 \*+/-1 standard deviation from baseline (68% chance rate falls within this range)

# Future scenarios



	Scenarios	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4
EUR/USD	High	1.232	1.242	1.260	1.277	1.291	1.301	1.308	1.312	1.312
	Baseline + $\sigma$	1.177	1.19	1.21	1.21	1.2	1.201	1.201	1.201	1.201
	<b>Baseline</b>	<b>1.167</b>	<b>1.160</b>	<b>1.160</b>	<b>1.160</b>	<b>1.160</b>	<b>1.161</b>	<b>1.161</b>	<b>1.161</b>	<b>1.161</b>
	Baseline - $\sigma$	1.157	1.13	1.11	1.11	1.12	1.121	1.121	1.121	1.121
	Low	1.101	1.077	1.060	1.043	1.030	1.020	1.014	1.010	1.010
EUR/GBP	High	0.972	1.027	1.061	1.097	1.126	1.149	1.165	1.174	1.175
	Baseline + $\sigma$	0.896	0.937	0.967	0.967	0.959	0.959	0.959	0.959	0.967
	<b>Baseline</b>	<b>0.882</b>	<b>0.900</b>	<b>0.900</b>	<b>0.900</b>	<b>0.900</b>	<b>0.900</b>	<b>0.900</b>	<b>0.900</b>	<b>0.900</b>
	Baseline - $\sigma$	0.867	0.862	0.832	0.832	0.840	0.840	0.840	0.840	0.832
	Low	0.799	0.788	0.763	0.738	0.719	0.705	0.696	0.691	0.691
EUR/CHF	High	1.050	1.077	1.104	1.132	1.153	1.169	1.179	1.184	1.185
	Baseline + $\sigma$	0.948	0.988	1.018	1.018	1.009	1.009	1.009	1.010	1.022
	<b>Baseline</b>	<b>0.929</b>	<b>0.929</b>	<b>0.930</b>	<b>0.930</b>	<b>0.929</b>	<b>0.929</b>	<b>0.929</b>	<b>0.930</b>	<b>0.930</b>
	Baseline - $\sigma$	0.909	0.869	0.841	0.841	0.848	0.848	0.848	0.849	0.837
	Low	0.816	0.793	0.770	0.747	0.730	0.718	0.710	0.705	0.705
EUR/CNY	High	8.922	9.213	9.529	9.849	10.10	10.31	10.45	10.53	10.54
	Baseline + $\sigma$	8.427	8.575	8.722	8.723	8.628	8.622	8.622	8.669	8.693
	<b>Baseline</b>	<b>8.321</b>	<b>8.290</b>	<b>8.281</b>	<b>8.270</b>	<b>8.260</b>	<b>8.254</b>	<b>8.254</b>	<b>8.253</b>	<b>8.253</b>
	Baseline - $\sigma$	8.214	8.004	7.839	7.816	7.891	7.885	7.885	7.836	7.812
	Low	7.734	7.411	7.117	6.827	6.598	6.427	6.313	6.251	6.239

Chart sources: Oxford Economics, Bloomberg, Convera – November 25, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
 \*+/-1 standard deviation from baseline (68% chance rate falls within this range)

# Future scenarios



	Scenarios	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4
EUR/CZK	High	27.79	28.50	29.20	29.87	30.30	30.58	30.71	30.72	30.59
	Baseline + $\sigma$	24.80	25.91	27.12	26.94	26.56	26.38	26.23	26.09	26.02
	<b>Baseline</b>	<b>24.36</b>	<b>24.41</b>	<b>24.44</b>	<b>24.43</b>	<b>24.37</b>	<b>24.29</b>	<b>24.19</b>	<b>24.08</b>	<b>23.97</b>
	Baseline - $\sigma$	23.91	22.90	21.75	21.91	22.17	22.19	22.14	22.06	21.91
	Low	21.15	20.63	20.11	19.54	19.09	18.72	18.44	18.25	18.16
EUR/PLN	High	4.785	4.920	5.054	5.187	5.284	5.354	5.398	5.416	5.409
	Baseline + $\sigma$	4.345	4.485	4.685	4.673	4.617	4.609	4.625	4.652	4.716
	<b>Baseline</b>	<b>4.274</b>	<b>4.280</b>	<b>4.283</b>	<b>4.283</b>	<b>4.278</b>	<b>4.270</b>	<b>4.262</b>	<b>4.254</b>	<b>4.246</b>
	Baseline - $\sigma$	4.202	4.074	3.880	3.892	3.938	3.930	3.898	3.855	3.775
	Low	3.792	3.685	3.576	3.467	3.378	3.309	3.260	3.232	3.224
USD/CZK	High	22.55	22.93	23.17	23.37	23.46	23.49	23.47	23.41	23.30
	Baseline + $\sigma$	21.07	21.77	22.41	22.26	22.12	21.97	21.84	21.72	21.65
	<b>Baseline</b>	<b>20.87</b>	<b>21.04</b>	<b>21.06</b>	<b>21.05</b>	<b>20.99</b>	<b>20.92</b>	<b>20.83</b>	<b>20.73</b>	<b>20.63</b>
	Baseline - $\sigma$	20.67	20.31	19.71	19.84	19.86	19.87	19.82	19.74	19.61
	Low	19.19	19.14	18.95	18.72	18.52	18.34	18.18	18.06	17.97
USD/PLN	High	3.883	3.959	4.010	4.059	4.092	4.113	4.125	4.128	4.120
	Baseline + $\sigma$	3.692	3.769	3.87	3.86	3.845	3.837	3.85	3.873	3.925
	<b>Baseline</b>	<b>3.662</b>	<b>3.689</b>	<b>3.690</b>	<b>3.690</b>	<b>3.685</b>	<b>3.677</b>	<b>3.670</b>	<b>3.663</b>	<b>3.655</b>
	Baseline - $\sigma$	3.632	3.609	3.51	3.52	3.525	3.517	3.49	3.453	3.385
	Low	3.441	3.419	3.371	3.322	3.278	3.242	3.215	3.198	3.190

Chart sources: Oxford Economics, Bloomberg, Convera – November 25, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
 \*+/-1 standard deviation from baseline (68% chance rate falls within this range)

# Future scenarios



	Scenarios	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4
AUD/USD	High	0.681	0.699	0.718	0.739	0.760	0.783	0.804	0.820	0.831
	Baseline + $\sigma$	0.660	0.674	0.678	0.687	0.695	0.704	0.715	0.723	0.732
	<b>Baseline</b>	<b>0.656</b>	<b>0.661</b>	<b>0.665</b>	<b>0.670</b>	<b>0.677</b>	<b>0.686</b>	<b>0.696</b>	<b>0.704</b>	<b>0.712</b>
	Baseline - $\sigma$	0.651	0.647	0.651	0.652	0.658	0.667	0.676	0.684	0.691
	Low	0.633	0.626	0.619	0.612	0.609	0.610	0.613	0.617	0.622
AUD/EUR	High	0.618	0.649	0.677	0.708	0.738	0.767	0.793	0.811	0.822
	Baseline + $\sigma$	0.565	0.579	0.574	0.586	0.596	0.604	0.612	0.619	0.624
	<b>Baseline</b>	<b>0.562</b>	<b>0.569</b>	<b>0.573</b>	<b>0.577</b>	<b>0.583</b>	<b>0.591</b>	<b>0.599</b>	<b>0.606</b>	<b>0.612</b>
	Baseline - $\sigma$	0.558	0.558	0.571	0.567	0.569	0.577	0.585	0.592	0.599
	Low	0.514	0.504	0.491	0.479	0.472	0.469	0.469	0.470	0.474
AUD/NZD	High	1.189	1.228	1.267	1.311	1.352	1.391	1.425	1.448	1.456
	Baseline + $\sigma$	1.122	1.138	1.131	1.141	1.139	1.141	1.145	1.149	1.157
	<b>Baseline</b>	<b>1.095</b>	<b>1.090</b>	<b>1.083</b>	<b>1.078</b>	<b>1.076</b>	<b>1.077</b>	<b>1.080</b>	<b>1.083</b>	<b>1.083</b>
	Baseline - $\sigma$	1.067	1.041	1.034	1.014	1.012	1.012	1.014	1.016	1.008
	Low	1.007	0.966	0.924	0.885	0.854	0.831	0.817	0.808	0.804
AUD/CNY	High	4.933	5.188	5.433	5.699	5.955	6.204	6.425	6.586	6.680
	Baseline + $\sigma$	4.730	4.858	4.888	4.958	4.996	5.061	5.135	5.229	5.298
	<b>Baseline</b>	<b>4.680</b>	<b>4.724</b>	<b>4.746</b>	<b>4.775</b>	<b>4.817</b>	<b>4.878</b>	<b>4.948</b>	<b>5.009</b>	<b>5.059</b>
	Baseline - $\sigma$	4.629	4.589	4.603	4.591	4.637	4.694	4.760	4.788	4.819
	Low	4.445	4.308	4.155	4.009	3.904	3.845	3.821	3.821	3.844

Chart sources: Oxford Economics, Bloomberg, Convera – November 25, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
 \*+/-1 standard deviation from baseline (68% chance rate falls within this range)

# Future scenarios



	Scenarios	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4
USD/CAD	High	1.440	1.469	1.496	1.520	1.534	1.542	1.546	1.546	1.541
	Baseline + $\sigma$	1.409	1.42	1.43	1.426	1.417	1.407	1.399	1.392	1.385
	<b>Baseline</b>	<b>1.399</b>	<b>1.400</b>	<b>1.400</b>	<b>1.396</b>	<b>1.387</b>	<b>1.377</b>	<b>1.369</b>	<b>1.362</b>	<b>1.355</b>
	Baseline - $\sigma$	1.389	1.38	1.37	1.366	1.357	1.347	1.339	1.332	1.325
	Low	1.358	1.331	1.303	1.272	1.240	1.213	1.192	1.178	1.170
USD/MXN	High	20.24	21.45	22.58	23.50	24.15	24.62	24.94	25.13	25.22
	Baseline + $\sigma$	18.78	19.94	20.71	21.09	21.7	21.93	22.06	22.06	22.11
	<b>Baseline</b>	<b>18.62</b>	<b>19.29</b>	<b>19.87</b>	<b>20.26</b>	<b>20.49</b>	<b>20.65</b>	<b>20.76</b>	<b>20.83</b>	<b>20.90</b>
	Baseline - $\sigma$	18.46	18.64	19.03	19.43	19.28	19.37	19.46	19.6	19.69
	Low	17.78	18.13	18.40	18.46	18.46	18.43	18.42	18.42	18.48
USD/JPY	High	162.5	164.5	168.4	172.4	175.7	177.9	179.1	179.2	178.3
	Baseline + $\sigma$	155.9	153.4	153.2	152.4	151.4	150.1	149.2	149.6	149.1
	<b>Baseline</b>	<b>153.4</b>	<b>150.2</b>	<b>148.9</b>	<b>147.7</b>	<b>146.5</b>	<b>145.4</b>	<b>144.3</b>	<b>143.1</b>	<b>141.8</b>
	Baseline - $\sigma$	150.8	146.9	144.5	142.9	141.5	140.6	139.4	136.5	134.4
	Low	147.9	141.0	136.1	131.3	127.1	123.6	120.9	118.7	117.3
USD/CNY	High	7.241	7.413	7.560	7.707	7.827	7.921	7.989	8.028	8.036
	Baseline + $\sigma$	7.16	7.205	7.205	7.205	7.185	7.179	7.177	7.216	7.234
	<b>Baseline</b>	<b>7.13</b>	<b>7.145</b>	<b>7.135</b>	<b>7.125</b>	<b>7.115</b>	<b>7.109</b>	<b>7.107</b>	<b>7.106</b>	<b>7.104</b>
	Baseline - $\sigma$	7.1	7.085	7.065	7.045	7.045	7.039	7.037	6.996	6.974
	Low	7.018	6.876	6.709	6.542	6.402	6.296	6.225	6.184	6.173

Chart sources: Oxford Economics, Bloomberg, Convera – November 25, 2025. For more information about the Convera-Oxford Economics economic modelling, framework and methodology used to derive the FX forecast scenarios please contact [AskMarketInsights@convera.com](mailto:AskMarketInsights@convera.com)  
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