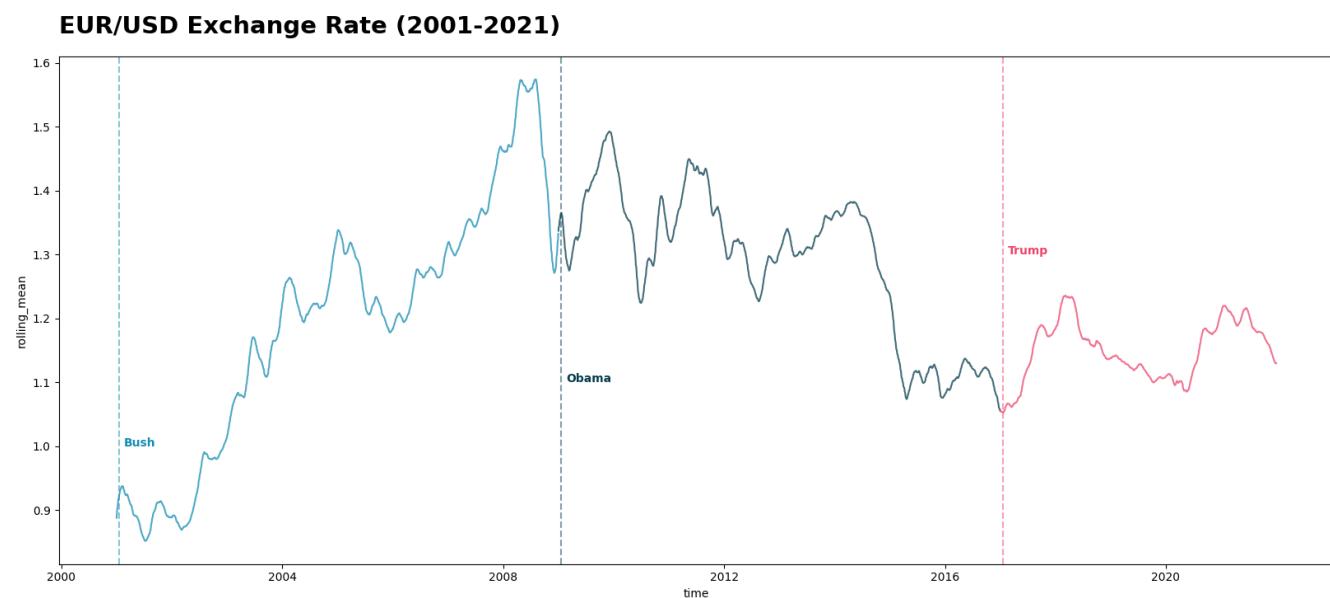
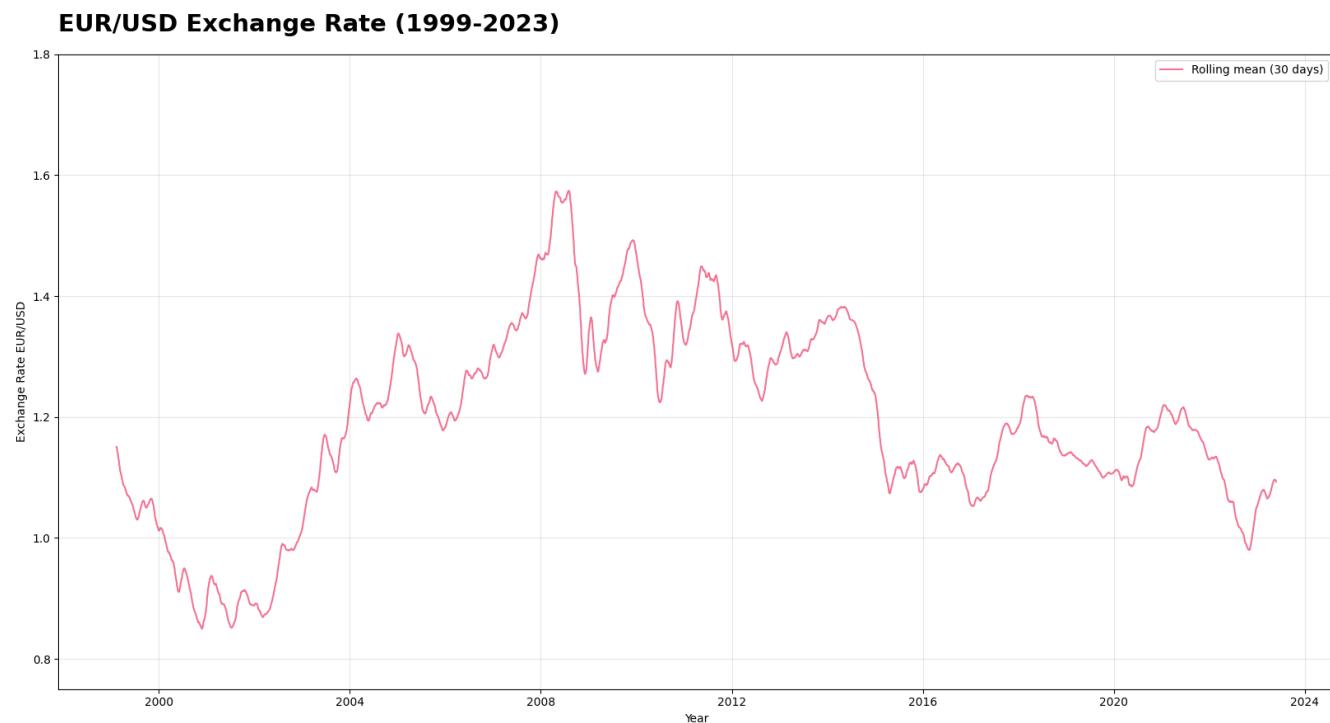


USD/EUR Exchange Rate and Worldwide Trends

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The US dollar is considered the global currency not only for the nation's economic size and strength, but also through its political position and historical stance. A deep analysis on the fluctuation of the US dollar against the Euro can be indicative of the many global trends and stability of the economy.



Overall, President Bush's term seems to witness continuous growth in strength of the USD compared to that of Obama and Trump, with mostly short-term fluctuation and longer-term decline.

USD/EUR Exchange Rate (1999-2023)



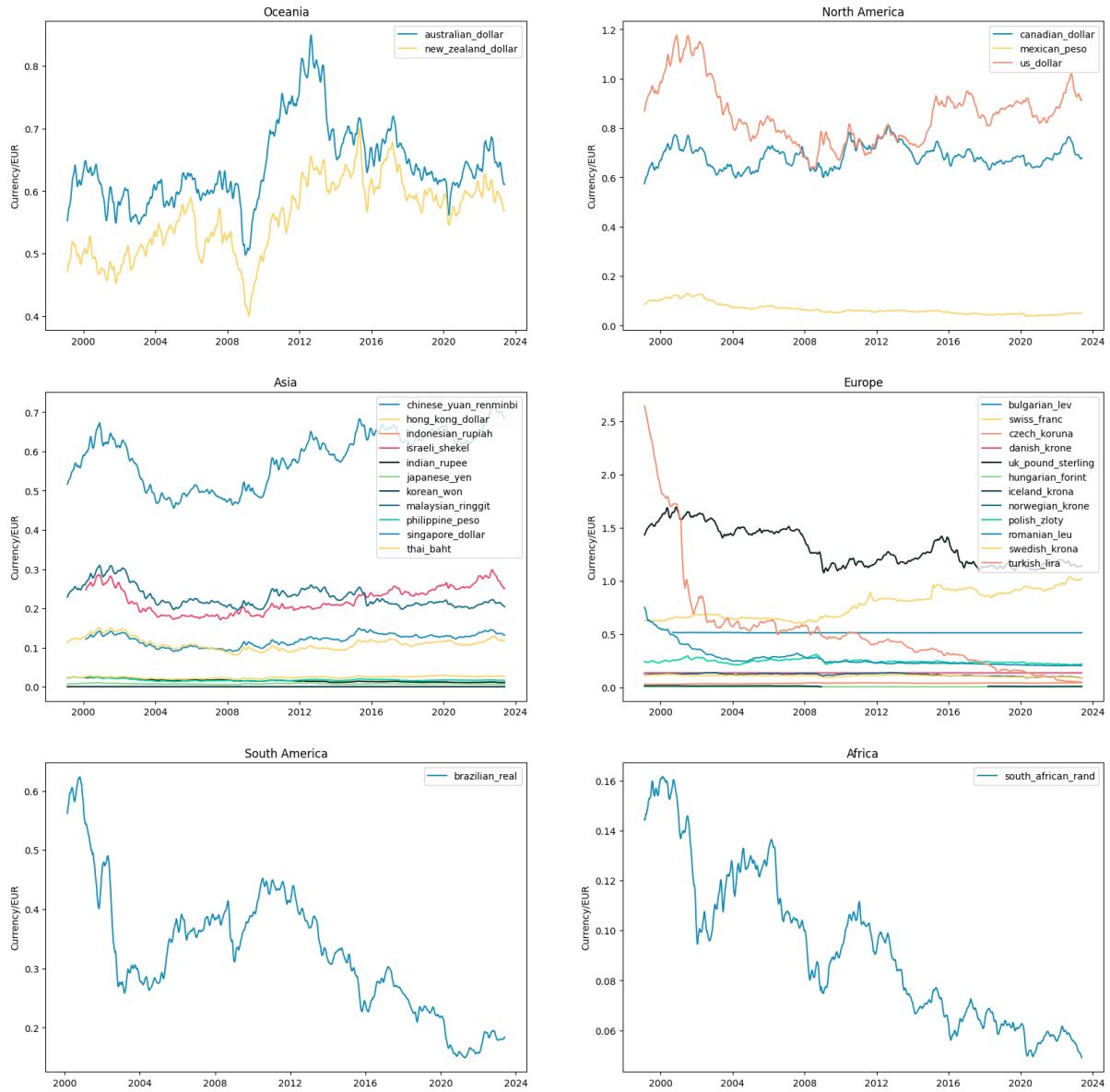
EUR/USD Exchange Rate (1999-2023)



Key events that highly correlate to significant fluctuation in the USD/EUR exchange rate are:

- **Dot-com Bubble (1995 - Early 2000):** The dot-com bubble, beginning in 1995, led to a **consistent strengthening** of the USD against the Euro, culminating in a peak in early 2000 (1 USD = 1.18 EUR) – a high that has not been replicated since.
- **Post Dot-com Bubble to 2008 Financial Crisis:** Following the burst of the dot-com bubble, the US dollar experienced **short-term fluctuations** but continued an overall decline, reaching its lowest point (1 USD = 0.64 EUR) during the 2008 financial crisis.
- **Brexit (2016):** The British exit from the European Union introduced **instability** in the Euro, indirectly **bolstering the strength of the US dollar** against the Euro.
- **COVID-19 Pandemic (2020):** The pandemic initially led to a **short-term decline** in the USD/EUR exchange rate, but subsequently, the rate returned to its pre-pandemic level.
- Interestingly, the US dollar has undergone a full cycle, returning to its original exchange value against the Euro from 1999. This trajectory mirrors key global economic shifts and highlights the interplay between major geopolitical events and currency dynamics.

Currency Value by Continent (Currency/EUR)



- **Developing Countries Cross-Continent:** A notable trend is the decrease in the value of currencies from developing countries across various continents, such as the South African Rand and the Brazilian Real.
- **Oceanic Nations (Australia and New Zealand):** Countries in Oceania, particularly Australia and New Zealand, exhibit a contrasting pattern. They have experienced an overall increase in their currency values against the Euro over the entire duration under review. This indicates a relatively stronger and more stable economic performance in these nations compared to other regions.
- **Developed Economies:** Developed economies generally show fluctuations in their currency values against the Euro. However, despite these fluctuations, there is a notable trend where these economies maintain or do not significantly lose their value against the Euro over time, dating back to their original values in 1999. This stability underscores the resilience and strength of developed economies in maintaining their currency value in the face of global economic changes.

Conclusion

This financial analysis underscores the significant role of the US dollar as a global currency, shaped by the United States' economic strength, political influence, and historical context. Key events like the Dot-com Bubble, the 2008 Financial Crisis, Brexit, and the COVID-19 Pandemic have notably impacted the USD/EUR exchange rate, illustrating the interplay between global economic shifts and currency dynamics.

The study also revealed contrasting trends in currency values globally. Developing countries experienced a decline in their currencies against the Euro, reflecting economic vulnerabilities. Conversely, Oceanic nations, especially Australia and New Zealand, showed currency strength, indicative of their economic stability. Developed economies maintained their currency values, demonstrating resilience despite fluctuations.

Overall, this analysis highlights the complex and interconnected nature of global currencies, emphasizing that they are influenced by a myriad of economic, political, and global factors. Understanding these dynamics is essential for navigating the ever-evolving global financial landscape.