

DAILY ANALYSIS

16 JULY 2025



Economic Calendar

Time	Cur.	Event	Forecast	Previous
06:00	GBP	CPI (YoY) (Jun)	3.4%	3.4%
12:30	USD	PPI (MoM) (Jun)	0.2%	0.1%
14:30	USD	Crude Oil Inventories	-	7.070M

June CPI Rises 2.7% as Markets Eye Fed's Next Move

U.S. inflation picked up in June, with headline CPI rising 2.7% year-over-year, according to data from the Department of Labor. The figure surpassed market expectations of 2.6% and marked an increase from May's 2.4%. On a monthly basis, inflation climbed 0.3%, in line with forecasts and up from May's 0.1%. Core CPI, which strips out food and energy, rose 2.9% annually and 0.2% monthly, both slightly below expectations of 3.0% and 0.3%. Price gains in household furnishings, healthcare, recreation, apparel, and personal care were offset in part by declines in new vehicle prices and airfares.

On the trade front, President Trump announced plans to impose general tariffs of over 10% on smaller countries in Africa and the Caribbean. Commerce Secretary Howard Lutnick commented that these nations contribute minimally to U.S. trade and hold little weight in the administration's broader strategy to reduce the trade deficit. Separately, tariffs on Indonesia were lowered from 32% to 19% following a trade agreement in which Indonesia pledged to buy \$15 billion in U.S. energy products, \$4.5 billion in agricultural goods, and 50 Boeing aircraft. However, the timeline and finer details of the deal remain unclear. Trump also warned of strict penalties on goods rerouted to bypass tariff restrictions.

Meanwhile, Treasury Secretary Bessent reaffirmed the importance of central bank independence, admitting that the Federal Reserve has made, and may still make, forecasting errors. Still, he urged markets not to overreact to the August 12 date, offering a note of reassurance.

Following the CPI release, the U.S. 10-year Treasury yield briefly dipped but later stabilized near 4.47%. While headline inflation met expectations, the softer core CPI reading suggested that recent tariffs have yet to cause significant price pressures. Investors slightly increased their bets on rate cuts, with two now priced in before year-end. However, Fed Chair Jerome Powell cautioned that inflation could rise further this summer due to tariffs, potentially postponing any policy easing.

In Japan, the 10-year government bond yield surged to 1.6% on Wednesday, reaching its highest level since 2008 ahead of the July 20 Upper House elections. Markets are anticipating new fiscal stimulus measures, possibly including a consumption tax cut to support growth. Despite the Finance Ministry's move to reduce the issuance of ultra-long bonds, short-term yields continue to face upward pressure.

Financial Markets Daily Performance

SYMBOLS	PRICE	DAILY	WEEKLY	MONTHLY	YoY
CURRENCIES					
EURUSD	1.16173	0.09%	-1.03%	1.20%	12.15%
GBPUSD	1.33943	0.01%	-1.50%	-0.27%	6.99%
AUDUSD	0.65247	0.10%	-0.17%	0.77%	5.42%
NZDUSD	0.59506	-0.06%	-0.80%	-1.05%	6.39%
USDJPY	148.863	0.06%	1.89%	2.48%	-5.39%
USDCAD	1.37129	-0.03%	0.20%	0.25%	-4.62%
METALS					
XAUUSD	3338.64	0.41%	0.75%	-1.44%	27.22%
SILVER	37.813	0.30%	3.94%	1.87%	30.94%
PLATIN	1401.7	0.39%	2.50%	11.59%	56.79%
INDICES					
S&P 500	6234.93	-0.14%	-0.45%	4.22%	6.01%
DOW JONES	43963	-0.14%	-1.12%	4.14%	3.33%
NASDAQ	22851	-0.15%	-0.06%	5.21%	8.75%
NIKKEI	39704	0.07%	-0.29%	3.03%	-0.48%
DAX	23992	-0.28%	-2.27%	2.38%	20.51%
ENERGY					
CRUDE OIL	66.936	0.63%	-2.11%	-8.64%	-6.67%
BRENT OIL	68.986	0.40%	-1.72%	-9.76%	-7.58%
NATURAL GAS	3.5335	0.30%	9.94%	-8.24%	-2.74%
BONDS					
US 10Y	4.475	1.30%	0.14%	0.09%	-0.10%
DE 10Y	2.715	1.70%	0.07%	0.19%	0.35%
JAPAN 10Y	1.58	1.15%	0.07%	0.11%	0.49%
UK 10Y	4.63	2.27%	-0.01%	0.10%	0.06%
CHINA 10Y	1.66	0.20%	0.01%	0.02%	-0.02%

EURUSD



EUR/USD snapped a five-day losing streak, trading around 1.1610 as markets turned their focus to upcoming U.S. PPI data, the Fed's Beige Book, and industrial production figures. The dollar may regain momentum if inflation remains elevated, with June CPI rising 2.7% year-over-year and core CPI at 2.9%.

Tariff tensions continue to weigh on sentiment after Trump notified 25 countries, including the EU, of new tariffs set to begin on August 1. While he signaled openness to negotiation, the 30% tariff threat has already prompted a more cautious stance from the ECB. In response, the EU is preparing potential retaliatory tariffs on €72 billion worth of U.S. goods.

Resistance for the pair is at 1.1670, while support is at 1.1600.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
1.1750	1.1700	1.1670	1.1600	1.1540	1.1500

XAUUSD



Gold rebounded to nearly \$3,330 per ounce, recovering from a two-day slide as traders assessed inflation data and rising trade tensions. The June Consumer Price Index marked its largest increase in five months, raising concerns that new tariffs may be fueling price pressures.

While President Trump continues to push for lower interest rates, Federal Reserve officials remain cautious, stressing the need for prudence amid persistent inflation risks. The market reaction reflects heightened uncertainty as economic and policy signals remain mixed.

Resistance is at \$3,370, while support holds at \$3,325.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
3430	3400	3370	3325	3295	3250

BTCUSD



Bitcoin has surged past \$117,000, fueled largely by strong institutional demand, despite persistent market volatility and geopolitical tensions. This wave of buying includes hedge funds, sovereign wealth funds, and corporations, all increasingly viewing Bitcoin as both a liquidity hedge and a long-term store of value, much like gold.

Key resistance is at \$126,600, while initial support is seen near \$112,000.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$135,000	\$130,000	\$126,600	\$112,000	\$106,200	\$100,000

USDJPY



The Japanese yen weakened to around 149 against the U.S. dollar, its lowest level since early April. The decline followed stronger U.S. inflation data, which reduced the likelihood of near-term rate cuts by the Fed. On the domestic front, confidence among Japanese manufacturers improved modestly in July, supported by a rebound in the semiconductor sector.

Resistance is at 149.30, with major support at 147.50.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
155.00	151.50	149.30	147.50	146.15	145.30

BRENT OIL

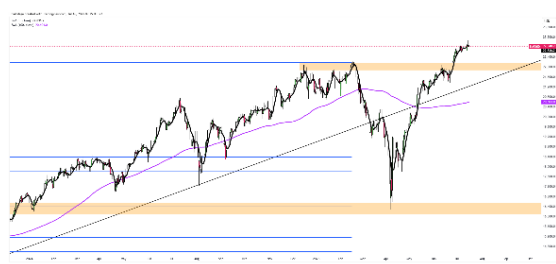


Brent crude futures climbed to around \$69 per barrel on Wednesday, rebounding from a two-day decline. The recovery was driven by demand signals from both the U.S. and China. In the U.S., strong summer travel and higher gasoline consumption lifted the outlook, while China's Q2 economic growth beat expectations, easing concerns over energy demand with ongoing tariff pressures.

The key resistance for Brent is seen at \$70.30, while the major support is positioned around \$68.00 per barrel.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$73.00	\$71.50	\$70.30	\$68.00	\$66.15	\$65.00

NASDAQ



U.S. stock futures dipped on Wednesday as investors awaited earnings from major banks and June's producer price index (PPI) data. Reports from Bank of America, Goldman Sachs, Morgan Stanley, and Johnson & Johnson are expected to shed light on sector performance.

On Tuesday, the Dow Jones fell 0.94% and the S&P 500 slipped 0.4% due to inflation data that came in above forecast. In contrast, the Nasdaq rose 0.18%, strengthened by a 4% rally in Nvidia with good sentiment around China's tech sector.

The first resistance is seen at \$23,500, while initial support holds around \$22,200.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$25,000	\$24,000	\$23,500	\$22,200	\$21,450	\$21,000

USDCNH



The offshore yuan held steady around 7.18 per dollar on Wednesday as investors assessed a mixed batch of Chinese economic data. Q2 GDP expanded 5.2% year-over-year, coming in slightly above expectations but marking a slowdown from the previous quarter. While industrial production remained firm, gains were tempered by soft retail sales and weak investment activity. Persistent deflation concerns and an uncertain U.S.-China trade environment also weighed on sentiment.

Meanwhile, President Trump expressed openness to further tariff talks with the EU and other partners ahead of his planned 30% tariffs in August.

Key resistance for USDCNH is located at 7.2000, with strong support near 7.1530.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
7.2500	7.2230	7.2000	7.1530	7.1490	7.1260

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🌐 zitaplus.com

✉ support@zitaplus.com

☎ +971 4 287 1454

📞 +44 74 42 66 7878

📍 The H Hotel Office Tower,
One Sheikh Zayed Road, 18th floor,
Office No:1803, Dubai, United Arab Emirates

