

DAILY ANALYSIS

18 JULY 2025



Economic Calendar

Time	Cur.	Event	Forecast	Previous
09:00	EUR	German Buba President Nagel Speaks	-	-
12:30	USD	Michigan 1-Year Inflation Expectations	-	%5.0

Waller Urges July Cut with Slowing Growth

Federal Reserve Governor Christopher Waller advocated for a 25 basis point rate cut in July, citing rising economic risks and sluggish growth nearing 1%. He cautioned that postponing a cut could lead to more aggressive actions down the line. Pointing to labor market weakness, Waller also noted that upcoming tariffs are likely to have only a limited and short-lived impact on inflation, with long-term inflation risks remaining subdued.

Meanwhile, Fed member Mary Daly commented that expecting two rate cuts this year is reasonable, but argued that focusing specifically on July may be asking the wrong question.

On the consumer front, U.S. retail trade sales climbed 0.6% in April 2025, reaching \$720.1 billion, a 3.5% rise year-over-year. Retail and food services followed a similar trend, also growing 0.6% monthly and 3.9% annually. Compared to April 2024, non-store retail sales rose 4.5%, while food services and drinking places posted a robust 6.6% gain. Total sales for the April–June 2025 period increased by 4.1% versus the same period in 2024.

The U.S. also saw strong international capital inflows in May 2025, totaling \$311.1 billion. These included \$333.2 billion in private sector inflows, partially offset by \$22.1 billion in net outflows from foreign official institutions. Foreign holdings of long-term U.S. securities jumped by \$318.5 billion, \$287.5 billion from private investors and \$31.1 billion from official entities. U.S. investors, meanwhile, made net purchases of \$59.1 billion in long-term foreign securities.

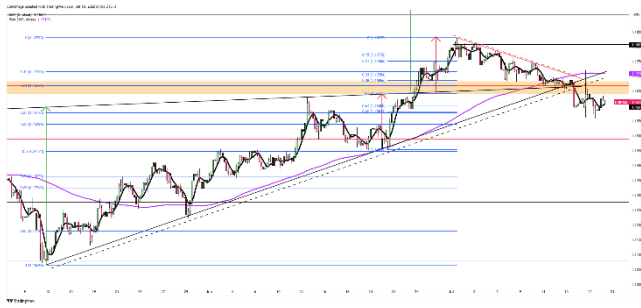
In Europe, inflation ticked slightly higher. Euro area annual inflation rose to 2.0% in June 2025 from 1.9% in May, while EU-wide inflation increased from 2.2% to 2.3%, according to Eurostat. A year earlier, the rates were 2.5% and 2.6%, respectively. The lowest inflation rates were seen in Cyprus (0.5%), France (0.9%), and Ireland (1.6%), while Romania (5.8%), Estonia (5.2%), and both Hungary and Slovakia (4.6%) posted the highest. Inflation fell in five member states and rose in twenty-two. The biggest contributors in the euro area were services (+1.51 points), food, alcohol & tobacco (+0.59), and non-energy industrial goods (+0.13), while energy dragged inflation down by 0.25 points.

In Asia, Japan's 10-year bond yield dropped to 1.55% on Friday after June inflation eased to 3.3%, still above the BoJ's 2% target for the 39th straight month. Weak trade data, a shrinking surplus, and fresh U.S. tariff threats, including a 25% levy on Japanese goods starting August 1, clouded the outlook ahead of Japan's Upper House election.

Meanwhile, the U.S. 10-year Treasury yield fell to 4.46%, retreating from a five-week high. Strong retail data and declining jobless claims highlighted the economy's resilience. However, speculation over Trump possibly replacing Fed Chair Powell reignited long-term inflation concerns, especially as the President continues pressing for rate cuts. Tariff tensions remain high, with Japan, Korea, and the EU facing new levies next month.

Financial Markets Daily Performance

SYMBOLS	PRICE	DAILY	WEEKLY	MONTHLY	YoY
CURRENCIES					
EURUSD	1.16307	0.14%	-0.49%	1.17%	12.28%
GBPUSD	1.34381	0.05%	-0.37%	-0.19%	7.34%
AUDUSD	0.65096	0.18%	-0.98%	0.43%	5.17%
NZDUSD	0.59626	0.33%	-0.69%	-0.39%	6.61%
USDJPY	148.44	0.00%	0.71%	2.12%	-5.66%
USDCAD	1.37353	-0.01%	0.36%	0.26%	-4.47%
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	6313.91	0.27%	0.87%	5.80%	7.35%
DOW JONES	44615	0.29%	0.55%	5.71%	4.87%
NASDAQ	23120	0.17%	1.49%	6.91%	10.03%
NIKKEI	39785	-0.29%	0.54%	3.37%	-0.27%
DAX	24473	0.42%	0.90%	6.14%	22.92%
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	4.442	1.50%	0.03%	0.06%	-0.13%
DE 10Y	2.684	0.80%	0.02%	0.19%	0.32%
JAPAN 10Y	1.55	0.92%	0.04%	0.14%	0.46%
UK 10Y	4.659	1.81%	0.06%	0.16%	0.09%
CHINA 10Y	1.667	0.70%	0.00%	0.03%	-0.01%



The euro slipped to its lowest level in nearly a month, touching \$1.16, as the U.S. dollar gained strength. The greenback was supported by fading rate cut expectations following recent inflation data, along with confirmation from Trump that Fed Chair Powell would remain in place. Cautious optimism over a potential U.S.–EU trade deal by August 1 also helped buoy sentiment.

Resistance for the pair stands at 1.1670, with support at 1.1580.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
1.1750	1.1700	1.1670	1.1580	1.1540	1.1500

XAUUSD



Gold stayed below \$3,340 per ounce, marking its first weekly loss in three weeks. The decline came as solid U.S. data eased pressure on the Fed to cut rates. June retail sales exceeded expectations, and jobless claims dropped to a three-month low, signaling ongoing economic resilience despite tariff-related headwinds. Fed Governor Adriana Kugler noted that holding rates steady seems appropriate under current conditions, though Fed President Mary Daly still sees room for two cuts this year.

Resistance is at \$3,370, while support holds at \$3,320.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
3430	3400	3370	3320	3295	3250

BTCUSD



Bitcoin soared past \$120,000, driven by rising institutional demand despite continued market volatility and global uncertainty. Hedge funds, sovereign wealth funds, and major corporations are increasingly viewing Bitcoin as both a liquidity shield and a long-term store of value, much like gold. The break above \$118,000 further reflects growing institutional confidence in Bitcoin's role as a hedge against economic instability.

Key resistance sits at \$126,600, with initial support 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 strengthened to around 148 per dollar on Friday, rebounding from the previous day's sharp drop as investors digested fresh inflation data. June's headline inflation eased slightly to 3.3% from 3.5% in May, but remained well above the Bank of Japan's 2% target for the 39th month. Persistent inflation has fueled expectations that the BoJ may soon adopt a tighter monetary stance.

Resistance is at 149.30, with strong support around 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 held steady near \$69.60 per barrel, marking a 1.5% daily gain amid signs of tightening supply and rising demand expectations. Disruptions of up to 150,000 barrels per day in Iraq's Kurdistan region, caused by drone strikes, added to the pressure, while escalating geopolitical risks, including Israeli attacks in Syria, kept markets on alert. On the demand side, upbeat U.S. economic data and strong GDP results from China eased concerns over global growth and bolstered sentiment.

Key resistance is at \$70.30, with major support around \$67.20.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$73.00	\$71.50	\$70.30	\$67.20	\$66.15	\$65.00

NASDAQ



U.S. stock futures edged lower on Thursday after modest Wall Street gains, as markets digested President Trump's assurance that Fed Chair Powell would stay in place. The Fed's Beige Book flagged rising uncertainty and cautious business sentiment. Meanwhile, June producer prices held steady, bringing annual wholesale inflation down to 2.3%, the lowest level in nine months.

First resistance stands at \$23,500, while initial support holds near \$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 slipped to around 7.18 per dollar, marking its second weekly decline in a row with mixed Chinese economic data that weighed on sentiment. Q2 GDP rose by 5.2%, slightly above expectations but lower than the previous quarter's 5.4%. Although industrial output remained strong, gains were offset by soft retail sales and sluggish investment.

Ongoing deflation concerns and escalating U.S.–China tensions added further pressure, supporting stimulus expectations. Meanwhile, Trump hinted at renewed tariff discussions after floating a 30% tariff on EU and Mexican imports.

Key resistance for USD/CNH is 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



RISK WARNING

The information on this web site is not targeted at the public of any country. It is not intended for distribution to residents in any country where such distribution or use would contravene any local law or regulatory requirement.

The information and opinions in this report are for general information use only and are not intended as an offer or solicitation with respect to the purchase or sale of any currency or CFD contract. All opinions and information contained in this report are subject to change without notice. This report has been prepared without regard to the specific investment objectives, financial situation and needs of any recipient. Any reference to historical price movements or levels is informational based on our analysis and we do not represent or warranty that any such movements or levels are likely to recur in the future. While the information contained herein was obtained from sources believed to be reliable, the author does not guarantee its accuracy or completeness, nor does the author assume any liability for any direct, indirect or consequential loss that may result from the reliance by any person upon any such information or opinions.



 zitaplus.com

 +971 4 287 1454

 support@zitaplus.com

 +44 74 42 66 7878

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

