

DAILY ANALYSIS

22 JULY 2025



Economic Calendar

Time	Cur.	Event	Forecast	Previous
12:30	USD	Fed Chair Powell Speaks	-	-
17:00	USD	FOMC Bowman Speaks	-	-
17:00	EUR	ECB Lagarde Speaks	-	-

CBO Warns Trump's Tax Law to Add \$3.4 Trillion to Deficit

According to a new U.S. Congressional Budget Office (CBO) projection, the tax and spending law recently enacted by President Donald Trump will add \$3.4 trillion to the U.S. budget deficit over the next decade and leave millions without health insurance. The CBO report, released Monday, estimates a \$4.5 trillion revenue loss and a \$1.1 trillion cut in spending compared to the current legal baseline. The analysis does not factor in dynamic variables like economic growth or interest rates.

Treasury Secretary Scott Bessent stated Monday that the U.S. prioritizes strong trade agreements over strict deadlines, suggesting President Trump may extend deadlines for countries making progress. Markets await Fed Chair Jerome Powell's speech for clues on interest rate policy. Despite Trump's push for cuts, no rate move is expected this month.

In energy markets, WTI crude oil futures dropped to around \$65.4 per barrel on Tuesday, falling for the third straight day with uncertainty over trade negotiations and concerns about future demand. Investors are watching this week's EU-US trade talks ahead of the August 1 deadline, when Trump is expected to impose 30% tariffs on most EU exports. Markets largely shrugged off new European sanctions on Russian energy, which are expected to have minimal global impact. Separately, Iran announced it will restart nuclear talks with European countries this week, aiming to revive the 2015 nuclear deal and avoid renewed sanctions.

The U.S. 10-year Treasury yield hovered near 4.37% on Tuesday after four consecutive days of declines, as investors remain cautious ahead of the August 1 trade deadline. Bessent reiterated Monday that quality matters more than timing in trade deals, and Trump will decide whether to extend deadlines for cooperative nations. Powell's speech later today is closely watched for signals on rate direction. While Trump continues pressing for cuts, markets have yet to price in a reduction this month.

Japan's 10-year bond yield eased to around 1.51% on Tuesday, following a national holiday and expected weekend election results. Despite losing its upper house majority, the ruling coalition is expected to keep PM Shigeru Ishiba in office, easing political tensions. Ishiba remains focused on U.S. tariff negotiations and domestic policy. Meanwhile, opposition calls for fiscal stimulus and tax cuts could pressure the yen and push yields higher. Trade talks with the U.S. remain on schedule for the August 1 deadline.

China's 10-year bond yield stayed near 1.68% on Tuesday after the PBOC left key lending rates unchanged, reflecting weak consumer sentiment and uneven growth. Persistent U.S. tariff threats and global uncertainty continue to weigh on sentiment. High demand for bond ETFs, now exceeding \$50 billion in assets, has helped keep yields low. Markets are now eyeing the October APEC summit for potential policy signals, with a possible Xi-Trump meeting in focus.

Financial Markets Daily Performance

SYMBOLS	PRICE	DAILY	WEEKLY	MONTHLY	YoY
CURRENCIES					
EURUSD	1.16347	0.12%	-0.26%	0.50%	12.32%
GBPUSD	1.34273	0.17%	0.00%	-0.71%	7.26%
AUDUSD	0.65148	0.19%	-0.44%	0.86%	5.26%
NZDUSD	0.59593	0.02%	-0.19%	-0.25%	6.55%
USDJPY	148.082	-0.48%	0.20%	1.30%	-5.89%
USDCAD	1.37173	0.02%	0.08%	-0.12%	-4.59%
METALS					
XAUUSD	3366.43	0.46%	0.71%	-0.06%	28.28%
SILVER	38.325	0.40%	0.54%	6.13%	32.71%
PLATIN	1444.7	0.58%	3.19%	12.10%	61.60%
INDICES					
S&P 500	6312.78	0.11%	1.11%	4.77%	7.33%
DOW JONES	44396	0.16%	0.85%	4.26%	4.35%
NASDAQ	23197	0.07%	1.36%	6.13%	10.40%
NIKKEI	39798	-0.05%	0.30%	3.76%	-0.24%
DAX	24221	-0.36%	0.67%	4.09%	21.66%
ENERGY					
CRUDE OIL	67.495	0.23%	0.77%	-1.48%	-5.89%
BRENT OIL	69.35	0.10%	0.20%	-2.98%	-7.09%
NATURAL GAS	3.3926	-4.84%	-2.12%	-10.96%	-6.62%
BONDS					
US 10Y	4.377	0.70%	-0.11%	0.03%	-0.20%
DE 10Y	2.617	7.40%	-0.12%	0.11%	0.26%
JAPAN 10Y	1.522	1.10%	-0.07%	0.11%	0.43%
UK 10Y	4.606	7.29%	0.00%	0.11%	0.04%
CHINA 10Y	1.676	0.10%	0.00%	0.04%	0.00%

EURUSD



The euro remained above \$1.16 as investors turned their focus to the ECB's upcoming policy decision on Thursday, where no rate changes are expected following eight consecutive cuts. Policymakers remain cautious amid growing concerns about U.S. tariffs and the euro's recent strength. At the same time, EU officials are preparing contingency plans in case trade talks with the U.S. collapse before the August 1 deadline.

Resistance for the pair is at 1.1700, while support is at 1.1660.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
1.1830	1.1750	1.1700	1.1660	1.1590	1.1500

XAUUSD



Gold slipped to around \$3,380 on Tuesday, holding near its five-week high as markets remained cautious ahead of the August 1 U.S. tariff deadline. EU-U.S. trade negotiations are still ongoing, with the EU preparing potential countermeasures should talks fail. The ECB is expected to keep its 2.0% interest rate unchanged, while investor attention turns to upcoming remarks from Fed officials for additional policy signals.

The EU has extended its suspension of countermeasures until early August while continuing efforts to reach a negotiated outcome.

Resistance is at \$3,400, while support holds at \$3,375.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
3500	3430	3400	3375	3310	3285

BTCUSD



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

Bitcoin traded at \$117,365, down 93 points or 0.08% from the previous session. Over the last four weeks, it has declined by 11.18%, though it still shows a 77.96% gain over the past year. Looking ahead, Trading Economics' global macro models and analyst projections suggest Bitcoin may drop to \$111,549 by quarter-end and to \$94,314 within the next year.

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



cues closely with broader economic concerns.

The yen held steady around 147.5 per dollar following a 1% rise as markets reacted to Japan's election outcome. Despite the ruling coalition losing its upper house majority, Prime Minister Ishiba is expected to remain in office, easing some political uncertainty. However, opposition calls for tax cuts and stimulus could weaken the yen and push bond yields higher. Trade negotiations with the U.S. are still on course for the August 1 deadline. Investors continue monitoring policy

Resistance is at 147.75, with major support at 146.15.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
149.30	148.30	147.75	146.15	145.30	144.65

BRENT OIL



Brent crude fell to \$68.6 per barrel, marking a third consecutive day of losses as US-EU trade uncertainty continued to pressure demand outlook. Markets are focused on the upcoming August 1 deadline, which could trigger 30% US tariffs on EU exports. Sanctions on Russian energy had limited market impact, while Iran is preparing to restart nuclear talks with Europe this week to salvage the 2015 deal and avoid further sanctions.

Key resistance is at \$70.30, with major support near \$68.80.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$73.00	\$71.50	\$70.30	\$68.80	\$66.15	\$65.00

NASDAQ



The US 100 Tech Index closed at 23,202, up 115 points or 0.50% from the previous session. Over the past four weeks, the index has gained 6.16%, and over the past year, it is up 17.45%. Trading Economics' models and analyst forecasts project a drop to 22,447 by quarter-end and to 20,690 within a year.

The first resistance is seen at \$23,500, while 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

USD/CNH



The offshore yuan hovered around 7.17 per dollar as markets tracked Sino-US trade developments and awaited Fed appointments. The PBOC maintained stable rates, limiting volatility, while the launch of a new yuan-backed stablecoin aims to enhance offshore liquidity. The upcoming Politburo meeting is expected to indicate moderate policy support following strong Q2 growth.

Key resistance is at 7.2000, while major support lies 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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