

DAILY ANALYSIS

31 JULY 2025



Economic Calendar

Time	Cur.	Event	Forecast	Previous
03:00	JPY	BoJ Interest Rate Decision	0.50%	0.50%
12:00	EUR	German CPI (MoM) (Jul)	0.2%	0.0%
12:30	USD	Core PCE Price Index (MoM) (Jun)	0.3%	0.2%
12:30	USD	Core PCE Price Index (YoY) (Jun)	2.7%	2.7%
12:30	USD	Initial Jobless Claims	222K	217K
13:45	USD	Chicago PMI (Jul)	41.9	40.4

U.S.–China Tariff Talks Continue and Fewer Job Openings

The U.S. dollar index hovered near a two-month high at 99.8 on Thursday, as the Federal Reserve held interest rates steady at 4.25%–4.5%, in line with expectations. Fed Chair Jerome Powell dismissed the idea of near-term rate cuts, offering no hints on timing. His cautious stance prompted markets to lower expectations for policy easing, now pricing in just 35 basis points of cuts by December. Meanwhile, upbeat data on U.S. growth and employment bolstered dollar sentiment.

The U.S. economy bounced back in Q2 2025, expanding by 3% following a 0.5% contraction in Q1 and outperforming the 2.4% forecast. The rebound was fueled by a drop in imports and stronger consumer spending. While government expenditure rose, investment and exports softened. Notably, private inventories shaved 3.17 percentage points off growth.

Across the Atlantic, the Eurozone economy slowed to just 0.1% growth in Q2, down from 0.6% in Q1, its weakest pace since late 2023. Business and consumer confidence remained cautious amid easing inflation and renewed trade concerns. Spain and France posted modest growth at 0.7% and 0.3%, while Germany and Italy slipped into slight contraction, each down 0.1%.

In Asia, China's NBS Manufacturing PMI dropped to 49.3 in July, its lowest since January and the fourth month of contraction in a row. Production, new orders, and exports all weakened, while input costs rose for the first time in five months. Despite ongoing challenges, business sentiment climbed to a four-month high.

On the trade front, the U.S. announced a 50% tariff on most Brazilian imports in response to Bolsonaro's legal troubles, though key sectors were exempted. Trump also imposed a 25% tariff on Indian exports, criticizing India's protectionist stance, though talks for a trade agreement remain underway. A new deal with South Korea includes a 15% tariff, paired with Korea's pledge of \$350 billion in U.S. investments and \$100 billion in energy imports, along with broader market access for U.S. goods.

Bond markets held steady, with the U.S. 10-year Treasury yield stabilizing around 4.36%, while Japan's 10-year yield rebounded to approximately 1.56% after hitting weekly lows.

Financial Markets Daily Performance

SYMBOLS	PRICE	DAILY	WEEKLY	MONTHLY	YoY
CURRENCIES					
EURUSD	1.14141	-0.12%	-2.90%	-3.31%	10.19%
GBPUSD	1.32532	-0.02%	-1.89%	-3.59%	5.86%
AUDUSD	0.64541	0.13%	-2.13%	-1.90%	4.28%
NZDUSD	0.59125	0.09%	-2.04%	-3.06%	5.71%
USDJPY	148.812	-0.27%	1.23%	3.80%	-5.43%
USDCAD	1.38275	0.01%	1.37%	1.34%	-3.83%
METALS					
XAUUSD	3295.78	0.65%	-2.16%	-1.27%	25.58%
SILVER	37.171	0.11%	-4.81%	3.17%	28.71%
PLATIN	1329.5	1.61%	-6.68%	-1.98%	48.71%
INDICES					
S&P 500	6423.42	0.95%	0.94%	3.64%	9.21%
DOW JONES	44583	0.27%	-0.25%	0.20%	4.79%
NASDAQ	23679	1.43%	1.98%	5.34%	12.69%
NIKKEI	40930	0.68%	-2.14%	2.36%	2.60%
DAX	24324	0.26%	0.12%	2.75%	22.18%
ENERGY					
CRUDE OIL	69.992	-0.01%	6.00%	6.94%	-2.41%
BRENT OIL	72.415	-0.08%	4.68%	7.91%	-2.98%
NATURAL GAS	3.0091	-1.18%	-4.38%	-11.89%	-17.17%
BONDS					
US 10Y	4.359	2.00%	-0.04%	0.12%	-0.22%
DE 10Y	2.705	1.50%	0.11%	0.14%	0.34%
JAPAN 10Y	1.571	0.82%	-0.03%	0.18%	0.48%
UK 10Y	4.608	3.02%	-0.04%	0.15%	0.04%
CHINA 10Y	1.738	0.20%	0.00%	0.10%	0.06%

EURUSD



The euro fell to \$1.14, its lowest level since mid-June, as the dollar rallied following the Fed's decision to hold rates steady with no clear signal for cuts in September. This tempered market hopes for near-term easing. In Europe, Q2 GDP growth slowed sharply to 0.1% from 0.6%, though it still beat expectations. The weakness was uneven, with contractions in Germany and Italy offset by modest growth in France and Spain.

Markets remain concerned that the recent U.S.-EU trade deal favors the U.S. disproportionately. Meanwhile, rate cut expectations for the ECB have been pushed back, with only a 30% chance of easing by December and 90% by March 2026.

EUR/USD faces resistance at 1.1450, support at 1.1400.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
1.1660	1.1500	1.1450	1.1400	1.1350	1.1275

XAUUSD



Gold rose above \$3,290 after hitting a four-week low, supported by U.S. tariff news and the Fed's latest policy stance. President Trump announced new measures: a 15% tariff on South Korean imports and a 25% levy on Indian goods, while removing exemptions for low-value shipments. Chair Powell reiterated the Fed's view that it's too early to consider rate cuts.

Investors now price in 35 basis points of rate cuts by year-end. Strong U.S. GDP and jobs data also helped steady sentiment, though attention is now turning to upcoming PCE inflation and labor market updates.

Gold sees resistance near \$3,320, with support around \$3,285.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
3367	3350	3320	3285	3250	3230



Bitcoin is trading just under \$118,000 after retreating from the \$122,000 resistance earlier this month. Strong support lies between \$109,000 and \$110,000, while immediate resistance stands at \$120,000. The 200-day moving average, currently around \$98,300, continues to support the broader bullish trend.

Resistance is at \$119,300; support sits at \$117,250.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
125,000	121,900	119,300	117,250	115,450	113,100

USDJPY



The Japanese yen climbed above 149 per dollar on Thursday, rebounding from earlier losses after the Bank of Japan held rates steady, marking the fourth consecutive meeting without a policy change. While the BoJ kept its cautious tone, it flagged temporary disinflation and persistent global trade risks.

On Wednesday, the yen had dipped to a four-month low after the Fed's decision to hold rates and avoid forward guidance, which gave the dollar a lift.

USD/JPY is currently testing resistance at 149.30, with support at 148.50.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
151.40	150.00	149.30	148.50	147.50	146.40



Brent crude held close to a six-week high near \$72, supported by renewed supply concerns. President Trump's latest trade actions, including penalties on Russian oil, new tariffs on Indian exports, and harsh sanctions on Iran, sparked fears of major disruptions. Markets were further rattled as Trump threatened 100% tariffs on Russian imports unless trade issues are resolved within 10 days.

Adding to the pressure, U.S. crude inventories saw a surprise jump of 7.7 million barrels—the biggest increase in six months. With an OPEC+ meeting on the horizon, traders are bracing for a possible output hike.

Brent is testing resistance at \$73.00, with support at \$71.50.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$75.00	\$73.75	\$73.00	\$71.50	\$70.30	\$67.50

NASDAQ



U.S. stock futures climbed on strong Q3 earnings from Meta and Microsoft. Meta soared 12% on upbeat guidance, while Microsoft gained 8% after smashing expectations and surpassing \$75 billion in Azure revenue. Nasdaq 100 futures rose 1%, while the S&P 500 added 0.7%.

The rally followed the Fed's steady rate decision, with two dissenting votes favoring cuts. Sentiment also responded to concerns over inflation and Trump's escalating trade tariffs.

NASDAQ faces resistance at 24,000, with support holding at 23,500.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$26,000	\$25,000	\$24,000	\$23,500	\$22,200	\$21,450



The offshore yuan edged up to around 7.19 per dollar, snapping a five-day losing streak even as July's PMI figures disappointed. China's composite PMI dipped to 50.2, reflecting continued contraction in manufacturing and slower growth in services.

Despite the soft data, market sentiment saw a modest rise after the Politburo reaffirmed its support for the economy and introduced measures to combat "disorderly competition." However, no major stimulus package was announced. The yuan is still on track for its first monthly loss after two straight months of gains.

USDCNH faces resistance at 7.19900, with support at 7.18500.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
7.22000	7.21000	7.19900	7.18500	7.16900	7.15000

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