

DAILY ANALYSIS

01 JULY 2025



Economic Calendar

Time	Cur.	Event	Forecast	Previous
09:00	EUR	CPI (YoY) (Jun)	2.0%	1.9%
13:30	USD	Fed Chair Powell Speaks	-	-
13:45	USD	S&P Global Manufacturing PMI (Jun)	52.0	52.0
14:00	USD	ISM Manufacturing PMI (Jun)	48.8	48.5
14:00	USD	ISM Manufacturing Prices (Jun)	69.6	69.4
14:00	USD	JOLTS Job Openings	7.320M	7.391M

Trade Tensions Rise as Trump Pressures Japan

U.S. President Donald Trump has threatened new tariffs on Japan over its refusal to import American rice, ahead of the July 9 deadline for reinstating higher tariffs on several trade partners, including Japan. Tariffs had been paused in April to allow talks, but only frameworks with China and the U.K. have been announced. White House adviser Kevin Hassett noted that agreements with several governments could be finalized after the July 4 holiday, with Japan talks ongoing. Currently, Japan faces a 24% tariff on its exports to the U.S., temporarily reduced to 10% during negotiations.

The European Union is open to a trade deal with the U.S. involving a 10% universal tariff on many exports while seeking lower rates on sectors such as pharmaceuticals, alcohol, semiconductors, and aircraft. The proposed deal would address non-tariff barriers and U.S. purchases of EU goods. The EU seeks quotas and exemptions to ease the impact of current U.S. tariffs, which stand at 25% on cars and parts and 50% on steel and aluminum. The EU views the deal as slightly favoring the U.S. but acceptable, facing a July 9 deadline to avoid a sharp tariff increase to 50% on its exports. Trump has defended tariffs as necessary to improve U.S. manufacturing, fund tax cuts, and counter unfair trade practices.

The yield on the U.S. 10-year Treasury note fell to around 4.22% on Tuesday, the lowest in two months, amid concerns over the U.S. fiscal outlook and trade uncertainty. Markets are watching the Senate's push to pass Trump's tax-cut and spending bill before the July 4 deadline, which is expected to add \$3.3 trillion to the national debt. Investors are also monitoring trade developments as Trump's 90-day tariff reprieve ends next week. Expectations for deeper Fed rate cuts, supported by dovish signals and pressure from Trump, also weighed on yields. Focus now shifts to Thursday's monthly jobs report for insight into labor market conditions.

Japan's 10-year government bond yield held near 1.43% on Tuesday as trade tensions with the U.S. resurfaced. Trump criticized Japan's refusal to buy American rice and reaffirmed the 25% tariff on Japanese auto imports, citing its trade surplus with the U.S., just days before a critical deadline for a trade deal to avoid reinstating a 24% tariff. Meanwhile, Japan's latest Tankan survey showed improved business sentiment among large manufacturers in Q2, indicating resilience despite external pressures.

Financial Markets Daily Performance

SYMBOLS	PRICE	DAILY	WEEKLY	MONTHLY	YoY
CURRENCIES					
EURUSD	1.17822	-0.03%	1.46%	2.98%	13.74%
GBPUSD	1.37407	0.07%	0.92%	1.45%	9.76%
AUDUSD	0.65769	0.01%	1.26%	1.25%	6.26%
NZDUSD	0.60973	0.10%	1.44%	1.04%	9.02%
USDJPY	143.621	-0.13%	-0.90%	0.63%	-8.73%
USDCAD	1.36076	0.01%	-0.86%	-0.78%	-5.35%
METALS					
XAUUSD	3331.29	0.85%	0.25%	-1.49%	26.94%
SILVER	36.097	-0.01%	0.49%	3.85%	24.99%
PLATIN	1349.3	-0.90%	3.18%	27.15%	50.93%
INDICES					
S&P 500	6204.95	0.52%	1.85%	4.53%	5.50%
DOW JONES	44067	-0.06%	2.27%	4.16%	3.58%
NASDAQ	22637	-0.19%	2.01%	5.33%	7.73%
NIKKEI	40069	-1.03%	3.30%	6.93%	0.44%
DAX	23978	0.28%	1.42%	0.20%	20.44%
ENERGY					
CRUDE OIL	64.84	-0.41%	0.73%	3.71%	-9.59%
BRENT OIL	66.466	-0.41%	-1.00%	2.84%	-10.95%
NATURAL GAS	3.4352	-0.60%	-6.01%	-7.01%	-5.44%
BONDS					
US 10Y	4.209	1.90%	-0.09%	-0.24%	-0.37%
DE 10Y	2.596	0.10%	0.09%	0.07%	0.23%
JAPAN 10Y	1.393	4.29%	-0.03%	-0.12%	0.30%
UK 10Y	4.488	1.82%	-0.01%	-0.18%	-0.08%
CHINA 10Y	1.649	0.40%	0.01%	-0.05%	-0.03%

EURUSD



The EUR/USD pair traded near 1.1790 on Tuesday as the US Dollar weakened amid fiscal concerns and trade uncertainty. Reports indicate the US is seeking phased trade deals before the July 9 tariff deadline, pressuring the Greenback. The Senate's difficulty in passing Trump's \$3.3 trillion tax-and-spending bill added to concerns.

Meanwhile, Germany's June HICP rose 2.0 percent annually, below expectations, which may cap euro gains. Markets now await Eurozone inflation data and the US ISM Manufacturing PMI.

Resistance for the pair is at 1.1850, while support is at 1.1730.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
1.2015	1.1910	1.1850	1.1730	1.1630	1.1540

XAUUSD



Gold climbed to around \$3,320 per ounce on Tuesday, supported by a weaker US dollar amid fiscal concerns and trade uncertainties. Markets are watching the Senate's tax-and-spending bill and US-Japan tensions ahead of a key tariff deadline.

Expectations of Federal Reserve rate cuts and upcoming US labor data are also adding to gold's attractiveness.

Resistance is at \$3,350, while support holds at \$3,290.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
3430	3395	3350	3290	3250	3200

BTCUSD



Bitcoin was trading near \$107,000 on Tuesday morning.

The initial target level for BTC is set at \$109,350, while the first support level is positioned at \$100,600.

The second critical support for BTC/USD is seen at the \$96,000 and the second resistance is located at \$112,130.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$115,000	\$112,130	\$109,350	\$100,600	\$96,000	\$93,150

USDJPY



The Japanese yen strengthened to 143.5 per dollar on Tuesday, its highest in over two weeks, supported by a weaker US dollar and positive domestic data. Tensions with the US increased as President Trump threatened new tariffs and upheld the 25 percent auto tariff.

Japan's Tankan survey showed improved business sentiment, indicating resilience. Markets now watch for developments in US-Japan trade talks ahead of next week's tariff deadline.

The key resistance is at \$145.70 meanwhile the major support is located at \$143.55.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
147.00	146.20	145.70	143.55	142.45	141.00

BRENT OIL



Brent crude declined to around \$66.3 on Tuesday, extending losses as OPEC+ plans to increase output by 411,000 barrels per day in August, bringing this year's total rise to 1.78 million barrels per day. Led by Saudi Arabia, the move seeks to regain market share and control overproducers.

Prices also fell as the Israel-Iran ceasefire held and global growth concerns linked to tariffs persisted. Treasury Secretary Bessent warned that higher US tariffs remain possible.

Key resistance is at \$69.35 meanwhile the major support is located at \$66.15 per barrel.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$72.90	\$71.50	\$69.35	\$66.15	\$63.00	\$61.55

NASDAQ



US stock futures held steady on Tuesday after the S&P 500 and Nasdaq reached record highs, supported by gains in tech leaders such as Microsoft and Meta. The Dow rose 0.63 percent. Sentiment improved as Canada dropped its digital services tax, easing US trade tensions.

Investors now focus on progress in US trade talks before the July 9 tariff deadline, while falling Treasury yields on Fed rate cut expectations supported the positive market outlook.

The first resistance is at \$23,000 while the initial support stands at \$22,000

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

USDCNH



The offshore yuan remained near 7.16 per dollar on Tuesday, its strongest level since early November, supported by improved sentiment after China's private Manufacturing PMI rose to 50.4 in June. This positive reading, despite contrasting with the official PMI, indicated resilience amid trade tensions.

The yuan was further supported by a weaker US dollar driven by Fed rate cut expectations and trade uncertainties. Markets now look ahead to potential policy signals from the July Politburo meeting.

Key resistance is at \$7.2000 meanwhile the major support is located at \$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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