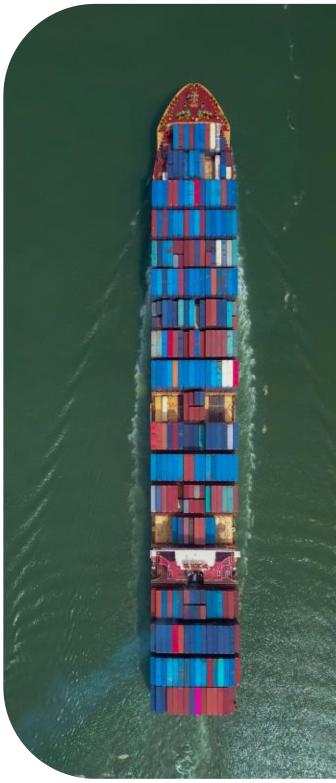
Purple Patch

JULY 2025

www.purpledaffodilconsulting.com

purple daffodil CONSULTING

In the news: The art of the deal



Central Banks kept worldwide interest rates on hold, including the Fed, infuriating President Trump who maintained his Jerome Powell fire him/don't fire him flip-flop, this time calling him a "knucklehead". It is clear to see why the President wants lower rates given the US is paying $1.1tr in interest each year, double what it was in 2022.

The pause in rates seemed to be Central Banks' waiting for clarity over 1 August tariff increases, revised inflation figures (which ticked up in June) and unemployment figures (little change in the US but a rise in the UK). A wait that may be over, at least for some tariff deals.

Before month end, we had a US-UK deal, a US-Japan deal and a US-EU deal, amongst others. China-US talks were "constructive" at the end of the month but there is no obvious reason yet to extend the 12 August deadline. President Trump has added a superlative to each deal done, as only he can, but global tariffs are still the highest they have been since the 1930's. Despite good(ish) news for Japanese car makers and EU aircraft parts (I trivialise!), the winner is definitely Trump in each case, especially given the additional investment into the US that is required. Say what you want, he has got results and the world is bowing to his tactics.

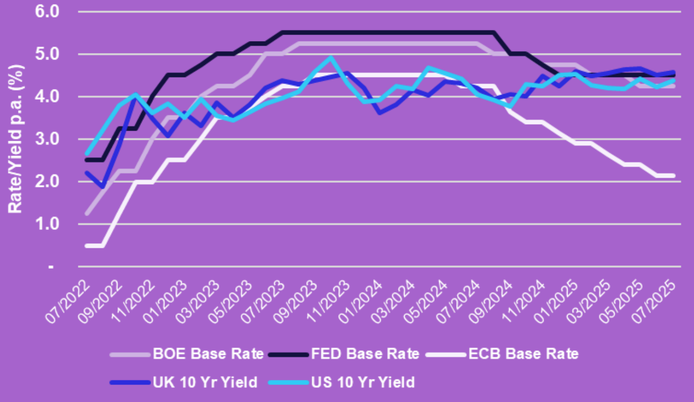
There are still I's to dot and T's to cross but the markets had reacted positively – it turns out certainty trumps all else (no pun intended). However, US jobs data and US sabre rattling with Russia on Friday may just have shattered that certainty.

In the UK, the fiscal issues are front and centre – tax receipts are rising but so is unemployment (I can't think what could cause that!), money needs to be spent on vital services and house prices are falling (1.2% was the biggest July asking price drop in 20 years).

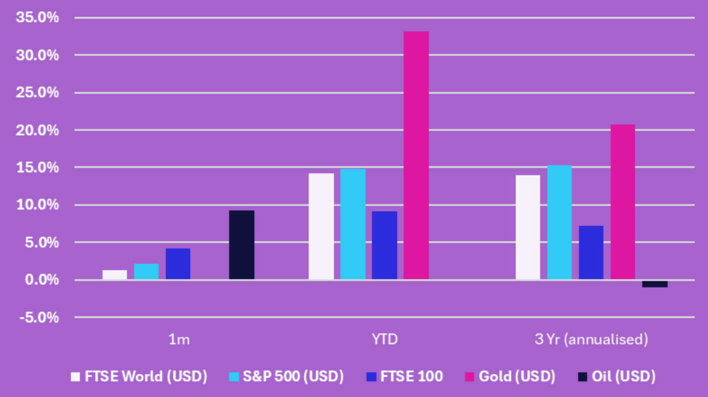
Finally, a farewell to the Prince of Darkness, the controversial Ozzy Osbourne who shook the established music world and changed it forever. His last act was to raise over £140m with a packed concert in his home town of Birmingham only a month ago, with over 3.5m people streaming live.

Market Stats

Bond Yields and Rates



Equities, Gold and Oil



Source: Investing.com, global-rates.com, FTSE 100 and S&P 500 are price indices

Purple Patch

July 2025

www.purpledaffodilconsulting.com

purple daffodil CONSULTING

Sports news (because it is not all about work)

Football: you would have to be living under a rock not to know that England's Lionesses won Euro 2025, beating Spain on penalties in Switzerland.

Rugby Union: The British and Irish Lions secured a series win in Australia, after their biggest ever comeback, although they bowed out with a final test loss yesterday.

Tennis: Jannik Sinner won the men's Wimbledon title and Poland's Iga Swiatek won the women's final both for the first time.

Boxing: Oleksandr Usyk stopped Daniel Dubois at Wembley Stadium to become a two-time undisputed heavyweight champion.

Golf: Scottie Scheffler won the British open at Royal Portrush in Northern Ireland.

Darts: teenager Luke Littler completed the darts' triple crown by winning the World Matchplay final in Blackpool.

A good news story

In China, 300 dams and hydropower plants along a tributary of the upper Yangtze river have been demolished. Adult sturgeon have been reintroduced and are migrating and spawning in their historic habitat after being declared extinct 3 years ago. This is part of the Chinese government's attempts to restore the river's ecosystems.

Quote for the Month

"And if we don't hide now, they're gonna catch us where we sleep, ah and if we don't hide here, they're gonna find us……"

Coldplay, Spies (2000)

Stat of the Month

240

Number of our suns that would make up the size of the black hole discovered in July, created by the merger of two black holes

Source: USA Today