

OpenVoiceNews Australia

Transparent. Unbiased. Yours.

ASX Set to Dip as RBA Speech and Wall Street Results Shape Week

July 20, 2025

— Categories: Finance



The Australian Securities Exchange (ASX) is expected to open lower this week, but its trajectory hinges on a pivotal Reserve Bank of Australia (RBA) speech by Governor Michele Bullock and key Wall Street earnings from giants like Alphabet and Tesla. This article delves into these influences, their potential impact on markets, and the broader economic context driving investor sentiment.

The ASX 200, Australia's benchmark index, is poised for a slight decline, with futures pointing to a 0.3% drop, following mixed global signals (*Australian Financial Review*, 2025). Investors are keenly

awaiting Bullock's address at the Anika Foundation, which could signal the RBA's stance on interest rates after a surprise decision to hold the Official Cash Rate (OCR) at 3.85% in July, defying expectations of a cut (*ABC News*, 2025). "The RBA's cautious approach reflects global uncertainties, particularly Trump's tariffs," said IG market analyst Tony Sycamore, noting the speech may clarify whether rate cuts are imminent (*Australian Financial Review*, 2025). A dovish tone could lift the ASX, as markets price in a 55% chance of a February cut (*ABC News*, 2025).

Wall Street's earnings season adds another layer of influence. Results from Alphabet and Tesla, due this week, will set the tone for global markets, with tech stocks critical to the ASX's performance. Strong US earnings could bolster local tech firms like Life360, which surged 7.48% last week (*ABC News*, 2025). However, concerns linger over US Federal Reserve independence amid Trump's tariff policies, which sparked a 4.2% ASX plunge in April (*ABC News*, 2025). A faltering US economy, with gross domestic product (GDP) shrinking 0.3% in Q1 2025, could drag Australian shares lower (*ABC News*, 2025).

Domestically, the Labor government's economic policies face scrutiny as inflation holds at 2.4% and building approvals slump 8.8% (*ABC News*, 2025). Critics argue Labor's spending fails to address structural issues like housing shortages, potentially exacerbating market volatility. As global and local pressures converge, investors brace for a week where Bullock's words and US earnings could either steady or shake the ASX's fragile footing.