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Ethereum Forecast Signals Uptrend Toward Key \$4,000 Resistance

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Ethereum (ETH) is approaching a make-or-break moment as it tests a key resistance zone between \$3,850 and \$4,100. After rallying sharply from levels below \$2,200, the cryptocurrency is now flirting with a multi-year price ceiling. Traders are closely watching for a decisive breakout, which could reshape the market heading into the second half of the year.

The current price structure places Ethereum just beneath the upper boundary of a symmetrical triangle pattern that has guided its broader trajectory since late 2021.

Historically, this triangle has capped all major upside moves, making the current test especially significant. Ethereum's recent rally gained momentum after reclaiming its long-standing ascending support near \$2,300, a level dating back to its breakout in 2020. This upward move also triggered a bullish flip in the Parabolic SAR (Stop and Reverse) indicator on the weekly chart, a technical sign of building strength.

Derivatives markets are echoing that optimism. According to data from Coinglass, Ethereum's 24-hour trading volume surged by over 15 percent to \$155.11 billion. Options trading volume jumped 16 percent, and open interest in ETH options rose 3.36 percent to \$14.07 billion. Futures open interest also increased slightly by 0.46 percent to \$58.03 billion, suggesting a balanced influx of leveraged positions rather than overextended speculation.

Additional insight from Binance shows a growing bullish consensus among seasoned traders. The long-to-short ratio among top accounts sits at 2.57, meaning there are more than two bullish positions for every short. This ratio signals strong conviction in upward momentum. Meanwhile, over \$175 million in liquidations, mainly from short sellers, indicates many traders were caught off guard by the strength of the recent surge. Despite the run-up, funding rates remain neutral, a positive sign that the rally is not being driven by excessive leverage, which can lead to sharp reversals.

If Ethereum can close above the \$4,100 threshold every week, it would confirm a breakout from the long-standing triangle pattern. Such a move could open the door for a climb toward the previous all-time high and potentially extend as far as \$5,200 in the coming months. On the flip side, a failure to clear this resistance zone could trigger another pullback, with support levels around \$2,800 and \$2,300 coming back into focus.

It's worth noting that Ethereum's current positioning reflects more than just chart patterns. The increasing activity in derivatives, coupled with broad-based optimism among large traders, reflects underlying confidence. However, this optimism remains tempered by the knowledge that previous breakouts have failed to sustain momentum, underscoring the need for a clean, convincing move above \$4,100 to break the cycle.