

## Key U.S. Economic Events Poised to Influence Bitcoin This Week

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Bitcoin is holding steady above \$118,000 despite market headwinds, but three major economic indicators from the United States could stir fresh volatility in the crypto sector this week. These developments may shape investor sentiment and expectations for monetary policy, with the potential to influence Bitcoin's near-term performance.

The first signal investors are watching comes on Tuesday, as Jerome Powell, Chair of the United States Federal Reserve, delivers opening remarks at a key banking conference. His comments follow the latest Consumer Price Index (CPI) report, which showed a 2.7% annual inflation rate in June. With the next Federal Open Market Committee (FOMC) meeting scheduled for July 30, markets are eager for clues about future interest rate decisions. While current market odds heavily favor no change in rates, any indication of a shift in policy tone could sway traders. Powell also faces mounting political scrutiny, not only over the Fed's cautious rate stance but also regarding the \$2.5 billion building renovation project, which has drawn criticism and calls for an audit. Any significant development regarding Powell's leadership, including speculation about early resignation, could impact Bitcoin, as leadership changes often signal policy shifts toward easing, typically favorable for digital assets.

Another key economic data point is Thursday's release of initial jobless claims, a measure of how many Americans applied for unemployment benefits for the first time in the previous week. For the week ending July 12, claims stood at 221,000, with forecasts pointing to an increase to 229,000. A sharp rise would suggest softening in the labor market and could revive speculation of future rate cuts, supportive of Bitcoin. Conversely, persistently low claims may indicate economic resilience, which tends to reduce the likelihood of policy easing.

Also on Thursday, attention will turn to the S&P Global Flash Purchasing Managers' Index (PMI) reports for both the services and manufacturing sectors. These indicators gauge economic health in their respective areas. In June, the services PMI stood at 52.9, signaling modest growth but slower than May's 53.7, while the manufacturing PMI hit a three-year high at 52.9, partly due to inventory builds amid tariff uncertainty. Forecasts suggest a slight cooling in both sectors for July, which, if realized, may strengthen the case for rate cuts and bolster Bitcoin's role as a hedge against weakening fiat currencies.

At the time of writing, Bitcoin is trading at \$118,286, up 0.35% in the last 24 hours. Despite this strength, a dip in Bitcoin dominance raises the possibility of an altcoin rally, a pattern often observed ahead of broader market rotations. Meanwhile, reports of Bitcoin sales by miners, large holders (often called whales), and potential asset offloading by the United Kingdom government could add further turbulence to markets.

With monetary policy still uncertain and macroeconomic trends evolving, Bitcoin investors are entering a pivotal week, one where traditional economic indicators may once again

shape the narrative for digital assets.