

# ZITAPLUS

## WEEKLY BULLETIN

4 — 8 AUG 2025

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ECONOMIC CALENDER

WEEKLY HIGHLIGHTS

TECHNICAL ANALYSIS

FED HOLDS, CUT DEBATE GROWS









MARKET ROUNDUP



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TIME	CUR.	EVENT	FORECAST	PREVIOUS
MONDAY, AUGUST 4				
ALL DAY		United Kingdom - Bank Holiday		
TUESDAY, AUGUST 5				
16:45		S&P Global Services PMI (Jul)	55.2	55.2
17:00		ISM Non-Manufacturing PMI (Jul)	51.5	50.8
17:00		ISM Non-Manufacturing Prices (Jul)		67.5
WEDNESDAY, AUGUST 6				
17:30		Crude Oil Inventories		7.698M
20:00		10-Year Note Auction		4.36%
THURSDAY, AUGUST 7				
14:00		BoE Interest Rate Decision (Aug)	4.00%	4.25%
15:30		Initial Jobless Claims	221K	218K
20:00		30-Year Bond Auction		4.889%



# Weekly Highlights

**4-8 AUG 2025**

## FED HOLDS STEADY, BUT DISSENT EMERGES

The Fed kept interest rates unchanged at 4.25%–4.50% for the fifth consecutive meeting. However, two FOMC members voted for a rate cut, a rare double dissent not seen since 1993. Policymakers noted signs of economic moderation, while inflation remains high and labor markets stay tight.



## STRONG US JOB DATA IN SERVICES SECTOR

July ADP data showed 104,000 new private sector jobs in the US, beating expectations. Most gains came from leisure, finance, and transportation. However, education and healthcare sectors posted notable job losses, marking a mixed but still positive labor trend.

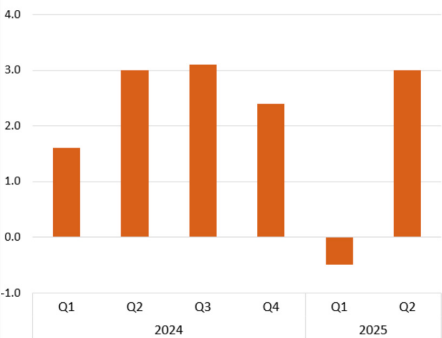




**BOJ HOLDS RATES,  
LIFTS INFLATION OUTLOOK**

The BoJ left rates at 0.50% but surprised markets by raising its core inflation outlook from 2.2% to 2.7% for FY2025. While the yen firmed, yields remained steady as markets awaited further comments from Governor Ueda for direction on potential tightening.

Real GDP, Percent Change From Preceding Quarter



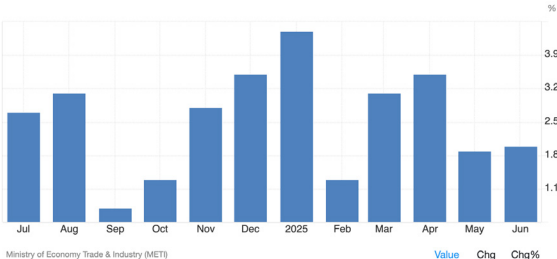
**U.S. ECONOMY EXPANDS 3%,  
LED BY SPENDING**

The US economy grew 3% annualized in Q2, according to the first estimate of GDP growth for the quarter, beating expectations of 2.4% and rebounding from a 0.5% Q1 contraction. Growth was driven by a 30.3% plunge in imports and faster consumer spending (1.4% vs 0.5% in Q1), led by goods (2.2% vs 0.1%).



**US GDP SURGES IN Q2**

The US economy grew at a 3% annualized rate in Q2 2025, strongly rebounding from Q1's 0.5% contraction. The increase came from a collapse in imports and stronger consumer spending, especially on goods. It marked the best back-to-back growth streak since the pandemic.



**JAPAN RETAIL SALES  
CONTINUE UPTREND**

Japan posted a 2.0% YoY gain in retail sales for June, marking the 39th consecutive monthly rise. This resilience is attributed to steady wage growth and strong domestic demand.



## US-EU SEAL \$750B ENERGY DEALS

Trump announced a deal with the EU involving a 15% tariff, with the EU agreeing to buy \$750B in US energy, open all markets, purchase US military equipment, and make \$600B in US investments. He claimed it's the biggest deal ever, benefiting cars and agriculture. Deals with other countries are underway; confirmations expected soon.

## TRUMP'S GLOBAL TARIFF CAMPAIGN INTENSIFIES

President Trump declared no extension for the August 1st deadline. India faces a 25% tariff (plus penalties) for importing Russian oil. He also enforced a 50% tariff on Brazilian imports and signed a 15% deal with South Korea.

## US-CHINA TALKS RESUME WITH TARIFF PAUSE

Before the Stockholm trade talks, reports confirm that the US and China have agreed to a 90-day pause on tariffs. This helps de-escalate tensions, while China's trade surplus surged to \$114.8B in June, driven by stronger exports (+5.8%) and recovering imports.

## TARIFF EXCLUSION SPARKS COPPER SELLOFF

Copper markets faced turmoil after Trump excluded commonly traded refined copper from the new 50% tariffs. The sudden policy shift caused US copper futures to slump sharply, highlighting rising volatility in commodity markets.









## EURUSD

### EUR/USD RISES ABOVE 1.15 ON WEAK U.S. JOBS DATA

EUR/USD bounced back above 1.15 after dipping to a seven-week low of 1.1390, supported by weak U.S. nonfarm payrolls in July, which rose by only 73,000 vs. 100,000 expected. Downward revisions to prior months also lifted Fed rate cut bets for September from 45% to 75%.

In the Eurozone, July inflation edged up to 2.0% (vs. 1.9% forecast), prompting a more cautious ECB stance, though markets still see a 60% chance of a 25 bps cut by year-end. Meanwhile, new U.S. tariffs on EU exports weighed on sentiment, adding pressure on the euro.

#### KEY LEVELS:

- **Resistance:** 1.1640 – 1.1650
- **Support:** 1.1470



## XAUUSD

### GOLD PULLS BACK AS FED SPECULATION GROWS

Gold opened the week near \$3,350 per ounce, pulling back after a sharp 2.2% rally on Friday, its biggest daily gain since early June. The surge was fueled by demand after President Trump announced sweeping new import tariffs of 10%–41%, set to take effect on August 7.

Weaker U.S. jobs data also intensified speculation over a potential Fed rate cut in September. Markets now focus on geopolitical developments and upcoming Fed signals.

#### KEY LEVELS:

- **Resistance:** \$3,374; then the target will be at \$3,430
- **Support:** \$3,316, followed by \$3,300–\$3,305





## BRENT OIL

### BRENT DROPS BELOW \$68 ON OPEC+ SUPPLY HIKE

Brent crude fell below \$68 per barrel as OPEC+ confirmed a 547,000 bpd output increase from September, finalizing the reversal of 2023's voluntary cuts. While expected, the move raised concerns of supply outpacing demand, pressuring prices.

Soft U.S. jobs data and new U.S. tariffs added to slowdown fears. Traders also watch for possible U.S. sanctions on Russian crude buyers, with India a key target ahead of potential August 8 enforcement.

#### KEY LEVELS:

- **Resistance:** \$71.70, then 73.80 (50DMA)
- **Support:** \$65.70, then \$61.90



## BTCUSD

### BITCOIN CONSOLIDATES IN TIGHT RANGE

Bitcoin hovered in a narrow range of \$112,000 to \$118,000 this week, reflecting market indecision with mixed macro signals. Cautious risk sentiment, prompted by weak U.S. economic data, has been balanced by steady demand for digital assets, supported by expectations of a more dovish Fed.

Traders are eyeing a breakout from this range. A sustained move above \$118,000 could target \$122K–\$125K, while a drop below \$112,000 may trigger a test of deeper support near \$108K.

#### KEY LEVELS:

- **Range:** \$112K – \$118K
- **Upside breakout target:** \$122K+
- **Downside risk zone:** Below \$112K, toward \$108K





## FED HOLDS, CUT DEBATE GROWS



The Federal Reserve kept interest rates unchanged at 4.25%-4.50% in its July meeting, holding firm despite vocal pressure from President Trump for a cut. The central bank cited ongoing economic uncertainty and stubbornly high inflation as reasons to maintain a cautious, data-driven stance. No clear path was outlined for the months ahead, disappointing markets looking for hints of a September pivot.

In a surprise twist, two usually hawkish Fed members, Christopher Waller and Michelle Bowman, dissented, calling for a 25-basis-point cut. Their dual dissent marked the first time since 1993 that two board members have broken ranks in favor of easing, fueling speculation about growing internal divisions and possible political influence.

The Fed acknowledged that growth slowed in the first half of the year, while unemployment remains low and inflation, though cooling, is still above target. Chair Powell offered no commitment to future moves, keeping the door open but not yet stepping through. As his term draws to a close, attention is shifting to the White House, and whether a leadership shakeup could be on the horizon if the Fed continues to resist easing.







# WEAK PAYROLL NUMBERS SHOW A SLOWING U.S. LABOR MARKET

U.S. job growth remained subdued in July 2025, with nonfarm payrolls adding just 73,000 jobs, barely improving since April's stagnation. The unemployment rate held at 4.2%, offering no sign of improvement. Health care and social assistance sectors continued to see job gains, but federal government employment dropped by 12,000, extending its total losses to 84,000 since the start of the year.

Long-term unemployment also rose, reaching 1.8 million and now accounting for a quarter of all unemployed workers. Meanwhile, labor force participation edged down slightly to 62.2%, suggesting a modest retreat from the workforce.

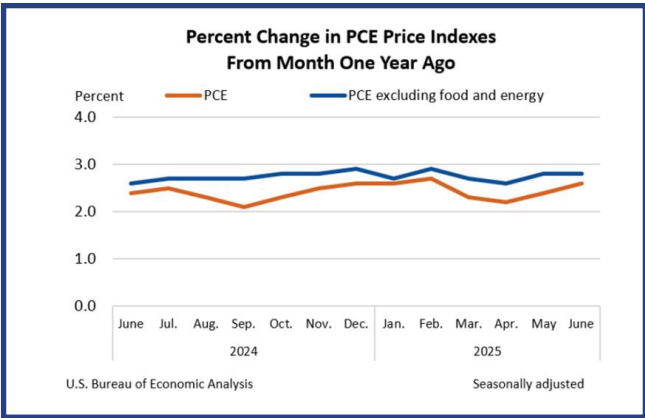
Wages showed moderate growth, with average hourly earnings rising 0.3% to \$36.44, reflecting a 3.9% increase compared to the same period last year. However, a sharp downward revision of May and June's job gains, reduced by a combined 258,000, paints a weaker picture of the labor market than previously thought.

# INFLATION PICKS UP, JOB MARKET HOLDS FIRM

U.S. inflation accelerated in June, with the PCE price index rising 0.3%, the biggest monthly increase in four months, in line with expectations. Goods prices climbed 0.4%, services added 0.2%, while core PCE also advanced 0.3% after a softer May. Food prices rose by 0.3%, and energy rebounded 0.9% following the previous month's decline.

The labor market showed resilience as initial jobless claims edged up by just 1,000 to 218,000, staying well below forecasts and near a three-month low.

Continuing claims remained stable at 1.946 million, slightly under 2021 highs, reflecting a stable jobs market despite cooling hiring trends.



# JULY MANUFACTURING PMI DROPS, MISSING EXPECTATIONS

The U.S. ISM Manufacturing PMI slipped to 48 in July from 49 in June, marking the fifth month of contraction and the weakest reading since October 2024. The figure missed forecasts of a rise to 49.5. Supplier deliveries and employment remained the softest components, with hiring still sluggish across firms. Production picked up, and the declines in new and backlogged orders began to ease. Price pressures moderated as well, with the prices index dropping to 64.8 from 69.7.

July 2025						
Index	Series Index Jul	Series Index Jun	Percentage Point Change	Direction	Rate of Change	Trend* (Months)
Manufacturing PMI®	48.0	49.0	-1.0	Contracting	Faster	5
New Orders	47.1	46.4	+0.7	Contracting	Slower	6
Production	51.4	50.3	+1.1	Growing	Faster	2
Employment	43.4	45.0	-1.6	Contracting	Faster	6
Supplier Deliveries	49.3	54.2	-4.9	Faster	From Slower	1
Inventories	48.9	49.2	-0.3	Contracting	Faster	3
Customers' Inventories	45.7	46.7	-1.0	Too Low	Faster	10
Prices	64.8	69.7	-4.9	Increasing	Slower	10
Backlog of Orders	46.8	44.3	+2.5	Contracting	Slower	34
New Export Orders	46.1	46.3	-0.2	Contracting	Faster	5
Imports	47.6	47.4	+0.2	Contracting	Slower	4
OVERALL ECONOMY				Growing	Slower	63
Manufacturing Sector				Contracting	Faster	5

\*Manufacturing PMI® Report On Business® data is seasonally adjusted for the New Orders, Production, Employment and Inventories indexes.  
\*Number of months moving in current direction.

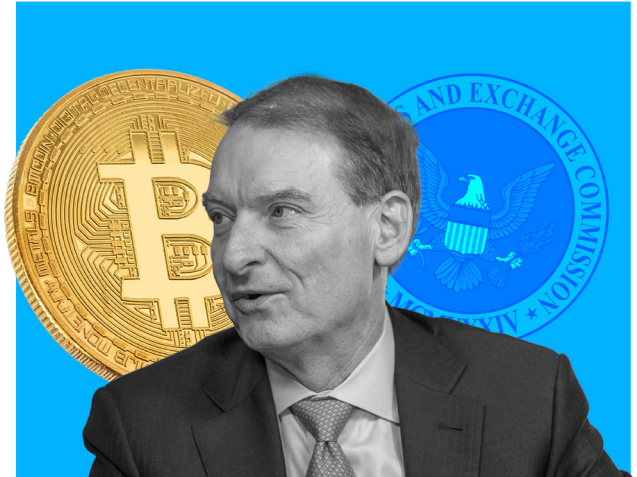


# Market Roundup

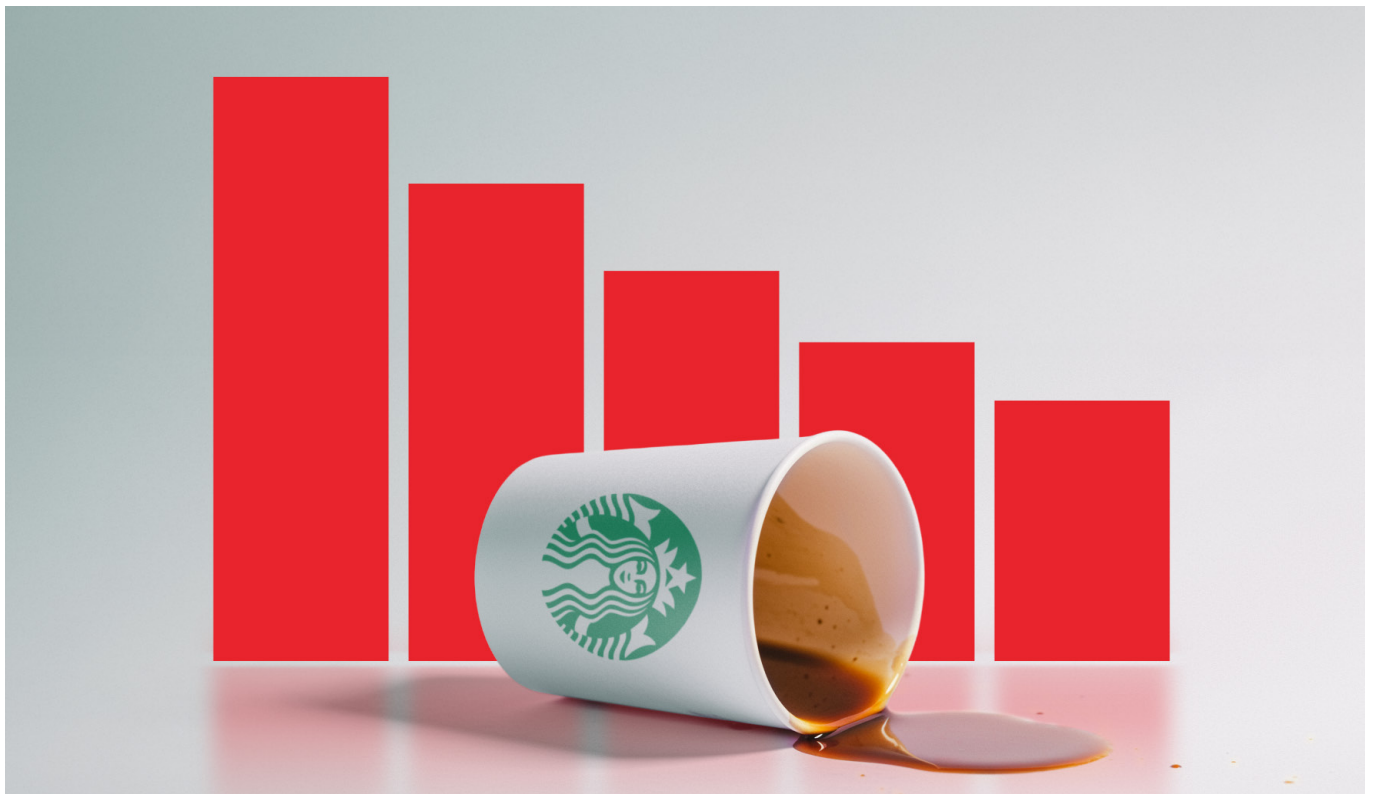
## CRYPTO REFORMS TAKE SHAPE AS TARIFFS RETURN

The SEC launched "Project Crypto" to update U.S. regulations for blockchain finance, aiming to keep the country at the forefront of crypto innovation. Meanwhile, Goldman Sachs eyed a €15B stake in Froneri, betting big on the ice cream giant.

Trade tensions resurfaced as Trump imposed new tariffs, including a 25% levy on Indian goods, but also sealed a \$350B trade and energy deal with South Korea. China's Politburo pledged fresh fiscal support as economic pressure builds, while Germany's GDP slipped and inflation dropped below the ECB's target.



The IMF lifted its 2025 global growth forecast to 3%, and Fidelity projected gold could hit \$4,000, citing expected Fed easing. In earnings, Starbucks posted a 47% profit drop, revealing cracks in U.S. consumer strength despite rising sales.





# The Week Ahead

While the upcoming week may seem quiet on the surface, traders should brace for potentially sharp market moves driven by a few high-impact releases, particularly for the USD and GBP.

On Tuesday, the spotlight turns to the U.S. services sector with the release of S&P Global Services PMI and ISM Non-Manufacturing PMI for July, both key barometers of economic activity. Also on deck is the ISM Non-Manufacturing Prices index, offering fresh insight into service-sector inflation. These reports arrive just after the Fed's decision to hold rates, meaning any surprises could quickly shift expectations on the policy front.

By Thursday, the focus shifts to the UK. The Bank of England will announce its latest interest rate decision, with markets eyeing a possible pause at 4.25%. However, updated guidance could easily move the pound. That same day, U.S. jobless claims will give traders a fresh read on the labor market, followed by the 30-Year Bond Auction, which will show how much interest investors still have in long-term government debt as yields fluctuate.











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