

DAILY ANALYSIS

02 JUNE 2025



Economic Calendar

Time	Cur.	Event	Forecast	Previous
08:00	EUR	HCOB Eurozone Manufacturing PMI	48.4	49.0
16:45	USD	S&P Global Manufacturing PMI (May)	52.3	50.2
17:00	USD	ISM Manufacturing PMI (May)	49.3	48.7
20:00	USD	Fed Chair Powell Speaks	-	-

Trump Reignites Trade War with 50% Tariff

U.S. President Donald Trump reignited global trade tensions late Friday by announcing that tariffs on steel and aluminum imports would double to 50% starting June 4. The move drew sharp criticism from major trade partners, with the European Union warning that the decision undermines efforts to achieve a “negotiated solution” in the ongoing trade dispute.

In China, steel rebar futures hovered near eight-month lows at around CNY 3,020 per tonne at the end of May, weighed down by continued demand concerns. Trading on Shanghai’s futures market was closed on June 2 for a national holiday, limiting immediate market reactions. Adding further pressure to steel prices, Beijing announced a major policy shift: banning the sale of homes before construction is completed. This measure threatens to squeeze a key funding channel for property developers and may deepen the strain on the real estate sector, one of the largest consumers of steel.

Meanwhile, OPEC+ announced on Saturday that it will raise oil output by 411,000 barrels per day (bpd) in July. The decision came after a virtual meeting involving core members such as Saudi Arabia, Russia, Iraq, the UAE, Kuwait, Kazakhstan, Algeria, and Oman. Although a smaller increase of 134,000 bpd was initially considered, the group revised its plan, citing a “stable global economic outlook and healthy market fundamentals,” including low oil inventories. OPEC+ emphasized that the pace of output hikes could be paused or reversed depending on market conditions. The group is cautiously unwinding recent production cuts to maintain market balance. Goldman Sachs anticipates another 410,000 bpd increase to be finalized in August, which may be the last change under the current framework.

In bond markets, the U.S. 10-year Treasury yield held steady at 4.42% on Monday, as investors weighed the potential economic impact of escalating trade tensions. Japan’s 10-year government bond yield also remained stable around 1.51%, reflecting a cautious stance ahead of this week’s key economic data releases.

Following the tariff announcement, China rejected Trump’s claim that it breached a trade agreement reached in Geneva last month, casting doubt on whether a phone call between Trump and Chinese President Xi Jinping would take place soon. Still, White House Economic Council Director Kevin Hassett suggested the leaders could speak as early as this week. Attention now shifts to upcoming U.S. data, particularly Friday’s non-farm payrolls report, which may shed light on how shifting trade policies are influencing the broader economy.

Financial Markets Daily Performance

SYMBOLS	PRICE	DAILY	WEEKLY	MONTHLY	YoY
CURRENCIES					
EURUSD	1.13635	0.14%	-0.20%	0.44%	9.70%
GBPUSD	1.34884	0.22%	-0.55%	1.46%	7.74%
AUDUSD	0.64533	0.34%	-0.50%	-0.24%	4.26%
NZDUSD	0.59938	0.55%	-0.11%	0.48%	7.17%
USDJPY	143.528	-0.38%	0.48%	-0.12%	-8.78%
USDCAD	1.37231	-0.12%	-0.09%	-0.74%	-4.55%
METALS					
XAUUSD	3314.6	0.77%	-0.95%	-0.60%	26.30%
SILVER	33.125	0.41%	-0.86%	1.89%	14.70%
PLATIN	1044.4	-0.35%	-3.39%	9.01%	16.82%
INDICES					
S&P 500	5879.62	-0.54%	-0.71%	4.06%	-0.03%
DOW JONES	42110	-0.38%	-0.55%	2.16%	-1.02%
NASDAQ	21209	-0.62%	-0.96%	6.22%	0.94%
NIKKEI	37417	-1.44%	-0.31%	1.73%	-6.21%
DAX	23966	-0.13%	-0.26%	2.66%	20.37%
ENERGY					
CRUDE OIL	62.555	2.90%	2.74%	9.50%	-12.78%
BRENT OIL	64.356	2.51%	-0.26%	6.85%	-13.78%
NATURAL GAS	3.5316	2.45%	-5.67%	-0.52%	-2.79%
BONDS					
US 10Y	4.421	1.30%	-0.09%	0.07%	-0.16%
DE 10Y	2.508	0.40%	-0.07%	0.06%	0.15%
JAPAN 10Y	1.51	0.49%	0.01%	0.25%	0.42%
UK 10Y	4.649	0.22%	-0.03%	0.17%	0.08%
CHINA 10Y	1.7	1.00%	0.03%	0.07%	0.02%

EURUSD



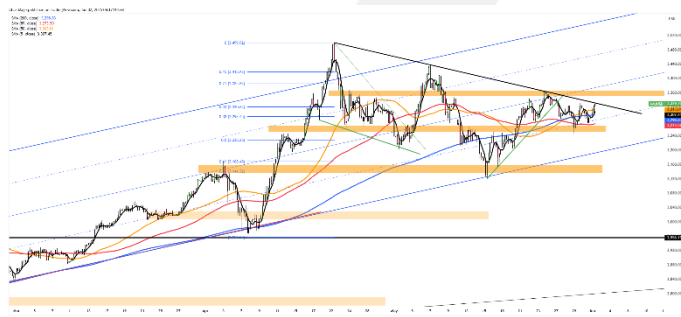
EUR/USD climbed to around 1.1370 during Monday's Asian session as the US dollar weakened after a court ruled in favor of allowing Trump's tariffs to move forward. This decision followed an earlier ruling that had declared the measures unlawful. On Friday, Trump announced plans to double steel and aluminum tariffs to 50%, aiming to put pressure on global producers.

The EU responded with threats of retaliation, escalating trade tensions. Meanwhile, ECB officials highlighted continued uncertainty surrounding inflation, indicating that additional policy measures could still be necessary.

The key resistance is seen at 1.1460, while the first support stands at 1.1300.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
1.1580	1.1500	1.1460	1.1300	1.1260	1.1210

XAUUSD



Gold prices climbed above \$3,300 per ounce as investors sought safe-haven assets with renewed trade uncertainty and rising geopolitical tensions. The rally was driven by Trump's proposal to double tariffs on steel and aluminum, ongoing legal challenges to his tariff strategy, and accusations against China for violating a trade agreement.

Geopolitical risks intensified further after a Ukrainian drone strike reportedly destroyed Russian military aircraft, prompting fears of retaliation just ahead of peace talks in Istanbul.

The first critical support for gold is seen at \$3,290, while the first resistance is located at \$3,365.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
3435	3385	3365	3290	3250	3205

BTCUSD



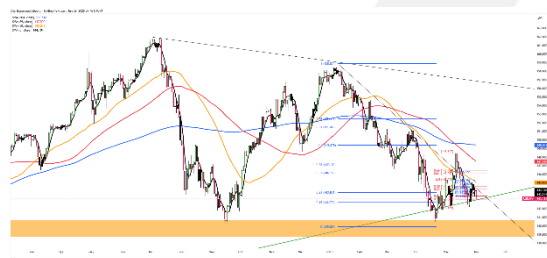
Bitcoin is trading around \$105,200 on Monday morning after reaching a new record last week.

The first upside target for BTC is \$112,000, and the bullish momentum is expected to continue as long as the price holds above \$106,200.

Key support for BTCUSD is seen at \$104,000, while the nearest resistance stands at \$112,000.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$130,000	\$120,500	\$112,000	\$104,000	\$97,500	\$93,500

USDJPY



The Japanese yen strengthened to around 143.5 per dollar, posting its third straight gain on rising global trade tensions. The move followed President Trump's announcement to double tariffs on steel and aluminum imports starting June 4.

Japanese steel stocks declined, except for Nippon Steel, which gained support from Trump's merger-related comments. U.S.-China tensions also escalated after China denied violating a recent trade deal. On the domestic front, Japan's Q1 capital spending exceeded forecasts, signaling solid investment growth.

Key resistance for USD/JPY is at \$143.50, while major support is located at \$143.00.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
144.70	144.30	143.50	143.00	142.10	141.50

BRENT OIL



Brent crude oil climbed over 2% to trade above \$64 per barrel on Monday after OPEC+ confirmed a planned output increase of 411,000 barrels per day for July, in line with expectations. The decision aims to rein in overproduction from members like Iraq and Kazakhstan while allowing top producers to reclaim market share.

Geopolitical tensions also lent support to oil prices, as Ukraine launched strikes on Russian airbases and Russia responded ahead of upcoming peace talks in Istanbul.

Key resistance for Brent is seen at \$65.40, while major support is located at \$63.20 per barrel.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$68.60	\$66.70	\$65.40	\$63.20	\$62.40	\$60.75

NASDAQ



US stock futures dipped slightly as investors awaited new catalysts after a strong May, with the S&P 500 up 6.15%, Dow 3.94%, and Nasdaq 9.56%. Markets were supported by solid US economic data and earnings despite tariff uncertainties.

Legal battles over Trump's tariffs added volatility, though talks between Trump and Xi may happen soon after accusations of China breaching a trade deal.

The first resistance is at \$21,950, while the initial support stands at \$21,150.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$23,000	\$22,200	\$21,950	\$21,150	\$20,700	\$20,300

USDCNH



The offshore yuan weakened to around 7.21 per dollar, its second straight loss, as US-China trade tensions resurfaced. President Trump announced plans to double steel tariffs, accusing China of violating a recent trade deal.

China vowed strong retaliation. Despite talk of a potential meeting between Trump and Xi, no date is set. Meanwhile, China's PMI data showed slight improvement in manufacturing but signaled a fragile recovery amid weak demand and trade uncertainty.

Key resistance is at \$7.2200, meanwhile, the major support is located at \$7.1800.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
7.2800	7.2650	7.2200	7.1800	7.1625	7.1490

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