

DAILY ANALYSIS

08 MAY 2025



Economic Calendar

Time	Cur.	Event	Forecast	Previous
11:00	GBP	BoE Interest Rate Decision (May)	46.0	46.4
12:30	USD	Initial Jobless Claimless	231K	241K
15:30	USD	30-Year Bond Auction	-	4.813%

Powell Stays Cautious, Markets Eye Trade and Inflation

In May 2025, the Federal Reserve maintained the federal funds rate at 4.25 percent to 4.50 percent for the third consecutive meeting, in line with market expectations. Officials emphasized a cautious, data-dependent approach as concerns grow that President Trump's tariffs could contribute to rising inflation and slower economic growth. Policymakers acknowledged a further increase in uncertainty regarding the economic outlook, noting heightened risks of both elevated inflation and unemployment.

During his regular press conference, Fed Chair Jerome Powell stated that it remains too early to determine whether inflation or unemployment will pose the greater challenge. He added that the Federal Reserve does not need to act quickly and can afford to be patient, continuing to monitor incoming data before making any adjustments to interest rates. The central bank also commented that, although fluctuations in net exports have distorted recent data, indicators point to continued solid expansion in overall economic activity.

Separately, U.S. President Donald Trump is expected to announce a trade agreement with the United Kingdom. Although the U.K. was not explicitly named, Trump referred to a "major trade deal" with a "big and highly respected country" on Truth Social. According to sources cited by The New York Times, the deal was finalized following discussions in Washington, D.C., and may include export quotas that exempt certain U.K. goods such as cars and steel, from full exposure to the 25 percent tariffs.

In parallel, Treasury Secretary Scott Bessent informed the House that the U.S. is engaged in trade negotiations with 17 of its 18 key trading partners. The administration is also preparing to lift restrictions on semiconductor exports. A spokesperson for the Commerce Department criticized the previous administration's AI export rule, describing it as overly complex and bureaucratic. The new rule, they stated, will aim to simplify compliance and strengthen U.S. leadership in artificial intelligence.

In financial markets, the yield on the U.S. 10-year Treasury note rose above 4.29 percent on Thursday, ending a two-day decline as investors assessed the Fed's policy stance and evolving global trade dynamics. Japan's 10-year government bond yield held steady near 1.3 percent, reflecting persistent trade uncertainty and continued demand for safe-haven assets. Meanwhile, Germany's 10-year yield declined to 2.48 percent amid sustained economic concerns across the eurozone.

Financial Markets Daily Performance

SYMBOLS	PRICE	DAILY	WEEKLY	MONTHLY	YoY
CURRENCIES					
EURUSD	1.12848	-0.13%	-0.04%	3.06%	8.94%
GBPUSD	1.3288	-0.03%	0.10%	3.68%	6.14%
AUDUSD	0.64135	-0.17%	0.47%	4.26%	3.62%
NZDUSD	0.59314	-0.51%	0.40%	5.03%	6.05%
USDJPY	144.382	0.39%	-0.69%	-2.26%	-8.24%
USDCAD	1.38651	0.19%	0.08%	-1.54%	-3.56%
METALS					
XAUUSD	3325.09	-1.51%	2.71%	7.74%	26.70%
SILVER	32.284	-0.53%	-0.47%	4.43%	11.79%
PLATIN	973.5	-0.05%	0.43%	5.29%	8.89%
INDICES					
S&P 500	5670.45	0.70%	1.18%	3.91%	-3.59%
DOW JONES	41326	0.52%	1.41%	1.77%	-2.86%
NASDAQ	20074	1.04%	1.45%	4.85%	-4.46%
NIKKEI	37121	0.93%	1.83%	17.05%	-6.95%
DAX	23306	0.82%	0.95%	18.48%	17.06%
ENERGY					
CRUDE OIL	58.233	0.28%	-1.70%	-6.60%	-18.81%
BRENT OIL	61.23	0.18%	-1.45%	-6.49%	-17.97%
NATURAL GAS	3.6361	0.42%	4.52%	-4.71%	0.09%
BONDS					
US 10Y	4.297	2.30%	0.07%	-0.10%	-0.28%
DE 10Y	2.4805	0.65%	0.03%	-0.10%	0.12%
JAPAN 10Y	1.326	2.58%	0.05%	0.04%	0.23%
UK 10Y	4.464	5.57%	0.02%	-0.15%	-0.10%
CHINA 10Y	1.638	0.50%	0.01%	-0.01%	-0.04%

EURUSD



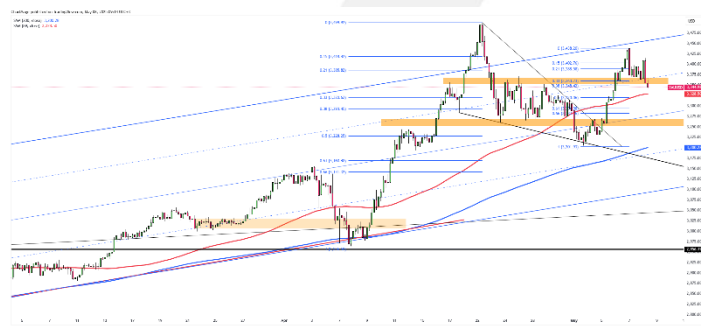
The EUR/USD pair is trading slightly above 1.1300 on Thursday, confined within a narrow range amid conflicting signals. The euro is supported by easing political uncertainty following Friedrich Merz's appointment as Germany's chancellor.

The U.S. dollar remains pressured despite the Fed's hawkish pause, as Powell flagged tariff-related risks. Markets are focused on Trump's upcoming press conference and U.S. jobless claims, both expected to influence near-term dollar movement.

The key resistance is located at 1.1460 and the first support stands at 1.1260.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
1.1680	1.1580	1.1460	1.1260	1.1200	1.1150

XAUUSD



Gold declined to approximately \$3,320 per ounce on Thursday, extending losses as the Federal Reserve's cautious tone on interest rates weakened demand for the non-yielding asset. The Fed kept rates unchanged and warned of rising inflation and unemployment, with Chair Powell rejecting the need for a preemptive cut amid trade tensions.

However, uncertainty ahead of U.S.-China talks in Switzerland, where Trump ruled out tariff reductions, helped contain further downside.

The first critical support for gold is seen at the \$3320 and the first resistance is located at \$3460.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
3550	3500	3460	3320	3300	3265

BTCUSD



Bitcoin is currently trading around \$98,800. The resistance is expected at \$102,500.

The broader outlook remains favorable provided the price remains above \$90,500, a level that aligns with the 200-day moving average and represents a key support threshold essential for maintaining bullish momentum.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$109,500	\$106,500	\$102,500	\$90,500	\$85,000	\$73,000

USDJPY



The Japanese yen strengthened to 143.6 per dollar on Thursday as rising global trade tensions increased safe-haven demand. The move followed President Trump's announcement of a forthcoming UK trade deal and his refusal to ease tariffs on China.

The Bank of Japan indicated a possible willingness to raise rates further, although U.S. trade policy concerns remain.

The key resistance is at \$145.90 meanwhile the major support is located at \$139.70.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
149.80	146.75	145.90	139.70	137.70	135.00

BRENT OIL



Brent crude rose above \$61 per barrel on Thursday, rebounding after U.S. crude inventories fell by 2 million barrels, exceeding expectations. However, the upside was limited by concerns over subdued demand ahead of the summer season and persistent U.S.-China trade tensions.

Additional pressure came from OPEC+ plans to raise output and the Federal Reserve's warning about increasing economic uncertainty.

Key resistance is at \$63.75 meanwhile the major support is located at \$58.35 per barrel.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$70.00	\$67.70	\$63.75	\$58.35	\$55.60	\$53.65

NASDAQ



U.S. stock futures held steady on Thursday after the Federal Reserve kept interest rates unchanged and warned of inflation and employment risks. Chair Powell dismissed the idea of a preemptive rate cut amid ongoing tariff concerns.

On Wednesday, the Nasdaq rose 0.27%, with Nvidia gaining 3.1% on eased chip trade rules and AppLovin surging 13% after strong earnings and a business unit sale.

The first resistance is at \$20,200 while the initial support stands at \$19,200

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$21,570	\$20,750	\$20,200	\$19,200	\$18,250	\$17,800

USDCNH



The offshore yuan declined to approximately 7.23 per dollar on Thursday, marking its third consecutive session of losses amid uncertainty surrounding U.S.-China trade negotiations. President Trump stated that tariffs on Chinese goods would remain in place "for now," while China insisted on their removal as a precondition for talks.

Prospects for a breakthrough appear limited. Meanwhile, the PBoC reduced key lending rates by 10 basis points and the reserve requirement ratio by 50 basis points to support economic growth.

Key resistance is at \$7.2400 meanwhile the major support is located at \$7.1850.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
7.3060	7.2840	7.2400	7.1850	7.1490	7.0865

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