

# DAILY ANALYSIS

12 MAY 2025



## Economic Calendar

Time	Cur.	Event	Forecast	Previous
10:00	EUR	Eurogroup Meetings	-	-
12:50	GBP	BoE MPC Member Mann Speaks	-	-
16:00	USD	WASDE Report	-	-

### Bond Markets React to Trade Progress and Fed's Measured Stance

The yield on the U.S. 10-year Treasury note climbed to approximately 4.4% on Monday, reaching a three-week high, as optimism surrounding a potential U.S.-China trade agreement reduced demand for safe-haven assets. Following trade discussions held over the weekend in Switzerland, U.S. officials announced a deal aimed at narrowing the trade deficit. Chinese representatives echoed this sentiment, noting that an “important consensus” had been achieved. Treasury Secretary Scott Bessent and Trade Representative Jamieson Greer voiced optimism regarding the negotiations and stated that further details would be released later on Monday, a view also supported by Chinese officials.

Beyond trade, investors are also turning their focus to key U.S. economic data due this week, including Tuesday’s consumer inflation report, and Thursday’s releases on retail sales and producer prices. On the monetary policy front, Federal Reserve Chair Jerome Powell dismissed the idea of a preemptive rate cut in response to trade-related risks, signaling a cautious and measured stance going forward.

Similar upward movements were observed in global bond markets. The yield on Japan’s 10-year government bonds rose to 1.39%, while Germany’s 10-year bonds increased to 2.60% at the start of the week.

## Financial Markets Daily Performance

SYMBOLS	PRICE	DAILY	WEEKLY	MONTHLY	YoY
CURRENCIES					
EURUSD	1.12321	-0.19%	-0.72%	-1.04%	8.43%
GBPUSD	1.32849	-0.15%	-0.07%	0.72%	6.12%
AUDUSD	0.6427	0.15%	-0.64%	1.64%	3.84%
NZDUSD	0.59299	0.28%	-0.59%	0.73%	6.02%
USDJPY	145.836	0.35%	1.49%	1.90%	-7.32%
USDCAD	1.39297	-0.06%	0.76%	0.39%	-3.11%
METALS					
XAUUSD	3275.24	-1.47%	-1.78%	1.96%	24.80%
SILVER	32.643	-0.21%	0.41%	1.07%	13.03%
PLATIN	998	0.30%	4.16%	5.60%	11.63%
INDICES					
S&P 500	5738.46	1.39%	1.56%	6.15%	-2.43%
DOW JONES	41665	1.01%	1.08%	2.81%	-2.07%
NASDAQ	20465	2.01%	2.49%	8.88%	-2.61%
NIKKEI	37490	-0.04%	1.93%	10.32%	-6.03%
DAX	23682	0.78%	1.45%	13.01%	18.95%
ENERGY					
CRUDE OIL	61.401	0.62%	7.48%	-0.21%	-14.39%
BRENT OIL	64.273	0.57%	6.71%	-0.94%	-13.89%
NATURAL GAS	3.7382	-1.50%	5.30%	12.43%	2.90%
BONDS					
US 10Y	4.409	2.00%	0.06%	0.05%	-0.17%
DE 10Y	2.551	3.35%	0.03%	-0.03%	0.19%
JAPAN 10Y	1.396	4.18%	0.13%	0.06%	0.30%
UK 10Y	4.571	0.03%	0.05%	-0.09%	0.00%
CHINA 10Y	1.644	1.40%	0.01%	-0.01%	-0.04%

## EURUSD



The EUR/USD pair edged lower toward 1.1240 in Monday's Asian session, weighed by expectations of a possible ECB rate cut following dovish comments from official Olli Rehn. The euro found limited support from optimism surrounding U.S.-China trade talks in Geneva, where both sides reported "substantial progress."

Markets now await the U.S. response to proposed EU tariffs, while stagflation concerns persist amid Fed warnings that higher tariffs may raise inflation and hinder growth.

The key resistance is located at 1.1260 and the first support stands at 1.1150.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
1.1580	1.1460	1.1260	1.1150	1.1100	1.1050

## XAUUSD



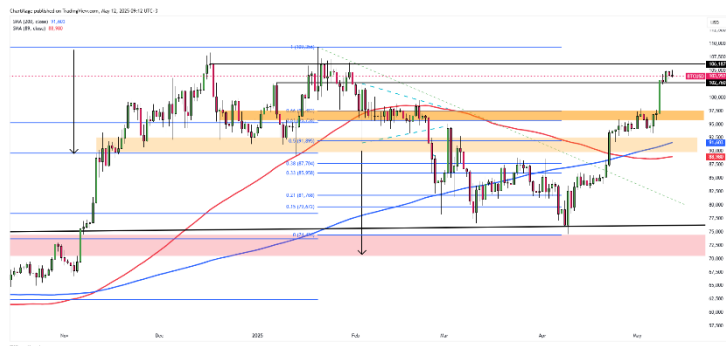
Gold dropped over 1% to approximately \$3,260 on Monday, reaching a one-week low as optimism over U.S.-China trade talks diminished safe-haven demand. Encouraging signs from both sides, including plans for formal negotiations, pressured prices.

Geopolitical risks also eased with a continued India-Pakistan ceasefire. Meanwhile, Fed warnings on inflation and labor market risks, alongside no intention for early rate cuts, further weighed on gold.

The first critical support for gold is seen at the \$3260 and the first resistance is located at \$360.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
3500	3430	3360	3260	3200	3165

## BTCUSD



Bitcoin started the week flat, trading around 103k.

Resistance is expected at \$106,200. The broader outlook remains positive as long as the price stays above \$97,500, which corresponds to the 200-day moving average and serves as a critical support level for sustaining upward momentum.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$120,500	\$109,500	\$106,200	\$97,500	\$91,000	\$87,700

## USDJPY



The Japanese yen declined beyond 146 per dollar on Monday, reaching a one-month low as improved sentiment over U.S.-China trade talks dampened demand for safe-haven assets. Both nations indicated progress, though the U.S. signaled tariffs would remain.

Markets also monitored U.S.-Japan trade discussions, with Tokyo targeting a June agreement. Japan recorded a JPY 3.45 trillion current account surplus in March.

The key resistance is at \$146.75 meanwhile the major support is located at \$139.70.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
151.20	149.80	146.75	139.70	137.70	135.00

## BRENT OIL



Brent crude futures climbed above \$64 per barrel on Monday, hitting a two-week high as progress in U.S.-China trade talks eased demand worries. Optimism from both U.S. and Chinese officials supported sentiment.

However, further gains were capped by OPEC+ plans to increase output in May and June, along with the potential for a U.S.-Iran nuclear agreement. Negotiators concluded talks in Oman, with additional discussions expected.

Key resistance is at \$65.00 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	\$65.00	\$58.35	\$55.60	\$53.65

## NASDAQ



U.S. stock futures rose sharply on Monday after the Trump administration announced a breakthrough trade agreement with China following weekend discussions in Switzerland. Nasdaq 100 futures gained nearly 2%. Treasury Secretary Scott Bessent described the talks as "productive," with further details expected soon.

Despite the progress, Commerce Secretary Howard Lutnick indicated the 10% tariff on other countries will likely remain. Markets now turn to key U.S. data, including inflation, retail sales, and producer prices.

The first resistance is at \$20,750 while the initial support stands at \$19,200

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$22,200	\$21,570	\$20,750	\$19,200	\$18,250	\$17,800

## USDCNH



The offshore yuan appreciated to approximately 7.23 per dollar on Monday, supported by optimism surrounding U.S.-China trade talks despite persistent deflationary pressures in China. Discussions in Geneva ended with both sides citing “substantial progress,” as Treasury Secretary Scott Bessent and Vice Premier He Lifeng emphasized positive developments.

A joint statement is expected, with markets awaiting clarity on support for China’s exports. Meanwhile, April inflation data reflected continued weakness, with consumer prices down 0.1% year-on-year and producer prices falling 2.7%.

Key resistance is at \$7.2650 meanwhile the major support is located at \$7.1850.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
7.3060	7.2800	7.2650	7.1850	7.1490	7.0865

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