

DAILY ANALYSIS

16 MAY 2025



Economic Calendar

Time	Cur.	Event	Forecast	Previous
14:00	USD	Michigan 1-Year Inflation Expectations (May)		5.5%
14:00	USD	Michigan Consumer Sentiment (May)	53.1	52.2

BOJ Warns on Rates, UK and Eurozone GDP Beat Forecasts

In recent developments, Bank of Japan board member Toyoaki Nakamura cautioned against raising interest rates, citing mounting risks from U.S. tariffs. Known for his dovish policy stance, Nakamura warned that elevated tariffs, particularly those affecting the automotive sector, could negatively impact corporate earnings and broader economic activity. He noted that tightening policy amid an economic downturn could suppress both consumption and investment, especially as Japan's economy contracted in the first quarter of 2025 for the first time in a year.

In the United Kingdom, GDP expanded by 0.7% quarter-on-quarter in Q1 2025, exceeding forecasts. Growth was driven primarily by the services sector, along with stronger output in transport equipment and machinery. However, construction activity remained unchanged. On the expenditure side, growth was supported by increased capital investment and favorable net trade, with exports rising 3.5%.

Meanwhile, the Euro Area recorded 0.4% GDP growth in Q1 2025, slightly above the historical average of 0.37% since 1995, reflecting resilience amid ongoing economic headwinds.

In bond markets, U.S. 10-year Treasury yields retreated to approximately 4.40%, while German 10-year bond yields also declined to around 2.58%.

Financial Markets Daily Performance

SYMBOLS	PRICE	DAILY	WEEKLY	MONTHLY	YoY
CURRENCIES					
EURUSD	1.12169	0.26%	-0.32%	-1.32%	8.29%
GBPUSD	1.33306	0.19%	0.19%	0.49%	6.48%
AUDUSD	0.64267	0.32%	0.15%	0.58%	3.83%
NZDUSD	0.59099	0.62%	-0.05%	-1.09%	5.67%
USDJPY	145.195	-0.32%	-0.09%	1.95%	-7.73%
USDCAD	1.3939	-0.14%	0.00%	0.74%	-3.05%
METALS					
XAUUSD	3219.23	-0.55%	-3.16%	-3.22%	22.67%
SILVER	32.416	-0.66%	-0.91%	-0.28%	12.25%
PLATIN	987.1	-0.45%	-0.79%	2.40%	10.41%
INDICES					
S&P 500	5917.78	0.01%	4.56%	12.02%	0.61%
DOW JONES	42368	0.11%	2.71%	8.24%	-0.41%
NASDAQ	21343	0.03%	6.39%	16.90%	1.57%
NIKKEI	37731	-0.06%	0.61%	9.75%	-5.42%
DAX	23796	0.42%	1.26%	12.21%	19.52%
ENERGY					
CRUDE OIL	61.394	-0.37%	0.61%	-4.09%	-14.40%
BRENT OIL	64.312	-0.34%	0.63%	-5.37%	-13.84%
NATURAL GAS	3.3587	-0.10%	-11.50%	3.50%	-7.55%
BONDS					
US 10Y	4.414	2.10%	0.03%	0.09%	-0.16%
DE 10Y	2.588	3.70%	0.04%	0.12%	0.23%
JAPAN 10Y	1.46	1.93%	0.11%	0.15%	0.37%
UK 10Y	4.661	5.50%	0.11%	0.06%	0.09%
CHINA 10Y	1.689	1.40%	0.06%	0.05%	0.01%

EURUSD



The euro climbed to \$1.12, supported by a softer U.S. dollar following weaker inflation data and cautious sentiment surrounding U.S.-China trade talks, despite a 90-day tariff truce. U.S. tariffs on Chinese goods remain elevated, averaging around 40%.

Markets now assign a 95% probability to an ECB rate cut in June, with the deposit rate projected to reach 1.79% by year-end. ECB officials indicated further cuts may follow as inflation approaches the 2% target.

The key resistance is located at 1.1260 and the first support stands at 1.1040.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
1.1580	1.1460	1.1260	1.1040	1.1000	1.0960

XAUUSD

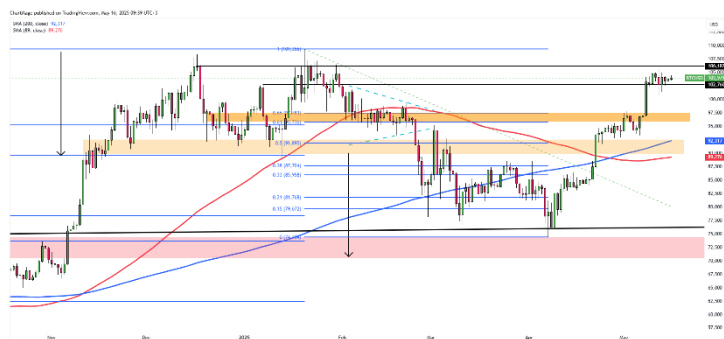


Gold declined to approximately \$3,220 on Friday, on track for a 3% weekly loss as improved U.S.-China trade relations and reduced geopolitical risks dampened safe-haven demand. Although soft U.S. inflation data has strengthened expectations for Federal Reserve rate cuts, Chair Powell cautioned that inflation may remain volatile due to supply-side shocks.

Key support is identified at \$3,120, while initial resistance stands at \$3,250.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
3350	3300	3250	3120	3030	2956

BTCUSD



Bitcoin is trading near \$104,000, with resistance expected at \$106,200.

The overall outlook remains positive as long as the price stays above \$91,500, a level that coincides with the 200-day moving average and serves as a key support for sustaining bullish momentum.

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

USDJPY



The Japanese yen appreciated toward 145 per dollar on Friday, posting a fourth consecutive gain despite a larger 0.2% contraction in Japan's Q1 GDP. The Bank of Japan acknowledged potential growth risks linked to U.S. trade policy but expressed confidence that rising wages and inflation would support policy normalization.

Investors are also monitoring U.S.-Japan trade talks, with Japan urging the inclusion of the auto sector and the elimination of the 25% U.S. tariff on Japanese vehicles.

The key resistance is at \$148.60 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



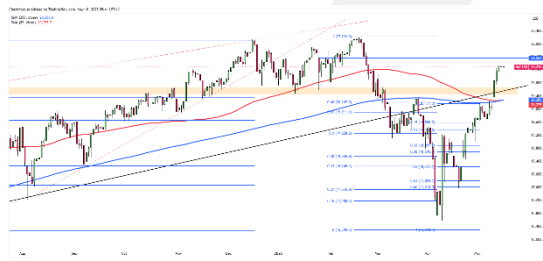
Brent crude futures held near \$64 per barrel on Friday, poised for a weekly gain as optimism surrounding U.S.-China trade talks outweighed oversupply concerns. A recent 90-day truce and tariff reductions between the two countries eased demand uncertainty.

However, gains were limited by expectations of increased Iranian oil supply, a surprise rise in U.S. crude inventories, and the IEA's upward revision of global supply projections, citing higher output from Saudi Arabia and other OPEC+ producers.

Key resistance is at \$67.70 meanwhile the major support is located at \$63.65 per barrel.

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$73.10	\$70.00	\$67.70	\$63.65	\$61.00	\$58.30

NASDAQ



U.S. stock futures were steady on Friday after the S&P 500 recorded its fourth straight gain, supported by optimism over the U.S.-China trade agreement and easing inflation. The Nasdaq Composite declined 0.18%, weighed down by losses in tech stocks. April wholesale prices unexpectedly fell 0.5%.

In corporate news, UNH dropped 11% amid a federal criminal probe, while WMT slipped 0.5% after warning of tariff-driven price increases. GE rose 2.8% following Qatar's decision to use GE engines in a major Boeing purchase.

The first resistance is at \$21,570 while the initial support stands at \$20,200

Resistance 3	Resistance 2	Resistance 1	Support 1	Support 2	Support 3
\$23,000	\$22,200	\$21,570	\$20,200	\$19,250	\$18,200

USDCNH



The offshore yuan appreciated to approximately 7.21 per dollar on Friday, supported by a weakening U.S. dollar following soft economic data. Declines in producer prices and slower retail sales growth strengthened expectations for further Federal Reserve rate cuts. However, the yuan's advance was limited by rising demand for U.S. dollars within China, prompting intervention by state-owned banks.

Investors now await key economic indicators next week, including retail sales, unemployment figures, and the loan prime rate, to gain further insight into China's economic outlook.

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

RISK WARNING

The information on this web site is not targeted at the public of any country. It is not intended for distribution to residents in any country where such distribution or use would contravene any local law or regulatory requirement.

The information and opinions in this report are for general information use only and are not intended as an offer or solicitation with respect to the purchase or sale of any currency or CFD contract. All opinions and information contained in this report are subject to change without notice. This report has been prepared without regard to the specific investment objectives, financial situation and needs of any recipient. Any reference to historical price movements or levels is informational based on our analysis and we do not represent or warranty that any such movements or levels are likely to recur in the future. While the information contained herein was obtained from sources believed to be reliable, the author does not guarantee its accuracy or completeness, nor does the author assume any liability for any direct, indirect or consequential loss that may result from the reliance by any person upon any such information or opinions.



🌐 zitaplus.com

✉ support@zitaplus.com

☎ +971 4 287 1454

📞 +44 74 42 66 7878

📍 The H Hotel Office Tower,
One Sheikh Zayed Road, 18th floor,
Office No:1803, Dubai, United Arab Emirates

