

DAILY ANALYSIS

20 MAY 2025



Economic Calendar

| Time | Cur. | Event | Forecast | Previous |
|-------|------|-------------------|----------|----------|
| 13:00 | USD | FED Bostic Speech | | |
| | | | | |

Eurozone Inflation Hits 2.2%, China Cuts Rates

The Euro Area's annual inflation rate was confirmed at 2.2% in April 2025, slightly exceeding the European Central Bank's 2.0% target. Services contributed the most (+1.80 percentage points), followed by food, alcohol, and tobacco (+0.57), and non-energy industrial goods (+0.15), while energy exerted downward pressure (-0.35). Core inflation, excluding food and energy, increased to 2.7% from 2.4% in March. Monthly consumer prices rose 0.6%, unchanged from March.

In China, the 10-year government bond yield declined to approximately 1.67%, nearing a three-month low, following the People's Bank of China's decision to reduce key lending rates for the first time in seven months. The one-year loan prime rate was lowered by 10 basis points to 3.0%, and the five-year rate, a reference for mortgages, was cut to 3.5%, both reaching record lows. The move aligned with recent broader monetary easing measures.

Meanwhile, U.S. Treasury yields declined, with the 10-year yield falling to 4.44%, while Japan's 10-year yield edged up to around 1.514%.

Financial Markets Daily Performance

| SYMBOLS | PRICE | DAILY | WEEKLY | MONTHLY | YoY |
|-------------|---------|--------|---------|---------|---------|
| CURRENCIES | | | | | |
| EURUSD | 1.12477 | 0.07% | 0.56% | -2.32% | 8.58% |
| GBPUSD | 1.33668 | 0.04% | 0.46% | -0.09% | 6.77% |
| AUDUSD | 0.64234 | -0.52% | -0.73% | 0.14% | 3.78% |
| NZDUSD | 0.59159 | -0.09% | -0.42% | -1.48% | 5.77% |
| USDJPY | 144.764 | -0.06% | -1.84% | 2.79% | -8.00% |
| USDCAD | 1.39618 | 0.07% | 0.18% | 0.87% | -2.89% |
| METALS | | | | | |
| XAUUSD | 3212.19 | -0.31% | -1.27% | -6.47% | 22.40% |
| SILVER | 32.149 | -0.63% | -2.42% | -1.80% | 11.32% |
| PLATIN | 999.5 | -0.51% | 1.00% | 4.26% | 11.80% |
| INDICES | | | | | |
| S&P 500 | 5950.19 | -0.22% | 1.08% | 15.35% | 1.17% |
| DOW JONES | 42769 | -0.05% | 1.49% | 12.05% | 0.53% |
| NASDAQ | 21363 | -0.39% | 0.78% | 19.96% | 1.67% |
| NIKKEI | 37590 | 0.24% | -1.55% | 9.66% | -5.78% |
| DAX | 24017 | 0.34% | 1.60% | 12.79% | 20.63% |
| ENERGY | | | | | |
| CRUDE OIL | 62.036 | -0.17% | -2.57% | -0.60% | -13.50% |
| BRENT OIL | 65.404 | -0.21% | -1.84% | -1.29% | -12.37% |
| NATURAL GAS | 3.1362 | 0.75% | -14.01% | 3.99% | -13.67% |
| BONDS | | | | | |
| US 10Y | 4.456 | 0.20% | -0.02% | 0.05% | -0.12% |
| DE 10Y | 2.576 | 1.00% | -0.07% | 0.11% | 0.21% |
| JAPAN 10Y | 1.519 | 3.11% | 0.07% | 0.23% | 0.43% |
| UK 10Y | 4.665 | 1.76% | 0.02% | 0.10% | 0.10% |
| CHINA 10Y | 1.671 | 1.00% | 0.01% | 0.01% | -0.01% |

EURUSD



The euro approached \$1.13, extending its recovery from the May 12 low, as the U.S. dollar weakened following Moody's downgrade of the U.S. credit rating due to fiscal concerns. The move weighed on U.S. assets and raised economic uncertainty.

Meanwhile, the EU and UK reached a provisional agreement on key areas including defense, security, and youth mobility, marking progress in post-Brexit relations. The ECB is anticipated to lower interest rates in June, with further cuts likely.

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 prices dropped below \$3,320 per ounce on Tuesday as ceasefire hopes between Russia and Ukraine diminished safe-haven demand. The decline followed President Trump's announcement that both nations would "immediately" begin ceasefire talks after his call with President Putin, possibly excluding U.S. involvement.

This came after a 0.6% gain on Monday, driven by Moody's downgrade of the U.S. credit rating to Aa1 from Aaa due to high debt and interest costs. Investors now await speeches from Federal Reserve officials for guidance on future monetary policy and the overall U.S. economic outlook.

The first critical support for gold is seen at the \$3120 and the first resistance is located at \$3250.

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

BTCUSD



Bitcoin trades near \$105,000, with resistance seen at \$106,200.

The overall outlook remains positive as long as the price stays above \$92,800, a key support level aligned with the 200-day moving average, crucial for sustaining bullish momentum.

| Resistance 3 | Resistance 2 | Resistance 1 | Support 1 | Support 2 | Support 3 |
|--------------|--------------|--------------|-----------|-----------|-----------|
| \$120,500 | \$109,500 | \$106,200 | \$97,500 | \$92,800 | \$87,700 |

USDJPY



The yen held steady near 144 per dollar as the U.S. dollar softened after Moody's downgraded the U.S. credit rating. Japan's economy contracted in Q1 2025, falling short of expectations.

Attention now shifts to upcoming trade data, potential U.S. tariffs, and a new round of trade negotiations led by Ryosei Akazawa, beginning Friday in Washington.

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 | 148.60 | 139.70 | 137.70 | 135.00 |

BRENT OIL



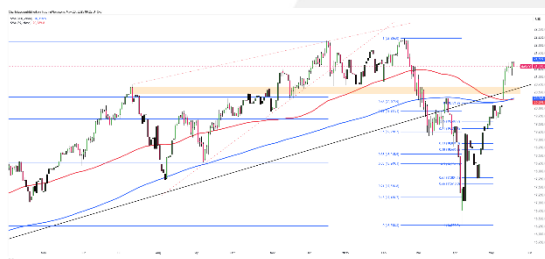
Brent crude futures fell to around \$65 per barrel on Tuesday, pressured by expectations of increased global supply following potential ceasefire talks between Russia and Ukraine. President Trump stated both countries would “immediately” begin negotiations, possibly without U.S. involvement. Further weighing on oil prices, Moody’s downgrade of the U.S. sovereign credit rating weakened the outlook for the world’s largest oil consumer.

Bearish sentiment was reinforced by slower industrial production and retail sales growth in China, the leading oil importer. Meanwhile, Iran’s Deputy Foreign Minister Majid Takhtavanchi warned that nuclear negotiations with the U.S. would “lead nowhere” if Washington continues to insist on a full suspension of Tehran’s uranium enrichment program.

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



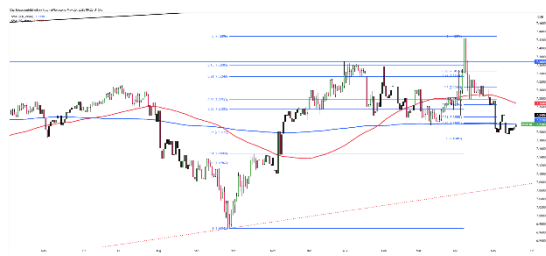
U.S. stock futures edged higher following a flat Monday close, as markets assessed Moody’s credit downgrade and a tax-cut proposal likely to deepen fiscal risks. Investors looked to upcoming Federal Reserve remarks for policy guidance. JPMorgan’s Jamie Dimon cautioned that tariffs may still impact the economy and equities.

Solar stocks declined on GOP efforts to reduce clean energy tax credits, while Best Buy fell 3% after a Wells Fargo downgrade. Earnings reports from Home Depot and Toll Brothers attracted attention. Meanwhile, President Trump criticized Walmart for attributing potential price increases to tariffs.

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 declined to a one-week low near 7.22 per dollar, extending losses for a third session, after the People's Bank of China reduced the one-year and five-year loan prime rates by 10 basis points to record lows.

The expected move aims to improve a weakening economy. Meanwhile, Beijing accused the U.S. of jeopardizing a recent trade deal over warnings about Chinese semiconductors, heightening tensions.

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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