

SNAPSHOT

STOCKS			
Nikkei 225	+0.2%	ASX 200	+0.1%
Hang Seng	-0.1%	Shanghai Comp	-0.1%
Euro Stoxx 50 Dec'25	-0.1%	DAX Dec'25	U/C
ES Dec'25	+0.1%	NQ Dec'25	U/C
FX			
DXV	-0.1% (97.789)	EUR/USD	+0.1% (1.1746)
USD/JPY	-0.4% (148.66)	GBP/USD	+0.1% (1.3457)
BONDS			
US T-Note Dec'25	+0.5 ticks	Bund Dec'25	+2 ticks
US 10yr Yield	4.14%	German 10yr Yield	2.75%
ENERGY & METALS			
WTI Nov'25	-0.5%	Brent Nov'25	-0.4%
Spot Gold	+0.1%	LME Copper	U/C
CRYPTO			
Bitcoin	-1.5%	Ethereum	-3.6%

As of 06:20BST/01:20EDT

LOOKING AHEAD

- Highlights include German GfK Consumer Sentiment (Oct), US Durable Goods (Aug), GDP Final (Q2), PCE Final (Q2), Jobless Claims, Advance Goods Trade Balance (Aug), SNB Announcement, Banxico Announcement; Speakers include SNB's Schlegel, Fed's Goolsbee, Williams, Schmid, Bowman, Logan, Barr, Daly, and supply from UK, US.
- [Click for the Newsquawk Week Ahead.](#)

US TRADE

EQUITIES

- US stocks finished lower in largely one-way trade from the sell-off at the open, with no particular headline driver attributed.
- Sectors were mixed but carried a downside bias, while Energy outperformed, supported by hefty gains in the crude complex.
- SPX -0.28% at 6,638, NDX -0.31% at 24,504, DJI -0.37% at 46,121, RUT -0.92% at 2,435
- [Click here for a detailed summary.](#)

NOTABLE HEADLINES

- US President Trump said he has decided that no meeting with Congressional leaders could possibly be productive regarding the CR, according to Truth Social.
- The White House Budget Office instructed federal agencies to prepare workforce reduction plans for potential mass layoffs amid the threat of a government shutdown, according to Politico.

FED

- Fed's Daly (2027 voter) said further policy adjustments will likely be needed as the Fed works to restore price stability and support the labour market. She said she fully supported last week's 25bps rate cut, noted that risks to the economy had

shifted and it was time to act, and emphasised that the Fed's rate-path projections are not promises and policy will need to be assessed at each decision point, according to Reuters. Daly said it is hard to say if further rate cuts will come now, later this year, or at another time. She said the labour market is not weak but no longer as speedy as it was, describing it as sustainable and stressing she does not want to see further softening. She likened the recent rate cut to taking out insurance on the labour market, noting that once it tips into weakness, it is hard to revive. Daly added that the Fed still has work to do on inflation, but does not want the labour market to weaken, emphasised this is not stagflation, and said inflation excluding tariffs is roughly 2.4% to 2.5%. She added the economy still needs monetary bridling, though not as much, and that evidence is consistent with tariffs having a one-time impact on inflation.

- **Fed's Goolsbee (2025 voter) warned against a series of rate cuts, saying the jobs market remains mostly steady and solid. He said he is uncomfortable with overly frontloading cuts on the presumption that inflation will be transitory, and added that US President Trump's trade policies were to blame for his reluctance to lower borrowing costs more aggressively, according to the FT.**

NOTABLE US EQUITY NEWS

- **Intel (INTC) plans to ask Apple (AAPL) to invest as part of a comeback bid, and the two companies have also discussed ways to work more closely. Talks are still at an early stage and may not lead to an agreement, according to Bloomberg.**
- **NVIDIA (NVDA) CEO Huang sold 225,000 common shares across multiple transactions at prices ranging between USD 174.82 and USD 184.38 per share (vs USD 176.97 close), with the sales executed under a pre-arranged trading plan, according to Reuters citing an SEC filing.**

TRADE/TARIFFS

- **US President Trump is expected to sign the TikTok deal on Thursday, according to Semafor, citing an official.**
- **China and all parties agreed to the terms of the TikTok deal, according to NBC.**
- **US President Trump to sign executive orders at 15:30 ET (20:30 BST) on Thursday.**
- **A non-principal-level Chinese delegation will visit the US Treasury on Thursday for staff-level technical discussions on trade and the economy. The talks are not the next round of trade negotiations and TikTok will not be addressed. A source added that no negotiations will occur during the visit and US principals will not meet with Chinese technical staff while they are in Washington, according to FBN's Lawrence.**
- **US warned European countries not to restrict air travel in violation of bilateral agreements, according to Reuters citing the Transportation Secretary.**
- **European Commission President von der Leyen said she had a good and frank exchange with Chinese Premier Li Qiang, noting on trade that she appreciates China's willingness to engage in a spirit of mutual understanding, according to a post on X.**
- **US Treasury Secretary Bessent said the US-South Korea alliance remains strong and that challenges can be overcome, according to Yonhap. South Korea discussed an FX swap with US Treasury Secretary Bessent on Wednesday, according to the Finance Ministry.**
- **The US is in talks with the G7 and EU on broader rare earth trade measures to prevent price dumping, which could include tariffs, price floors, or other actions, according to Reuters citing a Trump administration official.**
- **US President Trump reportedly plans to visit Japan on 28th or 29th of October, according to TV Asahi. Japanese Chief Cabinet Secretary Hayashi said no decision has yet been made regarding US President Trump's visit, according to Reuters.**
- **US opened a 232 probe into robotics, machinery and medical devices, according to Bloomberg**

APAC TRADE

EQUITIES

- **APAC stocks** traded mixed for most of the session following a softer Wall Street handover, with the breadth of the market narrow and price action uneventful amid a lack of fresh catalysts heading into quarter-end. The region then tilted into a modestly positive picture despite a lack of drivers.
- **ASX 200** was initially in the red, pressured by gold miners as the yellow metal pulled back from near USD 3,800/oz levels, while notable gains in Energy helped offset some of the downside.
- **Nikkei 225** moved between modest gains and losses and found some support at the 45,500 mark. BoJ minutes from two meetings ago suggested one member said rates should be raised when possible, as policy is still below neutral and the BoJ should not be too cautious, whilst one member added the BoJ could exit its wait-and-see mode as soon as this year if the US economy proves resilient.
- **Hang Seng** and **Shanghai Comp** were choppy, with Hong Kong and Mainland China initially trimming their modest opening gains before recouping. Participants overlooked reports that a non-principal-level Chinese delegation will visit the US Treasury on Thursday for staff-level technical discussions on trade and the economy. Sources suggested the TikTok issue will not be discussed and emphasised these talks are not the next round of trade negotiations but rather a technical meeting.
- **KOSPI** traded with mild losses amid a lack of progress in US-South Korea trade talks.
- **Nifty 50** kicked off the session flat but remained above the 25,000 mark following its recent H-1B-related losses.
- **US equity futures** traded with a mild upward bias (ES +0.2%, NQ +0.2%) across the board following the prior session's losses. Traders are bracing for a busy US docket that includes several Fed speakers, Q2 PCE and final Q2 GDP, alongside Durable Goods and Jobless Claims data.
- **European equity futures** are indicative of a flat cash open with the Euro Stoxx 50 U/C after cash closed -0.1% on Wednesday.

FX

- **DXY** traded flat for a bulk of the session before seeing a mild downward bias as the index took a breather from the prior day's surge, having reached a 97.92 peak on Wednesday ahead of a busy US docket.
- **EUR/USD** was uneventful in APAC hours, with the single currency moving in tandem with the USD and eventually moving back to 1.1750. EUR ignored reports of further drone activity in Denmark across multiple cities. The EU docket for Thursday is light, with only German GfK sentiment and EZ loans data scheduled.
- **GBP/USD** was similarly quiet, with Cable holding in a narrow range on both sides of 1.3550 as UK-specific catalysts remained limited and with the domestic calendar light for Thursday.
- **USD/JPY** was choppy within tight ranges, with the pair initially trimming some of Wednesday's USD-driven gains before reversing back towards session highs in catalyst-light trade. BoJ minutes from two meetings ago discussed the case for future rate hikes if the economic and price outlooks are realised, though timing remained divided.
- **Antipodeans** initially diverged slightly, with AUD/NZD extending gains above 1.1300. Macro drivers overnight were light, but both pairs eventually traded in modestly positive territory as the DXY tilted slightly lower.
- **EUR/CHF** saw little action ahead of the SNB's quarterly confab, in which rates are expected to be held at 0.00% after the Chairman outlined a high bar for a return to NIRP, with attention on any update on the language around FX or the tiering system.
- **PBoC set USD/CNY mid-point at 7.1118 vs exp. 7.1293 (Prev. 7.1077)**

FIXED INCOME

- **10yr UST futures** initially edged higher, taking a breather after the prior day's selling, which was not tied to a specific headline and followed an average 5-year auction. Contracts then trimmed the modest upside and traded flat/subdued heading into the end of the APAC session.
- **Bund futures** traded broadly flat in a narrow range above 128.00 amid a lack of headlines, with traders looking ahead to German GfK consumer sentiment data.
- **10yr JGB futures** were softer intraday as the contract played catch-up to the selling seen in Western counterparts on Wednesday. The 40-year JGB auction was healthier than the prior outing, but failed to stop the post-auction downticks across JGBs. Meanwhile, BoJ minutes from two meetings ago suggested one member said rates should be raised when possible as policy is still below neutral and the BoJ should not be too cautious, whilst one member added the BoJ could exit its wait-and-see mode as soon as this year if the US economy proves resilient.
- **US sold USD 70bln of 5yr notes** ; tail 0.1bps. High Yield: 3.710% (prev. 3.724%, six-auction average 3.959%). WI: 3.709%. Tail: 0.1bps (prev. 0.7bps, six-auction avg. 0.2bps). Bid-to-Cover: 2.34x (prev. 2.36x, six-auction avg. 2.36x). Dealers: 11.9% (prev. 8.8%, six-auction avg. 10.9%). Directs: 28.6% (prev. 30.7%, six-auction avg. 22.1%). Indirects: 59.4% (prev. 60.5%, six-auction avg. 66.9%)
- **Japan sold JPY 400bln in 40-year JGBs** ; b/c 2.6x (prev. 2.1x); highest accepted yield 3.300% (prev. 3.375%).
- **Oracle (ORCL) launched a USD 18bln investment-grade bond sale** , according to Bloomberg.

COMMODITIES

- **Crude futures** paused and posted mild losses after two straight sessions of strong gains driven by heightened geopolitical tensions and Russian output disruptions from drone attacks. Overnight reports of unidentified drones across multiple Danish cities had no impact on prices, with no co-conspirator named.
- **Spot gold** saw choppy trade within a tight range following the prior session's losses as traders booked profits ahead of quarter-end. Overnight price action was uneventful, with the metal holding within yesterday's range.
- **Copper futures** were weaker on LME as the contract retraced gains from yesterday's surge, which followed Freeport-McMoRan's force majeure on contracted supplies from its Grasberg Block Cave mine in Indonesia. Chinese copper played catch-up to yesterday's gains in the West.
- **Rosneft's oil refinery in Russia's Novokuibyshevsk halted oil processing on September 20th following a drone attack** , according to Reuters, citing sources.
- **Goldman Sachs expects a 250–260kt loss of copper production from Grasberg in 2025, compared with its previous forecast of 700kt.** After adjusting for disruption allowances, it incorporated a 160kt downgrade to its H2 2025 global mine supply forecast and a 200kt downgrade to its 2026 forecast. The bank lowered its 2025/2026 copper mine production growth forecast to +0.2%/+1.9% y/y from +0.8%/+2.2% previously. Goldman said the latest disruption means risks to its December 2025 LME copper price forecast of USD 9,700/t are skewed to the upside, with prices expected to settle in a USD 10,200–10,500/t range, and emphasised its long-term bullish copper price forecast of USD 10,750/t by 2027, according to Reuters.

CRYPTO

- **Bitcoin** was softer and dipped back under the USD 113k level but remained within the prior day's range.
- **A Senate panel will hold a hearing on the taxation of digital assets on October 1st** , according to Bloomberg.

NOTABLE ASIA-PAC HEADLINES

- **China President Xi said the country aims to bring total installed capacity of wind and solar power to over six times the 2020 level, and that NEVs will become the mainstream of new car sales**, according to Reuters.
- **BoJ July meeting minutes** showed many members said the US-Japan trade deal reduced uncertainty on the outlook, but the tariff impact on the economy and prices must be scrutinised for the time being. One member said the BoJ must look at more

data before making policy decisions, given uncertainty in US monetary policy and FX, while **another said rates should be raised when possible**, as policy is still below neutral and the BoJ should not be too cautious. **One member added the BoJ could exit its wait-and-see mode as soon as this year if the US economy proves resilient**, and another stressed that hiking at the appropriate time would be important from a risk management perspective, via the BoJ.

- **PBoC Deputy Governor said the global impact and attractiveness of the Chinese bond market have greatly increased in recent years.** He noted the total balance of the market reached CNY 192tn as of August 2025, making it the world's second-largest, and said global bond investors remain confident, with foreign investors holding 2% of Chinese yuan bonds, according to Reuters.

GEOPOLITICS

NATO

- **Unidentified drones were observed over four airports across Denmark, causing one of them to close for several hours** , according to Danish police.
- **Denmark's police reported sightings of multiple drones over Aalborg airport and said it is unclear if they are linked to those seen in Copenhagen on Monday**, according to Reuters. **The Local Chief Police Inspector in Aalborg said that if it is safe to do so, local police will 'take the drones out'**, according to Faytuks News.
- **Denmark's Chief of National Police said a state of national emergency may be raised** , according to TV 2 Denmark, cited by Faytuks. **Danish police later confirmed that operations against unidentified drones over Aalborg Airport have concluded**, saying drones previously spotted in North Jutland are no longer present in the airport's airspace, according to Reuters.
- **EU leaders have concluded that US President Trump is no longer a reliable ally** , according to FT citing officials; Officials fear that Trump's new rhetoric on Ukraine aims to shift the blame away from Washington if Kyiv falters in the war.

MIDDLE EAST

- **US President Trump and US envoy Witkoff presented a Gaza peace deal plan to Arab leaders, and Trump's Gaza peace plan reportedly received support from regional leaders, Axios sources said.** Key points include the release of all remaining hostages, a permanent ceasefire, gradual Israeli withdrawal from all of the Gaza Strip, a post-war governing mechanism in Gaza without Hamas, a security force including Palestinians alongside soldiers from Arab and Muslim countries, Arab and Muslim funding for Gaza's new administration and reconstruction, and some involvement of the Palestinian Authority, according to Axios.
- **French President Macron said that together with Germany and the UK, they have taken the decision to activate the snapback procedure, allowing the reimposition of sanctions on Iran, and emphasised that Iran must never obtain a nuclear weapon.** He added that an agreement remains possible, with only a few hours left, and that it is up to Iran to meet the legitimate conditions set, according to Reuters.
- **French President Macron said Iran has not taken concrete steps to allow inspectors to return to nuclear sites** , according to Al Arabiya.
- **US Middle East Envoy Witkoff, when asked if there is a diplomatic path forward with Iran, said "we're talking to them," adding that Iran is in a tough position and that the US has a desire to negotiate with Iran**, according to Reuters.

EU/UK

NOTABLE HEADLINES

- **BoE's Greene said monetary policymakers have tended to look through supply shocks and may need to rethink this approach, adding that in the current environment they should offset supply shocks.** She noted she is less concerned about a rapid decline in the labour market, said risks from trade persist but have abated somewhat, and highlighted that the risks to the inflation outlook have shifted to the upside. She added that the risks of weaker demand have not disappeared, but in her view have diminished, according to a speech release.

LATAM

- **A 6.31-magnitude earthquake struck Venezuela**, according to GFZ.
- **A 6.48-magnitude earthquake struck Venezuela**, according to GFZ.

Copyright © 2025 Newsquawk Voice Limited. All rights reserved.

Registered Office One Love Lane, London, EC2V 7JN, United Kingdom · Registered Number 12020774 · Registered in England and Wales.

newsquawk.com · +44 20 3582 2778 · info@newsquawk.com