newsquawk

Daily Asia-Pac Opening News - 5th January 2026

SNAPSHOT

STOCKS			
S&P 500	+0.2%	Nasdaq Comp.	Flat
DJIA	+0.7%	Russell 2000	+1.1%

FX			
DXY	+0.1% (98.42)	EUR/USD	Flat
USD/JPY	-0.1%	GBP/USD	Flat

BONDS			
US T-Note Mar'26	-8 ticks	10yr Bund Mar'26	-54 ticks
US 10yr Yield	4.19%	German 10yr Yield	2.90%

ENERGY & METALS			
WTI Feb'26	-0.2%	Brent Mar'26	-0.2%
Spot Gold	+0.3%	CME Copper	+0.3%

CRYPTO			
Bitcoin	+0.8%	Ethereum	+0.7%

As of 21:50GMT/16:50EST

LOOKING AHEAD

- Highlights include Japanese Manufacturing PMI, Chinese RatingDog Services & Composite PMIs.
- Click for the Newsquawk Week Ahead.

US TRADE

- **US stocks** closed the first trading session of 2026 somewhat mixed on Friday, with most indices in the green although the Nasdaq was the laggard in which it completely unwound its outperformance at the opening bell. Sectors were predominantly firmer with Energy, Industrials and Materials leading the gains. Consumer Discretionary, Communication Services and Consumer Staples lagged while Tech was flat, with the decline in Consumer Discretionary led by Tesla (TSLA) after poor Q4 delivery numbers.
- **SPX** +0.15% at 6,856, **NDX** -0.17% at 25,206, **DJI** +0.66% at 48,382, **RUT** +0.96% at 2,506.
- Click here for a detailed summary.

TARIFFS/TRADE

- **US President Trump blocked HieFo Corp's USD 3mln acquisition of assets in New Jersey-based aerospace and defence specialist Emcore on Friday and ordered HieFo to divest all interests and rights in Emcore assets due to national security and China-related concerns,** according to Reuters.
- **Irish PM Martin arrived in Beijing as part of a five-day visit aimed at boosting trade between the two countries,** according to Chinese state media.

NOTABLE HEADLINES

- **Fed's Paulson (2026 voter) said she sees inflation moderating, the labour market stabilising and growth coming around 2% this year, while she added that if all of that happens, then some further adjustments to the Fed Funds Rate would likely be appropriate later in the year.** Paulson said she **views the current level of rates as still restrictive and sees a decent chance that they will end the year with inflation that is close to 2% on a run-rate basis, as tariff-related price adjustments will likely be completed.** Furthermore, she stated that **while the labour market is bending, it is not breaking and that the baseline outlook** for the economy is pretty benign.

COMMODITIES

- **OPEC+ agreed to keep the group's output unchanged following a brief meeting on Sunday.**
- **Venezuela's oil exports, which had dropped to a minimum amid the US blockade of sanctioned tankers, are said to now be paralysed as port captains have not received requests to authorise loaded ships to set sail,** according to four sources close to operations cited by Reuters.

GEOPOLITICAL

VENEZUELA

- **US President Trump announced on Saturday that the US successfully carried out a large-scale strike against Venezuela, while he added that President Maduro and his wife were captured and flown out of Venezuela. Trump also commented that they are going to run Venezuela until such a time that they can do a safe, proper and judicious transition, while he added they are going to run Venezuela with a group and will get oil flowing like it should be, with Trump anticipating US oil producers spending billions in Venezuela.**
- **US President Trump said they are ready to stage a second strike if necessary and had assumed a second wave was needed, but now probably not.** Furthermore, he said the **US is not afraid of boots on the ground in Venezuela, and commented that they will be 'reimbursed' and will be selling large amounts of oil to other countries.** It was separately reported that **President Trump signalled the US could widen its focus in the region to Cuba, and he will be meeting with House Republicans in a closed-door meeting on Tuesday,** following mixed reactions to the Venezuela attack including praise from top Republicans regarding the operation and questions by some lawmakers regarding the legal authority.
- **Venezuela's VP Rodriguez was granted temporary presidential powers, while she called for the return of Maduro and said the capture of Maduro has a 'Zionist tint'.** Furthermore, she said that **they will not be anyone's colony and that what is being done to Venezuela is barbaric, while it was also reported that US President Trump warned of dire consequences if Venezuela fails to meet US demands,** according to FT.
- **US Transportation Secretary Duffy said original restrictions around the Caribbean airspace were expiring and flights could resume.**
- **World leaders responded to the situation in Venezuela and largely called for restraint and an orderly transition** to a legitimate government. Furthermore, **German Chancellor Merz said the legal assessment of US strikes in Venezuela was complex, while Spanish PM Sanchez said they will not recognise a US intervention in Venezuela that violates international law, and UK PM Starmer said the UK sheds no tears about the end of Maduro's regime.**
- **China said the US should immediately release Venezuela's Maduro and his wife and resolve the situation in Venezuela through dialogue and negotiation,** according to Reuters. It was separately **reported by Bloomberg that China was deeply shocked and strongly condemned the hegemonic acts by the US and that threaten peace and security in Latin America and the Caribbean region, while other allies of Venezuela's allies including Brazil denounced the US attack, and Russia also criticised it as an 'unacceptable violation of the sovereignty of an independent state'.**
- **UN Security Council is to convene an emergency meeting on Monday to discuss the US operation in Venezuela.**

MIDDLE EAST

- **UK Ministry of Defence said British and French aircraft conducted a joint strike on an Islamic State facility in Syria.**
- **Iran's Supreme Leader Khamenei labelled protestors 'enemy mercenaries', while he approved a crackdown and said that rioters must be put in their place,** according to Iran International. It was separately reported by Reuters that **US President Trump warned Iran on Friday that the US would come to the aid of protesters in Iran if security forces fired on them and said that the US is 'locked and loaded and ready to go'. In relevant news, Iran's Revolutionary Guards began a military exercise including missile launches and testing of air defence systems,** according to correspondent Amichai Stein on X.

RUSSIA-UKRAINE

- **US President Trump said he is not thrilled with Russian President Putin regarding the war in Ukraine and said that too many people are dying,** according to Bloomberg.

OTHER

- **North Korea test-fired ballistic missiles which landed in the sea after flying about 900km, while KCNA later confirmed that North Korea had test-fired hypersonic missiles.**

ASIA-PAC

NOTABLE HEADLINES

- **Chinese authorities are receiving more tax from online vendors as part of Beijing's crackdown as it seeks to boost revenues to compensate for slowing economic growth,** according to FT.
- **Shanghai launched a new plan to enhance the business environment in the city in which it "will continue to prioritize the optimization of the business environment as a key driver of high-quality development, further deepen high-level opening-up, attract top enterprises and talents from home and abroad, and fully unleash innovation and creativity",** according to Chen

Jining who is the party secretary of Shanghai cited by China Daily.

EU/UK

NOTABLE HEADLINES

- **UK PM Starmer said the UK should move to closer alignment with the European single market on an "issue-by-issue" basis if it is in the national interest,** according to Reuters.
- **Forecasters issued further snow and ice warnings for the UK, amid travel disruptions,** according to Sky News.
- **German doctors warned that increasing anti-Syrian rhetoric risks worsening staff shortages in hospitals, clinics and care homes,** according to FT.