

SNAPSHOT

STOCKS			
Euro Stoxx 50	-0.2%	DAX40	-0.5%
Stoxx 600	-0.3%	FTSE 100	-0.1%
ES Mar'26	-0.2%	RTY Mar'26	-0.5%
NQ Mar'26	-0.4%	YM Mar'26	-0.2%

FX			
DXY	-0.1% (97.67)	EUR/USD	+0.2% (1.1796)
USD/JPY	-0.1% (154.85)	GBP/USD	+0.3% (1.3504)

BONDS			
US T-Note Mar'26	+2 ticks	Bund Mar'26	+1 tick
US 10yr Yield	4.079%	German 10yr Yield	2.734%

ENERGY & METALS			
WTI Apr'26	-0.6%	Brent May'26	-0.6%
Spot Gold	+0.8%	LME Copper	+0.1%

CRYPTO			
Bitcoin	-2.5%	Ethereum	-2.8%

As of 10:45GMT / 05:45EST

LOOKING AHEAD

- Highlights include Chicago Fed National Activity Index (Dec/Jan). Speakers include BoE's Taylor, Fed's Waller & ECB's Lagarde. Earnings from Hims & Hers.
- [Click here for the Week Ahead preview](#)

TRADE/TARIFFS

- US President Trump said on Saturday that he will increase the global tariff that was announced on Friday from 10% to 15% with immediate effect. Trump also stated that the 15% level is the maximum allowed by law and is still temporary, as Section 122 tariffs, and they will use the 150 days that the temporary tariff allows to work on issuing other legally permissible tariffs.
- EU is set to freeze trade deal approval over US President Trump's tariff risk, Bloomberg reports.
- US officials said that tariff deal partners should honour their agreements, while USTR Greer said he sought to separate the tariff agreements from the 15% global tariff that US President Trump recently announced.
- White House clarified that goods shipped under the USMCA will be exempt from the new global tariff that US President Trump announced on Friday, although risks regarding the future of the USMCA loom.
- German Chancellor Merz said expect the tariff burden on the German economy to be reduced following the US Supreme Court decision, while he added that they will have a very clear European position on this, as tariff policy is a matter for the EU, not individual member states, and he will go to Washington with a coordinated European position.
- US to cease collecting duties under IEEPA from 00:01EST/05:01GMT on February 24th, according to the Customs Agency.
- Goldman Sachs analysts indicate most Asian economies will experience slightly lower US tariffs after the Supreme Court ruling on IEEPA tariffs, with China expected to see the largest decline.
- China's MOFCOM said it is assessing the US Supreme Court's ruling on tariffs and urges the US to lift unilateral tariffs on trading partners. US tariffs on reciprocal goods and fentanyl breach trade rules and US law, and are not in the interest of any party.
- South Korea's Industry Minister said chips are not subject to Trump's new tariffs and noted uncertainty regarding US tariffs refund and that consultations with the US on tariffs and trade agreements will continue.

- **South Korea's Finance Minister** said the trade deal with the US is still valid.
- **Japanese ruling LDP tax chief Onodera** said the US tariff situation was a real mess following the SCOTUS tariff ruling.
- **US Treasury Secretary Bessent** said **nothing has changed on tariff revenue and trade deals; The tariff collection is closer to USD 130bln, probably not USD 175bln.** Will get back to same tariff level for countries, and it will be less direct. Thinks that every country will honour the trade deals. Would call on all countries to honour their agreements and move forward.
- **All countries with trade agreements now drop to a 10% tariff, and the 10% rate applies until new authorities and processes kick in, according to CNBC citing a White House official.**

EUROPEAN TRADE

EQUITIES

- **European bourses** (STOXX 600 -0.3%) show a mixed picture following the shifting tariff environment in recent days. The **IBEX 35** (+0.8%) and **FTSE MIB** (+0.7%) outperform their peers, while the **AEX** (-0.3%) and **DAX 40** (-0.5%) lag.
- **European sectors** are mixed. **Consumer Products and Services** (+1.1%), **Banks** (+0.8%) and **Utilities** (+0.9%) gain at the start of the week, aided by multiple broker upgrades for banks while **Enel** (+5.9%) supports the **Utilities** sector. The Co. updated its 2026-28 strategic plan, raising its planned investment to EUR 53bln from EUR 43bln, seeing cuts of up to EUR 700mln by 2028 and approved the execution of a new tranche of its share buyback programme. On the other hand, **Technology** (-1.4%) and **Health Care** (-1.6%) underperform. European tech giant **ASML** (-1.9%) seems to have been hit on OpenAI planning USD 600bln in compute spending by 2030 (prev. cited USD 1.4tln).
- **US equity futures** (ES -0.2%, NQ -0.4%, RTY -0.5%) were initially hit at the start of the APAC session, as President Trump raised the tariff rate from 10% to 15%, but have since rebounded slightly as the pre-cash session continues.
- **Novo Nordisk's (NOVOB DC) CagriSema 2.4** did not meet the **primary endpoint of showing non-inferiority on weight loss vs tirzepatide 15mg at 84 weeks.**
- **OpenAI provided a more modest spending expectation and a more defined timeline in which it is now targeting around USD 600bln in total compute spending by 2030 instead of the USD 1.4tln in infrastructure commitments that CEO Altman previously claimed.**
- [Click for the sessions European pre-market equity newsflow](#)
- [Click for the additional news](#)

FX

- **DXY is slightly lower** this morning and trades within a 97.35 to 97.70 range. Further pressure could see a test of its 21 DMA at 97.15. All focus today on Trump's latest decision to impose a sweeping 15% Section 122 import tariff, following the SCOTUS decision to rule IEEPA tariffs as unlawful. The implications of the decision are mixed, with the likes of the UK and Australia now worse off, whilst the likes of Brazil and China benefit from the lower rates. SEB writes that the preliminary estimate of the global average tariff rate is now marginally lower at 12%, which is 1-2 percentage points lower than the prior rate. The Budget Lab also sees the effective tariff rate at 13.7% (prev. 16% under IEEPA taxes).
- As it stands, there is some near-term certainty regarding **Section 122 tariffs**, which can be implemented for a maximum of 150 days. Thereafter, any extension would need to be passed through Congress. Therefore, uncertainty stems from several points; **a) how the US aims to "make-up" for lost tariff revenue, b) how trade partners react to the latest levies, c) the potential use of other trade-related policies (Section 301, Section 338, Section 232).**
- **G10s** are broadly firmer against the **USD**; the **GBP** and **EUR** leads, whilst the **Aussie** lags a touch. The latter is slightly underperforming, given Australia no longer benefits from its previously negotiated 10% rate, under IEEPA.
- For the **EUR** specifically, European Parliament's trade chief is to propose freezing the ratification of the EU's trade agreement with the US until they receive details from the Trump administration regarding its trade policy. On data, the German Ifo report improved from the prior and surpassed expectations, suggesting the region's recovery is underway. Elsewhere, Japan's ruling LDP tax chief Onodera, described the US tariff situation as a real mess. **USD/JPY** currently trades shy of the 155.00 mark, with the high of the day at 154.90, a touch above its 100 DMA at 154.90.

FIXED INCOME

- A relatively contained start for fixed income as markets continue to digest the latest tariff measures, and with APAC conditions thin on account of Japan's holiday for the Emperor's Birthday.
- **USTs** are firmer by a few ticks in thin 112-27+ to 113-02+ parameters, within but at the top end of Friday's 112-23+ to 112-03+ confine; as a reminder, last week's peak was 113-14. Focus is primarily on the tariff situation, as the latest POTUS measures in response to the SCOTUS ruling have effectively lowered the global rate by a pp or two. However, we of course remain attentive to any further updates by President Trump and/or his administration in the near term. Additionally, we await remarks from Fed's Waller (voter), commentary that will be scrutinised for his tariff take. Thus far, Logan (2026) said the SCOTUS decision has led to more uncertainty and upside inflation risks remain, but noted that policy is well-positioned. Musalem (2028) stated that if the new tariffs are one-for-one, the outlook would be unchanged, but added that the ruling could introduce uncertainty. Note, the remarks were made before the weekend's move to 15%.
- **Bunds** are contained, but at the lower end of c. 20 ticks parameters. The benchmark has found itself under modest pressure this morning as European cash bourses trade mixed and with futures attempting a move into the green. Ahead, supply from the bloc is scheduled, but the main focus will be on how the Hungarian block on Ukraine-related policies/sanctions by the EU shakes out.
- **Gilts** gapped higher by 11 ticks and then climbed a handful further to a 92.51 peak. Upside that comes as the 15% global

effective tariff lifts the UK above the 10% it used to be subject to, and thus skews the bias towards a March vs April cut by the BoE. The main input into that debate this week will be the appearance of Governor Bailey at the TSC.

COMMODITIES

- **Crude benchmarks** are more subdued in the early European session as the market continued to digest Trump's 15% tariff decision in response to SCOTUS' striking down his IEEPA tariffs. It's worth noting that crude benchmarks have had their best year thus far since 2022 (the same year Russia invaded Ukraine), and as geopolitical tension continues to persist, US-Iran talks are set to resume this week.
- **Precious metals** have kicked off the week glowing amid uncertainties from tariffs and geopolitical tension with Iran, increasing their prospect as a haven. Following the SCOTUS decision, US President Trump raised global tariffs to 15% over the weekend, fueling market uncertainty. Following the tariff updates, the USD weakened, consequently aiding precious metals. **Focus also remains on the US and Iran, with a NYT report that US President Trump is reportedly considering a targeted strike on Iran**, followed by a larger attack on Iran. Iran also responded, saying that any US attacks, including limited strikes, will be considered an act of aggression. Any further escalation after both countries are set to meet on Thursday will further elevate the precious metals. **XAU** and **XAG** are trading at the upper range of USD 5117.815-5146.990/oz and USD 84.227-87.663/oz, respectively.
- **Copper** appears to be paring some of its recent gains as markets digested the latest tariff developments, with US President Trump's 15% flat-rate tariff seen as benefiting countries such as China and Brazil the most, while weighing on longer-term allies. Activity for the red metal has also picked up this morning, whilst mainland Chinese markets are due to reopen tomorrow. **3M LME copper** trades in a tight range of USD 12,928-13,063/t. In other news, JPMorgan forecasts a copper deficit of 130k tonnes in 2026 and a 230k in the aluminium market in 2026
- **JPMorgan forecasts a copper deficit of 130k tonnes in 2026.**
- **Lebanese bankers and politicians** are eyeing a sale or lease of part of the central bank's large gold reserves to rescue banks and the economy, according to FT.
- **Japan** is mining for deep sea rare earths to combat China's chokehold, according to FT.
- **Goldman Sachs** raises its 2026 Q4 Brent oil forecast by USD 6 to USD 60/bbl.
- **Morgan Stanley** raises its near-term Brent forecasts as geopolitical risk premium likely persists for a period, still expects prices to soften to USD 60/bbl later in 2026.
- **Chevron (CVX)** announces an agreement for Iraq's West Qurna 2 oil field.

NOTABLE EUROPEAN DATA RECAP

- **German Ifo Business Climate (Feb) 88.6 vs. Exp. 88.4 (Prev. 87.6).**
- **German Ifo Expectations (Feb) 90.5 vs. Exp. 90.3 (Prev. 89.5).**
- **German Ifo Current Conditions (Feb) 86.7 vs. Exp. 86.3 (Prev. 85.7).**
- **Italian Inflation Rate MoM Final (Jan) M/M 0.4% vs. Exp. 0.4% (Prev. 0.2%).**
- **Italian Inflation Rate YoY Final (Jan) Y/Y 1.0% vs. Exp. 1% (Prev. 1.2%).**
- **Swiss Sight Deposits (w/e Feb 22). Domestic Banks CHF 440.6bln (prev. 437bln), Total CHF 457.6bln (prev. 452.7bln).**

CENTRAL BANKS

- **Fed's Hammack (2026 voter) said inflation has made amazing progress, but is still a problem, and the Fed can be very patient in considering future rate cuts.** Hammack said monetary policy is only modestly restrictive and the economy was stronger than anticipated by December, while she added that tariffs have the potential to further complicate the inflation outlook.
- **ECB's Lagarde receives around EUR 140k a year as Bank for International Settlements board member, despite the ECB ban on third-party payments to staff, according to FT.**
- **BoK Governor Rhee** said FX market conditions have improved but still need to be stabilised.

NOTABLE US HEADLINES

- **US Treasury Secretary Bessent** said inflation is still too high, but is moving toward the Fed's target. Believe can grow 3.5% this year.

GEOPOLITICS

MIDDLE EAST

- **US President Trump reportedly considers a targeted strike on Iran, followed by a larger attack and is open to deposing the Supreme Leader by force if Iran is stubborn, according to NYT.**
- **US officials warned that if US President Trump orders strikes on Iran, Tehran could retaliate through proxies such as Hezbollah or Al-Qaeda, against American targets abroad.**
- **US-Iran talks are set to resume in Geneva on Thursday, according to Omani mediators,** while Iranian Foreign Minister Araghchi expects to meet with US Special Envoy Witkoff for discussions and reiterated that Iran will not be pressured by the military buildup in the region.
- **Iran said any US attack, including limited strikes, will be considered an act of aggression.**
- **Iran Foreign Ministry spokesperson** said there are discussions about the presence of IAEA's Grossi in the third round of negotiations, Iran International reported; adds that Iran is working on a draft for any possible understanding.
- **Iran's Foreign Ministry** said they hope to have another round of talks with the US in the coming days. Regarding IAEA Grossi's

view that there cannot be an agreement unless the inspection of bombed nuclear facilities is allowed, Iran said it does not accept that precondition.

- **South Korean Embassy in Iran advised Korean nationals to leave Iran amid increasing tensions over a possible US military strike on Tehran, according to Yonhap.**
- **Palestinian media** reported that Israeli artillery shelling is targeting areas in northeast Gaza City, according to Sky News Arabia.
- **US officials** warned if US President Trump orders strikes on Iran, Tehran could retaliate through proxies such as Hezbollah or Al-Qaeda against American targets abroad.
- **Palestinian media** reported Israeli warplanes launched two raids on Khan Yunus in the southern Gaza Strip, according to Sky News Arabia.
- **US forces begin withdrawing their troops from Syria to Iraqi Kurdistan, according to Al Jazeera.**

RUSSIA-UKRAINE

- **Russian Defence Ministry** said Russian forces struck Ukrainian transport, energy and fuel infrastructure.
- **EU Foreign Representative Kallas** said she is not optimistic regarding potential progress in peace talks with Russia. Strong statements from Hungary indicate they will not change their stance on Russian sanctions today.
- **Hungarian Foreign Minister said they will block EU decisions in relation to Ukraine until flows to the nation resume through the Druzhba pipeline.**

CRYPTO

- **Bitcoin** slips below USD 67,000 as risk sentiment weakens, **Ethereum** regains USD 1,900.

APAC TRADE

- **APAC stocks** were mixed amid trade uncertainty as the region digested the latest tariff developments after the US Supreme Court ruled against IEEPA tariffs on Friday, prompting President Trump to impose a global 10% flat-rate tariff, which he later raised to 15% over the weekend, while there were a couple of key market closures in the region with mainland China and Japan observing holidays.
- **ASX 200** was dragged lower with underperformance seen in tech, healthcare and real estate, while participants also reflected on a deluge of earnings releases and the recent Trump 15% global tariff rate announcement, which would increase the levies on Australia from the previously agreed 10%.
- **KOSPI** initially benefitted from the tech strength amid gains in the likes of industry heavyweights Samsung Electronics and SK Hynix, while South Korea's Industry Minister also noted that chips were not subject to Trump's new tariffs. However, the index then gradually gave back all its gains.
- **Hang Seng** rallied with tech stocks dominating the list of best performers in Hong Kong and with the local benchmark underpinned as a proxy to China, which is seen as the likely biggest winner from the US Supreme Court tariff ruling.

NOTABLE ASIA-PAC HEADLINES

- **China reportedly experienced robust consumer activity across sectors during the Spring Festival holiday, according to China Daily.**
- **South Korea's Vice Finance Minister** said to closely watch financial markets.

NOTABLE APAC DATA RECAP

- **New Zealand Credit Card Spending YoY (Jan) Y/Y 1.0%** (Prev. -0.2%, Rev. From -0.3%).
- **New Zealand Retail Sales QoQ (Q4) Q/Q 0.9%** vs. Exp. 0.6% (Prev. 1.9%).

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