

SNAPSHOT

STOCKS			
S&P 500	-0.9%	Nasdaq Comp.	-1.0%
DJIA	-0.8%	Russell 2000	-1.9%
ES Mar'26	-1.1%	RTY Mar'26	-1.9%
NQ Mar'26	-1.3%	YM Mar'26	-0.9%

FX			
DXY	+0.5% (99.06)	EUR/USD	-0.7%
USD/JPY	+0.1%	GBP/USD	-0.4%

BONDS			
US T-Note Mar'26	-2.5 ticks	10yr Bund Mar'26	-43 ticks
US 10yr Yield	4.06%	German 10yr Yield	2.78%

ENERGY & METALS			
WTI Apr'26	+5.0%	Brent May'26	+5.3%
Spot Gold	-4.4%	LME Copper	-1.1%

CRYPTO			
Bitcoin	-0.6%	Ethereum	-2.3%

As of 21:50GMT/16:50EST

LOOKING AHEAD

- Highlights include South Korean Industrial Production, New Zealand ANZ Commodity Prices, Australian Q4 GDP, Chinese Official & RatingDog PMIs, Japanese Household Confidence, Supply from Australia.
- [Click for the Newsquawk Week Ahead.](#)

IRAN CONFLICT

- US President Trump posted that Iran's air defence, air force, navy, and leadership are gone, while he said they want to talk, but added it is too late.
- US President Trump said everything was knocked out in Iran and they felt strongly that Iran was going to attack first, based on the way talks were going. Trump said Iran no longer has air protection and detection facilities, and stated that there was another hit on the new leadership.
- US President Trump said that Iran is running out of launchers and suggested the war could last four or five weeks or be over in a few more days, according to POLITICO.
- US President Trump is reportedly open to supporting armed militias in Iran, although no final decision has been made yet, including whether plans are to provide arms, training or intelligence support, according to the WSJ.
- US Senator Schumer said the Senate will vote on the Iran war powers resolution on Wednesday.
- Iran's Council of Experts office building was attacked, according to Iranian press.
- Iran's Assembly of Experts elected Ali Khamenei's son Mojtaba as the next Supreme Leader under pressure from the Revolutionary Guards, according to Iran International citing sources.
- Iran's new defence minister has reportedly been killed.
- Iran's military said it targeted the Al Udeid base in Qatar with missiles.
- Iran's IRCG said they targeted the aircraft carrier "Lincoln" with 4 cruise missiles, while an IRGC senior official said Iran has vowed to hit all regional economic centres if its main centres are hit.
- Iran's Ambassador to the UN says it is not acceptable that the land of neighbours is being used to facilitate aggression against

Iran, while he stated that if any base is used to attack and invade other countries, that would be a legitimate target.

Furthermore, they will continue their defence until the point of aggression is stopped, while the ambassador said that for the time being, they are very doubtful about the usefulness of negotiation with the US, and the only language for talking with the US is the language of defence.

- **There has reportedly been a 70% decrease in launch volumes from Iran.**
- **IAEA's Grossi said there has been no evidence of Iran building a nuclear bomb**, while he added that Iran's large stockpile of near-weapons-grade enriched Uranium and refusal to grant IAEA full access are cause for serious concern.
- **IDF announced that they have struck Iran's leadership compound in Tehran**, while the Israeli Ministry of Defence said they are preparing for a potential expansion of fronts.
- **Israeli senior official said it is estimated that Saudi Arabia will attack Iran soon** after they were attacked yesterday, according to Kann News.
- **Israeli Defence Minister said they approved enabling the army to advance and control additional strategic areas inside Lebanon**, according to Al Jazeera.
- **Israel reportedly worked on the ground in Iran with the participation of Mossad**, according to Al Hadath sources.
- **Israeli army spokesperson said they will give 24 hours to the representatives of the Iranian regime present in Lebanon to leave it**, according to Al Jazeera.
- **Israel Defence Force said they have killed the commander of the Iranian Qods Force's Lebanon Corps.**
- **Hezbollah senior official said if the enemy wants an open war, then let it be an open war.**
- **UK PM Starmer said the UK is sending helicopters with counter-drone capabilities to Cyprus**, and HMS Dragon will be deployed to the region.
- **French President Macron said France will send air defences and a warship to Cyprus.**
- **United Arab Emirates is considering taking military action to stop Iranian missile and drone strikes** on the country, according to Axios citing sources.

US TRADE

- **US stocks** were sold on Tuesday, albeit closed off lows, as the escalating Middle Eastern conflict continued to dominate trade and newsflow with the war showing no signs of slowing down, as the attacks from all sides continued far and wide, with Iran continuing to attack US bases in the Middle East, while it was reported that the UAE is considering taking military action to stop Iranian missile and drone strikes on the country, with reports also suggesting that Iran hit the US consulate in Dubai. As such, WTI and Brent saw extensive gains, but then pulled back from intraday peaks after US President Trump confirmed actions to attempt to resume shipping in the Strait of Hormuz, which is currently "closed".
- **SPX -0.94%** at 6,817, **NDX -1.09%** at 24,720, **DJI -0.83%** at 48,501, **RUT -1.75%** at 2,609.
- [Click here for a detailed summary.](#)

TARIFFS/TRADE

- **US President Trump said they must charge tariffs on nations that play with their money**, while they have a 5-month period to go at 15% tariffs and are doing the various studies on tariffs during this time.
- **US President Trump said he will be going to China** in a little while and has a very good relationship with China.
- **US President Trump said he told Treasury Secretary Bessent to cut off all dealings with Spain, and he is not happy with the UK either.** Trump also stated that Spain has been very uncooperative and that the UK has ruined relationships, which he said is a shame.
- **US Treasury Secretary Bessent said the Supreme Court reaffirmed President Trump's ability to implement an embargo.**

NOTABLE HEADLINES

- **Fed's Williams (voter) said if inflation ebbs, further reductions in the policy rate will eventually be warranted, and eventual rate cuts are aimed at keeping policy from being too restrictive, while he added that the rate policy stance is currently 'well positioned'.** Williams said it is too soon to gauge the impact of the war with Iran on US inflation and growth, but the US economy is less dependent on imported oil than it has been, and it has proved resilient to energy price shocks.
- **Fed's Bowman (voter) said liquidity framework does not look enough at bank stress**, and the discount window is a critical but underutilised liquidity backstop requiring fundamental reform.
- **Fed's Kashkari (2026 voter) said it is too soon to assess the Iran conflict's impact on inflation** and that it could have an impact on monetary policy. Kashkari added that policy is in a good place and uncertainty around tariffs has increased, but he does not think the latest round of tariffs will have a fresh inflation impact.
- **Fed's Schmid (2028 voter) said they are positioned pretty well** and they don't have a cyclical issue in the labour market, but if they did, they would look at it differently from a monetary policy standpoint.

FX

- **USD** remained strong and continued to be underpinned by the ever-escalating Middle Eastern conflict, which continues to expand across the region with Axios sources stating that the UAE is considering taking military action to stop Iranian missile and drone strikes on the country, while an Israeli senior official said it is estimated that Saudi Arabia will attack Iran soon. Elsewhere, the data calendar for the US was extremely thin, while there were several Fed speakers, in which the main message was that policy was well-positioned, and it is too soon to gauge the impact of the war in Iran on inflation.
- **EUR** retreated amid the firmer buck and briefly dipped beneath the 1.1600 handle and failed to meaningfully benefit from firmer HICP data.

- **GBP** was pressured but is off intraday lows after rebounding from troughs below the 1.3300 handle, while the UK Spring Statement was largely a non-event with the OBR downgrading its 2026 growth and inflation view and with the implied headroom estimated at GBP 23.6bln (exp. 20bln-25bln).
- **JPY** gave up ground against the dollar but outperformed other G10 peers as the Iranian conflict continued to spur haven appeal.

FIXED INCOME

- **T-notes** ultimately settled flat in two-way trade as eyes remained glued to the Middle East.

COMMODITIES

- **Oil prices** once again surged higher amid the ongoing and escalating Middle East conflict, but settled off highs, while the US is to provide political risk insurance and guarantees at a very reasonable price for the financial security of all maritime trade, and could begin escorting tankers through the Strait of Hormuz.
- **US President Trump said if we have a little high oil prices, it could be for a little while**, but they will drop and could even be below the levels before.
- **US President Trump said, effective immediately, the US is to provide political risk insurance and guarantees (at a very reasonable price) for the financial security of all maritime trade, especially energy, travelling through the Gulf.** Trump also said that **"If necessary, the United States Navy will begin escorting tankers through the Strait of Hormuz, as soon as possible"** and **"the United States will ensure the FREE FLOW of ENERGY to the WORLD."**
- **Saudi Aramco reportedly explores a plan to export oil via the Red Sea** to avoid the Strait of Hormuz, according to Bloomberg.
- **Oil production has been fully suspended at the Rumaila oil field, Iraq's largest and the world's second-largest oil field**, local sources told Shafaq News. Iraqi officials said that **Iraq decreased oil production from the Rumala oilfield by 700k BPD on Tuesday and shut down production of 460k BPD from West Qurna 2, while it is to cut production from the Maysan oilfield by 325k BPD** due to full crude storage tanks.
- **QatarEnergy is to stop output of some downstream products**, including urea, polymers, methanol, aluminium and others.
- **IEA said it is ready to stabilise the oil market**, roiled by the Iran war, and is monitoring the situation in the Middle East, including Hormuz risk.
- **Ukraine's Energy Minister said the Druzhba oil pipeline was severely damaged** as a result of a fire after the Russian strike.

GEOPOLITICAL

RUSSIA-UKRAINE

- **US President Trump said Russia/Ukraine is very high on his priority list.**
- **Russian Kremlin spokesperson Peskov said regarding Ukraine talks that it's hardly possible to talk about a meeting**, while he added that there's no certainty on the venue or timing.

ASIA-PAC

NOTABLE HEADLINES

- **PBoC purchased CNY 50bln worth of sovereign bonds in February** on the open market.
- **Rengo Hokkaido reportedly requested economic organisations to increase wages by at least 5%**, including regular wages, while this includes a base increase of at least 3% in monthly wages and regular pay increases, according to Nikkei.

EU/UK

NOTABLE HEADLINES

- **UK Chancellor Reeves said in the Spring Statement that the global environment has become more uncertain in recent days and the OBR expects inflation to fall faster than they forecast in the Autumn Budget, while growth forecasts are largely unchanged over the period.** Reeves said they are to outline reforms to tackle youth unemployment in the near term and are to outline proposals for closer trade ties with Europe in the next few weeks.
- **ECB's Kazaks said he sees no need to rush the rate decision**, and the February inflation reading will keep them in a cautious mood.
- **ECB's Stournaras said there will be upward pressure on EZ inflation should the Iran war continue**, while he added there is no rush to change rates.

DATA RECAP

- **EU Inflation Rate YoY Flash (Feb) Y/Y 1.9% vs. Exp. 1.7% (Prev. 1.7%, Low. 1.6%, High. 1.9%)**
- **EU Core Inflation Rate YoY Flash (Feb) Y/Y 2.4% vs. Exp. 2.2% (Prev. 2.2%, Low. 2.0%, High. 2.3%)**

