

SNAPSHOT

STOCKS			
S&P 500	+1.1%	Nasdaq Comp.	+1.0%
DJIA	+0.8%	Russell 2000	+1.2%
ES Mar'26	+1.0%	RTY Mar'26	+0.9%
NQ Mar'26	+1.1%	YM Mar'26	+0.8%

FX			
DXY	-0.7% (99.81)	EUR/USD	+0.8%
USD/JPY	-0.4%	GBP/USD	+0.8%

BONDS			
US T-Note Jun'26	+16 ticks	10yr Bund Jun'26	+38 ticks
US 10yr Yield	4.22%	German 10yr Yield	2.95%

ENERGY & METALS			
WTI May'26	-4.6%	Brent May'26	-2.1%
Spot Gold	-0.3%	LME Copper	+0.6%

CRYPTO			
Bitcoin	+2.0%	Ethereum	+7.7%

As of 21:50GMT/17:50EDT

LOOKING AHEAD

- Highlights include Singapore Non-Oil Exports, RBNZ Offshore Holdings, RBA Rate Decision & Press Conference, Supply from Japan.
- [Click for the Newsquawk Week Ahead.](#)

IRAN CONFLICT

- **US President Trump said the military campaign continued in full force over the past days** and Iran's anti-aircraft equipment is decimated, while he added that the US has struck more than 7,000 targets and has achieved a 95% reduction in Iran drone attacks. Trump said they have hit mostly commercial and military targets and that Iran doesn't have many missiles left.
- **US President Trump said regarding the potential Strait of Hormuz coalition that Secretary of State Rubio will announce the countries**, while he added it takes a while to get to the Hormuz and that some countries are fairly local. Furthermore, he has spoken to French President Macron about Hormuz, and on a scale of 0-10, he said Macron has been an 8 and thinks Macron is going to help. Trump also stated he is not happy with the UK but thinks they will be involved.
- **US President Trump said Iran wants to make a deal and is talking with their people, but he does not know if Iran is ready yet.** Trump said they don't even know Iran's leaders, and as far as they know, they are all dead. Trump said Iran has people wanting to negotiate, but they have no idea who they are, and he does not know if Khamenei is dead or not.
- **US President Trump said the Iranian war will end soon but added that Iran is "not ready" for a deal**, as well as stated that the cost of conflict is "negligible", while he declined to comment on ground troops in Iran.
- **US administration official said nothing prevents the US from considering seizing Kharg Island oil**, and all options are before the president. It was separately reported that some officials believe the Middle East instability could continue till September, even if the war shifts to a lower intensity, according to Axios.
- **US lawmakers have begun talking about a supplemental funding bill for the Iran war**, while the package could have a USD 100bln or greater price tag, according to sources cited by Punchbowl.
- **US Envoy Witkoff and Iranian Foreign Minister Araghchi have reportedly been in contact** over text messages in recent days, according to Channel 12. It was separately reported that **Iran and the US have been in direct contact in recent days**, according

to Axios sources. However, it was reported shortly after that Iran said reports of recent contacts with the US are false.

- **Iran's Foreign Minister Araghchi earlier said no messages have been exchanged with the US and that Tehran has not asked for a ceasefire** as the "war needs to end in a way that ensures it does not happen again". Furthermore, Araghchi thinks the US has already learned a good lesson.
- **Iran's new leader has reportedly been put on a life support machine** and is now unable to breathe unaided, sources in the country told The Sun.
- **IRGC said they will target US industries in the region in the coming hours** and asked people to evacuate nearby areas, Tasnim reports.
- **Iranian Foreign Ministry spokesperson Baghaei said parties not involved in the war have had vessels pass through Hormuz** with coordination and permission from Iran's military, while he stated the Strait of Hormuz is only closed to the enemies of Iran.
- **Iran reportedly asked for the release of three tankers seized by India in February** as part of talks on a safe passage of Indian vessels in the Strait of Hormuz.
- **Israeli military spokesperson said there are detailed operational plans for the war with Iran for the next three weeks** along with additional plans to extend it further, according to reports, while IDF also said it is expanding its ground offensive against Hezbollah in Lebanon.
- **Hezbollah military source told Al-Jazeera that the organisation is "ready for a confrontation and expects the IDF patiently"**. It was also stated that "Hezbollah's command and control system is operating very efficiently in managing the military conflict."
- **Qatar's Foreign Ministry spokesperson said Iran's attacks and threats against civilian targets have not stopped**, while communications are still ongoing with different parties to guarantee the Strait of Hormuz would remain open. Furthermore, it was stated that Qatar is not currently aware of any official mediation between the US and Iran, according to Sky News Arabia.
- **EU imposed sanctions on an additional 16 persons and three entities** responsible for serious human rights violations in Iran.
- **German Chancellor Merz said the war must end quickly** and with a clear strategy, while he said they will not participate in securing the Strait of Hormuz and do not know a concept for doing so.

US TRADE

- **US stocks** were firmer as oil prices moved lower after the US targeted Kharg Island over the weekend, but avoided any oil infrastructure, while US President Trump reiterated he thinks the war could be over soon and suggested that Iran has been speaking to the US. Furthermore, it was reported that Iran's Foreign Minister Araghchi and US Special Envoy Witkoff have been in contact by text messaging over recent days which further weighed on oil, although Iran denied this shortly after, and Araghchi said his last contact with Witkoff was prior to the US attack on Iran.
- **SPX +1.05%** at 6,702, **NDX +1.13%** at 24,655, **DJI +0.83%** at 49,946, **RUT +0.96%** at 2,504.
- [Click here for a detailed summary.](#)

TARIFFS/TRADE

- **US Treasury Secretary Bessent said US-China trade meetings in Paris were "very good" and will see whether Trump's China visit goes as planned**, while he stated any potential rescheduling would be attributed to logistical issues, and they will issue a statement in the next few days regarding US-China talks. Bessent also said the purpose of these talks is to prevent retaliation and that they discussed China receiving energy from the Gulf, as well as encouraged China to be a good international partner.
- **USTR Greer said a work plan was concluded on deliverables on China meeting**, while they also discussed talks on possible US-China Board of Trade, what to export to China and the status of receiving rare earths.
- **US President Trump's administration has started discussing a new "board of trade" with China** to try to balance what US officials see as an unequal economic relationship, according to NYT.
- **China's Vice Premier He Lifeng urged the US to remove unilateral tariffs and hopes the US widens the list of cooperation**, while he added that China and the US have agreed to strengthen trade talks and properly manage the differences between them.
- **China's trade negotiator Li said on talks with the US, that they spoke about a possible extension of tariff suspensions and other matters**, as well as spoke about concerns of trade and economic issues. Li said the US spoke on recent tariff adjustments and the Chinese side voiced concerns, while both sides agreed to maintain the stability of tariff levels and discussed mechanisms on trade and investment. Furthermore, he said they reached a preliminary consensus and that China will continue to engage in discussions.
- **European Union said it is close to finalising a trade deal with Australia after years of negotiations**, while EU Commission President Von der Leyen may travel to Australia as soon as this weekend to sign the deal, according to sources.

NOTABLE HEADLINES

- **US President Trump reiterated criticisms against Fed Chair Powell**, and called for him to have a special meeting and cut rates now.
- **DoJ asked judge Boasberg to reconsider the ruling that quashed the subpoenas against Fed Chair Powell**, according to Fox News.

DATA RECAP

- US Industrial Production YoY (Feb) Y/Y 1.4% (Prev. 2.3%)
- US Manufacturing Production YoY (Feb) Y/Y 1.3% (Prev. 2.4%)
- US NY Empire State Manufacturing Index (Mar) -0.20 (Prev. 7.10)

FX

- **USD** was lower and retraced some of the hefty gains seen last week amid the Middle East conflict, and was largely at the whim of oil prices. Focus remained on geopolitics, although there was nothing too escalatory, with the US striking Kharg Island, but avoiding any oil infrastructure. Furthermore, Trump said that Iran wants to make a deal and is talking to their people, while it was also reported that Iran's Foreign Minister Araghchi and US Envoy Witkoff were in contact over text messages in recent days, although Iran refuted reports of recent contacts.
- **EUR** reclaimed the 1.1500 status amid a weaker buck, while there were reports the EU is close to finalising a trade deal with Australia.
- **GBP** gained throughout the day and returned to 1.3300 territory alongside notable outperformance in its cyclical peers.
- **JPY** strengthened with USD/JPY testing the 159.00 level to the downside amid the decline in oil and softer US yields.

FIXED INCOME

- **T-notes** rose across the curve as oil prices declined, while data releases also showed a slowing of Industrial Production growth and the New York Empire State Manufacturing Index in negative territory.

COMMODITIES

- **Oil prices** were lower, as the Middle East war rages on, albeit with no major escalation over the weekend, while prices were also pressured heading into the settlement on reports that US Special Envoy Witkoff and Iranian Foreign Minister Araghchi have been texting.
- US President Trump said big companies are going into Venezuela and will step up Venezuela's oil production rapidly.
- **Gulf Cooperation Council's regional emergency plan committee for petroleum products held an urgent meeting to discuss regional developments** and maintain continuity of refined product supplies, according to Saudi state TV.
- **Iraq is seeking tender offers to export oil through ports in Syria and Jordan** after shipments through the Strait of Hormuz were halted by threats and attacks from Iran, according to WSJ. Furthermore, it was stated that the **blockade of the strait has forced Iraq to lower its output from roughly 4.4mIn BPD to 1.5mIn-1.6mIn BPD** to meet domestic refinery and power-plant requirements.
- **Iraq's Oil Minister said the Kirkuk-Turkey pipeline is currently undergoing final checks.**
- **Two explosive drones hit Iraq's Southern Majnoon oilfield**, according to reports.
- **UAE's Fujairah resumed oil loadings after they were halted due to a drone strike**, according to WSJ citing sources.
- **IEA's Birol reiterated that the Middle East conflict is creating the largest ever supply disruption** and oil prices are significantly lower W/W, while he added the reserve release provides a buffer, but is not a lasting solution. Birol said barrels are flowing to Asia as a result of IEA action and that over 20mIn barrels in the Americas will stem from increased production.
- **UK is to raise steel tariffs to 50%** in a new strategy and is to slash import quotas for steel products.

GEOPOLITICAL

RUSSIA-UKRAINE

- **Russia's Kremlin said they are open to continuing Ukraine negotiations** and that US President Trump has not lost interest, while it added that Trump has recommended Ukrainian President Zelensky make a deal.

OTHER

- **EU imposed sanctions on Chinese and Iranian entities for cyber-attacks** against EU member states.

ASIA-PAC

NOTABLE HEADLINES

- **China's NFRA is to intensify its crackdown on illegal financial activities** and will accelerate the financing framework aligned with the new real estate development model.
- **Alibaba (BABA) reportedly plans a major revamp to heighten focus on AI monetisation** and is to create a token hub division to oversee AI projects.

EU/UK

NOTABLE HEADLINES

- **European Commission President von der Leyen said a prolonged disruption to Gulf oil and gas could have a significant impact on the EU economy**, while she added that short-term responses to tackle energy prices must be temporary and targeted. Von der Leyen also stated that they must introduce measures addressing the cost of electricity, and the EU will eliminate barriers to the use of power purchase agreements and combine them with contracts for difference.

