

SNAPSHOT

STOCKS			
S&P 500	-0.3%	Nasdaq Comp.	-0.3%
DJIA	-0.4%	Russell 2000	+0.7%
ES Jun'26	-0.1%	RTY Jun'26	+0.9%
NQ Jun'26	-0.1%	YM Jun'26	-0.3%

FX			
DXY	-1.0% (99.19)	EUR/USD	+1.2%
USD/JPY	-1.3%	GBP/USD	+1.3%

BONDS			
US T-Note Jun'26	-3 ticks	10yr Bund Jun'26	+7 ticks
US 10yr Yield	4.25%	German 10yr Yield	2.95%

ENERGY & METALS			
WTI May'26	-0.9%	Brent May'26	+0.2%
Spot Gold	-3.5%	LME Copper	-1.5%

CRYPTO			
Bitcoin	-1.0%	Ethereum	-2.5%

As of 20:50GMT/16:50EDT

LOOKING AHEAD

- Highlights include New Zealand Credit Card Spending, Singapore Unemployment Rate, PBoC Loan Prime Rates, Holiday Closures in Japan & Indonesia.
- [Click for the Newsquawk Week Ahead.](#)

IRAN CONFLICT

- **US President Trump** said he believes Japan is stepping up to the plate on Iran, unlike NATO, and they are not putting troops anywhere, while he added Iran is a serious threat to the Middle East and the world, but reiterated that the Iran excursion will be over soon. Trump also said they can take out Kharg Island any time they want and are looking for new leaders again, while the US is ahead of schedule.
- **US Secretary of War Hegseth** said US objectives on Iran are on target and on plan, while he added that Iranian objectives have not changed from the start, and today will again be the largest strike package on Iran, and the US is to finish the operation. Hegseth declined to comment when asked about a definitive timeframe on the end of the Iranian operation and said the choice will be US President Trump's.
- **US Intelligence Chief Gabbard** said objectives in Iran of US President Trump and Israeli PM Netanyahu are different.
- **US Pentagon** is considering sending more troops to the Middle East, according to Politico sources who stated the size and scope of additional deployments are still evolving.
- **US mediators** offered Hamas a formal proposal last week to give up their weapons.
- **Israeli PM Netanyahu** said Iran has no capacity to enrich uranium or make ballistic missiles after 20 days of war, while he added the US and Israel have destroyed Iran's fleet in the Caspian and that Israel is helping the US open the Strait of Hormuz. Netanyahu also said that US President Trump asked them to hold off on the future of such attacks on the South Pars field, while he suggested it will end much sooner than people think.
- **Israel's Chief of the Joint Chiefs of Staff of the Army** said that Israel has not yet reached the "halfway point" of its operations against Iran, and senior military officials have not set any immediate timetable for the end of the war.

- **Israeli officials said the attack on Iran's South Pars gas field was coordinated with the US** but will likely not be repeated.
- **Israeli Energy Minister Cohen said the damage to the power grid in the north is localised and not significant**, and there was no significant damage to infrastructure sites in Israel, while oil refineries in Haifa were hit, but the damage is not significant.
- **Israeli Broadcasting Corporation, cited sources who stated the joint campaign between Israel and the US is expected to continue for several more weeks.** It was separately reported that an Israeli assessment is for the continuation of the war with Iran for several additional weeks.
- **Iran's Foreign Minister Araghchi said their response to Israel's attack on energy infrastructure employed a fraction of their power**, and the only reason for restraint was the respect for the requested de-escalation. Furthermore, he said there will be no restraint if the infrastructure is struck again and that any end to the war must address the damage to civilian sites.
- **Iran's armed forces said Iran's retaliation against attacks on its energy infrastructure was not yet complete** and that any repeat of such attacks will lead to a far stronger retaliation against the enemy and enemy infrastructure and that of their allies.
- **Iran said it fired a fresh wave of missiles at Israel and confirmed it had earlier hit Israel's Haifa and Ashdod refineries with missiles**, while Iran also threatened to target American and Israeli infrastructure and warned of a new escalation.
- **Iran is reportedly mulling a 10% toll on ships passing through the Strait of Hormuz**, while an Iranian lawmaker said parliament is mulling passing a bill that would impose toll and tax on ships seeking safe passage in the Strait of Hormuz.
- **Qatar's Prime Minister said Qatar rejects Iranian claims that Wednesday's attacks on gas facilities in Qatar were targeting US-linked facilities**, and Qatar retains its right in international law to respond to Iran's attacks on LNG facilities.
- **Kuwait temporarily suspended operations at its Mina Abdullah and Mina Al-Ahmadi refineries** after they were targeted by drone strikes.
- **IAEA's Grossi said he does not believe that any war will eliminate Iran's nuclear ambitions** and capabilities.

US TRADE

- **US stocks** finished mostly in the red, but were off worst levels after remarks from Israeli PM Netanyahu, who said Iran has no capacity to enrich uranium or make ballistic missiles, sparking optimism that they are close to achieving their goals, and added that the war may be over sooner than people think. However, the rebound was capped as he added that they will continue to hunt down the leaders of the IRGC, and the campaign will take as long as necessary. His remarks spurred a further pullback in oil prices, while stocks and bonds rallied. Sectors were mostly negative, with Energy the sole outperformer as demand for refined products remains elevated, while Materials lagged as metals were hit in response to five G10 central banks (BoJ, ECB, BoE, SNB, Riksbank) following in the footsteps of the Fed on Wednesday, holding rates amid uncertainty over the economic impacts from the Middle East conflict.
- **SPX** -0.27% at 6,607, **NDX** -0.29% at 24,355, **DJI** -0.44% at 46,022, **RUT** +0.65% at 2,495.
- [Click here for a detailed summary.](#)

TARIFFS/TRADE

- **China's Commerce Ministry said regarding the proposed US-China board of trade and investment** that both sides agreed in Paris to study a framework, while MOFCOM also commented on reports of **NVIDIA (NVDA) H200 purchases that they are not aware of the situation.**
- **European Parliament's Trade Committee officially approved legislation to cut import duties for US products** as part of the Turnberry trade agreement with the US, while the EU Parliament is to hold a full vote on the US trade deal next week.

NOTABLE HEADLINES

- **US President Trump said regarding Fed Chair Powell that he's under investigation for building costs and something is going on**, while he doesn't know if Warsh will ever move into the Fed building and reiterated Powell should lower interest rates.
- **US President Trump is believed to support Pirro's appeal on Powell subpoenas**, while it was said that Trump was open to the idea of ending the Fed probe until the judge's ruling.
- **US bank regulators unveiled proposed new rules easing large bank capital requirements**, with the Fed to propose a revised GSIB surcharge that lowers the biggest banks' capital by 3.8%, while the totality of capital changes under consideration would reduce the largest bank capital by 4.8%.

DATA RECAP

- US Philadelphia Fed Manufacturing Index (Mar) 18.1 (Prev. 16.3)
- US Philly Fed New Orders (Mar) 8.6 (Prev. 11.7)
- US Philly Fed Prices Paid (Mar) 44.70 (Prev. 38.90)
- US Building Permits MoM Final (Jan) M/M -4.7% (Prev. 4.8%)
- US New Home Sales MoM (Jan) M/M -17.6% (Prev. -1.7%)
- US Wholesale Inventories MoM (Jan) M/M -0.5% (Prev. 0.2%)
- US Initial Jobless Claims (Mar/14) 205k vs. Exp. 215k (Prev. 213k)
- US Continuing Jobless Claims (Mar/07) 1857k vs. Exp. 1850k (Prev. 1850k)

FX

- **USD** was on the backfoot on Thursday amid a slew of G10 central bank rate announcements, where the theme was similar to that of the Fed on Wednesday: hold for now, until gaining further clarity on economic impacts from the Middle East conflict. US data sent no flash warnings as initial claims unexpectedly fell while continued claims remain well within YTD ranges. Global

fixed income traded lower as markets gripped with the fact over the day that most major central banks aren't going anywhere for now, with precious metals seeing heavy losses in response. Furthermore, energy updates had impacts on intraday moves in the oil complex, but ultimately, moves in the dollar were a result of higher rates in peers becoming hard to ignore, while Israeli PM Netanyahu's press conference later sparked risk-on across markets, and a further deterioration in the USD.

- **EUR** saw upside in the wake of the ECB announcement in which the central bank kept rates on hold as expected, saying they are not pre-committing to a particular rate path, a theme reiterated by President Lagarde. The announcement was somewhat skewed hawkish, given the significant upgrade to inflation projections, albeit policy being well-positioned in the current environment was an offsetting factor. ECB source reports noted officials see the need for possible rate hike talk to start in April, but a move would be more likely in June.
- **GBP** also gained, while BoE held rates as expected, but in a more hawkish fashion, 9-0 (exp. 7-2), and the statement removed language suggesting further cuts, while retaining optionality if the shock proves short-lived.
- **JPY** also benefitted amid the weaker buck and as oil prices retreated with USD/JPY retreating beneath the 158.00 handle.
- **SNB maintained its Policy rate at 0.00% as expected and is prepared to intervene in currency markets** to counter currency appreciation if needed. SNB Chairman Schlegel said upward pressure on the CHF has increased once again, while uncertainty about inflation and economic development is elevated, and the SNB's willingness to intervene in the FX market has increased.
- **Riksbank left its policy rate unchanged at 1.75% as expected**, while it stated the rate is expected to remain at this level for some time to come.
- **Czech CNB Interest Rate Decision 3.50% vs exp. 3.5% (Prev. 3.5%)**.

FIXED INCOME

- **T-notes** settled lower and the curve flattened on hawkish central bank expectations in response to the Iran war.

COMMODITIES

- **Oil prices** settled relatively flat with early gains reversed in afternoon trading on a few factors, including comments from US Treasury Secretary Bessent that the US could do another SPR release to keep prices down and may un-sanction Iranian oil on the water soon, while the White House will reportedly not implement a crude export ban, and Chevron is restarting jet fuel unit at its 285k bpd El Segundo refinery, five months after a major fire disrupted operations. Furthermore, Israeli officials confirmed that the attack on Iran's South Pars gas field will likely not be repeated. There was further downside seen in post-settlement trade amid remarks from Israeli PM Netanyahu that the war will end sooner than people think.
- **US Treasury issued a new Russia-related general license**, allowing the sale of Russian crude oil and petroleum products loaded on vessels as of March 12, 2026.
- **US Treasury Secretary Bessent said the US is not attacking Iran's energy infrastructure and they have allowed Iran oil to continue out of the Gulf**, while he added the **US may unsanction Iranian oil on the water in the coming days and could do another SPR release to keep prices down, but are not going to do financial market oil intervention, and will see if Kharg Island eventually becomes a US asset**.
- **White House will not implement a crude export ban**, and told oil executives as much at this morning's meeting with API. US Energy Secretary Wright also said the Trump administration has no plan to implement restrictions on oil and gas exports, while US lawmakers are said to be in talks about energy permitting reforms.
- **White House has discussed adding up to 100mn more barrels to the administration's pledge last week**, according to Politico citing sources.
- **IEA said initial oil volumes from government strategic reserves have started to be available** and the overall release of emergency stocks will largely consist of crude oil.

GEOPOLITICAL

RUSSIA-UKRAINE

- **Ukrainian President Zelensky said in the past few days, he has received signals from the US that Ukraine-Russia talks may resume soon**, while he said they are working productively with the EU on the Druzhba pipeline restoration. Zelensky later stated that **Ukrainian negotiators are to hold talks in the US on Saturday**.

ASIA-PAC

NOTABLE HEADLINES

- **US President Trump said he is going to China very quickly and that Japan has an "edgy" relationship with China**, while he added the China trip has been reset and is postponed for about a month and a half.
- **Japanese PM Takaichi said she believes only US President Trump can achieve peace, and she is ready to reach out to partners to achieve objectives**, while Japan has been reaching out to Iran and has brought proposals to calm energy markets. Takaichi also said they will discuss economic security in areas like energy and minerals.
- **Japan is reportedly mulling whether to compile a stopgap budget if the FY26/27 budget does not pass parliament by end-March**, according to Kyodo.
- **PBoC is to continue implementing a moderately accommodative monetary policy**.
- **PBoC Governor Pan met with Hong Kong Financial Secretary Chan** and discussed the current macro economy, deepening mainland-Hong Kong financial connectivity, strengthening the offshore RMB market and enhancing HK's status as an

international financial centre.

- **Taiwan Central Bank left rates unchanged at 2.00%, as expected.**

EU/UK

NOTABLE HEADLINES

- **BoE kept the Bank Rate at 3.75%, as expected, in a 9-0 vote (vs prev. 5-4 to hold rates).** BoE said it stands ready to act as necessary to ensure that CPI inflation remains on track to meet the 2% target in the medium term, while it will continue to closely monitor the situation in the Middle East and its impact on global energy supply and energy prices. It also stated that a larger or more protracted shock would require a more restrictive policy stance, while policy would need to be less restrictive if the shock was very short-lived, or if there were to be a larger opening up of slack in the economy that was expected to reduce medium-term inflationary pressures. Furthermore, it stated that conflict in the Middle East has caused a significant increase in global energy and other commodity prices, and CPI inflation will be higher in the near term as a result of the new shock to the economy.
- **BoE Governor Bailey said the BoE is facing a very different context from 2022 and stated that rates are high, demand is relatively soft, and there is no covid effect, while he cautioned against strong conclusions about BoE rate hikes and said markets are getting ahead of themselves in assuming rate rises.** Bailey also said it is not appropriate to say now whether the Bank will hold or raise rates in the future.
- **UK ministers are to visit European capitals next week in a bid to deepen ties with the EU on financial services.**
- **ECB kept rates on hold as expected with the Marginal Lending Rate at 2.40%, Deposit Facility Rate at 2.00%, and Main Refinancing Rate at 2.15%.** ECB said it is not pre-committing to a particular rate path and is well-positioned to navigate this uncertainty, while interest rate decisions will be based on the inflation outlook and the risks surrounding it, the dynamics of underlying inflation and the strength of monetary policy transmission. ECB reiterated it will follow a data-dependent and meeting-by-meeting approach to determining the appropriate monetary policy stance, while the Governing Council is well positioned to navigate this uncertainty. Furthermore, ECB Staff Projections showed headline and core inflation forecasts were raised, and the GDP forecast was trimmed for 2026/27.
- **ECB President Lagarde said inflation risks tilted to the upside and risks to the growth outlook are tilted to the downside.** Lagarde also said the Middle East war led to downward revisions to the base case for growth, but if the war in the Middle East is shorter than expected, the economy might get stronger. Lagarde said the decision was unanimous, and is not saying the ECB is in a good place, but "we are well-positioned and well-equipped". Furthermore, she cannot provide a timeline when asked when the ECB will take action, while she noted there were two alternative scenarios, one adverse and one severe, in which the difference is that energy prices stay higher for longer.
- **ECB's Stournaras said the Iran conflict could have a large macroeconomic impact and the Middle-East conflict is an adverse supply shock,** while he added the EU should issue debt jointly to finance defence, green transition, and strategic investment.
- **ECB officials see possibility of a rate hike at the April meeting,** according to sources cited by Bloomberg. It was also reported that discussions over possible ECB rate hikes may need to start in April, unless a quick resolution happens in the Middle East conflict, although April is likely too early for any rate hike, and June is more likely.

DATA RECAP

- UK Employment Change (Jan) 84K vs. Exp. -4K (Prev. 52K)
- UK Unemployment Rate (Jan) 5.2% vs. Exp. 5.3% (Prev. 5.2%)
- UK Average Earnings incl. Bonus (3Mo/Yr) (Jan) 3.9% vs. Exp. 3.9% (Prev. 4.2%)
- UK Average Earnings excl. Bonus (3Mo/Yr) (Jan) 3.8% vs. Exp. 4.0% (Prev. 4.2%)

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