

## SNAPSHOT

STOCKS			
Nikkei 225	-0.3%	ASX 200	-0.1%
Hang Seng	+0.7%	Shanghai Comp	+0.6%
Euro Stoxx 50 Jun'26	+0.5%	DAX Jun'26	+0.6%
ES Jun'26	+0.5%	NQ Jun'26	+0.6%

  

FX			
DXY	U/C (99.82)	EUR/USD	+0.2% (1.1542)
USD/JPY	-0.1% (159.60)	GBP/USD	+0.1% (1.3344)

  

BONDS			
US T-Note Jun'26	-2 ticks	Bund Jun'26	-39 ticks
US 10yr Yield	4.43%	German 10yr Yield	3.08%

  

ENERGY & METALS			
WTI May'26	-0.6%	Brent Jun'26	-0.5%
Spot Gold	+2.0%	LME Copper	+1.1%

  

CRYPTO			
Bitcoin	U/C	Ethereum	+0.3%

As of 06:25GMT/02:25EDT

## LOOKING AHEAD

- Highlights include UK Retail Sales (Feb), Spanish CPI Prelim. (Mar), University of Michigan Consumer Sentiment Final (Mar), ECB Consumer Inflation Expectations. Speakers include Fed's Barkin, Daly & Paulson, ECB's Schnabel. Supply from Italy. Credit Ratings include Fitch Ratings on Switzerland, Moody's on Italy & Spain, Scope Ratings on the EU.
- [Click for the Newsquawk Week Ahead.](#)

## IRAN CONFLICT

- US President Trump announced a 10-day pause in planned strikes on energy plants to Monday, 6th April 2026 at 8 PM, at the request of the Iranian government, while he added that talks with Iran are going very well.
- US President Trump said that Iran asked him to extend the pause, and that in a certain sense, they have already won, while he added that Iran made a request to him through his people and had asked for seven days, but he gave 10 days because of the Hormuz 'gift'. Trump said Iran was very thankful and he doesn't like it when they say they aren't speaking, as they are, while he stated they know where all the remaining Iranian leaders are, and the US has already won the war 'militarily'.
- Mediators said Iran hasn't requested a 10-day pause on strikes on its energy plants and is yet to deliver a final response to a 15-point plan to end the war, according to WSJ.
- An official from a mediating country told The Times of Israel that US President Trump appears to be leaning towards ordering a major US ground operation against Iran, with the US convinced Iran will buckle under pressure.
- The US is considering sending up to 10,000 additional ground troops to the Middle East, according to WSJ.
- "Iran, in order to reach a decision to end the war, basically does not receive the right signals from the US", IRNA reported.
- US senior defence official expects a decision to send 10,000 additional troops to the Middle East next week, according to Axios.
- US President Trump is weighing several options for dramatically escalating the war against Iran should his latest push for diplomacy fail, according to CNN. Pentagon officials are preparing for the next phase of the war, and have drawn up scenarios for deploying troops to seize various targets in Iran, and admin officials have debated ideas for extracting the enriched

uranium buried within Iran's nuclear facilities. Furthermore, officials also developed options for capturing Kharg Island.

- **US Secretary of State Rubio said it is in the G7's interest to help the US with the Strait of Hormuz. Rubio also said that "progress has been made" in negotiations with Iran but declined to get into the specifics of whom he's had discussions with, according to CNN.**
- **US Pentagon said it is deploying drone speedboats for patrols in Iran war efforts.**
- **Israel shifted the focus of its air campaign from destabilising Iran's ruling regime to crippling its military-industrial base, as officials have become convinced President Trump could soon try to end the war, according to sources cited by WSJ.**
- **Iranian President Pezeshkian said Islamic countries should stay united and not allow enemies to sow division and inflame the fire of war. It was also reported that Iran's President explained that Iran seeks a complete end to the war and achieve security and stability in the region.**
- **Iranian Foreign Minister Araghchi told UN Secretary General Guterres that Iran affirms its determination and will continue the legitimate defence of the security, sovereignty and territorial integrity. Araghchi also said they criticise the positions and demands of some unilateral parties on Iran to exercise restraint and stop the war, while he stated preventing the passage of ships belonging to or linked to the enemy and its allies is a legal right for Iran as a coastal state.**
- **Iran's Parliament Speaker Ghalibaf said that no one has the right to issue ultimatums to Iran or Iranians, while he added that the vicious cycle of 'war-ceasefire-war' must end.**
- **Iran wants the US to dial back demands in the 15-point peace plan before starting any talks, according to WSJ citing sources, while Iran is open to the possibility of talks but deems the US proposals excessive. It was stated that demands to dismantle most of its nuclear programme and end support to regional allies and cap its missile programme are excessive, while Tehran ruled out discussing Iran's missile program as a starting point to the talks and doesn't want to commit to ending enrichment of uranium forever. Furthermore, the sources said Iran also wants guarantees, preferably through a third party, that Israel and the US will not later turn around and attack again.**
- **Iranian officials were said to be interested in talks despite the announcement of their rejection of the US proposal, while mediators are pressuring Tehran to agree to a meeting with Washington in the coming days, according to Axios.**
- **Debate among Iranian hardliners over whether Tehran should seek a nuclear bomb in defiance of an escalating US-Israeli attack is getting louder, more public and more insistent, according to source reports. Sources said with the IRGC now dominant following the death of former Supreme Leader Khamenei, hardline views on Iran's nuclear approach are rising, although sources added there was no plan to change Iran's nuclear doctrine yet, and Iran had decided not to seek a bomb.**
- **Iranian media reported explosions in central and southern Iran, while reports also noted explosions in Tehran, Kermanshah, and a bombing of a Revolutionary Guard headquarters in the city of Kashan, central Iran.**
- **Iranian Revolutionary Guard said they targeted oil tanks and depots and an Israeli army site in Ashdod. There were also reports of heavy explosions at US bases in Saudi Arabia and Kuwait, missile attacks against US bases in the UAE, and an explosion reported in the US base in Erbil, Iraq.**
- **Iranian armed forces' new updated strategic plan warned that in exchange for any attack on Iranian islands, a special and unprecedented provision has been made for the UAE and Bahrain, which will be very harmful and instructive. Iran also added UAE strategic and economic infrastructure to targets and warned that UAE infrastructure is at risk 'in case of evil against Iran'.**
- **Iran warned UAE and Bahrain hoteliers not to house American soldiers, or they will become legitimate targets.**
- **The UAE reportedly pushed for international force to reopen Hormuz and told allies it would be involved in a multinational maritime task force intended to reopen the Strait of Hormuz, according to FT.**
- **IAEA Director Grossi warned that damage to Iran's Bushehr NPP could result in a major radiological accident affecting a large area in Iran and beyond.**

## US TRADE

### EQUITIES

- **US stocks declined in another risk-off session, with equities hit and oil rising as hopes dwindled of a near-term agreement between the US and Iran, while Iran reportedly sent its final offer to the US and is awaiting its response, but found the US proposal to be excessive. The uncertainty and higher oil prices also led to downside in treasuries across the curve, with the weakness felt most in the front-end and belly as higher energy prices led to added rate hike bets with 15bps of hikes priced by year-end, albeit analysts still look for at least one rate cut. However, markets were briefly jolted after the close as US President Trump announced a 10-day extension to the pause on strikes on Iranian energy facilities.**
- **SPX -1.74% at 6,477, NDX -2.38% at 23,589, DJI -1.01% at 45,960, RUT -1.70% at 2,493.**
- [Click here for a detailed summary.](#)

### TARIFFS/TRADE

- **China's Commerce Minister Wang Wentao met US Trade Representative Greer to discuss China-US trade relations. China's MOFCOM said China and the US should properly handle the relationship between competition and cooperation, maintain close communication, promote healthy, stable and sustainable development of bilateral economic and trade ties. MOFCOM added that they should strengthen multilateral and regional economic and trade cooperation, and expressed serious concern regarding US Section 301 investigations against multiple economies, including China.**

### NOTABLE HEADLINES

- **US President Trump posts on Truth Social that he is going to sign an order instructing the Secretary of Homeland Security to immediately pay TSA agents to address the emergency situation and stop the Democrat chaos at the airports.**
- **US Treasury Secretary Bessent said the FT report that he discussed tightening the US Treasury's oversight of the Fed by**

adopting BoE elements is a false story.

- **Fed's Barr (voter) said he has particular concern for long-run inflation expectations, and noted the longer inflation remains above 2%, the greater the risk that it becomes entrenched.** Barr said they are in a good place to hold rates and assess incoming data, while he added it makes sense for the Fed to take time to assess economic developments before further policy changes. Barr also said the economy has remained resilient through a series of shocks, but these have complicated the Fed reaching its inflation goal.
- **Fed's Cook (voter) said uncertainty is elevated and the balance of risks is largely in balance,** while she sees inflation risk greater now as a result of the war in Iran and that it could have a substantial effect on inflation.
- **Fed's Jefferson (voter) said sustained high energy prices could worsen the inflation and spending outlook,** while he added that trade policy and geopolitical tensions pose inflation risks, but stated that current policy is appropriately positioned.
- **Fed's Miran (voter) said the Fed could cut the balance sheet by USD 2tn without market turmoil,** as well as stated that easing liquidity regulations could aid balance sheet cuts and that the Fed balance sheet reduction could take several years.
- **New York Fed's Perli said reserve management buying is likely to be tapered after the April tax date, and the treasury market has been functioning well despite recent auctions.** Perli also stated that treasury market liquidity has declined in line with the rise of uncertainty and that it is not surprising to see auctions tail during times of uncertainty.
- **David Sacks's role as White House AI and Crypto Czar will conclude** following the recent appointment to the Council of Advisors on Science and Technology, according to CNBC.
- **Senate reportedly passes to approve DHS funding, in a major step towards ending the shutdown**, according to Bloomberg.

## APAC TRADE

### EQUITIES

- **APAC stocks** were cautious but off worst levels with headwinds seen following the tech and comms-led selling stateside, and despite US President Trump's 10-day extension to the Strait of Hormuz deadline. The delay extends the pause on strikes against Iran's energy facilities through to April 6th, which Trump said was due to a request by Iran, which had wanted a 7-day extension, but he gave them 10 due to Iran's Hormuz 'gift'. Nonetheless, mixed signals persisted as mediators stated that Iran had not made a request for a 10-day extension, while it was also reported that the US is considering sending up to an additional 10k ground troops to the region and that Trump is weighing several options for dramatically escalating the war if his latest diplomacy efforts fail.
- **ASX 200** marginally declined with underperformance seen in tech, real estate and gold miners, while a lack of fresh catalysts outside of geopolitics and the absence of data kept price action subdued.
- **Nikkei 225** retreated at the open and briefly dipped below the 53,000 level following the recent upside in oil and yields, but has since clawed back nearly all of the losses.
- **Hang Seng and Shanghai Comp** shrugged off the initial indecision as participants digested a slew of earnings releases, while it was also reported that China's Commerce Minister Wang met with USTR Greer and said that China is willing to strengthen economic and trade cooperation with the US.
- **US equity futures** gradually edged higher, but with only brief support seen following Trump's 10-day deadline extension on Iran, as headwinds from recent tech selling and geopolitical uncertainty persisted.
- **European equity futures** indicate a positive cash market open with Euro Stoxx 50 futures up 0.5% after the cash market closed with losses of 1.5% on Thursday.

### FX

- **DXY** paused overnight after ultimately gaining yesterday alongside higher oil prices and rising yields, with updates for most of the day heading in the opposite direction of the initial optimism sparked from Trump's announcement on Monday. Nonetheless, the dollar momentarily wobbled in late US trade after President Trump announced a 10-day extension to the pause on strikes on Iranian energy plants, which he said was at the request of Iran and that Iran had wanted a 7-day extension, although mediators stated that Iran had not requested a 10-day pause and is yet to deliver its final response to the US's 15-point plan.
- **EUR/USD** traded rangebound following recent softening as geopolitics continued to dictate price action, while ECB's Lagarde warned that Europe is facing a real shock and that markets are maybe optimistic.
- **GBP/USD** rebounded off the prior day's lows but remained confined within tight parameters at the 1.3300 handle, while there was little reaction to recent comments from BoE's Taylor, who currently sees a high bar to hiking and said the UK faces low risks of inflation becoming unanchored given the weakening labour market and slowing wage growth.
- **USD/JPY** slightly pulled back overnight following recent advances to the 159.00 level, and with some mild headwinds seen following comments from Japanese Finance Minister Katayama, who said they will hold a G7 Finance Ministers' online meeting and will take decisive steps on forex.
- **Antipodeans** marginally recovered as the cautious sentiment modestly improved during the session, but with price action contained in the absence of any tier-1 data.
- **PBoC** set USD/CNY mid-point at 6.9141 vs exp. 6.9089 (Prev. 6.9056)
- **Mexican Interest Rate Decision 6.75% vs. Exp. 7.00% (Prev. 7.00%); 3 voted to cut rates, 2 voted for hold.** Banxico said **looking ahead, depending on the evolution of macroeconomic and financial conditions, the Board will evaluate the appropriateness and timing for an additional reference rate cut** (prev. Looking ahead, the Board will evaluate additional reference rate adjustments).

### FIXED INCOME

- **10yr UST futures** lingered around the prior day's trough after declining yesterday as geopolitical uncertainty kept oil prices elevated for most of the day and saw participants add to Fed rate hike bets. Furthermore, Trump's announcement of a 10-day extension to the halt on strikes on Iran's energy plants pressured oil in late US trade, but with downside cushioned by continued mixed signals from the US and Iran, while prices were also not helped by a soft 7-year auction in the US.
- **Bund futures** remained subdued after sliding to contract lows on recent oil-related inflationary pressures and after comments from several ECB officials, including Lagarde, who warned that Europe is facing a real shock and that markets are maybe optimistic, while Nagel said the ECB will have enough data by April to determine if they need to act.
- **10yr JGB futures** tracked recent downside in global peers, with a lack of data and few fresh catalysts to stem the losses.

## COMMODITIES

- **Crude futures** were lower but off their worst levels with a bout of pressure seen following US President Trump's announcement to extend the Strait of Hormuz deadline for 10 days.
- **Spot gold** nursed recent losses as lower oil prices reduced the urgency for a more hawkish Fed.
- **Copper futures** steadily gained as the cautious sentiment somewhat improved overnight.

## CRYPTO

- **Bitcoin** marginally declined in choppy trade after failing to sustain a brief return above the USD 69,000 level.

## NOTABLE ASIA-PAC HEADLINES

- **Japan's government approved a five-year science and tech plan**, in which it is to invest JPY 60tln in science and tech over five years, while it set a JPY 180tln public-private investment target.
- **Japanese Finance Minister Katayama announced measures to ensure stable business funding**, while she said they **will hold a G7 Finance Ministers' online meeting and will take decisive steps on FX**.

## DATA RECAP

- Chinese Industrial Profits YTD YY (Feb) 15.2% (Prev. 0.6%)

## GEOPOLITICS

### RUSSIA-UKRAINE

- **Russian President Putin asked oligarchs to contribute to the budget** amid soaring costs of the Ukraine war.

### OTHER

- **Mexico's Navy said two boats carrying humanitarian aid have gone missing** on the way to Cuba.

## EU/UK

### NOTABLE HEADLINES

- **BoE's Greene said second round effects are a risk, but less so than in 2022**, while she added that private credit exposure to the energy industry is a worry.
- **BoE's Taylor said he is very open about where they go for the rest of the year**, and that in a benign scenario, the BoE may need to cut faster to make up, but added their high bar to hikes could also be surpassed.

### DATA RECAP

- UK Gfk Consumer Confidence (Mar) -21 vs. Exp. -24 (Prev. -19)

Copyright © 2026 Newsquawk Voice Limited. All rights reserved.

Registered Office One Love Lane, London, EC2V 7JN, United Kingdom · Registered Number 12020774 · Registered in England and Wales.

newsquawk.com · +44 20 3582 2778 · info@newsquawk.com