Daily European Opening News - 5th May 2026

SNAPSHOT

STOCKS			
Nikkei 225	--	ASX 200	-0.4%
Hang Seng	-1.3%	Shanghai Comp	--
Euro Stoxx 50 Jun'26	-0.3%	DAX Jun'26	-0.4%
ES Jun'26	+0.2%	NQ Jun'26	+0.2%

FX			
DXY	+0.1% (98.56)	EUR/USD	-0.1% (1.1679)
USD/JPY	+0.1% (157.30)	GBP/USD	-0.1% (1.3518)

BONDS			
US T-Note Jun'26	+2+ ticks	Bund Jun'26	-5 ticks
US 10yr Yield	--	German 10yr Yield	3.07%

ENERGY & METALS			
WTI Jun'26	-2.0%	Brent Jul'26	-1.1%
Spot Gold	+0.3%	LME Copper	-0.8%

CRYPTO			
Bitcoin	+1.2%	Ethereum	+1.5%

As of 06:18BST/01:18ET

LOOKING AHEAD

- Highlights include Swiss Inflation (Apr), US Building Permits Final (Mar), Canadian Balance of Trade (Mar), Canadian PMI (Apr), US PMI Final (Apr), US ISM Services (Apr), US JOLTS (Mar), US New Home Sales (Mar), US RCM/TIPP Economic Optimism (May), New Zealand Unemployment Rate (Q1). Speakers include RBA's Bullock, ECB's Lagarde, Lane, Fed's Bowman, Barr. Supply from Germany. Earnings from AMD, AMC, Strategy, Tempus AI, Shopify, PayPal, Pfizer, HSBC, Leonardo, Infineon.

IRANIAN WAR

US

- **US President Trump said Iran war could go on for another two to three weeks; time is not of the essence.**
- **US President Trump said Iran detour is working out nicely and sees oil prices going down rapidly once the war is over.**
- **US President Trump said Iran has taken some shots at unrelated nations with respect to the ship movement, Project Freedom, including a South Korean cargo ship.**
- **US President Trump said Iran will be "blown off the face of the Earth" if they attack US vessels carrying out Project Freedom, via Fox News.**
- **UNSC resolution prepared by the US, Saudi Arabia, Bahrain, Qatar, the UAE, and Kuwait opens the door for potential enforcement measures, AsharqNews reported, citing the resolution.**
- **US intelligence suggests strikes from the start of the war led to limited new damage to Iran's nuclear programme, Reuters sources say.**
- **US President Trump stopped short of saying Iran has violated the ceasefire, via ABC News citing a phone call.**
- **Israeli official to News 14 said Ready to return to immediate fighting in Iran, awaiting the green light from the Americans.**
- **US officials say military closer to resuming combat operations than 24 hours ago, Fox reported.**
- US Department of War press conference on Operation Epic Fury at 08:00EDT / 13:00BST.

IRAN

- **"Explosions were heard tonight in the port of Bandar Abbas (Iran) and on Qassem Island (Iran) in the Persian Gulf", N12 journalist reported citing sources in Iran.**
- **Informed Iran military official said Iran had no pre-designed plan to attack Fujairah oil facilities, and what happened was the product of the American army's adventure to create an illegal passage of ships through the forbidden areas of the Strait.**
- **Iran military sources said if the Emiratis become Israel's playthings and make mistakes, they will learn a lesson that they will never forget, Tasnim reported.** If the UAE takes an unwise action, all its interests will become Iran's target, and no part of the UAE's facilities will be safe.
- **A senior Iranian military official** said the US' claim that it sank a number of Iranian warships is false, Iranian media reported.
- **Iranian Foreign Minister Araghchi posted "As talks are making progress with Pakistan's gracious effort, the US should be wary of being dragged back into quagmire by ill-wishers. So should the UAE.".** Full post: "Events in Hormuz make clear that there's no military solution to a political crisis. As talks are making progress with Pakistan's gracious effort, the U.S. should be wary of being dragged back into a quagmire by ill-wishers. So should the UAE. Project Freedom is Project Deadlock.".
- **"Iranian Defence Council member Ali Akbar Ahmadian: Our security does not accept negotiations, and Washington obstructed global navigation and energy security", Al Jazeera reported.**
- **Mehr News Agency** said a fire broke out in two commercial ships and spread to two others in Dayyer port south of Iran; cause not clear.

GULF

- **UAE plans 'severe retaliatory response' and UAE officials say plan is 'harsh revenge' against Iran, MS Now reported.**
- **"Saudi Crown Prince condemned, during a phone call with the President of the UAE, the unjustified Iranian attacks that targeted the UAE"; said the Kingdom "by the UAE in its defense of its security and stability", Sky News Arabia reported.**
- **US and Israel holding talks on how to respond and assist UAE; sources suggest likely options include strikes against launchers and military targets threatening the strait, or an attack on an Iranian energy facility in response to Fujairah; via Hayom.**
- **A senior UAE official informed Israel that they do not intend to remain silent about the attacks. "The Iranian regime has begun attacking us - we will strike back", N12 reported.**
- **A source reportedly told CNN's reporter in Dubai that they expect US/Israeli strikes on Iran within the next 24 hours, via Faytuks News.**
- **Bahrain declared an alert for fear of a possible attack, Tasnim reported.**

SHIPPING

- **The US updated Israel on** plans to break the naval blockade in Hormuz and raised concerns that the Iranians will attack ships or countries in the Gulf, a move that, according to senior Israeli officials, could lead Trump to resume the war, via Kann News.
- **A US official told Al Jazeera that Operation Freedom in the Strait of Hormuz is a defensive operation, and we do not want to see an escalation with Iran.**
- **Two US Navy destroyers transited the Strait of Hormuz and entered the Persian Gulf after navigating an Iranian barrage, according to defence officials who spoke to CBS News; "Iran launched small boats, missiles and drones against them".** The USS Truxtun and USS Mason, supported by Apache helicopters and other aircraft, faced a series of coordinated threats during the passage, the defence officials said. Iran launched small boats, missiles and drones against them in what officials described as a sustained barrage. Despite the intensity of the attacks, neither US vessel was struck. Military officials said that defensive measures, bolstered by air support, successfully intercepted or deterred each incoming threat. They added that no projectiles that were launched reached the ships.
- An IRGC military source told Tasnim that the US shot two small boats carrying civilians instead of shooting IRGC speedboats.
- **US CENTCOM** posted "US warships and aircraft deployed to the Middle East are enforcing the naval blockade against Iran while executing Project Freedom to support the free flow of commerce through the Strait of Hormuz.".
- **IRGC political deputy** said traffic in the Strait of Hormuz will only be done with Iran's permission, ISNA reported; "Any kind of traffic in the Strait of Hormuz, if it is from the enemy, will be met with a decisive and crushing response".

ISRAEL/LEBANON

- **US State Department official to Al Jazeera** said the President is clear that direct communication between Israel and Lebanon is the best path toward peace; We are working to prepare the necessary conditions and political momentum to move forward with this.

US TRADE

EQUITIES

- **US stocks** traded risk-off on Monday as escalating geopolitical tensions in the Strait of Hormuz and the UAE drove energy prices sharply higher. The move weighed on equities and bonds, while supporting the dollar.
- **SPX** -0.41% at 7,201, **NDX** -0.21% at 27,652, **DJI** -1.13% at 48,942, **RUT** -0.60% at 2,796
- [Click here for a detailed summary.]()

NOTABLE HEADLINES

- **US President Trump privately** raised objections to the Senate housing bill, via Politico. Trump was on the verge of putting out a social media post taking issue with the major housing affordability package the Senate approved this year, according to sources. The president doesn't support language in the bill that would require large institutional investors to sell single-family homes that are built as long-term rentals after seven years, the sources said.

TRADE/TARIFFS

- **US President Trump reiterates he feels Europe has been "very disappointing".**
- **US President Trump** said he has a very good relationship with Chinese President Xi.
- **US President Trump** said he is looking forward to meeting Chinese President Xi, and will be an important trip.
- **US President Trump** said hate to have to pay tariffs back.

APAC TRADE

EQUITIES

- **APAC stocks** traded lower following a weak Wall Street lead, with liquidity thin amid widespread market holidays across Japan, South Korea, and Mainland China.
- **ASX 200** was pressured by weakness in the metals sector, while Westpac declined after a miss in H1 net income. Focus also turned to the RBA, which delivered its third consecutive 25bps rate hike as expected.
- **Hang Seng** followed the negative tone, led lower by tech, while mainland markets remained shut, and Stock Connect flows were absent.
- **US equity futures** traded flat and rangebound throughout the APAC session amid light newsflow.
- **European equity futures** point to a lower open, with the Euro Stoxx 50 future down 0.3% after cash markets fell 2.2% on Monday.

FX

- **DXY** traded flat for most of the session with a mild upside bias, edging above 98.50 before briefly meeting resistance around 98.55.
- **EUR/USD** was uneventful, holding within a tight 1.1677–1.1693 range amid a lack of fresh catalysts.
- **GBP/USD** paused after prior USD-driven losses, trading within a narrow band having tested yesterday's 1.3512 low.
- **USD/JPY** was subdued, hovering just below the 157.30 level as Japanese participants remained sidelined ahead of May 6th.
- **Antipodeans** edged modestly lower amid the softer risk tone. AUD/USD was volatile on the RBA decision but then ultimately edged higher amid the near-unanimous vote to hike the Cash Rate coupled with the net hawkish statement, which highlighted inflation concerns from the ongoing Iranian war.

FIXED INCOME

- **10yr UST futures** consolidated after Monday's curve-wide selloff, which saw yields rise on geopolitical tensions and higher oil prices.
- **Bund futures** were slightly softer, with elevated energy prices continuing to underpin inflation expectations.
- **US Treasury Financing Estimates (Q2): To borrow USD 189bln in Q2 and sees end-June cash balance of USD 900bln (prev. saw USD 109bln, assuming end-June cash balance of USD 900bln).** To borrow USD 671bln in Q3, and sees end-September cash balance of USD 950bln. Borrowed USD 577bln in Q1, with end-quarter cash balance of USD 893bln.

COMMODITIES

- **Crude futures** posted mild losses after the prior session's sharp rally (WTI +USD 5/bbl, Brent +USD 6/bbl). Newsflow was light in APAC, though reports indicated the US military may be closer to resuming combat operations.
- **Spot gold** held a modest positive bias, supported above USD 4,500/oz, likely consolidating after the previous day's selloff amid thin liquidity.
- **Copper futures** edged slightly higher, rebounding from prior losses as the LME returned from its long weekend.
- **EU's Dombrovskis** said taxing windfall energy profits is a possibility that member states can use, but not foreseeing recommending an EU initiative.
- **Chevron (CVX) CEO** said oil storage buffers are being drawn down.

CRYPTO

- **Bitcoin** edged higher towards 81k after topping yesterday's high.

CENTRAL BANKS

- **RBA hikes its Cash Rate by 25bps as expected to 4.35%; via 8-1 vote (one voted to maintain rate at 4.10%); said inflation likely to remain above the target and risks remain tilted to the upside. DECISION:** Board assessed that inflation is likely to remain above target for some time and that the risks remain tilted to the upside, including to inflation expectations. It was therefore judged appropriate to increase the cash rate target. The Board will be attentive to the data and the evolving assessment of the outlook and risks to guide its decisions. Having raised the cash rate three times, monetary policy is well placed to respond to developments. It will do what it considers necessary to achieve that outcome. **INFLATION:** Inflation picked up materially in the second half of 2025, and information since the beginning of this year confirms that some of this increase reflected greater capacity pressures. There are early signs that many firms experiencing cost pressures are looking to increase prices of their goods and services. Short-term measures of inflation expectations have also risen. There are plausible scenarios where inflation is higher and activity lower than envisaged under the baseline forecast. **MIDDLE EAST**: A longer or more severe conflict could put further upward pressure on global energy prices; this would push up near-term inflation and could also increase inflation further out as these costs are passed through and if price rises get built into longer term inflation expectations.

- **Fed's Williams (voter) said longer-term outlook still suggests eventual rate cuts will happen and does not see need to start weighing Fed interest rate hike.** He added in a time of uncertainty and economic shocks, natural to see diverging views on FOMC. **Not seeing signs yet of inflation spilling into underlying trends. The US will be less affected relative to other nations from an energy shock.** Williams said monetary policy remains well-positioned for an uncertain economy.
- **US President Trump** said "Too Late" is a DISASTER for America! Interest rates too high!
- Fed SLOOS: Regarding loans to businesses over Q1, survey respondents, on balance, tighter lending standards and basically unchanged demand for commercial and industrial (C&I) loans to firms of all sizes.
- **ECB's Nagel said the longer the conflict lasts, the greater the risk that inflation will remain high without ECB intervention and the starting point will be much better than in 2022.** June rate hike may be warranted if the inflation outlook does not improve significantly.
- **BoC Governor Macklem** said inflation should peak in early April of 2027, then ease to 2% throughout the year. Will not allow energy prices to remain high for long.
- **SARB Governor Kganyago** said he is very committed to 3% inflation goal and makes sense to keep options open.

NOTABLE ASIA-PAC HEADLINES

DATA RECAP

- **Australian S&P Global Composite PMI Final (Apr) 50.40 vs. Exp. 50.10 (Prev. 46.6).**
- **Australian S&P Global Services PMI Final (Apr) 50.7 vs. Exp. 50.3 (Prev. 46.3).**
- **Australian** Household Spending MoM (Mar) M/M 1.6% (Prev. 0.3%).
- **Australian** Household Spending YoY (Mar) Y/Y 6.3% (Prev. 4.6%).

GEOPOLITICS

RUSSIA-UKRAINE

- **Ukraine President Zelensky** said Ukraine is starting a ceasefire on May 5th-6th.
- **The Russian Ministry of Defense** warned Kyiv residents to leave the city promptly, via Tass.
- **Russian Defence Ministry** said if Ukraine attempts to disrupt Victory Day celebrations, there will be a massive retaliatory missile strike on the centre of Kyiv, Interfax reported.
- **Russian President Putin made decision to announce temporary ceasefire in conflict with Ukraine, Ria reported; is in connection with Victory Day and will be in effect May 8-9th.**
- **Ukraine President Zelensky** said one day ceasefire with Russia is not an option.

EU/UK

NOTABLE HEADLINES

- **US Treasury Secretary Bessent had a "fierce row" with UK Chancellor Reeves last month over her outspoken criticism of the Iranian war, FT sources say.**

NOTABLE GLOBAL EQUITY HEADLINES

- **Apple (AAPL) explores using Intel (INTC), Samsung (005930 KS) to build device processors, Bloomberg sources say; explorations remain preliminary.**
- **HSBC (HSBA LN / 5 HK) Q1 (USD): Revenue 18.6bln (exp. 18.49bln). CET1 ratio 14% (exp. 14%), Pretax profit 9.38bln (exp. 9.59bln). Raises FY26 NII to USD 46bln (prev. "at least USD 45bln"); Declares first interim dividend of USD 0.10/shr.**