Daily European Opening News - 7th May 2026

SNAPSHOT

STOCKS			
Nikkei 225	+6.2%	ASX 200	+0.8%
Hang Seng	+1.5%	Shanghai Comp	+0.3%
Euro Stoxx 50 Jun'26	+0.1%	DAX Jun'26	-0.1%
ES Jun'26	U/C	NQ Jun'26	-0.1%

FX			
DXY	U/C (98.00)	EUR/USD	U/C (1.1752)
USD/JPY	U/C (156.35)	GBP/USD	U/C (1.3599)

BONDS			
US T-Note Jun'26	+0.5 ticks	Bund Jun'26	+6 ticks
US 10yr Yield	4.35%	German 10yr Yield	2.99%

ENERGY & METALS			
WTI Jun'26	+0.6%	Brent Jul'26	+0.6%
Spot Gold	+0.2%	LME Copper	-0.2%

CRYPTO			
Bitcoin	-0.4%	Ethereum	-0.9%

As of 06:20BST/01:20EDT

LOOKING AHEAD

- Highlights include German Factory Orders (Mar), French Balance of Trade (Mar), US Challenger Job Layoffs (Apr), US Jobless Claims (May 2), Atlanta Fed GDP, Norges Bank/Riksbank/CNB/Banxico Policy Announcement (May), CBR Minutes (May), UK Local Elections. Speakers include ECB's de Guindos, Elderson, Schnabel, Lane, BoE's Lombardelli, Mann, Taylor, Fed's Hammack, Williams, Kashkari, Norges Bank's Bache, Riksbank's Thedeen. Supply from Spain, France.
- Earnings from CoreWeave, IREN, Coinbase, Cloudflare, DraftKings, ACM Research, Datadog, McDonald's & Shell.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US President Trump said the US is doing well in Iran and that Iran wants to make a deal and negotiate.** He also reiterated that the US will not let Iran have a nuclear weapon and the US will be able to get the enriched uranium from Iran. Fox also reported that Trump is optimistic about the Iran framework and that **the timeframe is one week.**
- **US President Trump could turn to military action without an agreement with Iran ahead of the China trip,** according to Axios citing US officials.
- **US President Trump's reversal on his plan to help ships go through the Strait of Hormuz came after Saudi Arabia suspended the US's ability to use its bases and airspace to carry out Project Freedom,** according to NBC citing US officials.
- **Iran is expected to provide its reply to the US proposal for ending the war to mediators on Thursday,** according to CNN citing a regional source.
- **Iranian Foreign Ministry spokesman said Iran's response to the US has not yet been presented to Pakistan.**
- **Iran has issued a message to commercial vessels in the Strait of Hormuz, saying Iran's port is fully prepared to provide general maritime services and support to the vessels,** according to IRNA.
- **Iran denied its armed forces struck a South Korean ship** in the Strait of Hormuz, according to AFP.
- **CMA CGM Saigon Container ship was sailing along the Omani coast after exiting the Strait of Hormuz,** according to Vessel Tracking.

- **US CENTCOM** said US forces operating in the Gulf of Oman enforced blockade measures by disabling an Iranian-flagged unladen oil tanker attempting to sail toward an Iranian port at 9AM EDT on May 6th.
- **Arab and US officials said President Trump's frequent insults toward Iranian leaders may complicate efforts to end the war**, Politico reported.

US TRADE

EQUITIES

- **US stocks** rallied as reports throughout the session suggested the US and Iran are moving closer to a deal to end the war. President Trump said talks have gone well and suggested he wants a deal completed before travelling to China next week, although he later added there is "never a deadline". Sectors were broadly firmer outside of Energy and Utilities. Technology rallied, buoyed by gains in semiconductors after AMD rallied post-earnings.
- **SPX** +1.46% at 7,365, **NDX** +2.08% at 28.599, **DJI** +1.24% at 49,911, **RUT** +1.47% at 2,887.

TARIFFS/TRADE

- **European Parliament's Top Negotiator** said that good progress has been made in the EU-US talks though issues remain unsolved and that we will continue advancing progress and ensure stronger protections for citizens and businesses.
- **A South Korean official** said the country's first US investment under trade deal is to be announced after law takes effect in June.

CENTRAL BANKS

- **Fed's Goolsbee (2027 voter) said the impact of rising productivity on inflation remains an active topic of debate.** If households expect future income and wealth gains from higher productivity, it could boost spending and inflation. He added that **if people pull forward future expected earnings for spending today, it could easily overheat the economy.** He later stated that he is open to new ways of thinking about inflation.
- **BoC Governor Macklem said if oil prices keep rising and stay elevated "there may be a need for consecutive increases in the policy rate."** On the other hand, **if the US imposes significant new trade restrictions on Canada, a cut to policy may be needed to support economic growth.** Inflation forecasts in the July monetary policy report will not change much after including the government fiscal update.
- **RBNZ Governor Breman said higher near term inflation and weaker growth is somewhat expected but still expects growth this year.**
- **BoJ Minutes from the March 18th-19th meeting** stated that many members shared the view that it was appropriate to maintain the policy rate at 0.75%. One member said that with policy rates still far away from neutral, falling behind the curve on inflation risks would compel the BoJ to pursue rapid and significant monetary tightening.
- **BoE officials** are privately concerned that UK economic data may be sending false signals that complicate the job of setting interest rates, according to Bloomberg citing sources.

NOTABLE HEADLINES

- **The US and China are considering launching official discussions on AI** when US President Trump visits China next week, according to the WSJ citing sources.

APAC TRADE

EQUITIES

- **Asia-Pac stocks** traded broadly in the green, as a continuation of gains seen stateside as hopes of an end of the US-Iran conflict spurred risk-on flows.
- **ASX 200** continued its rebound and is set for 2 consecutive days of gains. Miners were the biggest gainers while Energy names slumped. Shares of Tabcorp have nose-dived after the Co. stated that AUSTRAC has commenced an enforcement investigation with serious concerns over money laundering and terrorism financing risks.
- **Nikkei 225** returned from its holiday with the need to catch up to the gains seen in equities while it was closed. As a result, the Nikkei surged to new ATHs and extended above the 63,000 handle, driven by tech majors SoftBank and Ibiden.
- **KOSPI** underperformed its APAC peers, as it consolidated following its surge beyond the 7,000 handle. SK Securities raised its PT for Samsung Electronics and SK Hynix to a price that is 88% and 87% higher, respectively, than their current price, reaffirming the tech strength.
- **Shanghai Comp.** and **Hang Seng** gained despite a lack of single-stock news. Continuing on the chip theme, Montage has overtaken CATL as the most expensive dual-listed stock in Hong Kong relative to its mainland shares.
- **US equity futures** traded around the unchanged mark as they consolidated around ATHs.
- **European equity futures** are indicative of a quiet open with the Euro Stoxx 50 future +0.1% after cash closed +2.5% on Wednesday.

FX

- **DXY** rotated either side of the 98.00 handle, in a 97.90-98.06 range, as markets await Iran's response to the US's proposal.
- **EUR/USD** printed modest gains earlier in the Asia-Pac session, but topped at 1.1763 and has since reversed the earlier gains

as geopolitical updates were light.

- **GBP/USD** briefly extended above the 1.3600 handle, ahead of the UK local elections. In brief, Labour and the Conservatives are expected to see significant losses, of over 20ppts in some areas, according to YouGov's MRP. Reform UK, and to a lesser extent, The Greens are expected to benefit, though many of the councils, and particularly so in London, are expected to see close races (see full Newsquawk preview on the headline feed).
- **USD/JPY** consolidated in a 156.03-156.53 range, as Japanese participants return from their public holiday. Japan's Chief FX Diplomat Mimura made comments earlier in the session; however refused to comment on FX intervention and reiterated that FX is being closely watched. USD/JPY did see some fleeting pressure as Mimura spoke. Further on the FX front, US Treasury Bessent is to meet with Japanese PM Takaichi, Finance Minister Katayama and BoJ Governor Ueda for 3 days, starting Monday 11th, to discuss the weak yen.
- **Antipodeans** continued to outperform G10 peers due to their high-beta characteristics.

FIXED INCOME

- **UST futures** rotated in a narrow 3+ tick range, as it consolidated after Wednesday's bid higher as oil prices plummeted. US 10yr yields returned below 4.35% but still at elevated levels compared to pre-war levels.
- **Bund futures** traded in a 125.69-125.81 range. A flurry of ECB speakers is expected later today, with ECB VP de Guindos to kick off the ECB speaker slate, while chief hawk Schnabel is to speak later in the session.
- **JGB futures** rose at the start of Tokyo trade as the market returned from its holidays, aided by the lower oil prices and stronger yen. However, JGBs did pare back their gains, dipping to a trough of 129.51 (vs. open price of 129.75) before rebounding slightly.

COMMODITIES

- **Crude futures** started the Asia-Pac session relatively muted, as markets await Iran's response to the US-proposed memo. CNN reported that a response is expected on Thursday. Elsewhere, Israel and Lebanon continue to fire at each other. Late in Wednesday's session, it was reported that Israel carried out strikes on Beirut, with Hezbollah's Radwan Force commander being killed. From the Lebanese side, projectiles were launched towards Israel, however, the IDF announced that the projectiles were intercepted. Currently, **WTI** oscillated in a USD 94.83-96.48/bbl range, **Brent** in a USD 101.13-102.55/bbl band.
- **Precious Metals** consolidated after Wednesday's trend higher. Spot gold traded in a USD 4685-4721/oz range, while silver similarly traded in a narrow range.
- **3M LME Copper** took a breather after two consecutive days of gains, as 3M LME Copper topped just shy of USD 13.4k/t.
- **The Trump administration is studying using oil under land at US military bases and other DoW sites to help refill the emergency reserves,** according to Bloomberg citing sources.
- **LME's CEO** said it is ready to expand its suite of approved warehouses in Hong Kong.
- **HKEX CEO** said the LME warehouses approved in Hong Kong are close to full capacity.

CRYPTO

- **Bitcoin** pulled back slightly to return below the USD 81k handle.

NOTABLE ASIA-PAC HEADLINES

- **US Treasury Bessent is to meet with Japanese PM Takaichi, Finance Minister Katayama and BoJ Governor Ueda for 3 days, starting Monday 11th, to discuss the weak yen,** according to the Nikkei.
- **Japan's Top FX Diplomat Mimura** does not comment on FX intervention but said FX is being closely watched and are in daily contact with US authorities.
- **New Zealand's Defence Minister** said they are in talks with Australia and the UK to replace its Navy frigates.

DATA RECAP

- **Australian Balance of Trade (Mar) -1.841B vs. Exp. 4.45B (Prev. 5.686B).**
- **Australian** Exports (Mar) M/M -2.7% (Prev. 4.9%).
- **Australian** Imports (Mar) M/M 14.1% (Prev. -3.2%).

GEOPOLITICS

MIDDLE EAST

- **The proposed agreement between the US and Iran may limit the IDF's action in Lebanon,** according to Israeli press citing an Israeli official.
- **Israel strikes in Beirut,** according to Amichai Stein, citing reports. The commander of Hezbollah's Radwan Force has been eliminated in an Israeli airstrike in Beirut.
- **Israeli air strikes targeted a town in South Lebanon.**
- **IDF said it has intercepted a suspicious aerial target launched from Lebanon towards Israel following sirens that sounded in Manara, Margaliot and Kiryat Shmona.**
- **IDF said sirens were sounded in Kiryat Shmona due to hostile aircraft infiltration** and the situation is being investigated.
- **Lebanon's PM Salam said it is not seeking normalisation with Israel** and it is too early to discuss any possible meeting with

Israeli PM Netanyahu.
- **Hezbollah has announced that it carried out 17 operations** targeting Israeli military positions and troop movements in southern Lebanon on Wednesday in response to Israeli attacks and ceasefire violations

RUSSIA-UKRAINE

- **Russian Foreign Ministry spokesperson said that Russia is ready to negotiate about Ukraine** and emphasised that Moscow has never refused calls and talks that have real results.
- **Russian Foreign Ministry** warned diplomatic missions and representations in Kyiv to evacuate staff in good time in the event of a mass Russian strike on the city.

OTHER

- **North Korea** said it will not join the nuclear non-proliferation treaty, according to KCNA.

EU/UK

NOTABLE HEADLINES

- **A Cyprian official** said EU countries and lawmakers have reached a provisional deal to delay the implementation of watered-down AI rules.
- **EU Transport Commissioner** said airlines must continue to reimburse passengers for flight cancellations caused by high energy prices, according to the FT.