newsquawk

Daily Asia-Pac Opening News - 8th May 2026

SNAPSHOT

STOCKS			
S&P 500	-0.4%	Nasdaq Comp.	-0.1%
DJIA	-0.6%	Russell 2000	-1.6%
ES Jun'26	-0.5%	RTY Jun'26	-1.7%
NQ Jun'26	-0.3%	YM Jun'26	-0.8%

FX			
DXY	+0.3% (98.24)	EUR/USD	-0.2% (1.1729)
USD/JPY	+0.4% (156.92)	GBP/USD	-0.3% (1.3554)

BONDS			
US T-Note Jun'26	-8 ticks	10yr Bund Jun'26	-20 ticks
US 10yr Yield	4.386%	German 10yr Yield	3.012%

ENERGY & METALS			
WTI Jun'26	+2.7%	Brent Jul'26	+2.5%
Spot Gold	-0.1%	LME Copper	-0.5%

CRYPTO			
Bitcoin	-2.0%	Ethereum	-2.6%

As of 22:25BST/17:25EDT

LOOKING AHEAD

- Highlights include Japanese PMIs Final (Apr), UK local election poll results, Supply from Australia.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US military has carried out strikes in Iran's Qeshm port and Bandar Abbas,** according to Fox news citing a US official, **howeve this is not a restart of the war or the end of the ceasefire.**
- **Iran's Top Joint Military Command said the US violated the ceasefire by targeting Iranian oil tanker and another ship entering the Strait of Hormuz and Iran will respond powerfully and without the slightest hesitation to any attack.**
- **Three American destroyers were attacked by the Iranian Navy near the Strait of Hormuz,** according to Tasnim sources.
- **Arab sources report that an explosion was heard in Abu Dhabi,** according to Fars News.
- **'Investigations in Bandar Abbas show that during the exchange of fire between the Iranian armed forces and the enemy, parts of the commercial area of Bahman Pier were targeted.',** according to Fars News. Fars later reported the **claim of UAE's role in the explosion, with Israel denying any involvement.**
- **Several explosions heard near Bandar Abbas,** according to Fars News. Tasmin later reported that some sources say that these **sounds are related to IRGC naval operations to warn some ships about unauthorized passage through the Strait of Hormuz.**
- **An Iranian military official said following the US military's attack on an Iranian oil tanker, the enemy units in the Strait of Hormuz came under Iranian missile fire and were forced to flee after suffering damage,** according to Iranian media.
- **Iran and the US are discussing a one-page plane for both sides to reopen the Strait of Hormuz and end hostilities for 30 days while they try to reach a comprehensive deal,** according to NYT.
- **A source outlines that the Al Jazeera report on details relating to the Strait of Hormuz transit mechanism are unfounded,** according to Mizan. The report references an email sent by the PGSA with details/instructions for passing through Hormuz. For context, Press TV reported on Tuesday that Iran has implemented a new mechanism for ship transits in the Strait of Hormuz.

- **"Arabic sources: Reaching understandings regarding easing the siege in exchange for the gradual opening of the Strait of Hormuz,"** according to Al Arabiya with "the coming hours will witness a breakthrough for the situation of the ships stuck in the Strait."
- **Iran foreign ministry spokesman said that Iran is reviewing the messages with the mediation of the Pakistani side, and Iran has not yet reached a conclusion.**
- **Pakistani Foreign Ministry spokesperson, on US-Iran agreement, said "we would expect an agreement sooner rather than later,"** according to Pakistani journalist Mallick.
- **"Israel was informed that Iran has agreed to transfer its stockpile of 60% enriched uranium to a third country that remains unknown,"** according to Sky News Arabia citing Israeli Channel 12.
- **Iran Foreign Minister Araghchi criticizsed the unilateral and provocative resolution submitted by the US and the Gulf on the situation in the Strait of Hormuz, according to Tasnim.**
- **A senior Iranian official said Iran wouldn't allow the US to reopen the Strait of Hormuz with "an unrealistic plan"** and then exit the war without paying any reparations "for all the damage inflicted on Iran," according to WSJ citing Press TV.
- **Iran Secretary of the Parliament's National Security Commission** said no uranium has been exported from the country, according to Nour News.
- **Iranian Speaker of Parliament's advisor,** on US President Trump's post on May 5th about pausing Project Freedom, said "Any reasonable person understands that at 5 a.m., in the middle of the night in Islamabad, no diplomatic event had taken place."
- **Iranian Foreign Minister Araghchi returned from China and did not go to Islamabad on the way back,** Tasnim sources reported
- **US intelligence said Iran can outlast Trump's Hormuz blockade for months,** according to the Washington Post.
- **Saudi Arabia and Kuwait lifts restrictions on US military access to bases and airspace,** according to the WSJ. Further, US officials state that **the Trump administration is now looking to restart the operation to guide commercial ships with naval and air support** that it had paused after 36 hours this week. However, Al Jazeera later reported that the **reports about preparations to resume Operation Freedom to re-open the Strait of Hormuz are incorrect.**
- **A Chinese oil tanker was attack in the Strait on Hormuz on May 4th,** according to Caixin.

US TRADE

- **US stocks** ended lower while crude futures rose as markets swung from early optimism on Hormuz negotiations to renewed pessimism on escalating geopolitical risks. The broader risk tone soured after reports of multiple explosions heard in multiple areas of Iran, including Bandar Abbas and Qeshm Island. Fox News later reported, citing a US official, that the US military attacked multiple targets however claiming that this is not a renewal of the war. This was rebuked by Iran's Top Joint Military Command, announcing that this violates the ceasefire and that Iran will respond powerfully and without the slightest hesitation to any attack. Sector performance was mostly weaker, although Technology outperformed with software names supported after a strong Datadog (DDOG) earnings report, while Microsoft (MSFT) also saw gains.
- **SPX** -0.38% at 7,337, **NDX** -0.12% at 28,564, **DJI** -0.63% at 49,602, **RUT** -1.63% at 2,840.
- Click here for a detailed summary.

TARIFFS/TRADE

- **US President Trump said a promise was made that the EU would deliver their side of the deal and, as per agreement, cut their tariffs to zero; however, the EU has until the July 4th, or tariffs would immediately jump to higher levels.**
- **The US Trade Court has ruled against President Trump's 10% global tariffs.**
- **EU agreement on the EU-US trade deal is within reach,** according to Politico citing MEP Lange.
- **China's Foreign Ministry said they are prepared to work for an improvement in relations with the US.**

CENTRAL BANKS

- **Fed's Williams (voter, Neutral) said there is a lot of uncertainty in the economy right** now but the economy has remained resilient with labour market stability. On interest rates, he said rates are not historically high.
- **Fed's Kashkari (2026 voter, statement dissenter) said inflation remains too high.**
- **Fed's Hammack (2026 voter) said she sees a lot of uncertainty in economic outlook and that the Fed should be neutral in policy stance given the uncertainty.** Hammack later commented that she hears concerns among businesses that an inflationary mindset is starting to become entrenched in people's minds.
- **Fed's Daly (2027 Voter) said the main take away from the FOMC is that everyone agreed to keep rates unchanged and that how the statement is worded matters less than what the FOMC actually does.** She added that there are no signs of rising long-term inflation expectations.
- **Fed's Collins (2028 voter) said she still expect interest-rate cuts 'down the road'** and expect PCE inflation to move above 3.5%, and year-end near 3%. On the statement wording, Collins preferred to adjust wording that signals cutting bias.
- **Norges Bank hiked rates by 25bps to 4.25% (prev. 4.00%). "The Committee judges that a higher policy rate is needed to return inflation to target within a reasonable time horizon".** The committee judged that the monetary policy outlook does not appear to have changed materially since the monetary policy meeting in March, however inflation is too high.
- **Riksbank maintained its Policy Rate at 1.75% as expected.** "There is scope to wait until there is a clearer picture" and that current level of the policy rate gives a good initial position to adjust monetary policy if required to safeguard the inflation target."
- **ECB's Schnabel said her view is that some damage done from the Iran war will be hard to reverse.** If higher energy costs are passed on to prices or wages increase in response, that is the sign policy has to react.
- **ECB's Nagel said likely to raise interest rates unless the outlook improves markedly.**

- **Banxico cut rates by 25bps to 6.50% (prev. 6.75%), as expected; vote split was 3-2 (Borja and Heath voted to main rates.)**
- **CNB kept rates unchanged at 3.50%, as expected; vote split was 7-0.**

NOTABLE HEADLINES

- **The Senate Banking Committee is preparing to notice a markup for the Clarity Act as soon as tomorrow** and has circulated draft legislative text to select industry members ahead of a potential Thursday vote, according to Eleanor Terrett citing sources.
- **The Trump administration plans to invite CEOs from Nvidia (NVDA), Apple (AAPL), Exxon (XOM), Boeing (BA), and other big companies** to accompany the president on his trip to China next week, according to Semafor citing sources.

DATA RECAP

- **NY Fed SCE April: 1yr ahead expected inflation 3.6% (prev. 3.4%), 3yr unchanged at 3.1%, 5yr unchanged at 3.0%.**
- **US Initial Jobless Claims (May/02) 200k vs. Exp. 199k (Low. 190k, High. 220k).**
- **US** Continuing Jobless Claims (Apr/25) 1766k vs. Exp. 1800k (Prev. 1785k, Low. 1750k, High. 1879k).
- **US** Challenger Job Cuts (Apr) 83.387K (Prev. 60.62K).

FX

- **DXY** was slightly firmer as mixed developments regarding the Middle-East conflict saw oil prices settle little changed. Early USD weakness on lower oil prices amid optimism over a breakthrough on Hormuz was swiftly undone after the Washington Post reported that a US intelligence assessment said Iran could withstand a US naval blockade of the Strait of Hormuz for 90–120 days, and possibly longer, according to WaPo citing sources. Further upside was seen on WSJ reports that the US is looking to restart Project Freedom to unblock the Strait of Hormuz, and explosions are being heard in parts of Iran. Later, a US official rejected the WSJ report. To wrap up price action, the dollar firmed after several explosions being heard across Iran, with a Fox reporter stating that the US military carried out the attacks.
- **EUR** was little changed thoughtout Thursday's trade, however did see modest upticks after President Trump said a promise was made that the EU would deliver their side of the deal and, as per agreement, cut their tariffs to zero. However, Trump gave the EU until the July 4th, or tariffs would immediately jump to higher levels.
- **JPY** was weaker as oil prices climbed off lows, leaving USD/JPY firmer at 157.72 from earlier 156.02 lows.
- **BoJ data up to April 30th shows Japan spent around JPY 4.68tln to support the JPY.**

FIXED INCOME

- **T-notes** saw two-way trade as oil prices swung to a fluid geopolitical situation, but ultimately settled lower. T-notes were bid through the European morning as crude prices declined on reports the US and Iran were nearing an agreement on reopening the Strait of Hormuz, with some reports suggesting a breakthrough could come within hours. Meanwhile, reports also noted Iran may hand over its response to the latest US proposal later in the day. However, sentiment reversed as optimism faded. Iran's Foreign Minister said Tehran was still reviewing the proposal and would not accept an "unrealistic" US plan regarding Hormuz. Furthermore, the exchange of fire between Iranian armed forces and the enemy in Bandar Abbas caused a extended rebound in energy prices, which ultimately weighed on Treasuries.

COMMODITIES

- **Oil prices** were choppy, but ultimately settled lower as mixed Middle East reporting saw two-way trade. In the European morning benchmarks saw losses, to hit initial intra-day lows, on two positive US/Iran reports: 1) Pakistani Foreign Ministry spokesperson, on US-Iran agreement, said "we would expect an agreement sooner rather than later", and 2) Arabic sources: Reaching understandings regarding easing the siege in exchange for the gradual opening of the Strait of Hormuz", and "coming hours will witness a breakthrough for the situation of the ships stuck in the strait". **WTI** and **Brent** continue to edge lower to troughs of USD 89.85/bbl and 96.03/bbl, respectively, before reversing in the latter end of the session. The initial reversal was spurred as the Washington Post wrote that US intelligence said Iran can outlast Trump's Hormuz blockade for months. Further upside was spurred after reports of explosions near Bandar Abbas, with Tasnim reporting that the soruce of the sounds are related to IRGC naval operations to warn some ships about unauthorized passage through the Strait of Hormuz. To add, Fars reported UAE's role in the Bahman pier explosion. **WTI** and **Brent** reversed to a peak of USD 97.46/bbl and USD 102.85/bbl respectively and ended near session highs.
- **IEA Chief Birol said the IEA has only released around 20% of its total oil stockpile so far and is ready to act again.**
- **Shell (SHEL LN) CFO** said we have dug ourselves a hole close to a billion bbls of crude shortage and the hole is deepening every day.
- **Chinese Gold Reserves at 74.64mln troy oz at end-April (prev. 74.38mln in March).**

GEOPOLITICAL

RUSSIA-UKRAINE

- **EU leaders prepare for potential talks with Russian President Putin,** according to FT citing official, as European capitals grow frustrated with negotiations to end the war in Ukraine led by US President Trump.
- **Ukraine's military** said it struck a Russian oil refinery in Perm.

- **Ukraine's military** said it hit Russian small missile carrier off coast off Dagestan.
- **Russian Kremlin spokesperson said they remain open to contacts with Ukraine.**

EU/UK

NOTABLE HEADLINES

- **UK's Milliband reportedly told PM Starmer he should consider setting out a timeline for his departure,** according to the Times.

DATA RECAP

- **French Balance of Trade (Mar) -6.9B vs. Exp. -5.6B (Prev. -5.8B).**
- **French** Imports (Mar) 59.3B (Prev. 57.8B).
- **French** Exports (Mar) 52.5B (Prev. 52B).
- **German Factory Orders MoM (Mar) M/M 5.0% vs. Exp. 1.1% (Prev. 0.9%, Low. -1.5%, High. 5%).**
- **EU** Retail Sales YoY (Mar) Y/Y 1.2% vs. Exp. 1% (Prev. 1.7%, Low. 0.2%, High. 1.5%).
- **EU** Retail Sales MoM (Mar) M/M -0.1% vs. Exp. -0.4% (Prev. -0.2%, Low. -1%, High. 0.3%).