# Daily European Opening News - 22nd May 2026

## SNAPSHOT

| STOCKS | | | |
|---|---|---|---|
| Nikkei 225 | +2.8% | ASX 200 | +0.4% |
| Hang Seng | +1.3% | Shanghai Comp | +0.7% |
| Euro Stoxx 50 Jun'26 | +1.0% | DAX Jun'26 | +1.0% |
| ES Jun'26 | +0.4% | NQ Jun'26 | +0.5% |

| FX | | | |
|---|---|---|---|
| DXY | U/C (99.223) | EUR/USD | U/C (1.1615) |
| USD/JPY | +0.1% (159.07) | GBP/USD | U/C (1.3430) |

| BONDS | | | |
|---|---|---|---|
| US T-Note Jun'26 | +4.5 ticks | Bund Jun'26 | +44 ticks |
| US 10yr Yield | 4.564% | German 10yr Yield | 3.086% |

| ENERGY & METALS | | | |
|---|---|---|---|
| WTI Jul'26 | +1.1% | Brent Jul'26 | +1.7% |
| Spot Gold | -0.4% | LME Copper | +0.8% |

| CRYPTO | | | |
|---|---|---|---|
| Bitcoin | +0.1% | Ethereum | +0.1% |

*As of 06:20BST/01:20EDT*

### LOOKING AHEAD

- Highlights include German GfK Consumer Confidence (Jun), GDP Final (Q1) & Ifo Business Climate (May), UK Retail Sales (Apr), PSNB (Apr), Canadian Retail Sales (Mar), University of Michigan Consumer Sentiment Final (May), BoC SLOS (May), Kevin Warsh sworn in as Fed Chair. Speakers include ECB's Lane & Fed's Waller. Credit Ratings: Scope Ratings on China, S&P on Norway, Moody's on Hungary, Portugal & UK.
- Click for the Newsquawk Week Ahead.

## IRAN CONFLICT

- **US President Trump said they are negotiating with Iran and will get it one way or the other, while he added they do not want tolls on Hormuz, and that the US has total control of Hormuz.** Trump said they knocked out 98% of Iran’s missile capacity, and no ship is going through Iran without their approval. Furthermore, he said the **Iran conflict will end soon, as well as stated that the US will get Iran's uranium and will likely destroy it. However, a Tasnim article called Trump’s comments "unfinished illusions"**, referring to his claim that the US will take over highly enriched uranium.
- **Al Arabiya TV was initially reported to have obtained the final draft of a prospective Pakistani-mediated US-Iran agreement,** with 9 key provisions including an immediate, comprehensive and unconditional ceasefire on all fronts, mutual commitment not to target military, civilian or economic infrastructure, cessation of military operations and media warfare, respect for sovereignty and territorial integrity, as well as others. Furthermore, **ILNA also cited Al Arabiya stating that the final draft of the US-Iran agreement has been reached with mediation of Pakistan and was expected to be announced within next few hours, although it was later stated that the report about reaching an agreement was fabricated.**
- **A senior Iranian source said no deal had been reached yet, but gaps have narrowed,** with Iran's uranium enrichment and its control over the Strait of Hormuz among the sticking points.
- **A high-level source familiar with the matter later said the Iranian Supreme Leader's final decision is not to hand over the enriched uranium to Washington,** according to Al Hadath.
- **Iran’s President said Iran will not back down in talks and that they will not bow their heads, while they are willing to sacrifice as much as possible for the honour and pride of Iran,** and are not afraid of martyrdom.

- **Iranian Foreign Ministry says "Everything being circulated about the status of the negotiations is not accurate"** , Al ArabyTV reported.
- **Iranian Foreign Ministry spokesperson said the focus of the negotiations is on ending the war on all fronts, including Lebanon,** and that the claims made in the media about nuclear issues, including enriched materials or the enrichment debate, are speculation.
- **Iranian Ministry of Foreign Affairs condemned the US imposing sanctions on the Iranian ambassador in Lebanon,** as well as a number of Lebanese officials and citizens, according to Fars News.
- **Iranian senior official told Al Jazeera that negotiators are very close to reaching a deal, and are currently working on a draft text,** while another source said it is too early to say whether a serious, final agreement is in reach
- **Pakistan's Interior Minister will remain in Tehran on Friday to continue consultations and meet with Iranian officials, while a high-level source said the Pakistani Army Chief would not travel to Tehran on Thursday night,** according to Al Arabiya.
- **Pakistani Senator said Iran-US talks are moving in the right direction,** according to IRNA citing a statement.
- **Pakistani Interior Minister meets again with Iran's Foreign Minister to study proposals for resolving disputes between US and Iran**, Al Jazeera reported, citing the Pakistani Embassy.
- **Israeli forces conducted strikes on southern Lebanon and a raid in the West Bank, while Hezbollah said it carried out 16 different military operations targeting Israeli bases and positions in the past 24 hours,** according to Tasnim. It was separately reported that Israeli artillery hit areas in western Deraa, Syria.
- **Iraqi ports said search teams have been mobilised within territorial waters after contact was lost with two ships,** while they did not receive any distress calls from the two Bolivian-flagged ships with which contact has been lost.
- **US House Republicans delay war powers vote,** according to Reuters.

# US TRADE

## EQUITIES

- **US stocks** ultimately closed higher on what was another choppy session dominated by contradictory geopolitical headlines surrounding the Middle East conflict, while Treasury yields were predominantly lower, crude settled down from earlier highs, and the dollar finished little changed, as cross-asset price action largely tracked swings in oil prices owing to the shifting headlines around US-Iran negotiations.
- There were earlier reports that a final draft US-Iran agreement had been reached through Pakistani mediation and could be announced within hours, with Iranian media citing Al Arabiya TV. However, Al Arabiya later denied the report shortly before the closing bell. There were also several conflicting reports surrounding Iran’s enriched uranium, including whether it would remain in Iran or be transferred abroad, while it was noted that the two key sticking points remain Iran’s nuclear programme and reopening the Strait of Hormuz. Furthermore, the Pakistani Army Chief was no longer expected to travel to Tehran on Thursday night, and Reuters reported that no deal has yet been reached, although negotiations have narrowed the gaps between both sides. Elsewhere, participants digested several US data releases and some Fed commentary, but which once again generated little market reaction, as geopolitics and crude price swings dominated broader macro trade.
- **SPX** +0.17% at 7,446, **NDX** +0.20% at 29,357, **DJI** +0.55% at 50,291, **RUT** +0.93% at 2,843.
- Click here for a detailed summary.

### TARIFFS/TRADE

- **US President Trump said the US would likely have to pay back USD 149bln in tariffs, while he added that tariffs made the US modernly rich and would have to be done in a different way.**
- **China blocked exports of high-end solar manufacturing equipment from Suzhou Maxwell Technologies to Tesla (TSLA),** according to NYT citing sources.

### NOTABLE HEADLINES

- **Fed's Barkin (2027 voter) said the Fed was well-positioned to respond to risks as appropriate, while whether the Fed needed to hike rates depended on how businesses and consumers reacted to developing conditions.** Barkin stated the policy of looking through supply shocks had worked well in the past, although it was easy to see more challenging conditions and more frequent shocks in the future, while long-term inflation expectations appeared to remain contained. Furthermore, he is not leaning towards overly focusing on risks to inflation or employment and does not feel it is a time for strong forward guidance.
- **Fed's Goolsbee (2027 voter) said there was still a pretty significant inflation problem, although the job market was stable,** whil Goolsbee said that he was most attuned to the inflation side of the dual mandate.

# APAC TRADE

## EQUITIES

- **APAC stocks** were mostly higher following the positive handover from Wall Street, where all major indices gained and the Dow notched a record close on what was a choppy session, amid cautious optimism due to contradicting geopolitical headlines.
- **ASX 200** gained with outperformance in the mining, materials and resources sectors, although the upside in the broader market was capped by weakness in telecoms, real estate and defensives.
- **Nikkei 225** rallied amid continued tech strength, with SoftBank shares adding to the recent advances with another double-digit percentage gain, while the latest inflation data was softer-than-expected and could compel policymakers to think twice about a June rate hike.

- **Hang Seng** and **Shanghai Comp** were in the green with the Hong Kong benchmark led higher by tech stocks, including Lenovo and NetEase, as the former was boosted by its earnings results, which showed record FY revenue, while the mainland kept afloat after the PBoC upped liquidity efforts for a third day.
- **US equity futures** marginally edged higher amid cautious optimism regarding US-Iran progress.
- **European equity futures** indicate a higher cash market open with Euro Stoxx 50 futures up 0.9% after the cash market closed with losses of 0.3% on Thursday.

### FX

- **DXY** is rangebound after the prior day's indecisive performance as oil prices and yields fluctuated at the whim of the mixed signals regarding the progress of US-Iran talks, including reports that a final draft of the US-Iran agreement had been reached with the mediation of Pakistan, although this was later refuted. It was also reported that the Pakistani army chief would not be travelling to Tehran on Thursday despite previous hopes, while there were conflicting reports on Iran's stance on enriched uranium being transferred out of the country. There was also a recent slew of data releases stateside, which were ultimately mixed and provided little direction for the greenback, while participants await Warsh's swearing-in as Fed chair today.
- **EUR/USD** was little changed after whipsawing through the 1.1600 level and with very quiet newsflow from the bloc.
- **GBP/USD** conformed to the humdrum mood in the FX space following recent mixed PMI data and with little reaction to the rhetoric from BoE's Taylor, while UK Retail Sales data also looms.
- **USD/JPY** lingered around the 159.00 focal point, with little reaction seen following the softer-than-expected Japanese inflation data, which showed core inflation retreated further below the 2% price goal and printed its softest in more than four years.
- **Antipodeans** lacked direction in the absence of pertinent tier-1 data releases and despite the constructive mood.
- **PBoC** set USD/CNY mid-point at 6.8373 vs exp. 6.7922 (prev. 6.8349)

### FIXED INCOME

- **10yr UST futures** were rangebound following the recent indecisive performance, whereby rates fluctuated on the volatile crude price action and conflicting geopolitical reports.
- **Bund futures** held on to gains after climbing back above the 125.00 level in the aftermath of the recent weak PMI data from the bloc, while several German data releases approach, including GfK Consumer Confidence, Final Q1 GDP & Ifo Business Climate.
- **10yr JGB futures** were contained amid gains in stocks and failed to benefit from the softer-than-expected CPI data, while the enhanced liquidity for long-end JGBs resulted in a weaker demand ratio.

### COMMODITIES

- **Crude futures** rebounded off the prior session's lows but with the rebound capped after recent choppy price action due to contradicting geopolitical headlines, including a report that the final draft of the US-Iran agreement has been reached with mediation of Pakistan, although this was later refuted and described as fabricated, while a senior Iranian source said no deal had been reached yet, but the gaps have narrowed.
- **Spot gold** marginally declined following yesterday's indecision, in which global markets and oil prices whipsawed on the conflicting geopolitical signals.
- **Copper futures** remained afloat amid the positive risk appetite and hopes of US-Iran progress.

### CRYPTO

- **Bitcoin** eked mild gains and gradually edged higher, but remained in the USD 77k territory.

#### NOTABLE ASIA-PAC HEADLINES

- **China's NDRC said regarding the question on investment from the US, that they never told Chinese tech firms they couldn't take foreign investment, while it added that foreign investment must follow Chinese laws and rules,** and should not harm national security and interests. Furthermore, it is planning a policy support framework to accelerate AI commercialisation, and stated that prices are set to remain stable as the domestic supply demand outlook improves.

#### DATA RECAP

- Japanese Inflation Rate YY (Apr) 1.4% vs Exp. 1.8% (Prev. 1.5%)
- Japanese Inflation Rate Ex-Fresh Food YY (Apr) 1.4% vs. Exp. 1.7% (Prev. 1.8%, Low. 1.6%, High. 1.8%)
- Japanese Inflation Rate Ex-Food and Energy YY (Apr) 1.9% vs. Exp. 2.2% (Prev. 2.4%)

## GEOPOLITICS

#### OTHER

- **US President Trump announces that the US will be sending an additional 5,000 troops to Poland.**

## EU/UK

#### DATA RECAP

- **UK Gfk Consumer Confidence (May) -23 vs. Exp. -28 (Prev. -25)**