Daily Asia-Pac Opening News - 5th June 2026

SNAPSHOT

STOCKS			
S&P 500	+0.4%	Nasdaq Comp.	-0.1%
DJIA	+1.7%	Russell 2000	+1.5%
ES Jun'26	+0.2%	RTY Jun'26	+1.3%
NQ Jun'26	-0.8%	YM Jun'26	+1.6%

FX			
DXY	-0.1% (99.44)	EUR/USD	+0.1%
USD/JPY	Flat	GBP/USD	+0.1%

BONDS			
US T-Note Jun'26	+5 ticks	10yr Bund Jun'26	+8 ticks
US 10yr Yield	4.48%	German 10yr Yield	3.02%

ENERGY & METALS			
WTI Jul'26	-3.2%	Brent Aug'26	-2.5%
Spot Gold	+0.9%	LME Copper	+0.6%

CRYPTO			
Bitcoin	-1.2%	Ethereum	-2.9%

As of 21:50BST/16:50EDT

LOOKING AHEAD

- Highlights include South Korean Current Account, Japanese Household Spending, Philippines CPI, Singapore Retail Sales, RBI Rate Decision.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US President Trump said the US is "in the middle of my final negotiations to end the War", while he called the Republicans who voted to limit war powers "GRANDSTANDERS!".**
- **Washington has demanded that Tehran deliver its response before the end of the week, and stated no progress in negotiations between Iran and the US**, according to Al Hadath citing Israeli Channel 12. **Washington informed Tehran that the signing ceremony for the agreement with it will take place in Switzerland, while it warned Tehran "either an agreement or a military strike".** Furthermore, the Israeli Broadcasting Authority quoted an Israeli official as saying Washington "will understand our position" if the agreement with Lebanon is not implemented.
- **Iran's Supreme Leader advisor Rezaei said US President Trump wants to pressure Iran to accept his conditions and keep Iran in a vague state,** while he added that the current draft has ambiguities that have to be clarified.
- **Iranian Foreign Minister Araghchi said they have many documents and evidence that show Kuwaiti skies have been used regularly against Iran.** Araghchi also commented that **Iran and Oman will regulate the management of the Strait of Hormuz based on international law standards, while they will exchange views and ideas about the management of the Strait with the Persian Gulf countries, but ultimately the decision will be made between Iran and Oman.**
- **Iran's IRGC, in response to recent events in Lebanon, said Iran's initial condition for accepting a ceasefire in the regional war was a ceasefire on all fronts, including Lebanon.** IRGC also stated the region would never be stable unless Israel withdraws from Lebanon, according to Tasnim.
- **A trusted source for Al-Arabiya said a proposal to create a special fund to deposit frozen Iranian funds is under study",** according to Al-Arabiya. An informed source said the agreement on the release of frozen Iranian funds was in its final stages,

and a search continued for a mechanism regarding the frozen funds, while Trump reportedly informed mediators of his refusal to release funds to Iran before signing the agreement.

- **US official told Al Jazeera the ceasefire with Iran is in place, but they will continue to protect their forces and impose a blockade on ports, while the official stated there is an open shipping route through the Strait of Hormuz, but it is up to the ships to decide whether to transit,** and that approximately 1,000 ships have crossed the Strait of Hormuz since the ceasefire with Iran went into effect on April 8th.
- **Nearly 40 ships previously stranded in the Persian Gulf have exited through the Strait of Hormuz over the past three weeks as vessels quietly coordinate with the US Navy,** according to Lloyd's List Intelligence via CNBC.
- **Lebanon's President said implementation of the ceasefire could begin within 24 hours of final approval, while stating that the agreement reached represented the "last chance",** according to Arab News.
- **US source told Lebanese press that the agreement would begin with de-escalation leading to a permanent and comprehensive ceasefire,** while Israeli forces would begin withdrawing from a test area where the Lebanese army would be deployed, starting the process.
- **Hezbollah informed Lebanese authorities of its rejection of the Washington agreement between Lebanon and Israel,** according to Al Araby TV citing the Hezbollah leader.
- **Hezbollah leader Qassem said despite all the difficulties facing the Iranian revolution, Iran had advanced at all levels and supported liberation movements,** according to Al Mayadeen. **Qassem also said that as long as Israel is in Lebanon, resistance will continue, while calling on officials to "stop this farce and humiliation called direct negotiations".**
- **Israeli military said sirens sounded after Hezbollah launched several rockets towards IDF soldiers in southern Lebanon.**
- **IDF presented Israel's Cabinet with a plan for a large-scale ground operation in Lebanon,** according to a GLZ Radio journalist, while PM Netanyahu pushed back against the proposal amid pressure from US President Trump not to strike Beirut.
- **Israeli army reportedly began withdrawing its forces from Dibbin in southern Lebanon,** according to Al Hadath.
- **UK and France finalised operational planning for a mine-clearing mission in the Strait of Hormuz,** according to Bloomberg.

US TRADE

- **US stocks** ultimately closed mixed with major indices in the green, while the Nasdaq underperformed despite finishing well off session lows. The tech-heavy index came under pressure after Broadcom (AVGO) reported a revenue miss and disappointing semiconductor revenue guidance for the next quarter. The results weighed on semiconductor and AI-linked names that have been among the market's strongest performers in recent weeks, driving early weakness in the sector. However, although Broadcom remained sharply lower, much of the broader technology complex recovered through the session, helping the Nasdaq pare losses. Beneath the surface, market breadth was stronger than the headline indices suggested, and most sectors closed in positive territory, led by Health Care, Financials and Communication Services, while Technology and Consumer Staples were the only sectors to finish lower. Crude prices were lower after President Trump described US-Iran negotiations as being in their "final stages", while the decline in oil supported Treasuries, particularly at the front-end, resulting in a bull steepening move as traders pared Fed rate hike expectations.
- **SPX** +0.41% at 7,585, **NDX** -0.54% at 30,408, **DJI** +1.73% at 51,562, **RUT** +1.46% at 2,936.
- Click here for a detailed summary.

TARIFFS/TRADE

- **USTR Greer said the US would uphold tariff caps in deals with the EU, Japan and others, while seeking to mitigate challenges with China.** Greer said US consumers and global trade had been resilient, and he sees a complex Section 301 probe on overcapacity in the coming weeks.
- **EU Trade Commissioner Sefcovic, regarding the EU-US trade deal, said it was critical that at the end of the process the EU remained well within the Turnberry parameters of a 15% all-inclusive tariff.** Sefcovic added that he believed European parliamentarians would approve the Turnberry agreement.
- **China's MOFCOM said US abuse of export controls was disrupting stability in the global semiconductor production and supply chain, while stating that China opposed the US trade restrictions justified by "forced labour".**

NOTABLE HEADLINES

- **Fed's Daly (2027 voter) said productivity growth had been outside historic norms, possibly due to cost savings from AI, although she had not heard from businesses that they were seeing transformative productivity gains yet,** according to Bloomberg TV. Daly also said she did not know how the economy would evolve, but noted **policy is in a good place and the Fed is prepared to respond either way.** Furthermore, she said forward guidance is not appropriate at this juncture.
- **Fed's Schmid (2028 voter) said data suggests the economy is doing well and inflation is too high, while stating that the Fed is still trying to figure it out. Schmid also said that most of the higher prices people are paying for energy are staying within the US economy,** and said the major question for oil is how long prices stay high, which is a political decision.

DATA RECAP

- US Unit Labour Costs QoQ Final (Q1) Q/Q 1.8% vs. Exp. 2.3% (Prev. 4.6%)
- US Initial Jobless Claims (May/30) 225k vs. Exp. 213k (Low. 205k, High. 222k)
- US Continuing Jobless Claims (May/23) 1777k vs. Exp. 1780k
- US Challenger Job Cuts (May) 97.006K (Prev. 83.387K); May job cuts rose 16% from April, the highest May total since 2020.
- Revelio Labs Nonfarm Payrolls (May): +123.7k (Prev. +66.4k)

FX

- **USD** was slightly weaker against most G10 peers, although the DXY traded in tight ranges as traders awaited US NFP on Friday. On Thursday, US initial jobless claims rose to 225k from 212k, above the top end of the forecast range, while Challenger layoffs rose to 97.006k from 83.387k. From the Fed, Daly (2027 voter) said policy was in a good place, and the central bank was prepared to respond either way, while known hawk Schmid said the issue was whether the Fed needed to raise rates to "tamp this thing down" and meet the inflation target. Geopolitical updates were frequent but brought little fundamentally new, although Trump said the US was "in the middle of my final negotiations to end the War".
- **EUR** eked marginal gains against the buck with upside contained amid light newsflow from the bloc.
- **GBP** lacked conviction in the absence of any UK-specific data, while comments from BoE Governor Bailey provided little incrementally, in which he noted that markets had been orderly but stretched at times, and that leverage in debt markets raised questions over vulnerabilities.
- **JPY** was flat as reports continued to note expectations for a looming rate hike at this month's meeting.
- Swiss Inflation Rate YoY (May) Y/Y 0.6% vs. Exp. 0.8% (Prev. 0.6%, Low. 0.7%, High. 1%)

FIXED INCOME

- **T-notes** bull steepened as falling crude prices eased inflation concerns and reduced Fed rate hike pricing.

COMMODITIES

- **Oil prices** were lower, due to ongoing mediation efforts to broker a US–Iran peace deal following recent flare-ups and retaliatory strikes, while Trump stated that the US is "in the middle of my final negotiations to end the War".
- **Russian Deputy PM Novak said Russia expects to reach its OPEC+ oil production quota this year, while stating that the oil market had not yet fully seen the consequences of the Middle East conflict and that stockpiles were being used.** Novak said there had been no oil production lower than at the start of the year due to “unscheduled maintenance” at refineries.
- **Russian Deputy PM Novak said he met with the Saudi Energy Minister and the two agreed there was uncertainty regarding oil demand, while stating that oil market estimates should be drastically revised. Novak said OPEC+ is able to offset changes in the energy sector,** and now more than ever, is one of the organisations capable of making decisions to mitigate risks in the energy sector. Furthermore, Novak stated Russia and Vietnam are holding talks on Russia’s participation in the creation of a strategic oil reserve in Vietnam.

GEOPOLITICAL

RUSSIA-UKRAINE

- **Ukrainian President Zelensky sent a letter to Russian President Putin stating the choice is yours; "Enough of war, Ukraine proposes to end this war", while Zelensky is proposing a meeting.**
- **Russian President Putin said Trump's peace proposals could be a basis for peace deals with Ukraine and that Trump sincerely seeks to resolve the Ukrainian crisis, but still has to persuade Ukraine. Putin also said there is no need to stop fighting to start talks with Ukraine.** Putin commented that **Russian forces were advancing in Ukraine and that Russia could control Donbas while still making a peace deal. Putin said more than 85% of the Donetsk region was under Russian control and that Russia controls 80% of the Zaporizhzhia region. Furthermore, he said Russia was ready to make a peaceful deal with Ukraine** and that Trump asked for more compromises in Alaska, while Russia was ready, although Kyiv also needed to agree to them. Furthermore, Putin said the **conflict would end quickly if Ukraine also agreed to compromises.**

OTHER

- **US is reportedly planning to cut NATO’s rapid response force,** while the EU is seeking clarifications regarding the proposal, according to the FT.
- **Russian President Putin said Russia had always cooperated with China in the military sphere and would continue to do so,** while stating that the two countries were on friendly terms. Putin said Russia and China were not against anyone but acted in each other’s interests, as well as stated that Russia and China would soon make the global energy market happy with new agreements.
- **China’s embassy urged strict adherence to the one-China principle after travel bans were imposed on New Zealand MPs,** according to Xinhua.

ASIA-PAC

NOTABLE HEADLINES

- **BoJ is expected to raise rates at its June meeting,** according to Reuters sources, while it is also said to be leaning towards pausing or slowing the pace of its bond-buying taper from fiscal 2027.

EU/UK

NOTABLE HEADLINES

- BoE Governor Bailey said markets had been orderly but stretched at times, while noting that leverage in debt markets raised questions over vulnerabilities.