

SNAPSHOT

STOCKS			
Nikkei 225	-4.2%	ASX 200	Closed
Hang Seng	-1.3%	Shanghai Comp	-1.7%
Euro Stoxx 50 Jun'26	-0.7%	DAX Jun'26	-0.8%
ES Jun'26	U/C	NQ Jun'26	+0.2%

FX			
DXY	-0.1% (99.97)	EUR/USD	+0.2% (1.1538)
USD/JPY	U/C (160.28)	GBP/USD	+0.1 (1.3346)

BONDS			
US T-Note Sept'26	-6+ ticks	Bund Sept'26	-18 ticks
US 10yr Yield	4.56%	German 10yr Yield	3.02%

ENERGY & METALS			
WTI Jul'26	+4%	Brent Aug'26	+4.1%
Spot Gold	-0.3%	LME Copper	+0.2%

CRYPTO			
Bitcoin	-1.2%	Ethereum	-1.9%

As of 06:30BST/01:30EDT

LOOKING AHEAD

- Highlights include German Factory Orders (Apr), US NY Fed SCE (Jun), Apple WWDC Keynote (June 8-12).
- [Click for the Newsquawk Week Ahead.](#)

IRAN CONFLICT

- Israel conducted airstrikes on a couple of apartment buildings in Beirut's Dahiya district on Sunday, in what the military described as targeting a Hezbollah command centre.
- Iran launched four waves of strikes against Israel on Sunday evening in retaliation for an Israeli strike on Beirut, which it stated 'crossed all red lines', while it threatened devastating blows if Israel expands Lebanon operations. Iran signalled a halt to attacks if Israel refrains from strikes, but vowed stronger retaliation if Israel strikes back, and it closed its western airspace until further notice.
- Loud explosions were reported early on Monday in Tehran, Tabriz, Isfahan, Kermanshah and Karaj. Israeli military confirmed the air force struck military targets belonging to the Iranian regime in western and central Iran, while it reportedly attacked more than 10 targets inside Iran. Furthermore, Israeli media cited by Fars noted that Israel's attacks on Iran were carried out in coordination with the US.
- Israeli projectile hit an Iranian petrochemical plant, with the Karun petrochemical plant damaged in Khuzestan province.
- Israeli Home Front Command said missiles were detected from Iran towards Tel Aviv and Jerusalem, while the IDF identified the launch of a missile towards Israeli territory from Yemen.
- An explosion was reported at the Prince Sultan Air Base in Al Kharj, central Saudi Arabia, although Iran denied firing on the Al Kharj air base in Saudi Arabia.
- IRGC said the Ramat David Airbase was hit by ballistic missiles, and future attacks will target US-Israel regional assets, while Tehran Times noted reports of missiles being fired at a US airbase in Jordan.
- Israeli PM Netanyahu held security consultations late on Sunday following recent developments, while the Israeli military said the missiles launched by Iran were intercepted, although Iran claimed a successful strike on northern Israel.

- **US President Trump said he was supposed to announce that a deal with Iran would be signed this week, and now this is happening, while he called for Iran to end the missile fire and return to talks.** Trump also stated that he was not happy about Israel striking Beirut and that Israel's attacks were not coordinated with the US. Furthermore, Trump said he would call Israeli PM Netanyahu to tell him not to attack Iran in response, and noted they are close to a final deal, which he doesn't want to blow up.
- **US President Trump said Israeli PM Netanyahu will have no choice but to accept whatever deal the US negotiates with Iran because he calls the shots.** Trump stated that Iran's strikes had not changed his desire to conclude US-Iran negotiations and he thinks the deal is going on, but we will see what happens, and he would consider a commando raid on Iran if a deal failed, according to FT.
- **US told Israel to hold off for a few days to allow space for a deal, with a joint action plan to proceed if talks fail.** It was separately reported by Tasnim, citing Israel's Channel 12, that Israeli PM Netanyahu tried to object to US President Trump's request not to react to Iran during a phone call, but in the end accepted it.
- **US attacked Iranian coastal surveillance sites on Saturday after shooting down drones launched towards the Strait of Hormuz.** US military said that Iran had fired missiles and drones towards Kuwait and Bahrain, while drones were also fired towards 4 commercial ships in the Strait of Hormuz.
- **Iran Supreme Leader's military adviser Rezaei said Iran's attack on Israel on Sunday serves as a warning to Israel to cease strikes on Beirut,** while he warned of a further response to aggression and said Tehran threatened to block the Bab-al Mandab if Israel escalates its attack.
- **US is to make Iranian assets available to Gulf allies to repair the damages caused by Iran,** according to a source.
- **IAEA's Grossi said on Friday that the US and Iran are close to agreeing on a nuclear framework.**

US TRADE

EQUITIES

- **US stocks** were hit hard on Friday, with the Nasdaq-100 the clear laggard, falling more than 4% as technology stocks remained under pressure. Broadcom (AVGO) extended losses following its earnings report earlier in the week, while additional weakness came after the FT reported that Meta (META) is considering raising tens of billions of dollars through a stock offering. As a result, Technology was the clear sectoral laggard, followed by Consumer Discretionary and Communication Services. However, the main macro driver of the session was the stronger-than-expected US jobs report, which set the tone for trading throughout the day and spurred Fed rate hike bets, with traders now fully pricing a 25bp Fed rate hike by year-end, compared with around 16bps of tightening priced before the release.
- **SPX -2.64%** at 7,384, **NDX -4.77%** at 28,958, **DJI -1.35%** at 50,872, **RUT -3.47%** at 2,834.
- [Click here for a detailed summary.](#)

TARIFFS/TRADE

- **The US is proposing strict new rules aimed at squeezing Chinese parts out of North America's cars in trade talks with Mexico,** according to the FT on Friday.
- **Chinese President Xi called for multilateral and inclusive economic globalisation, while urging countries to resist hegemonism and authoritarianism and any efforts to revive militarism.**

NOTABLE HEADLINES

- **Fed's Barr (voter) warned regarding risks related to looser rules for US lenders and said that regulators' moves over the last year considerably weakened bank regulation and supervision.**
- **WSJ's Timiraos wrote that Fed Chair Warsh's job just got a lot more complicated as the labour-market rebound sets in motion a collision between the Fed chair, the bond market and the White House.**
- **US President Trump said a Fed rate increase would be wrong, while Trump also said he is interested in reviving the anti-weaponisation fund and called the fund a great idea,** despite the backlash from Republicans.
- **US President Trump announced on Friday that TrumpRx.gov is adding another 160 prescription drugs** at highly discounted prices.
- **A second case of the New World screwworm case in the US was confirmed in a Texas calf.**

APAC TRADE

EQUITIES

- **APAC stocks** were negative following the recent geopolitical escalation in the Middle East and last Friday's tech losses on Wall St, as money markets priced in a Fed rate hike this year following strong jobs data. Do note that Australian participants have been spared from the selling today due to a holiday closure.
- **Nikkei 225** slumped at the open and briefly fell beneath the 64,000 level with intraday losses of over 3,000 points, amid higher oil prices and a downward revision to annualised GDP for Q1.
- **KOSPI** underperformed with the index triggering a circuit breaker early in the session after slumping by more than 8% as the tech sector was spooked after last Friday's selling stateside. However, the index is well off today's lows following efforts by NVIDIA's CEO Huang to talk up tech stocks and with announcements made regarding cooperation with South Korean tech firms.
- **Hang Seng and Shanghai Comp** were on the backfoot with weakness seen in tech and mining.

- **US equity futures** attempted to nurse some losses following last Friday's tech-driven sell-off.
- **European equity futures** indicate a lower cash market open with Euro Stoxx 50 futures down 1.2% after the cash market closed with losses of 0.7% on Friday.

FX

- **DXY** traded rangebound overnight in a somewhat choppy fashion, but remained around the 100.00 level after advancing on Friday following the better-than-expected US jobs data, which spurred Fed rate hike bets and saw markets fully price in a 25bps hike by year-end. Nonetheless, President Trump has pushed back against this as he stated that a Fed rate increase would be wrong, while there was little else regarding monetary policy from the Fed, with a blackout period in effect.
- **EUR/USD** got some slight reprieve after sliding firmly beneath the 1.1600 handle on the US jobs data, while attention this week will be on the ECB meeting on Thursday, where a rate hike is widely anticipated.
- **GBP/USD** was lacklustre after recently giving way to the firmer buck and amid quiet UK newsflow.
- **USD/JPY** eked slight gains with a firmer footing above the 160.00 level amid rising oil prices and a downward revision to annualised GDP for Q1.
- **Antipodeans** were contained following last week's declines, and amid a holiday in Australia.
- **PBoC** set USD/CNY mid-point at 6.8198 vs exp. 6.7950 (prev. 6.8157)

FIXED INCOME

- **10yr UST futures** continued to trickle lower after dropping on Friday as the stronger-than-expected US jobs data spurred rate hike bets, while there was little else over the weekend to drive markets outside of geopolitics.
- **Bund futures** remained subdued as a rise in oil prices, spurred by the geopolitical escalation, added to the inflationary pressures, while participants brace for the ECB this week, where a rate hike is fully priced in.
- **10yr JGB futures** conformed to the declines seen in global peers amid higher oil prices and recent hawkish central bank bets.

COMMODITIES

- **Crude futures** rallied amid the geopolitical escalation after Iran launched multiple waves of strikes against Israel in retaliation for Israel's bombing of targets in Beirut. Furthermore, US President Trump called for Iran to halt attacks and return to talks, while he requested that Israel not respond, which Israeli PM Netanyahu was reported to have accepted, although Israel then carried out attacks on targets inside Iran.
- **OPEC+ agreed to another modest symbolic output quota increase of 188k bpd for July.**
- **India raised the prices of LPG for the second time since the beginning of the Iran war to help state retailers cut losses** on discounted fuel sales.
- **British Airways chief warned that air fares will rise again if fuel costs stay high.**
- **Spot gold** extended on recent declines to test the USD 4,300/oz level, where it found a floor, although demand remained subdued following recent dollar strength and Fed rate hike bets.
- **PBoC extended its gold-buying streak to a 19th consecutive month** with the purchase of 320k troy ounces in May.
- **Copper futures** lingered around last week's trough amid the broad downbeat mood.

CRYPTO

- **Bitcoin** was choppy overnight and tested the USD 63,000 level to the downside.

NOTABLE ASIA-PAC HEADLINES

- **China's first prefabricated computing power hub began operations**, which offers a faster and lower-cost way to build and supply electricity to data centres.
- **China reportedly wants slimmer EVs following years of larger batteries and increasing demand for space** and features that have contributed to making cars larger and heavier.
- **South Korea announced measures to stem the depreciation in KRW and curb speculation.**
- **RBNZ Governor Breman said she is seeing encouraging signs that will help counter the negative effects of deepening protectionism.**

DATA RECAP

- Japanese GDP Growth Rate QoQ Final (Q1) Q/Q 0.5% vs. Exp. 0.5% (Prev. 0.2%)
- Japanese GDP Growth Annualised Final (Q1) 1.8% vs. Exp. 2.1% (Prev. 0.8%)

GEOPOLITICS

RUSSIA-UKRAINE

- **Ukrainian President Zelensky said Russia deliberately struck a nuclear-fuel storage facility**, which he described as an 'extremely vile' attack.
- **Ukrainian President Zelensky told UK PM Starmer that Ukraine needs more air defence missiles**, while they also discussed Ukraine's energy infrastructure.
- **Ukrainian President Zelensky invited former Chelsea FC owner Roman Abramovich to Kyiv last month in a failed attempt to convince Russian President Putin to hold direct peace talks**, according to people familiar with the matter cited by FT.

OTHER

- North Korean leader Kim said the navy must be developed into a force capable of taking charge of the country's nuclear war deterrent plans.

EU/UK

NOTABLE HEADLINES

- EU is drawing up plans to reduce taxes on renewable energy and make electricity systems more flexible in an effort to reduce power bills.
- S&P affirmed Sweden at 'AAA'; Outlook Stable.

Copyright © 2026 Newsquawk Voice Limited. All rights reserved.

Registered Office One Love Lane, London, EC2V 7JN, United Kingdom · Registered Number 12020774 · Registered in England and Wales.

newsquawk.com · +44 20 3582 2778 · info@newsquawk.com