newsquawk

Daily Asia-Pac Opening News - 17th June 2026

SNAPSHOT

STOCKS			
S&P 500	-0.6%	Nasdaq Comp.	-1.2%
DJIA	+0.6%	Russell 2000	-0.9%
ES Jun'26	-0.6%	RTY Jun'26	-0.9%
NQ Jun'26	-1.9%	YM Jun'26	+0.6%

FX			
DXY	-0.1% (99.57)	EUR/USD	+0.2%
USD/JPY	+0.1%	GBP/USD	+0.1%

BONDS			
US T-Note Sep'26	+6 ticks	10yr Bund Sep'26	+21 ticks
US 10yr Yield	4.43%	German 10yr Yield	2.94%

ENERGY & METALS			
WTI Jul'26	-5.1%	Brent Aug'26	-4.7%
Spot Gold	+0.5%	LME Copper	+0.5%

CRYPTO			
Bitcoin	-1.0%	Ethereum	-0.1%

As of 21:50BST/16:50EDT

LOOKING AHEAD

- Highlights include New Zealand Current Account, Japanese Trade Data & Machinery Orders, Singapore Non-Oil Exports, Australian MI Leading Index, Comments from RBA Assistant Governor Jones, Supply from Australia.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US President Trump said the Iran deal should be successful and stated that the deal is fair, and a good deal, while they are not investing any money in Iran.** Trump commented that the **Iran deal goes to a second stage, which will be easier than the first, as well as stated that Iran will never have a nuclear weapon and warned Iran will suffer if it tries to attain a nuclear weapon.** Furthermore, he said that **the deal can survive even if Israel attacks Lebanon.**
- **US President Trump said ships are starting to move through Hormuz and will be fully open by Friday, while oil prices are coming down rapidly and he thinks the second stage of talks will happen on time.** Trump also said they **will release the text of the Iran agreement in a formal setting and wants a formal signing to occur before the document is released.**
- **US President Trump is reportedly considering firing senior officials who opposed the nuclear agreement with Iran, among them War Secretary Hegseth and CIA Director Ratcliffe,** according to Israel's Hayom.
- **US VP Vance told Fox that Iran is entering a 60-day test period under US President Trump's agreement to reopen the Strait of Hormuz, arguing Tehran must show through its actions that it has abandoned nuclear weapons development and support for terrorism.** Vance said Iran has “two pathways”: either behave like a “normal country” and receive benefits such as sanctions relief and renewed international ties, or attempt to rebuild its nuclear program and continue backing terrorism, forfeiting any benefits under the deal.
- **US will allow Iran to immediately begin selling oil and fuel under the deal to end the war, offering Tehran an early financial incentive to wind down the conflict,** according to WSJ citing sources. Furthermore, a source said that the provision for waivers of sanctions on oil sales takes effect immediately upon the signing of the agreement this week and also covers necessary services, including banking, transportation and insurance to facilitate the sales.

- **US senior official said Iran can sell oil/fuel immediately after a deal is signed, but can only sell oil if they abide by all the points agreed to,** including not interfering with the free flow of navigation in the Strait of Hormuz and not obtaining a nuclear weapon.
- **US intel agencies have recently assessed that Iran can effectively turn the Strait of Hormuz on and off, at will, going forward,** according to CNN reports citing sources.
- **US-Iran framework agreement includes plans for USD 300bln private fund to trigger investment in Iran,** according to Reuters citing sources. The fund will only become operational when the final deal is signed, while it is a private vehicle with no government money and separate from negotiations over Iranian sovereign assets frozen abroad. Furthermore, it has already been secured in commitments from companies in the US, Gulf Arab States, Asia, South America and Africa.
- **Iranian blockade of shipping ports along the Strait of Hormuz has been eased, with a small number of vessels allowed to pass before the formal signing of the US-Iran agreement,** Iran's Deputy Foreign Minister told IRIB.
- **Iran has pledged to remove all mines and obstacles from the Strait of Hormuz, while the negotiations for a final agreement between America and Iran can be extended by mutual consent,** according to Al Arabiya. **However, sources close to the Iranian negotiating team denied the claims of Al Arabiya news network regarding the text of the memorandum of understanding between Iran and the United States.**
- **Head of the National Security Commission of the Iranian Parliament warned that any breach of commitment or departure from the main framework of the understanding will cause the Iranian armed forces to respond more forcefully** than in the past.
- **Tasnim cited intelligence assessment in the US which stated that Iran may launch a surprise attack on Israel without prior warning following Israel's attacks in Lebanon.**
- **Foreign Ministers of Iran and Oman reaffirmed a commitment to international law, with regard to the passage of vessels through the Strait of Hormuz.**
- **Iran and Oman are already talking about how they will manage the Strait of Hormuz, as laid out in one of the reported points. They want to charge a "fee" for the management "services,"** a regional source told NYP, although it is unclear whether that would be possible after the US rejected tolling.
- **Iran's top joint military command said Israel should expect a hard response from the Iranian Armed Forces if it doesn't stop its attacks on southern Lebanon.**
- **Israeli PM Netanyahu said with or without an agreement, as long as he is PM of Israel, Iran will not have nuclear weapons.**
- **IDF is prepared to stay for a significant period, subject to the instructions of the political echelon,** according to Kann News citing security sources, while it was said that despite the agreement, the attacks in southern Lebanon do not stop, in parallel with the firing in the north.
- **Israel asked to see the US-Iran MoU but was refused,** according to N12 reporter.
- **Hezbollah said it received promises from Iran that it will not sign a final nuclear deal with the US, unless Israel withdraws from Lebanon.**
- **Drone attack hit the Iranian opposition camp east of Iraq's Erbil,** according to Reuters, citing security sources.

US TRADE

- **US stocks** were mixed on Tuesday and the Nasdaq was the clear laggard as the recent pressure in Tech resumed, with the sector down around 2%, weighing on both the Nasdaq and S&P 500, and the Russell 2000 also saw notable selling pressure, while the Dow was the only major index that finished in positive territory, to extend on record levels. Sector performance was broadly positive outside of Technology, with Financials and Industrials leading gains and helping support the Dow, while the pressure in Tech comes after several sessions of profit-taking in AI-related names, and weakness in mega-cap and semiconductor names, outweighed the broader improvement in risk sentiment stemming from developments in the Middle East. Energy prices continued to slump in the wake of the US-Iran agreement, with further downside seen after reports that QatarEnergy expects to restore half of its LNG output within a month of the Strait of Hormuz reopening, and production is expected to reach 80% of capacity within two months. WSJ also reported that the US will allow Iran to immediately resume oil and fuel exports under the agreement, adding further pressure to the crude complex.
- **SPX** -0.57% at 7,511, **NDX** -1.89% at 29,968, **DJI** +0.64% at 52,005, **RUT** -0.87% at 2,939.
- Click here for a detailed summary.

TARIFFS/TRADE

- **US President Trump's administration is reportedly willing to talk with Anthropic, in relation to the recent order which bars foreign companies from powerful AI models,** according to NYP. It was separately reported that **US Commerce Secretary Lutnick's letter to Anthropic warned of curbs on top AI models and led Anthropic to disable Mythos, according to reports,** citing sources.
- **EU Parliament backed the US trade deal.**
- **Canadian Minister Responsible for Canada-US Trade LeBlance said he had a long and constructive meeting with USTR Greer and agreed to be in touch again next week,** while they continue to make progress.
- **Canadian PM Carney and Indian PM Modi reviewed progress in bilateral economic cooperation during a meeting on the sidelines of G7,** while both expressed satisfaction in talks towards a comprehensive economic partnership agreement.

NOTABLE HEADLINES

- **US President Trump invokes the Defense Production Act over systemic constraints in the munitions industry, citing limited production capacity and fragile supply chains for the announcement,** according to a Presidential Memo.
- **US Senate Minority Leader Schumer will ask for unanimous consent to pass legislation that would kill the USD 1.8bln anti-weaponisation fund and President Trump's audit immunity,** Punchbowl reports, citing sources.

- **Most Fed-watchers on Wall Street expect new Chair Kevin Warsh won't participate in the dot plots,** according to CNBC.

DATA RECAP

- US Building Permits MM Prel (May) M/M -0.7% (Prev. 4.4%, Low. 1.375%, High. 1.46%)
- US Building Permits Prel (May) 1.413M vs. Exp. 1.41M (Prev. 1.423M, Low. 1.375M, High. 1.46M)
- US Import Prices MM (May) M/M 1.9% vs. Exp. 0.9% (Prev. 1.9%, Low. 0.2%, High. 2.0%)
- US Import Prices YY (May) Y/Y 6.7% (Prev. 4.2%)
- US Export Prices MM (May) M/M 1.3% (Prev. 3.3%, Low. -0.2%, High. 2.1%)
- US Export Prices YY (May) Y/Y 11.2% (Prev. 8.8%)
- US Housing Starts (May) 1.177M vs. Exp. 1.44M (Prev. 1.465M, Low. 1.374M, High. 1.481M)
- US ADP Employment Change Weekly 25.5K

FX

- **USD** was generally weaker against peers on Tuesday. Yields across the curve were lower amid the continued drop in oil as markets prepare for a return to pre-war Hormuz oil flows, starting from Friday. Fresh updates that added pressure to energy prices included Qatar reportedly to restore half of its LNG output a month after the Strait of Hormuz opens, and the US allowing Iran to sell oil/fuel immediately after the deal is signed. Outside of geopolitics, newsflow was light as the G7 summit ticks along. US housing starts sharply dropped 15.4% in May to a six-year low, weighed by higher mortgage rates. Meanwhile, import and export prices came in hotter-than-expected; USD was muted towards both data releases. As we await the US-Iran deal signing on Friday, the interim focus will be on Kevin Warsh's handling of the Fed in his first press conference as Chair. Expectations are for him not to participate in the dot plot and to lean dovish; however, an open-minded approach from Warsh would surprise markets and likely act as support for the dollar. The statement will likely see the Fed easing bias language removed and a lack of forward guidance.
- **EUR** edged higher amid the softer buck and returned to the 1.1600 territory, while comments from ECB officials remained hawkish.
- **GBP** marginally gained, but with the upside limited heading into the release of UK inflation data.
- **JPY** was little changed following the BoJ policy meeting, where it provided very few surprises as it hiked rates and announced to pause tapering.
- **Majority of Brazil’s Supreme Court Panel voted to convict Eduardo Bolsonaro of courting US interference** in his father’s coup plot trial.
- **Fitch affirmed Brazil at BB; Outlook Stable.**

FIXED INCOME

- **T-notes** settled higher after treasuries rose across the curve, particularly the belly, as oil prices continue to slide.

COMMODITIES

- **Oil prices** was lower and fell throughout the duration of the session amid the continued easing of Middle East tensions, with selling exacerbated by reports that Qatar would restore half of its LNG output a month after the Strait of Hormuz reopens, which could rise to 80% within two months, while it was also reported that the US will allow Iran to immediately begin selling oil and fuel under the deal to end the war.
- **Iran’s Oil Minister announced a plan to rapidly increase gas production in fields covered by the Central Iranian Oil Company.**
- **Qatar is reportedly to restore half of its LNG output a month after the Strait of Hormuz reopens, while output is to reach 80% of full output within two months.**
- **QatarEnergy is reportedly ready to resume LNG production at Ras Laffan very quickly and reach full production within one month,** while the main problem is shipping, not production and how fast QatarEnergy can bring ships in, according to sources.
- **US President Trump said they soon will be able to impose increased sanctions on Russia, citing oil flows for being able to increase sanctions,** and stated they are in a position to let Russia oil waivers lapse.
- **Serbia's Russian-owned and US-sanctioned NIS oil firm gets sanctions reprieve until July 1st.**

GEOPOLITICAL

RUSSIA-UKRAINE

- **US President Trump said he spoke with Ukrainian President Zelensky, and that Russia should make a deal, while he is meeting Zelensky today and will do whatever he needs to end the war in Ukraine,** as well as noted that Iran is now in the rearview mirror.
- **Ukrainian President Zelensky urged US President Trump to begin negotiations over new US weapon deliveries to Ukraine,** according to The Telegraph's Barnes, while an official cited said the meeting focused on the Patriot missile and was more of a "status update".
- **Ukrainian President Zelensky said he discussed air defence complexes and missiles with G7 countries, while he is very open to meeting with China's President Xi to discuss ways to end the war,** and said that Trump was very positive that the US can help Ukraine more with air defence missiles.
- **Russia's Kremlin said US President Trump and Russian President Putin did not discuss a meeting with Ukraine's Zelensky in**

the most recent conversation.

- **German Foreign Minister said there is a chance of peace talks taking place with Russia regarding Ukraine during the summer.**
- **Canada is imposing new sanctions targeting Russia's shadow fleet, energy revenues, defence-industrial, and disinformation actors.**
- **Russian frigate Grigorovich fired warning shots at a British vessel in the Channel, while British and French craft were mobilised in response, although the UK is viewing the incident as isolated.**

ASIA-PAC

NOTABLE HEADLINES

- **BoJ Deputy Governor Uchida (post-policy press conference) said Japan's economy has moderately recovered, although some weakness had been seen in part, while he also stated that financial conditions have been accommodative and that there is a risk of underlying inflation deviating upward to a level above the price target.** Furthermore, Uchida said the primary difference between April and June is the reduced risk on the economy, and that the pace of JGB purchases could change depending on the readiness of market participants to replace the BoJ as the major buyer, while he does not think that the rate hike and bond policy are contradictory.

EU/UK

NOTABLE HEADLINES

- **UK Chancellor Reeves said we will see a further "big" uplift in defence spending within the DIP, while she hopes to get to the next budget without the need to raise taxes.**
- **ECB's Lane said looking ahead a year, inflation still being well above target does mean the ECB needs to move monetary policy now, while he added they will continue to be proactive** in monetary policy.
- **ECB's Makhlouf said the end of the war does not mean the end of the shock, and direct price pressures may not fade so quickly.**

DATA RECAP

- EU Wage Growth YoY (Q1) Y/Y 3.40% (Prev. 3%)
- EU Labour Cost Index YoY Final (Q1) Y/Y 3.2% vs. Exp. 3.3% (Prev. 3.3%)
- EU ZEW Economic Sentiment Index (Jun) 9.5 vs. Exp. -7.6 (Prev. -9.1)
- German ZEW Economic Sentiment Index (Jun) 10.5 vs. Exp. -6 (Prev. -10.2)
- German ZEW Current Conditions (Jun) -81.0 vs. Exp. -77 (Prev. -77.8)