Daily European Opening News - 19th June 2026

SNAPSHOT

STOCKS			
Nikkei 225	-0.1%	ASX 200	-1.1%
Hang Seng	-1.6%	Shanghai Comp	-0.4%
Euro Stoxx 50 Sep'26	-0.2%	DAX Sep'26	-0.5%
ES Sep'26	-0.4%	NQ Sep'26	-0.5%

FX			
DXY	+0.3% (101.07)	EUR/USD	-0.3% (1.1424)
USD/JPY	U/C (161.38)	GBP/USD	-0.3% (1.3167)

BONDS			
US T-Note Sep'26	-6 ticks	Bund Sep'26	-38 ticks
US 10yr Yield	4.45%	German 10yr Yield	2.93%

ENERGY & METALS			
WTI Jul'26	+0.2%	Brent Aug'26	+0.1%
Spot Gold	-2%	LME Copper	-0.9%

CRYPTO			
Bitcoin	-0.4%	Ethereum	-0.8%

As of 06:10BST/01:10EDT

LOOKING AHEAD

- Desk remains open as usual.
- Holidays: US Juneteenth, China & Hong Kong Tuen Ng Festival.
- Highlights include German PPI (May), UK Retail Sales (May), PSNB (May), Canadian Retail Sales (Apr), Speakers including ECB's Lane, Cipollone & Elderson.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

SWITZERLAND TALKS

- **US VP Vance is no longer travelling to Switzerland, while the White House confirmed that US VP Vance will not travel to Switzerland on Thursday night and they will provide a follow-up when they have a concrete update on the next steps,** while they look forward to beginning the technical talks as soon as possible, according to Axios's Ravid.
- **US official reportedly said one reason for the postponement of US VP Vance's Switzerland trip "could be Iranian demands regarding the situation in Lebanon",** according to Axios' Ravid.
- **Swiss Foreign Ministry confirmed US-Iran talks in Burgenstock will not take place as planned on Friday.**
- **Today's planned talks between the US and Iran were postponed due to Tehran's insistence that Israel would cease its operations against Hezbollah in Lebanon,** according to Walla's Guy Elster. It was separately reported that **the departure of Iran and US delegations to Switzerland was postponed due to IDF attacks in Lebanon,** according to an N12 reporter.
- **The situation in Lebanon is reportedly one of the reasons why US VP Vance is not going to Switzerland,** according to Asharq's Nasr, who noted reports that a **number of Israeli soldiers were killed by Hezbollah and that Israel wanted to retaliate.**
- **Israel launched intense air and artillery strikes in southern Lebanon,** according to Tasnim. It was separately reported that Israeli strikes hit residential areas and that Israeli forces carried out artillery strikes targeting the town of Kfar Jouz in the Nabatieh district of southern Lebanon.

- **Hezbollah issued a statement announcing the launch of a series of military operations called Operation Ashura in response to the Israeli regime's repeated violations of the ceasefire in southern Lebanon,** according to Tasnim.

IRAN

- **US President Trump said to expect a complete ceasefire on all fronts, including Lebanon, Hezbollah, and Israel.** It was separately reported that **Trump said the US would back Israel if it attacks Iran,** according to Channel 14.
- **US President Trump told Axios that the MoU is probably unconditional surrender and that in the aftermath of the Iran war, there are no limits to his power.**
- **Israel's Ambassador to the US said they will maintain the ceasefire if Hezbollah does not violate the agreement, and will reserve the right to respond,** while they will respond to any attack or threat that is detected.
- **Lebanon and Israel negotiations on June 23rd are to focus on establishing pilot zones,** according to sources cited by Al-Arabia
- **Diplomatic track negotiations between Lebanon and Israel will address ceasefire terms, as well as border security and sovereignty.**
- **US Deputy Defence Secretary said the Pentagon needs USD 80bln to cover the costs from the Iran conflict and other expenses,** WSJ reports citing sources.
- **The Trump administration will allow Iran to access USD 6bln in oil funds held in Qatar to purchase humanitarian and non-sanctioned US goods under the interim deal,** according to FT. The funds are to be released in phases during the 60-day ceasefire extension, subject to the reopening of the Strait of Hormuz and progress towards a final agreement.
- **US envoy Whittaker claimed the IAEA will go to Iran to inspect nuclear sites,** according to ISNA.
- **Iranian Supreme Leader said the MoU was signed between the presidents of Iran and the US, while he added that on the way to reaching this stage, the officials made many efforts out of compassion and goodwill, and of course, it was the President of the United States who, out of desperation, used all kinds of levers for this purpose.** He added that from this moment, they will await the fulfilment of the stated conditions and that it is obvious the future face-to-face negotiations will not mean acceptance of the enemy's opinion.
- **Iran's top negotiator and Parliamentary Speaker Ghalibaf said any breach of the agreement or excessive demands will be met with a strong response,** while he added that they have no doubts about delivering a forceful response if the other side breaks its commitments.
- **Iran's Supreme National Security Council said the Persian Gulf Waterway Management has been instructed to process and respond to requests quickly and with priority to achieve the objectives of the memorandum. It added that given the special conditions and the presence of certain safety hazards along the passage route, and due to the necessity of ensuring safe transit and preventing maritime accidents, ships must pass at the time and route announced to them** so that the possibility of transit can gradually increase. Furthermore, it stated regarding other matters, including mine clearance, that necessary actions will be taken in accordance with clause 5 of the Islamabad Memorandum of Understanding, as well as noted that **under the MoU, merchant vessels applying to transit the Strait of Hormuz will be exempt from fees for 60 days.**
- **Iran reiterated language that it is ready to take action if the US breaches the US-Iran MoU.**
- **Joint Maritime Information Centre said the maritime security threat level in the Strait of Hormuz has been reduced to moderate.**
- **EU's Kallas said "not there yet" when asked about lifting Iran sanctions.**

UK MAKERFIELD BY-ELECTION

- **A convincing win for Labour's Andy Burnham in the Makerfield by-election** . Burnham secured a majority of around 9.2k votes, markedly clear of the 5.4k majority Labour had in the seat in the 2024 General Election. Additionally, the tally eclipsed the combined votes for Reform and Restore.
- **Burnham is now firmly on course to become PM. The process for that largely depends on current PM Starmer** . Starmer may, given the strength of Burnham's victory and in the context of public and internal Labour perception of himself, concede that he would not win a leadership contest and such he may agree to progress an orderly transition of power to Burnham; **an update on this is unlikely until next week**, Sky's Coates reported.
- Burnham is left of Starmer on the political spectrum and his premiership would add 7-14bps of additional political premia to the UK 10yr yield, according to Pantheon Macroeconomics; on that, we remain attentive to his Chancellor selection, reports suggest Ed Miliband is the frontrunner. An appointment that could enhance the soft-left assessment of and reaction to a Burnham government.

US TRADE

EQUITIES

- **US stocks** saw gains on Thursday, with the tech-heavy Nasdaq 100 outperforming amid broad-based strength in semiconductors and memory names due to two bullish stories: 1) Trump said Apple has agreed to work with Intel to design and build its chips in America, and 2) Apple CEO Cook said it plans to raise prices due to the memory chip crunch. As expected, it meant Technology was the clear outperforming sector, followed by Consumer Discretionary and Communication Services. Nonetheless, sectors were overall mixed, with Energy and Health the laggards. Energy saw 1.7% losses despite crude prices settling flattish, while Middle East newsflow was actually fairly sparse, as participants await the US-Iran talks and potential formal signing ceremony of the MoU in Geneva.

- **SPX** +1.08% at 7,501, **NDX** +2.48% at 30,406, **DJI** +0.14% at 51,570, **RUT** +2.12% at 2,980.
- [Click here for a detailed summary.]()

TARIFFS/TRADE

- **USTR said they have commenced a Section 301 probe of Germany regarding pharmaceuticals, to determine whether persistent underpayment for innovative pharmaceutical products by Germany is unreasonable or discriminatory,** while the USTR will hold a hearing in connection with these investigations on Sept. 22nd.
- **USTR Greer said US and Mexican teams have advanced talks on rules of origin, and the third round of negotiations will take place next month in Mexico City,** while he added that they began initial talks on agriculture, labour, and environment.
- **US told ASML (ASML NA) it is concerned that China could have its top chip tool, while the Co. said it has never shipped EUV or specific parts to China,** according to Bloomberg.
- **Canadian PM Carney said they had a series of detailed and technical discussions on trade with the US at the G7 meeting.**
- **China's Commerce Minister Wang met with Canada's Industry Minister,** while it was stated that China is willing to work with Canada to expand the cooperation list.

APAC TRADE

EQUITIES

- **APAC stocks** saw two-way trade in holiday-thinned conditions owing to the closures across Greater China for the Dragon Boat Festival and with the early weekend stateside due to Juneteenth, with the region failing to sustain the initial positive bias seen at the open following the tech-led gains on Wall St.
- **ASX 200** was pressured with the declines led by losses in miners, materials and resources following a drop in gold prices and with BHP shares hit after it flagged a USD 2.36bln impairment on the Jansen project.
- **Nikkei 225** was choppy with the index initially printing a fresh record high just shy of the 72,000 level, where it then reversed course, while the latest inflation data from Japan mostly printed in-line with expectations, and participants remain on FX intervention watch after with USD/JPY at the 161.00 handle.
- **US equity futures** gradually retreated overnight after the prior day's rally, and with today's planned US-Iran negotiations in Switzerland said to be postponed following IDF's strikes on Lebanon.
- **European equity futures** indicate a lower cash market open with Euro Stoxx 50 futures down 0.5% after the cash market closed with gains of 0.4% on Thursday.

FX

- **DXY** gradually extended on the hawkish FOMC momentum, with the dollar unfazed by the recent pullback in yields and absence of US participants on Friday for the Juneteenth holiday, while oil prices were rangebound amid the delay in technical talks between the US and Iran in Switzerland.
- **EUR/USD** trickled lower and further beneath the 1.1500 handle as it gives up further ground to the firmer buck, and despite recent comments from ECB officials continuing to toe the hawkish line.
- **GBP/USD** price action was choppy but ultimately dipped into sub-1.3200 territory. The focus overnight was on the Makerfield by-election, which Andy Burnham won convincingly, paving the way for his return to parliament and a leadership challenge, while Retail Sales data for the UK looms.
- **USD/JPY** traded indecisively following mostly in-line Japanese inflation data, although there was some volatility seen during US trade, in which the pair suddenly dropped from near the 162.00 level despite no obvious catalysts, which spurred speculation of intervention.
- **Antipodeans** gradually retreated as the dollar resumed its recent strengthening trend, with price action also not helped by the absence of any pertinent data and holiday closures across Greater China.

FIXED INCOME

- **10yr UST futures** were lacklustre in thin trade after recently nursing some of the FOMC-triggered losses, while overnight demand was not helped by the closure of US cash markets on Friday for Juneteenth.
- **Bund futures** resumed yesterday's intraday pullback after recent fluctuations and continued hawkish ECB rhetoric, while German PPI data looms.
- **10yr JGB futures** were subdued after Japanese inflation data mostly matched forecasts and following an enhanced liquidity auction for longer-dated JGBs.

COMMODITIES

- **Crude futures** were marginally lower with price action rangebound amid relatively quiet geopolitical headlines and recent conflicting reports surrounding US-Iran talks in Switzerland on Friday, while the latest from a White House official confirmed that US VP Vance would not be travelling on Thursday night, citing complex logistical aspects of the negotiations, although other sources claimed the talks were postponed due to Israeli strikes on Lebanon.
- **Iraq's Oil Minister said they will gradually restore oil production to normal operations until output returns to previous levels, and oil fields are ready to resume production operations,** while he said the crude export recovery will be gradual and contingent on smooth passage through the Strait of Hormuz.
- **Kuwait Petroleum Corp confirmed it is moving towards restoring pre-war production levels and will increase production to**

2mln BPD within a week, coinciding with the reopening of the Strait of Hormuz and resumption of international commercial shipping.
- **Petrobras executive said a drop in oil prices and agreement to end the Iran war will allow for maintenance work at refineries that was postponed.**
- **Spot gold** breached its post-FOMC trough with prices slipping beneath the USD 4,200/oz level.
- **Copper futures** retreated with demand subdued amid the closure of key markets on Friday, including its largest buyer, due to the Dragon Boat Festival.

CRYPTO

- **Bitcoin** marginally declined after several failed tests of the USD 63,000 level.

NOTABLE ASIA-PAC HEADLINES

- **BoJ Minutes from the April Meeting stated that many members said more time was needed to confirm the impact of Middle East developments on Japan's economy and prices, while many members said the likelihood of the BoJ's baseline forecast materialising was not that high, and it's hard to assess the balance of downside risk to growth versus upside risk to inflation.** Furthermore, members shared the view that it is appropriate to continue raising rates in response to economic price and financial developments, while a few members said BoJ could debate the pros and cons of a rate hike if inflation risks far exceed downside risk to growth, and one member said the situation is not imminent to warrant rushing in raising rates.
- **BoJ's Himino said they expect to continue increasing rates in accordance with developments in the economic, price and financial situations,** while the timing and pace of action will be considered alongside the likelihood of the baseline scenario occurring.
- **Japanese Finance Minister Katayama said won't rely on debt to fund food sales tax cut,** and reiterated that they are prepared to take decisive action on speculative moves in forex.

DATA RECAP

- Japanese CPI YY (May) 1.5% vs. Exp. 1.5% (Prev. 1.4%)
- Japanese CPI Ex. Fresh Food YY (May) 1.4% vs. Exp. 1.4% (Prev. 1.4%)
- Japanese CPI Ex-Food and Energy YY (May) 1.8% vs. Exp. 1.9% (Prev. 1.9%)

GEOPOLITICS

RUSSIA-UKRAINE

- **Ukrainian President Zelensky called for fast-tracking EU membership for Ukraine, while he said Europe's future is being decided on the battlefield and its security depends on financial guarantees for Ukraine's army from the EU and the coalition of the willing.** Zelensky separately commented that they want to end this war before winter through diplomacy and pressure on Russia.
- **Russia's Foreign Minister Lavrov said nukes in Belarus balance NATO and Ukraine threats, while he warned that a NATO-Russia direct clash risks nuclear exchange,** according to IRNA.
- **EU approved an extension of Russian sanctions for 12 months.**

EU/UK

NOTABLE HEADLINES

- **Labour's Andy Burnham won the UK Makerfield by-election with 24,937 votes (54.8%), while the Reform candidate received 15,696 votes (34.5%).**
- **Labour's Burnham reportedly has the nominations required to trigger a Labour leadership contest,** according to three people close to the matter, and intends to present the list to PM Starmer to urge him to step down without a contest, according to New Statesman's Rea.
- **No immediate challenge is expected from Burnham against UK PM Starmer, if Burnham wins the Makerfield by-election,** Sky's Coates reports citing sources, while the expectation is for Burnham in Parliament on Monday, and then a call between Burnham and Starmer.
- **EU leaders are to resume budget talks on Saturday, with the EU budget fight set to intensify at the council summit,** according to POLITICO.
- **EU will remove barriers to banks' cross-border capital flows,** according to FT

DATA RECAP

- **UK Gfk Consumer Confidence (Jun) -23 vs. Exp. -23 (Prev. -23)**