Daily European Opening News - 29th June 2026

SNAPSHOT

STOCKS			
Nikkei 225	-0.7%	ASX 200	+0.4%
Hang Seng	+1.8%	Shanghai Comp	+0.3%
Euro Stoxx 50 Sep'26	+0.1%	DAX Sep'26	+0.6%
ES Sep'26	+0.6%	NQ Sep'26	+0.6%

FX			
DXY	U/C (101.35)	EUR/USD	U/C (1.1386)
USD/JPY	+0.1% (161.80)	GBP/USD	+0.1% (1.3203)

BONDS			
US T-Note Sep'26	-2+ ticks	Bund Sep'26	+6 ticks
US 10yr Yield	4.37%	German 10yr Yield	2.85%

ENERGY & METALS			
WTI Aug'26	+0.9%	Brent Sep'26	+0.4%
Spot Gold	-0.9%	LME Copper	U/C

CRYPTO			
Bitcoin	+0.2%	Ethereum	-0.1%

As of 06:30BST/01:30EDT

LOOKING AHEAD

- Highlights include Spanish Inflation Prelim. (Jun), Speakers including BoE's Pill, ECB's Lagarde & UK MP Burnham.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US conducted strikes on Friday against Iranian coastal radar installations and missile and drone storage sites in response to Iran's drone attack on a commercial ship in the Strait of Hormuz. US also conducted a fresh round of strikes against Iran on Saturday in tit-for-tat attacks,** in which the US targeted Iranian communication and air defence sites, drone-storage facilities and minelaying capabilities after Iran hit another ship carrying Qatari oil. Furthermore, **Iran launched missiles and drones targeting the Ali Al-Salem Air Base in Kuwait and the Fifth Fleet in Salman Port, Bahrain on Sunday.**
- **US President Trump posted on Saturday that "United States aircraft just struck Iranian missile and drone storage locations, and coastal radar sites, for violating the Cease Fire Agreement, AGAIN! It is very possible that they will never learn! There may come a point when we are no longer able to be reasonable,** and will be forced to militarily complete the job that we very successfully started. If that happens, the Islamic Republic of Iran will no longer exist!"
- **US official said Iranian drone and missile attacks on Kuwait and Bahrain failed and that all Iranian projectiles were intercepted or missed,** according to ABC News.
- **US official said technical talks with Iran are slated to continue on all areas of the MoU, while the official added that both sides will stand down for now** and that vessels can move freely.
- **Iran cancelled technical talks with the US scheduled on Sunday and cited recent attacks on the country and a failure to meet conditions outlined in the MoU with the US. However, it was separately reported that the US and Iran agreed to halt strikes and meet this week,** according to Axios citing a senior US official. Furthermore, **US and Iran technical talks that were scheduled to be held on Tuesday in Switzerland, which would focus on nuclear and other issues, have reportedly been changed and will now be held in Doha on Tuesday and will focus on the Strait of Hormuz and recent escalation.**
- **Iran's Foreign Minister Araghchi said the US and Israel have violated the MoU, particularly the first clause, which hinders the**

restoration of regional security, while he also stated that Iran seeks to implement the MoU in good faith in accordance with the principle of commitment for commitment and that they will act decisively against contract breaches.
- **IRGC said that a direct line of communication with America regarding the Strait of Hormuz has not been and will not be established,** according to an Al Arabiya report on Friday.
- **Israel destroyed a Hezbollah underground tunnel in southern Lebanon, while Israeli forces reportedly shelled a Syrian village near the Golan Heights.**
- **Israeli PM Netanyahu and Defence Minister Katz said the IDF will remain in the southern Lebanon "security zone"** after destroying a Hezbollah underground facility.
- **US, Israel, and Lebanon signed a trilateral framework agreement on Friday, while the agreement was reported to include an Israeli withdrawal from an area in favour of the Lebanese Army,** according to Al Araby citing Israel Channel 13 sources. **However, Hezbollah sources told Al-Araby TV that the framework agreement signed in Washington is rejected and not binding on the resistance,** while they will only accept a complete Israeli withdrawal from Lebanese territory.

US TRADE

EQUITIES

- **US stocks** were mixed on Friday, in which most indices finished in the red, with the Nasdaq 100 the underperformer once again as the latest jitters were sparked following reports that OpenAI is leaning towards delaying its IPO until 2027, with CEO Altman insisting on a USD 1tln valuation for the IPO. Adding the most pressure to the NDX included Broadcom (-3.7%), NVIDIA (-1.6%), Micron (-6.7%), and Qualcomm (-7.6%), while Apple (+3.1%) saw a bounce after seeing the biggest selloff in over a year, with the latest news being that the Vision Pro and Smart glasses chief is to leave for OpenAI.
- **SPX** -0.05% at 7,353, **NDX** -1.09% at 29,118, **DJI** -0.09% at 51,881, **RUT** +0.07% at 3,010.
- [Click here for a detailed summary.]

TARIFFS/TRADE

- **US President Trump posted on Friday that "Numerous European Countries have been discussing the imminent implementation of a Digital Services Tax on American Companies", while he threatened 100% tariffs on any country that imposes such a tax.**
- **US President Trump's administration partially rolled back the Anthropic model ban,** with the government permitting trusted partners to access the Mythos 5 model following a two-week ban for foreign use, according to WSJ.
- **Apple is pressing the White House for approval to buy memory chips from blacklisted CXMT,** according to FT.
- **China's MOFCOM said 20 Japanese firms were added to the export control list for links to Japan's military.** MOFCOM stated that measures only target some Japanese entities and apply only to dual-use items, while they do not affect normal economic and trade exchanges between China and Japan.

NOTABLE HEADLINES

- **Fed's Kashkari (2026 voter) said on Friday that he is concerned about inflation, especially in services, and is seeing some signs of life in the labour market, while he added that the inflation move up is not just about oil and the Middle East.** Kashkari said he **has one rate hike pencilled in for 2026 and sees rates on hold in 2027, as well as noting that it is an appropriate time to reset the Fed statement, and they are going to have to see how no forward guidance works.** Furthermore, he commented that the Fed may need to raise rates amid broad inflation.
- **Fed's Barkin (2027 voter) said inflation is too high, but he sees some signs that price pressures could moderate soon,** according to Bloomberg.
- **US President Trump nominated former Oklahoma state trooper Lance Schroyer as ICE Director.**
- **US House Speaker Johnson said he will send the Housing Bill over to President Trump on Monday,** according to Fox News.
- **US and Mexico opened a facility to produce sterile flies in an effort to combat the New World screwworm parasite.**
- **S&P affirmed the US at AA+; Outlook Stable.**
- **Apple (AAPL) is heading to the UK Supreme Court to fight a USD 500mln patent bill that judges said the Co. must pay to embed patented mobile technology in its devices,** such as iPhones, worldwide.
- **SpaceX (SPCX) is to be added to the Nasdaq 100 index on July 7th, as expected.**

APAC TRADE

EQUITIES

- **APAC stocks** began the week mixed, heading closer to month- and quarter-end, while participants reflected on the geopolitical developments over the weekend, in which the US and Iran conducted tit-for-tat strikes. Although, the sides have since agreed to halt attacks and will meet for talks this week.
- **ASX 200** traded rangebound with the index kept afloat by strength in tech, telecoms, healthcare and the consumer sectors, while utilities, industrials and real estate lagged. Furthermore, price action was contained in the absence of any pertinent data and with the ACCC announcing that the excise tax cut on fuel is to be lowered from July 1st to August 2nd.
- **Nikkei 225** continued its pullback from recent record highs and slipped beneath the 69,000 level amid tech-related weakness, although the index is off today's worst levels as participants also digested strong Retail Sales data. Moreover, reports that the government is to call for "appropriate" monetary policy in its basic policy guidelines, in an apparent effort to dissuade the BoJ from further hiking rates, also boosted sentiment.

- **Hang Seng** and **Shanghai Comp** are positive, albeit to varying degrees, with outperformance in Hong Kong amid strength in biotech and a rebound in hyperscalers. Baidu was boosted as its AI chip unit Kunlunxin targets a USD 50bln Hong Kong listing. However, the mainland was contained after somewhat mixed industrial profits data, and despite the PBoC conducting overnight reverse repo operations as flagged.
- **US equity futures** marginally edged higher but with gains capped as the escalation between the US and Iran over the weekend, and the agreement to stand down, highlighted the frailty of the ceasefire.
- **European equity futures** indicate a marginally positive cash market open with Euro Stoxx 50 futures up 0.1% after the cash market closed with losses of 0.7% on Friday.

FX

- **DXY** traded little changed as geopolitics remained in the spotlight after the US and Iran exchanged strikes over the weekend, but have since agreed to stand down for now and will resume talks this week. There were very few other fresh drivers for the US, with participants looking ahead to the key NFP jobs data later in the week, while comments from Fed's Barkin had little impact, in which he noted that inflation is too high, but sees some signs that price pressures could moderate.
- **EUR/USD** struggled for direction after last Friday's whipsawing and its return to beneath the 1.1400 handle, with comments from ECB's Schnabel remaining hawkish as she warned that price pressures could turn out stronger than expected despite the US-Iran peace deal.
- **GBP/USD** eked out slight gains and attempted to reclaim the 1.3200 status, but with upside capped in quiet FX trade and with UK PM-in-waiting Burnham expected to announce plans to devolve powers and money from the central government in London to the nation's regions.
- **USD/JPY** remained contained within the 161.00 handle amid higher oil prices, mild upside in yields, better-than-expected Japanese Retail Sales, and ongoing intervention risk.
- **Antipodeans** were rangebound amid the mixed risk appetite and lack of pertinent data.
- **PBoC** set USD/CNY mid-point at 6.8175 vs exp. 6.8041 (prev. 6.8166)
- **Bolivia reportedly moves to a flexible exchange rate system.**

FIXED INCOME

- **10yr UST futures** lacked demand and lingered well within Friday's tight parameters in the absence of major US-specific catalysts outside of geopolitics and with mild upside in oil prices, while participants look ahead to the latest NFP jobs data scheduled for Thursday due to a holiday-shortened week.
- **Bund futures** marginally softened amid the upside in oil, while there were comments from ECB’s Schnabel, who warned that price pressures could turn out stronger than expected despite the US-Iran deal.
- **10yr JGB futures** continued to pull back from last week's peak following firmer-than-expected Retail Sales data from Japan, but with downside stemmed as Japan’s government is expected to call for “appropriate” monetary policy in its basic policy guidelines, in an apparent effort to dissuade the BoJ from hiking rates further.

COMMODITIES

- **Crude futures** gained at the reopen following the tit-for-tat strikes between the US and Iran over the weekend, although the upside was capped as the sides have since agreed to halt strikes and meet this week.
- **TotalEnergies (TTE FP) said operations at its oil refinery and petrochemical plant in northwest France were impacted by a power outage on Friday.**
- **Spain’s Bilbao Port Executive President urged the EU to delay the 2027 ban on Russian LNG or risk becoming overdependent on the US,** according to FT.
- **Spot gold** mildly pulled back after last Friday's rebound stalled just shy of the USD 4,100/oz level, while the downside coincided with higher oil prices and upside in yields.
- **Copper futures** remained indecisive following the prior week's fluctuations and amid the mixed risk appetite in Asia.

CRYPTO

- **Bitcoin** edged higher but with the rebound capped by resistance just above the USD 60,000 level.

NOTABLE ASIA-PAC HEADLINES

- **PBoC injected CNY 157.5bln via 7-day reverse repos with the rate maintained at 1.40%, while it announced CNY 300bln in overnight reverse repos with the overnight reverse repo rate said to be 1.25% vs exp. 1.35%,** according to Bloomberg.
- **China can withstand a further deterioration or a freeze in economic and trade ties with the EU,** according to CCTV-affiliated social media account Yuyuantantian.
- **Japan’s government is expected to call for “appropriate” monetary policy in its basic policy guidelines, in an apparent effort to dissuade the BoJ from further hiking rates,** according to Bloomberg citing a document.

DATA RECAP

- Chinese Industrial Profits YY (May) 21.1% (Prev. 24.7%)
- Chinese Industrial Profits YTD YY (May) 18.8% (Prev. 18.2%)
- Japanese Retail Sales MM (May) 1.9% vs Exp. -0.5% (Prev. 1.3%)
- Japanese Retail Sales YY (May) 5.3% vs. Exp. 3.1% (Prev. 2.1%, Rev. 2.8%)

GEOPOLITICS

RUSSIA-UKRAINE

- **Ukrainian President Zelensky said Ukraine targeted the Slavyansk-na-Kubani oil refinery in the Krasnodar region and a refinery in the Yaroslavl region of Russia,** as part of Kyiv's "long-range sanctions" campaign against Russia.
- **Ukraine's air force said a UAV was detected in the Dnipropetrovsk region, while explosions were reported in the suburbs of Kharkiv.**
- **Russian President Putin said Russia has proposed that both sides stop striking each other's deep targets and warned that if such strikes continue, Russian strikes on Ukraine will become more powerful** with more severe consequences.
- **Russian President Putin said Russia is expecting US negotiators once the US is less busy with Iran, while he also stated that Russia is ready for talks with the US,** according to AFP.

OTHER

- **Pakistan announced it conducted an intelligence-led ground operation along the Afghanistan border,** which killed 29 militants

GLOBAL NEWS

- **Serbia's President Vucic said he will resign in weeks to help his political party win early elections anticipated later this year,** while the move would enable him to remain in power as PM if the party wins.

EU/UK

NOTABLE HEADLINES

- **UK's Andy Burnham is expected to announce plans to devolve powers and money from the central government to England's regions,** in his first major policy speech since announcing his intention to stand for leadership of the ruling Labour Party.
- **Speculation around the next UK Chancellor continues**. The Sun reports that current Work and Pension Secretary McFadden is a contender, under the belief he would steady the market. However, **Miliband remains a contender**, with a source to the Sun remarking that it is now between McFadden and Miliband.
- **Burnham ally Haigh has proposed that capital gains tax be "brought closer" to income tax**, Telegraph reports.
- **France recorded about 1,000 excess deaths in the past week amid the "exceptional" heat wave.**
- **ECB's Schnabel warned that price pressures could turn out stronger than expected despite the US-Iran peace deal.**