Daily European Opening News - 2nd July 2026

SNAPSHOT

STOCKS			
Nikkei 225	-1.3%	ASX 200	U/C
Hang Seng	+0.7%	Shanghai Comp	-1.1%
Euro Stoxx 50 Sep'26	+0.1%	DAX Sep'26	+0.2%
ES Sep'26	+0.2%	NQ Sep'26	+0.2%

FX			
DXY	-0.1% (101.33)	EUR/USD	+0.1% (1.1386)
USD/JPY	-0.1% (162.40)	GBP/USD	+0.1% (1.3290)

BONDS			
US T-Note Sep'26	-4 ticks	Bund Sep'26	-22 ticks
US 10yr Yield	4.49%	German 10yr Yield	2.94%

ENERGY & METALS			
WTI Aug'26	-1%	Brent Sep'26	-0.9%
Spot Gold	+0.7%	LME Copper	-0.4

CRYPTO			
Bitcoin	+1.6%	Ethereum	+1.5%

As of 06:25BST/01:25EDT

LOOKING AHEAD

- Highlights include Swiss Inflation (Jun), EU Unemployment Rate (May), US Jobs Report (Jun), Initial Jobless Claims, Speakers including ECB's Elderson & Cipollone, BoE's Mann, Fed's Daly, Supply from Spain, France & UK.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US and Iranian negotiators resumed talks in Doha focused on management of the Strait of Hormuz and the terms of a 60-day MoU aimed at a comprehensive nuclear deal,** according to Axios's Barak Ravid. While a temporary one-week de-escalation agreement remained in place, US officials warned the administration remained prepared to respond militarily to any further Iranian aggression, noting that President Trump had previously requested briefings on military options.
- **US official said the US is hopeful that Iran will come to the table to negotiate seriously, but is prepared to walk away if they do not,** according to a New York Post reporter on X
- **Qatar's Foreign Ministry said Qatar and Pakistan mediators concluded separate meetings with US and Iranian negotiators in Doha, while it added that positive progress was made** on issues related to the Islamabad MoU. It also stated that the parties agreed to continue discussion over the coming period, with the next meeting to be scheduled at the earliest possible time following the funeral processions of the former Iranian supreme leader.
- **Iranian Parliament Speaker Ghalibaf said the claim that inspectors of the IAEA have access to the sites that were bombed is false,** while he added that under no circumstances will access be granted to sites that were bombed and damaged.
- **Iran's Deputy Foreign Minister Gharibabadi said Doha talks focused on US violations of the MoU and frozen assets.** Gharibabadi separately commented that the **Strait of Hormuz is defined under Iran's command, not CENTCOM, as well as stated that regional security is ensured by the end of interference and the departure of the US from the region,** respect for the sovereignty of countries and acceptance of new geopolitical realities, not under the military umbrella of the US.
- **Iran's Deputy Foreign Minister Gharibabadi said a communication channel would be established to report and discuss breaches of the Iran-US MoU, while he added that Pakistan and Qatar had pushed for a temporary understanding before**

- **delegations returned to Tehran and Washington.** Furthermore, he said it was decided in the meeting with Qatar that part of Iran's USD 6bln in frozen funds would be used to purchase goods based on Iran's needs, according to IRNA.
- **Senior source told Al-Hadath that Iran is allowed to purchase American agricultural products using a portion of its frozen funds, but noted that no cash payments are to be dispersed** to Iran
- **Iran requested that the memorandum of understanding be implemented in "time phases",** according to Al Hadath. It was separately reported that **Iran requested implementation of five points of the MoU before moving to other issues, and it was prepared to reaffirm its commitment to the Nuclear Non-Proliferation Treaty, while Pakistan and Qatar pushed for a temporary understanding before delegations returned to Tehran and Washington,** according to a high-ranking source cited by Al Arabiya.
- **The option of US military action against Iran would return to the table if talks fail,** while there were recent discussions held between the US and Israel on the issue, according to Iran International, citing a source.
- **Germany announced the possibility of withdrawing from participating in minesweeping in the Strait of Hormuz** .
- **Iraqi security sources said that an explosive-laden drone hit an Iranian Kurdish opposition group camp east of Iraq's Erbil.**
- **Lebanon's PM said negotiations with Israel lack a deal framework, and the government seeks a timeline for Israel's withdrawal** and insists on exclusive state control of weapons
- **Israeli drones struck Al-Dir in southern Lebanon and Israeli shelling was also reported on the outskirts of Quneitra in Syria, while Israeli forces conducted night raids in Jenin and Ramallah,** in the West Bank.

US TRADE

EQUITIES

- **US stocks** were mixed with a clear divergence seen, and the major indices finished mostly lower, with the tech-heavy Nasdaq 100 the laggard amid broad-based weakness in semiconductor names, although the Mag-7 names notably firmed, with Meta (META +8.8%) the notable outperformer, buoyed by a Bloomberg report that the Co. plans to build a Cloud business to sell excess AI compute capacity. As such, Communications sat atop the sectoral breakdown, with Technology and Utilities at the bottom, while participants also digested data ahead of the key NFP report. Elsewhere, little came out of the US/Iran technical talks, and the crude complex settled in the red as participants awaited further developments in the Middle East.
- **SPX** -0.22% at 7,483, **NDX** -1.54% at 29,809, **DJI** -0.03% at 52,310, **RUT** -0.39% at 3,013.
- Click here for a detailed summary.

TARIFFS/TRADE

- **USTR said the US had not agreed to renew the USMCA in its current form and would continue engaging with Canada and Mexico to address shortcomings in the agreement and bilateral trade deficits,** while the agreement remains in force pending resolution of those issues or its termination.
- **US official said President Trump decided not to renew the USMCA and instead intended to pursue separate 10-year trade agreements with Canada and Mexico,** according to Fox Business's Lawrence.
- **Mexican Economy Minister Ebrard said USTR Greer had proposed annual reviews of the USMCA over the next 10 years and that the two sides would meet again on July 20th,** while he proposed to the US to reduce Section 232 on steel and aluminium and coordinate at a regional level.
- **Apple (AAPL) is reportedly in talks with the Trump admin on chip purchases and in discussions to purchase memory chips from Chinese companies,** according to Bloomberg.

NOTABLE HEADLINES

- **Fed Chair Warsh was said to pick a Bessent staffer to serve as an adviser.**
- **White House speeds up plans for AI model standards, with guidance to be announced as early as next week,** following government intervention on Anthropic and OpenAI rollouts, according to FT

APAC TRADE

EQUITIES

- **APAC stocks** were mixed but with the major indices predominantly in the red following the tech-related losses on Wall St, while participants also brace for the incoming Non-Farm Payrolls report in a holiday-shortened trading week stateside.
- **ASX 200** was rangebound as strength in the top-weighted financial sector was offset by losses in the utilities, tech, energy and consumer sectors, while sentiment was also not helped by weak Australian trade data.
- **Nikkei 225** retreated at the open amid tech selling and recent upside in yields, although the index then staged a partial rebound, before selling resumed later in the session.
- **KOSPI** slumped amid the pressure in memory chip stocks, and triggered a sidecar in early trade.
- **Hang Seng** and **Shanghai Comp** traded mixed with the mainland conforming to the broad risk-off mood, while the Hong Kong benchmark bucked the trend amid strength in local tech, biopharmaceutical and auto names on return from the holiday closure.
- **US equity futures** lacked firm conviction following the mostly negative Wall St performance and as the attention turns to the looming US jobs report.
- **European equity futures** indicate a slightly positive cash market open with Euro Stoxx 50 futures up 0.1% after the cash market closed with losses of 0.7% on Wednesday.

FX

- **DXY** took a breather after mildly gaining yesterday amid the mostly subdued risk appetite and data deluge, while there were slight headwinds seen after Fed Chair Warsh spoke at Sintra, as the overall tone failed to prove as hawkish as expected after his inaugural FOMC presser. Furthermore, trade-related uncertainty lingered with the US not agreeing to renew the USMCA in its current form, but would continue engaging with Canada and Mexico to address shortcomings, while the attention turns to the looming NFP report.
- **EUR/USD** nursed some of the prior day's losses after gradually softening in the aftermath of the EZ HICP report, which came in below expectations and cooled from the prior on all gauges. There was also a slew of ECB commentary in which Demarco and Stournaras seemed fine with where policy stands for the time being, while ECB's Wunsch argued they would need stronger second-round effects to justify further tightening and Lagarde stated that risks to the economy were more balanced than a few weeks earlier.
- **GBP/USD** eked out slight gains and moved closer to retest the USD 1.3300 level, after gradually shrugging off comments from BoE Governor Bailey, who noted that the softening economy and labour market were the reasons not to raise rates.
- **USD/JPY** remained confined to the 162.00 handle amid ongoing intervention risk and a lack of tier-1 data.
- **Antipodeans** was contained amid the mostly subdued risk sentiment and after weak Australian trade data, which showed a contraction in exports and a surprise trade deficit.

FIXED INCOME

- **10yr UST futures** lacked conviction after the prior day's choppy performance and steepening, as Fed Chair Warsh stuck to the script and offered few fresh hawkish surprises, while participants await US jobs data.
- **Bund futures** remained subdued after recent oscillations through the 127.00 level and slew ECB rhetoric, with many suggesting a lack of urgency to adjust rates this month.
- **10yr JGB futures** lingered at a three-week low amid recent upside in yields and intervention risks, while pressure was seen after a mostly weaker-than-previous 10yr JGB auction.

COMMODITIES

- **Crude futures** trickled lower following US-Iran indirect talks in Doha, with Qatar's Foreign Ministry noting that mediators concluded separate meetings with US and Iranian negotiators, and that positive progress was made on issues related to the Islamabad MoU.
- **US President Trump posted that oil prices are plummeting fast and gas prices at the pump are dropping too, but not as fast as they should be, while he announced the Freedom Fuel Network will be lowering gas prices at 25 "FREEDOM FUEL" stations** across the Greater Philadelphia Area.
- **Venezuela's oil production was expected to recover to 1.1mln-1.2mln BPD by the end of Q2 2026** as the US expands export authorisations, allowing more companies to transport and market Venezuelan crude
- **Spot gold** edged mild gains after a recent return above the USD 4,000/oz level, while a recent OMFIF survey found that central banks saw gold at USD 5,000-6,000/oz in 12 months.
- **Copper futures** traded rangebound with demand dampened by the subdued risk appetite in Asia.

CRYPTO

- **Bitcoin** climbed higher overnight but met some resistance at the USD 61,000 level.

NOTABLE ASIA-PAC HEADLINES

- **RBNZ named Angus McGregor as Assistant Governor for Financial Stability.**

DATA RECAP

- Australian Trade Balance (May) -3.0B vs. Exp. 2.3B (Prev. 1.8B)
- Australian Exports MM (May) -6.9% (Prev. 7.2%)
- Australian Imports MoM (May) M/M 2.6% (Prev. 0.8%)

GEOPOLITICS

RUSSIA-UKRAINE

- **Ukrainian President Zelensky said Russia was preparing a new large-scale air strike against Ukraine.**
- **Air defence systems were reportedly repelling a Russian drone attack on Kyiv, while it was separately reported that multiple explosions were heard in Ukraine's capital** which was under ballistic missile attack.
- **Polish military announced that it scrambled fighter jets amid Russia's attack on Ukraine, but later stated that no airspace violation** was recorded.

OTHER

- **US President Trump said the Spanish are not very good members of NATO and that Spain will learn, while he also commented that Cuba is coming their way.**

- **Top US diplomat in Taiwan said the US and Taiwan can anchor democratic drone production, and strengthen the collective deterrence,** while the official said nothing will deter conflict more effectively than turning Taiwan into a hornet's nest of air surface and subsurface drones.

EU/UK

NOTABLE HEADLINES

- **ECB's Stournaras said maybe it's good to stay where they are for some time and doesn't think anything will happen in July.**