

newsquawk

Daily Asia-Pac Opening News - 3rd July 2026

SNAPSHOT

STOCKS			
S&P 500	Flat	Nasdaq Comp.	-0.8%
DJIA	+1.1%	Russell 2000	-0.6%
ES Sep'26	-0.3%	RTY Sep'26	-0.8%
NQ Sep'26	-1.8%	YM Sep'26	+1.0%
FX			
DXY	-0.6% (100.86)	EUR/USD	+0.5%
USD/JPY	-0.9%	GBP/USD	+0.6%
BONDS			
US T-Note Sep'26	+2.5 ticks	10yr Bund Sep'26	-38 ticks
US 10yr Yield	4.47%	German 10yr Yield	2.90%
ENERGY & METALS			
WTI Aug'26	-0.2%	Brent Sep'26	Flat
Spot Gold	+2.3%	LME Copper	-0.1%
CRYPTO			
Bitcoin	+2.5%	Ethereum	+5.7%

As of 21:50BST/16:50EDT

LOOKING AHEAD

- Highlights include Australian, Japanese & Indian Final Services & Composite PMIs, Chinese RatingDog Services & Composite PMIs, Supply from Australia.
- [Click for the Newsquawk Week Ahead.](#)

IRAN CONFLICT

- US and Oman were exploring ways to overcome Iran's insistence on charging tolls for vessels transiting the Strait of Hormuz, according to the Wall Street Journal. Chief-level indirect talks reportedly included a US commitment to unfreeze part of the USD 100bln in Iranian funds held overseas, while negotiators were also considering an alternative Omani proposal under which maritime services would be funded through voluntary contributions, although Gulf officials reportedly doubted the plan would work because Iran lacked sufficient equipment to manage the waterway effectively. Furthermore, US negotiators received the proposal but intended to raise concerns with Oman, while a source said it could still be viewed as a toll system benefiting Iran.
- US Security Council Representative said the US would not accept the imposition of any fees for transit through the Strait of Hormuz.
- Key European nations had accepted that fees for transit through the Strait of Hormuz were inevitable, and some Gulf officials were also said to privately share that view, according to Bloomberg sources.
- US officials believed that Israel might have been plotting to kill Iran's top negotiators while Washington was engaged with Tehran in delicate talks this spring to reach an interim peace deal, according to current and former US officials cited by NYT.
- Iranian Foreign Ministry spokesman Baghaei said a security meeting with regional countries was an attempt to mask what he described as the US's destructive policy towards peace.
- Iran's army spokesman said negotiations were a form of war and that Iran was ready to engage upon command, according to ISNA.
- Iran's Director of the Sonar Institute for Strategic Studies said a new round of indirect talks had begun in Doha through a

Qatari intermediary, while he said the negotiations were focused on a small number of fundamental issues and warned that a failure to reach an agreement on those points would prevent talks from continuing. He also stated that recent clashes between Iran and the US had followed Washington's attempts to establish new waterways outside Iran's control, which Tehran viewed as an attempt to circumvent it, adding that those developments had led to the targeting of a ship and the subsequent US response.

- **Lebanese President Aoun said Lebanon would not give up an inch of its territory to Israel.**
- **Israel Defense Forces confirmed continued operations within the security zone in southern Lebanon, while the Israeli army said the Givati Brigade had completed its combat mission in southern Lebanon, according to Al Jazeera.**

US TRADE

- **US stocks** were mixed, with the Dow the only major index to finish in positive territory, while the Nasdaq closed lower and the S&P 500 was flat. Although the softer-than-expected June nonfarm payrolls report saw traders pare Fed rate hike expectations, helping support broader risk sentiment, renewed weakness in large-cap technology stocks outweighed the macro tailwind for NDX. Market breadth was notably more constructive than the headline indices suggested. The majority of sectors finished higher, led by the traditional defensive sectors of Health Care, Consumer Staples and Utilities, while the heavyweight Technology, Consumer Discretionary and Communication Services sectors were the clear laggards. There was no obvious catalyst behind the renewed selling in technology shares, although the move may have reflected a continuation of Wednesday's weakness following the Meta disruption. Meta (META) reversed its previous session's gains, however, with lows seen after CEO Zuckerberg said AI agent development had not accelerated in the way the company had expected. Meanwhile, memory stocks remained under pressure, with the DRAM ETF falling 7.7%, while the Semiconductor ETF (SOXX) declined 5.6%. Those declines more than offset Apple's (AAPL) roughly 5% gain on the session for the Nasdaq 100. Elsewhere, Tesla (TSLA -7.5%) shares plummeted despite stronger-than-expected delivery numbers. It is also possible that some profit-taking and position squaring took place ahead of the long Independence Day weekend, with US markets closed on Friday. The macro focus remained firmly on the June employment report. Nonfarm payrolls increased by just 57k, below the 110k consensus, while prior months were revised lower. The softer labour market data prompted markets to pare Fed rate hike expectations, with money markets pushing back the first fully priced 25bp hike to December from October. The repricing weighed on the Dollar and front-end Treasury yields while providing support for precious metals.
- **SPX** -0.01% at 7,483, **NDX** -1.61% at 29,329, **DJI** +1.14% at 52,904, **RUT** -0.55% at 2,996.
- [Click here for a detailed summary.](#)

TARIFFS/TRADE

- **China's Ministry of Commerce said China and the EU had agreed to hold up to two ministerial-level trade meetings each year and had invited EU Trade Commissioner Sefcovic to visit China in the autumn.**
- **European Free Trade Association member states said they had completed negotiations on a comprehensive free trade agreement with Vietnam.**
- **India and Japan signed an agreement on geology and mineral exploration, including critical minerals, and also agreed to sign a cooperation agreement covering the battery sector, according to a joint statement.**

NOTABLE HEADLINES

- **Fed's Daly (2027 voter) said the surge in AI investment had raised questions over whether it would prove inflationary. She added that acting too quickly could prematurely restrain the economy, while acting too slowly could prove harmful for households.**

DATA RECAP

- US Nonfarm Payrolls (Jun) +57K vs. Exp. +110K (Prev. +172K, Rev. +129K); two-month net revisions -74K (Prev. +93K)
- US Unemployment Rate (Jun) 4.2% vs. Exp. 4.3% (Prev. 4.3%)
- US Average Hourly Earnings (Jun) M/M 0.3% vs. Exp. 0.3% (Prev. 0.3%)
- US Average Hourly Earnings (Jun) Y/Y 3.5% vs. Exp. 3.5% (Prev. 3.4%)
- US Initial Jobless Claims (Week Ended Jun. 27) 215K vs. Exp. 220K (Prev. 215K)
- US Continuing Jobless Claims (Week Ended Jun. 20) 1.814M

FX

- **USD** was broadly sold on a softer-than-expected NFP print, with suspected JPY intervention exacerbating the move from a DXY perspective. Payroll growth was 57k in June, shy of the expected 110k, with the net two-month revisions at -74k. The unemployment rate unexpectedly ticked lower to 4.2% from 4.3%, but was accompanied by a drop in the participation rate to 61.5% from 61.8%. USD immediately weakened on the report, with the DXY hitting lows of 100.56. Some of the moves were pared, likely given that it is one data point in a new Fed Chair environment, where Warsh pays attention to trends, which for now, show an improving labour backdrop since March. In other news, claims were little changed W/W, geopolitical developments have been light, and equities continued to see increased volatility as semiconductors/memory names continued to face pressure. US markets will be shut on Friday due to Independence Day, and as such, trading conditions are set to be thinner.
- **EUR** benefited from the dollar weakness and with very little fresh catalysts for the single currency, while ECB Lagarde said she was confident the ECB had made the right decision by raising interest rates in June, and stated that second-round inflation

effects had not materialised.

- **GBP** gained for the sixth consecutive day and edges closer to testing the 200 DMA of 1.34., while updates included remarks from the likely next UK PM, Andy Burnham, who said he will stick to the Labour manifesto on tax and has not made up his mind on who his chancellor will be.
- **JPY** led the broad G10 strength against the dollar, outperforming on potential JPY intervention in European trade. The sharp downside and its magnitude would suggest intervention over a rate check, with the focus turning towards remarks from Japanese officials for any confirmation.
- Swiss CPI (Jun) M/M 0.0% vs. Exp. 0.1% (Prev. 0.2%)
- Swiss CPI (Jun) Y/Y 0.5% vs. Exp. 0.5% (Prev. 0.6%)

FIXED INCOME

- **T-notes** settled little changed, and the yield curve steepened as the soft NFP data prompted markets to pare rate hike bets.

COMMODITIES

- **Oil prices** were slightly firmer and traded within thin ranges amid a lack of geopolitically important headlines.
- **Saudi Arabia** was shipping its highest volume of crude through the Strait of Hormuz since the US-Iran truce reopened the waterway, with four Bahri supertankers carrying around 8mln barrels having exited the Gulf, signalling stronger exports.
- **Saudi crude and products exports averaged around 5.8 mb/d, rather than the 6.3 mb/d reported by some,** according to Kpler, citing sources familiar with the matter, while the higher figure includes volumes from previously stranded cargoes.
- **Daily traffic through the Strait of Hormuz appeared to have stabilised at between 30 and 60 crossings over the past seven days, averaging around 40 vessels per day so far this week,** according to ship-tracking company Kpler.
- **Kuwait's crude oil production rose to as much as 1.9mln BPD during the final 10 days of June,** with average production at 1.65mln BPD vs. 578k BPD in May.
- **Russia plans to load up to 3mln BPD through its western ports in July,** according to sources, after exports from those ports hit a record 3mln BPD in June.
- **India reportedly planned to expand its crude oil reserves to hedge against the risk of sharp oil price spikes.**
- **Baker Hughes Rig Count: Oil +5 to 445, Gas +1 to 126, Total +7 to 580.**

ASIA-PAC

NOTABLE HEADLINES

- **Anthropic was reportedly in talks with Samsung (005930 SK) to manufacture a custom AI chip,** according to The Information. The report stated that Anthropic had begun early-stage work on its own AI chip and was seeking greater control over the computing infrastructure behind its AI models, following a similar strategy pursued by OpenAI.

EU/UK

NOTABLE HEADLINES

- **UK MP Burnham said he will stick to the Labour manifesto on tax and has not made up his mind on who his chancellor will be, while he stated he is not undisciplined when it comes to public finances and will take responsibility to fully fund the defence spending plan.** Furthermore, Burnham ruled out 'crude' short-term welfare cuts and said that education reforms and more council houses will eventually bring down the number of jobless youngsters, but also commented that there is 'room for movement on tax' in Labour's manifesto.
- **BoE's Mann said she remained confident that if incoming data, particularly inflation expectations, proved unfavourable to the underlying inflation process, an activist policy move could bring inflation expectations and outcomes back towards the 2% target.** She added that wage negotiations and one-year-ahead inflation expectations during the second half of the year would be particularly important for her future policy decisions. Mann also stated that the loosening in financial conditions since June would be an important factor in determining her vote at the next policy meeting.
- **ECB President Lagarde said she was confident the ECB had made the right decision by raising interest rates in June,** adding that second-round inflation effects had not materialised.

DATA RECAP

- EU Unemployment Rate (May) 6.2% vs. Exp. 6.3% (Prev. 6.3%)

Copyright © 2026 Newsquawk Voice Limited. All rights reserved.

Registered Office First Floor, 10 Chiswell Street, London, EC1Y 4UQ · Registered Number 12020774 · Registered in England and Wales.

newsquawk.com · +44 20 4545 5000 · sales@newsquawk.com

Copyright © {{ copyright-year }} 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