Daily European Opening News - 7th July 2026

SNAPSHOT

STOCKS			
Nikkei 225	-2.1%	ASX 200	-0.5%
Hang Seng	-0.8%	Shanghai Comp	-1.6%
Euro Stoxx 50 Sep'26	%	DAX Sep'26	%
ES Sep'26	-0.4%	NQ Sep'26	-1.2%

FX			
DXY	+0.1% (100.93)	EUR/USD	-0.1% (1.1431)
USD/JPY	-0.1% (161.88)	GBP/USD	-0.1% (1.3381)

BONDS			
US T-Note Sep'26	-3+ ticks	Bund Sep'26	-20 ticks
US 10yr Yield	4.49%	German 10yr Yield	2.94%

ENERGY & METALS			
WTI Aug'26	+0.8%	Brent Sep'26	+0.8%
Spot Gold	-1.0%	LME Copper	-0.8%

CRYPTO			
Bitcoin	-1.6%	Ethereum	-2.0%

As of 06:25BST/01:25EDT

LOOKING AHEAD

- Highlights include German Industrial Production (May), French Trade Balance (May), US ADP Employment Change Weekly, Trade Balance (May), New York Fed SCE (Jun), Atlanta Fed GDP (Q2), Canadian Trade Balance (May), Ivey PMI (Jun), EIA STEO (Jul), NATO Ankara Summit. Supply from the UK, Germany and the US.
- Speakers include BoE's Mann.
- Click for the Newsquawk Week Ahead.

US TRADE

EQUITIES

- **US stocks** closed higher on Monday following the long Independence Day weekend, with the Nasdaq outperforming as Technology led the advance. Semiconductor stocks were among the strongest performers (SOXX +3%), while memory names rallied around 7% ahead of Samsung's preliminary earnings release overnight. Alongside Technology, Communication Services, and Consumer Discretionary outperformed, while the traditional defensive sectors of Health Care, Consumer Staples and Real Estate lagged.
- **SPX** +0.72% at 7,537, **NDX** +1.26% at 29,698, **DJI** +0.29% at 53,061, **RUT** +0.45% at 3,009

TARIFFS/TRADE

- **Democratic State AGs object to US President Trump's plan to impose tariffs of up to 12.5% on 60 countries over forced labour concerns.**

NOTABLE HEADLINES

- **US President Trump posted on Truth Social, calling on senators to pass Reconciliation 3.0.**
- **US President Trump said Chinese President Xi is coming here this September and may be September 24th.**

- **Fed's Waller said the risks have flipped around, the labour market seems stabilised, and inflation has been taking off, which changes how you think about policy.**
- **BoC survey: Q2 balance of opinion on indicators of future sales is +15 (prev. +24 in Q1).** The Consumer Survey showed inflation expectations declined after the Iran ceasefire was signed in mid-June and the survey of consumers for next 12 months showed 54.6% of Canadians expect a recession (prev. 55.7% in Q1).

APAC TRADE

EQUITIES

- **Asia-Pac stocks** traded entirely in the red, failing to follow on from the positive sentiment seen stateside, as Samsung's Q2 preliminary earnings seemingly disappoint despite beating estimates.
- **ASX 200** fared better vs peers, though still traded with mild losses. IT topped the sector pile while Metals & Mining was the sector underperformer, as precious metals gave back some of last week's gains.
- **Nikkei 225** traded with losses in excess of 2%, as Kioxia was weighed on by losses in Samsung.
- **KOSPI** slumped, with circuit breakers triggered twice, following losses in Samsung. **Samsung reported Q2 prelim. figures, in which operating profit beat estimates while revenue printed mid-range of analyst's expectations (KRW 171tln vs exp. KRW 169-173.9tln).** The outlook also included the provisions for employee bonuses, after the Co. agreed to give bonuses equivalent to 10.5% of business performance earnings. Despite the recent selloff, investors are still quite bullish, with analysts citing the increased volatility due to leveraged ETFs as a main reason for the extended selloff, with profit-taking also a key reason. Elsewhere, **Hanwha Ocean** fell after Canada preferred TKMS (TKMS GY) for its submarine project.
- **Shanghai Comp.**and **Hang Seng** were softer, but to a lesser extent than the Nikkei and KOSPI. Key movers were Tencent and Kuaishou Technology, after the former sold part of its stake in the latter.
- **US equity futures** trade mixed, with the tech-heavy NQ underperforming, weighed on by memory names.
- **European equity futures** are indicative of a slightly softer open with the Euro Stoxx 50 future -0.3% after cash closed -0.3% on Monday.

FX

- **DXY** rotated in a narrow 100.80-100.91 range. Similar to crude benchmarks, the dollar index was unfazed following the reports of IRGC strikes on commercial ships. Despite the pullback in recent days, recent CFTC data shows that aggregate dollar long increased by USD 5.6bln to just shy of USD 40bln, the biggest dollar long in over a decade.
- **EUR/USD** lacked any clear direction, oscillating in a 1.1436-1.1448 range. Focus this week remains on the Fed and ECB minutes, as traders get to interpret how much of a divergence the two central banks' rate paths are.
- **GBP/USD** found a ceiling at 1.3400; however, it continued to test the key level for a potential break to the upside. In comparison to its G7 peers (ex. US), CFTC data showed **GBP** was the most in-demand currency, with USD 3.6k of buying.
- **USD/JPY** held comfortably above the 162.00 handle at the start of the session before it came under brief pressure after comments by Japanese Economy Minister Kiuchi rejected reports that the government is pushing for lower rates. **USD/JPY** fell c. 40 pips to a trough of 161.69 before paring back the majority of the move. Wage data also came out, in which nominal wages printed at 3.2%, weaker than expectations, but held above 3% for a fourth straight month; however, no move was seen in the JPY.
- **Antipodeans** trade flat, with the **Kiwi** trading either side of 0.5700 ahead of the RBNZ policy announcement on Wednesday, in which a 25bps rate hike to 2.50% is expected.

FIXED INCOME

- **UST futures** initially started modestly higher but pared back as energy prices steadily bid higher. However, following the firm JGB auction (see below), USTs reversed back to its opening price of 109-21+. Ahead is a 3-year note auction, in which the lower yield on offer should present a modest headwind for demand. For reference, the 3-year yield currently trades at 4.15%, below the previous auction high yield.
- **Bund futures** traded ever-so-slightly lower and has found a base at 126.40 before reversing higher. Following on from the stronger-than-expected Factory Orders, May's Industrial Production figure is expected to hold steady of 0.4%.
- **JGB futures** outperformed their peers, despite the modest downside at the start of trade. Wages rose in May with nominal wages printing at 3.2%, weaker than forecasted, but held above 3% for a fourth straight month. The main catalyst for JGBs, which also lifted the broader fixed income space, was the strong 30-year auction. Demand reached its strongest level since 2019, with a very narrow price tail. 10-year JGBs rose from 127.02 to a peak of 127.19 before paring back slightly to 127.11. As time passed, the gains have been completely reversed.
- **Japan sells JPY 454.9bln 30-yr JGBs; b/c 4.55x (prev. 2.94x, strongest demand since 2019), and average yield 3.993% (prev. 3.860%). Lowest accepted price 100.05 vs prev. 97.40. Average accepted price 100.09 vs prev. 97.78. Tail in price 0.04 vs prev. 0.38.**

COMMODITIES

- **Crude futures** edged higher but remained in relatively tight ranges despite multiple reports that Iran's IRGC struck two commercial ships and caused significant damage. Further reporting stated that the Qatari tanker was using the Omani route through Hormuz with the assistance of the US Navy and ignored repeated warnings. **WTI** oscillated in a USD 68.58-69.32/bbl range. In other news in the Strait, two Japanese supertankers carrying Saudi crude were heading to the Strait to exit the Gulf, according to data.

- **Precious Metals** traded on the softer side, as spot silver led losses. For its yellow metal counterpart, it handed over to European traders at the low end of its USD 4125-4169/oz range. An update out of China, the Hong Kong chief executive announced the launch of a central clearing system for gold.
- **3M LME Copper** opened lower amid the risk-off tone, driven by the selloff in Asia-Pacific equities.
- **Germany plans emergency gas reserve for up to EUR 1.5bln plus operating costs, according to sources.**
- **Syrian President Shala** said the government has signed energy-sector contracts to add around 5k MW of generation capacity and rebuild power plants and is drafting plans to rebuild and modernise state institutions.
- **Hong Kong chief executive** confirmed the launch of central clearing system for gold.

CRYPTO

- **Bitcoin** returned to trading on the softer side and fell back below the USD 64k level.

NOTABLE ASIA-PAC HEADLINES

- **PBoC Governor Pan said monetary policy maintains a supportive stance and will be increasing the southbound bond connect quota to CNY 800bln from CNY 500bln.** Pan added that they are to support more good companies to list in Hong Kong and will keep increasing China's FX reserves allocation in Hong Kong. Furthermore, China will support Hong Kong to launch CNY-denominated commodities futures trading.
- **Japan's Economy Minister Kiuchi rejected reports that the government is pushing the BoJ to lower rates.** Kiuchi said the government blueprint's reference to monetary policy is no different from its previous approach Japan is not loosening fiscal discipline but rather showing in verifiable form in the economic blueprint.

DATA RECAP

- **Japanese** Household Spending MoM (May) M/M 3.7% vs. Exp. 1.4% (Prev. 1.6%).
- **Japanese** Household Spending YoY (May) Y/Y -0.3% vs. Exp. -2.5% (Prev. -0.5%).
- **Japanese** Overtime Pay YoY (May) Y/Y 2.90% (Prev. 4.2%).
- **Japanese** Average Cash Earnings YoY (May) Y/Y 3.2% vs. Exp. 3.4% (Prev. 3.5%); Same Sample Base Cash Earnings Y/Y 2.9% (prev. 2.9%).

GEOPOLITICS

MIDDLE EAST

- **Iran's IRGC fired at least two missiles at ships in the Strait of Hormuz,** a US official told Axios' Ravid. Two commercial ships were hit and suffered significant damages but no casualties. A similar report by the WSJ later, but added that one of the vessels was an LNG tanker owned by the shipping arm of Qatar's LNG industry.
- **The Qatari oil tanker was planning to pass through the Omani route in the Strait of Hormuz with the support of the US Navy** and was attacked after ignoring repeated warnings, Fars reported citing sources.
- **UKMTO received a report of an incident 8NM East of Limah, Oman, with the tanker reportedly hit by an unknown projectile and causing a fire**
- **Iranian Foreign Minister Araghchi said negotiations on a final deal will not commence if threats continue.**
- **Lebanese President Aoun is preparing a visit to the White House** to meet US President Trump before the end of July, according to Al-Nahar.
- **Reported ceasefire violation in Lebanon again,** according to Fars News citing sources. Lebanese sources reported an artillery attack by the Israeli occupying army on the town of "Qabreikha" in the Marjayoun region in southern Lebanon.
- **Israeli artillery hit southern Lebanon.**
- **Data showed that two Japanese-owned supertankers carrying Saudi crude are transiting through the Strait of Hormuz to exit the Gulf region.**
- **The European Aviation Safety Agency** have extended the validity of the warning regarding flights over the airspace of the conflict areas in the Middle East and the Persian Gulf until July 8th.

RUSSIA-UKRAINE

- **Russia's Moscow Mayor** said a drone attack on Moscow has been repelled and emergency services are responding to debris, Interfax reported.
- **A Russian governor** said a fire has broken out at an industrial enterprise in the Kaluga region after a UAV attack.

OTHER

- **US State Department** said China launched a nuclear-capable ballistic missile into the Pacific Ocean and urged China to engage in meaningful arms control discussions.
- **China's coastguard** said it lawfully expelled a Japanese vessel near Senkaku Islands.
- **Japan's military build-up and overseas aggression are a reality, not hypothetical and they are rapidly expanding pre-emptive strike and long-range attack capabilities,** KNCA reported.

EU/UK

NOTABLE HEADLINES

- **ECB's Wunsch said it seems the Iran shock has disappeared and have not seen much second round effects.** Maybe we have to do more, but situation does not ask for a significant tightening However, Wunsch is not excluding another move, but let's not wait too long.
- **Andy Burnham has decided not to split the treasury as part of a radical drive to boost Britain's growth,** according to FT sources