newsquawk

Daily US Opening News - 7th July 2026

SNAPSHOT

STOCKS			
Euro Stoxx 50	-0.4%	DAX40	-0.5%
Stoxx 600	U/C	FTSE 100	+0.4%
ES Sept'26	-0.1%	RTY Sept'26	+0.2%
NQ Sept'26	-1%	YM Sept'26	+0.2%

FX			
DXY	+0.1% (100.96)	EUR/USD	-0.1% (1.1452)
USD/JPY	-0.1% (161.92)	GBP/USD	U/C (1.3382)

BONDS			
US T-Note Sept'26	-3+ ticks	Bund Sept'26	-31 ticks
US 10yr Yield	4.49%	German 10yr Yield	2.97%

ENERGY & METALS			
WTI Aug'26	+1.1%	Brent Sept'26	+1.2%
Spot Gold	-0.8%	LME Copper	U/C

CRYPTO			
Bitcoin	+0.6%	Ethereum	+0.6%

As of 11:05BST/06:05EDT

LOOKING AHEAD

- Looking ahead, highlights include 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 US. Speakers include BoE's Mann.
- Click here for the Week Ahead preview

EUROPEAN TRADE

EQUITIES

- **European bourses** (STOXX 600 +0.1%) opened on a modestly firmer footing after losses on Monday. European Tech is in focus after Samsung Electronics shares fell 9.5% as earnings, which topped most analysts' expectations, failed to convince investors of its valuation.
- **European sectors** opened with a positive bias, with tech the underperformer as chip names slump following Samsung (STMicroelectronics -5% and ASML -4.6%). Optimised Personal Care is the leader (Unilever +2.5%, makes up 30% of the sector) Autos also does well, Renault +2% was said to have been approached by BYD on two separate occasions in recent years to propose acquiring a stake.
- **US equity futures** are mixed this morning, with clear underperformance in the **NQ** (-1%), whilst the **RTY** (+0.2%) holds afloat.
- **Samsung Electronics (005930 KS) - Q2 2026 Prelim. (KRW): Revenue 171tln (exp. 172.2tln, prev. 74tln Y/Y), Operating Profit 89.4tln (exp. 84.2tln, prev. 4.60tln Y/Y).** Click for the Newsquawk Samsung Electronics Q2 Earnings Review.
- Click for the sessions European pre-market equity newsflow
- Click for the additional news

FX

- **G10s are mostly weaker against the Buck** , which attempts to return to levels made on Monday above 101 in DXY. Carry continues to be a theme today as it was on Monday, with high-yielders **NOK, GBP flat against the Buck and low yielders underperforming**, ex-JPY. On that front, the currency appears to be benefiting from commentary via Japan's Economy Minister **who rejected reports that the government is pushing for lower rates.**
- **GBP is flat against the EUR and Buck** with the absence of catalysts giving no bias to the currency today. Some political news overnight incl. reports that likely incoming PM Burnham is considering delaying the announcement of his chancellor until the day he is expected to become PM (potentially 20th July).
- Elsewhere on politics, **EUR looks to the Paris Appeals Court ruling on Le Pen's misappropriation scandal** where she is expected to announce at 19:00BST whether she or Jordan Bardella will run in the 2027 French Presidential election as the candidate for National Rally (RN). To recap stances, POLITICO writes "Bardella appears more of a traditional economic right-winger". While Le Pen has a "mix of right-wing nationalism on migration and left-wing social policies". Despite the implications for French policy ING writes "we doubt this event has great market potential". **EUR/USD** -0.1% at 1.1428.
- **Antipodeans** are weaker against the **Buck**. **Kiwi** looks to the RBNZ tomorrow, where analysts and markets are divided on whether the Bank will hike, or keep rates unchanged (expectations biased to tightening). Westpac's note this morning opined a relatively market-neutral scenario would be one where the OCR is unchanged and a tightening bias is retained. Meanwhile, Aussie is lacklustre and lacks direction.

FIXED INCOME

- **A bearish session for fixed income thus far** . The space has been driven lower by renewed energy upside, and while there was some relief from the very strong 30yr Japanese auction, benchmarks have since reverted back to session lows.
- **USTs** lower by 3+ ticks in 109-13+ to 109-22+ confines. Further downside brings into play 109-12+ and 109-12 from last week, before a handful of levels on the way to the figure and then 108-27 from June 11th. The US docket today begins with commentary from Fed's Bowman before we turn to RCM/TIPP, the SCE and a 3yr auction, while on the lookout for commentary from President Trump.
- **Bunds on the backfoot**, lower by around 30 ticks and the marginal underperformer. Specifics include potential updates to the draft parental savings reform, according to Politico sources. Reforms aim to save around EUR 1.6bln/yr, though it will take several years for that figure to be seen.
- **OATs** await their own political updates, heading into the Paris Appeals Court ruling on Le Pen's misappropriation scandal. Following the ruling, Le Pen is expected to announce at 19:00BST whether she or Jordan Bardella will run in the 2027 French Presidential election as the candidate for National Rally (RN). Irrespective of the court ruling or the candidate, polling has RN leading into the 2027 campaign.
- **Gilts** opened relatively contained, but saw some choppiness after the BoE FSR. **Gilts** spiked higher by around 10 ticks, as the **BoE is looking at easing some capital rules** . However, as the release does not point to a carve-out or similar for Gilts, the move has unwound with Gilts a tick or two beneath pre-FSR levels. Currently down by c. 25 ticks, and holds within a 88.42 to 88.87 range.
- **UK sold GBP 4bln 4.125% 2033 Treasury Gilt: b/c 3.16x (prev. 3.38x), average yield 4.519% (prev. 4.550%), tail 0.2bps (prev. 0.2bps).**
- **Japan sold 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%).**
- **Germany** sold EUR 1.318bln vs exp. EUR 1.5bln 1.30% 2027 Green Bobl & 2.60% 2041 Green Bund.

COMMODITIES

- **Crude benchmarks** are firmer this morning, having gradually moved higher throughout the APAC session. Action which has been facilitated by reports that Iran's IRGC fired at least two missiles at ships in the Strait of Hormuz, with one said to be a Qatari LNG tanker another reportedly Saudi-flagged. Fars clarified that the Qatari tanker attempted to pass through the Omani route and ignored repeated warnings.
- **As it stands, for as long as ships continue to sail through the Strait, the crude complex** can remain towards recent lows. Therefore, the mild upward bias seen in the complex this morning appears to be some pricing in of some risk of a wider-escalation, but not another long-term disruption. Brent Sept'26 (+1.2%) currently holds just off the day's highs, and within a USD 72.04-73.1/bbl range.
- **Spot gold** (-0.9%) is on the backfoot this morning, and trades at the lower end of a USD 4,116-4,168/oz range; the trough today marks the WTD low. Pressure today appears to be a bit of unwind of the strength seen in the prior week, and amidst the slightly firmer USD/firmer yields. **For gold specifically, China extended gold purchases for the 20th straight month.** China's gold reserves at the end of June 2026 were 75.44 million troy ounces. Elsewhere, base metals are mixed vs broadly lower overnight. **3M LME Copper** is currently flat and trades within a USD 13,325.13-13,427.2/t range.
- **Saudi Arabia is said to be planning to expand East-West crude oil pipeline capacity by up to 2mln BPD to increase exports via the Red Sea, according to sources.** Project aims to reduce reliance on the Strait of Hormuz.
- **Kazakhstan Energy Ministry** said it is trying to fulfil its OPEC+ obligations, while hoping to maintain production plans for 2026.
- **China has reportedly purchased more soybeans from the US, Bloomberg reported; Cofco has booked at least 6 cargoes for loading between Sep-Oct.**
- **Germany** plans emergency gas reserve for up to EUR 1.5bln plus operating costs, according to sources.
- **Hong Kong chief executive confirms the launch of central clearing system for gold.**
- **Data shows that two Japanese-owned supertankers carrying Saudi crude** are transiting through the Strait of Hormuz to exit the Gulf region.
- **Shanghai Gold Exchange has agreed to admit Hong Kong Precious Metal Central Clearing System as an international member.**

- **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.

TRADE/TARIFFS

- **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 EUROPEAN HEADLINES

- **BoE FSR: Proposes the easing of some bank capital rules; the leverage ratio proposal would reduce the requirement by 20bps**.
- **The EU** is set to delay the launch of its European Travel Information and Authorisation system until next year following technical issues and border congestion, the FT reported.
- **Andy Burnham has decided not to split the treasury as part of a radical drive to boost Britain's growth, according to FT sources.**

NOTABLE EUROPEAN DATA RECAP

- **UK** BBA Mortgage Rate (Jun) 6.6% (Prev. 6.6%).
- **UK** Halifax House Price Index MoM (Jun) M/M 0.2% vs. Exp. 0.1% (Prev. -0.1%).
- **UK** Halifax House Price Index YoY (Jun) Y/Y 0.6% (Prev. 0.5%).
- **French Balance of Trade (May) -6.9B vs. Exp. -5.2B (Prev. -5.6B).**
- **French** Imports (May) 60.5B (Prev. 60.2B).
- **French** Exports (May) 53.6B (Prev. 54.6B).
- **German Industrial Production MoM (May) M/M 0.9% vs. Exp. 0.2% (Prev. 0.4%).**

CENTRAL BANKS

- **ECB** said it gives Euro Zone banks until October 31 to draw up plans against AI-powered attacks.
- **ECB's Panetta said the latest energy shock does not compare to 2022.**
- **PBoC** injected CNY 10bln via 7-day reverse repos with rate maintained at 1.40%.
- **PBoC** set USD/CNY mid-point at 6.8054 vs exp. 6.7838 (prev. 6.8066).
- **PBoC Governor Pan said monetary policy maintains a supportive stance, will be increasing the southbound bond connect quota to CNY 800bln from CNY 500bln.** To support more good companies to list in Hong Kong. Will keep increasing China's FX reserves allocation in Hong Kong. China will support Hong Kong to launch CNY-denominated commodities futures trading.

NOTABLE US HEADLINES

- **US President Trump posted on Truth Social, calling on senators to pass Reconciliation 3.0.**

GEOPOLITICS

RUSSIA-UKRAINE

- **Russia's Defence Ministry** said 452 Ukrainian drones have been shot down over the regions since Monday evening.
- **A Russian governor** said a fire has broken out at an industrial enterprise in the Kaluga region after a UAV attack.
- **Russia's Moscow Mayor** said a drone attack on Moscow has been repelled and emergency services are responding to debris, Interfax reported.

MIDDLE EAST

- **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.**
- **Iran's IRGC fired missiles at two commercial ships near the Strait of Hormuz early Tuesday, according to the WSJ citing a senior U.S. official.** One of the vessels was an LNG tanker owned by the shipping arm of Qatar's LNG industry.
- **Iran's IRGC fired at least two missiles at ships in the Strait of Hormuz, a US official tells Axios' Ravid; Two commercial ships were hit and suffered significant damages but no casualties.**
- **A Saudi-flagged crude oil tanker** was reportedly damaged near Oman around the Strait of Hormuz after another LNG tanker was struck in the same area.
- **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.
- **Iranian Foreign Minister Araghchi said negotiations on a final deal will not commence if threats continue.**
- **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.**
- **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.

SYRIA

- **A series of explosive devices have detonated in proximity to the hotel in Damascus where French President Macron** is staying, Reuters reported citing sources.

- **"Al Arabiya correspondent: Macron's convoy left his residence in Damascus shortly before the explosion", Al Arabiya reported.**
- **French President Macron's motorcade left the hotel in Damascus around one hour before the explosions took place.**

OTHERS

- **China's coastguard** said it lawfully expelled a Japanese vessel near Senkaku Islands.
- **US State Department** said China launched a nuclear-capable ballistic missile into the Pacific Ocean, urges China to engage in meaningful arms control discussions.
- **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.

CRYPTO

- **Bitcoin** is a little firmer this morning and trades just above the USD 63k mark, whilst **Ethereum** holds just shy of the USD 1.8k mark.

APAC TRADE

- **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.

NOTABLE ASIA-PAC HEADLINES

- **China State Council** approved in principle the 15th Five-Year Plan for building China into a tourism power.
- **Japanese top FX diplomat Mimura** said have been in close contact with South Korean FX authorities on FX movement.
- **China smartphone sales fell 13% Y/Y during the 618 shopping festival as brands raised prices to offset higher memory costs, according to Counterpoint Research.** All major Chinese brands except Huawei posted double-digit drops.
- **HKMA's Chief Exec.** said they are to study 7-day offshore CNY tender mechanism. HKMA's securities regulator said that China and Hong Kong is to build a new electronic trading platform for bond and forex trading in Hong Kong.
- **Japanese PM Takaichi** is to hold talks with Ishin leader Yoshimura this evening, according to Kyodo.
- **Japan's Economy Minister Kiuchi rejects reported that the government is pushing the BoJ to lower rates; 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.

NOTABLE APAC DATA RECAP

- China's Foreign Reserves (Jun): USD 3.416tln (exp. 3.436tln); Gold reserves 303.7bln (prev. 340.8bln M/M).
- **Chinese** Foreign Exchange Reserves (Jun) 3.416T (Prev. 3.442T).
- **Japanese** Coincident Index Prel (May) 118.5.
- **Japanese** Leading Economic Index Prel (May) 116.8 vs. Exp. 116.9.
- **Japanese** Foreign Exchange Reserves (Jun) 1287.5B (Prev. 1305.9B).
- **Japanese** Household Spending MoM (May) M/M 3.7% vs. Exp. 1.4% (Prev. 1.6%).
- **Japanese** Overtime Pay YoY (May) Y/Y 2.90% (Prev. 4.2%).
- **Japanese** Household Spending YoY (May) Y/Y -0.3% vs. Exp. -2.5% (Prev. -0.5%).
- **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%).