Daily European Opening News - 17th July 2026

SNAPSHOT

STOCKS			
Nikkei 225	-5%	ASX 200	-0.8%
Hang Seng	-2.3	Shanghai Comp	-2.4%
Euro Stoxx 50 Sep'26	-1%	DAX Sep'26	-0.8%
ES Sep'26	-0.9%	NQ Sep'26	-1.5%

FX			
DXY	+0.1% (100.78)	EUR/USD	+0.1% (1.1437)
USD/JPY	U/C (162.44)	GBP/USD	-0.1% (1.3459)

BONDS			
US T-Note Sep'26	+4+ ticks	Bund Sep'26	+18 ticks
US 10yr Yield	4.59%	German 10yr Yield	3.13%

ENERGY & METALS			
WTI Aug'26	+1%	Brent Sep'26	+0.9%
Spot Gold	+0.1%	LME Copper	-0.7%

CRYPTO			
Bitcoin	-0.6%	Ethereum	-0.9%

As of 06:20BST/01:20EDT

LOOKING AHEAD

- Highlights include EZ CPI Final (Jun), US Building Permits (Jun), Export/Import Prices (Jun), Industrial Production (Jun), UoM Consumer Expectations (Jul), Atlanta Fed GDP, Comments from ECB’s Cipollone.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US President Trump said they will see the fruits of labour in Iran shortly.**
- **US CENTCOM said forces conducted a new wave of strikes against Iran for the sixth consecutive night to further degrade Iranian military capabilities. US launched a missile attack on Iranshahr airport, targeted a railway station in Bandar Abbas and struck five bridges in southern Iran.** It was also reported that explosions were heard in Ahvaz, Chabahar and Bushehr, with missiles hitting air and naval bases in Bushehr.
- **US CENTCOM announced Marines conducted an inspection aboard M/T Wen Yao in the Gulf of Oman on July 16th, while it was separately reported that only three ships crossed the Strait of Hormuz in the last 24 hours,** according to marine traffic data cited by Al Jazeera.
- **Iran targeted US radars in Kuwait with a drone strike, and explosions were reported at the US Navy's Fifth Fleet Naval Base in Bahrain,** while blasts were heard at a US airbase in Qatar and in Erbil, Iraq.
- **IRGC claimed to have launched an attack on a US command centre in Syria's Al-Tanf,** while it warned no oil or gas will be exported through the Strait of Hormuz as long as US attacks continue.
- **Kuwait’s Defence Ministry said Iranian 'aggression' on Thursday targeted a number of vital facilities,** resulting in material damage.
- **Iranian Supreme Leader’s advisor Mokhbar said damage to Iran's infrastructure would be a one-way ticket to the destruction of the entire regional energy supply chain.**
- **Iranian armed forces senior spokesperson said they will never allow the US to interfere in the Strait of Hormuz, while he stated that the route Iran has determined in the Strait of Hormuz is safe, and any route outside it will be unsafe** and ships

will be damaged. The spokesperson also warned that **if the US strike the infrastructure of Iran, all infrastructure in the region will be a legitimate target** and stated that "Either all countries in the region can export oil or no one can".

- **Islamic Resistance of Iraq put a USD 10mln bounty on US President Trump. Strong explosions were reportedly heard in Dubai and Abu Dhabi, while an Iranian journalist claimed the UAE had struck targets in southern Iran. However, Dubai's Media Office denied reports of explosions in central Dubai,** describing the information as inaccurate.
- **Qatar rejected reports that it had agreed to participate in military action against Iran.**
- **Israeli President Herzog said he continued to believe diplomacy remained the best path to resolving the conflict with Iran,** while welcoming what he described as a "firm and clear" US response.

US TRADE

EQUITIES

- **US stock markets** were mostly lower with the Nasdaq leading the downside as concerns over AI valuations weighed on the technology sector. This comes despite TSMC reporting strong quarterly earnings, as the results failed to satisfy lofty investor expectations alongside a capex raise, while the stock ultimately closed lower alongside the broader semiconductor complex. Alphabet (GOOGL) shares also added to the pressure late in the session after reports that it had delayed the launch of Gemini 3.5 after the model failed to meet internal performance targets. Looking beneath the headline indices, underlying market breadth was more constructive, as the equal-weight S&P 500 rose around 0.75%, while a slight majority of sectors finished in positive territory. Consumer Staples led the gains, with Health Care and Real Estate also outperforming. By contrast, Communication Services, Technology and Industrials lagged, highlighting that much of the weakness was concentrated within AI-related names rather than the broader market.
- **SPX** -0.51% at 7,534, **NDX** -1.62% at 29,026, **DJI** -0.20% at 52,554, **RUT** +0.01% at 2,977.
- Click here for a detailed summary.

TARIFFS/TRADE

- **Brazil reportedly readies tough retaliation to new US tariffs,** according to Reuters citing sources.
- **Brazil's VP Alckmin said US tariffs are unfair and unreasonable, while he noted the US have a trade surplus with Brazil,** and stated the reciprocity law is a legal instrument and is not about retaliation.

NOTABLE HEADLINES

- **US President Trump announced the immediate declassification of intelligence on elections during his primetime address and noted that China engaged in election-related activities in 2020 and did not want him to win the election, while he claimed that China attempted to manufacture ballots for Biden and worked to influence businesses against him.** Trump said documents reveal vulnerabilities in the US election system, as well as prove that voting machines are exposed to attack and voter registration databases are vulnerable. Furthermore, he said Russia, China, Iran and North Korea can harm US election infrastructure and noted that 278k non-citizens are registered to vote, while he called for the revocation of licenses of television networks that refused to broadcast his speech and urged Congress to pass the SAVE America Act.
- **Fed's Jefferson (voter) said the current policy stance should support the job market and allow inflation to resume its decline towards 2% as tariff effects and energy prices pass through.** Jefferson said in a scenario where inflation does not start cooling, it could be appropriate to reconsider the stance and ensure they deliver price stability, while he added that current policy is well-positioned to respond based on incoming data, the evolving outlook and balance of risks, and he is firmly committed to returning inflation to the 2% target, consistent with the dual mandate.
- **Fed's Logan (2026 voter) said a modestly higher policy rate would provide a better balance of risks and outlook, while she added that it was time to finish the job of restoring price stability.** Logan said one month of softer CPI data was insufficient, some degree of policy restriction remained necessary, and inflation did not appear to be returning sustainably to the 2% target on its own. Furthermore, she stated that downside risks to employment had faded and that inflation risks remained skewed to the upside.
- **Fed's Schmid (2028 voter) said inflation remained persistent across a broad range of goods and services and continued to be concerning.** Schmid also stated that accountability required the Fed to explain how it made policy decisions, providing transparency and allowing open criticism, while he remains focused on inflation when setting monetary policy.

APAC TRADE

EQUITIES

- **APAC stocks** were pressured as the tech selling rolled over from Wall St and with sentiment weighed on by US-Iran escalation, in which the US conducted a sixth consecutive night of strikes on Iran and targeted infrastructure, including an airport, railway station and several bridges.
- **ASX 200** was dragged lower by weakness in mining, materials, resources and tech, while telecoms, energy and defensives were at the other end of the spectrum, helping cushion the downside.
- **Nikkei 225** underperformed and took the brunt of the semiconductor sell-off in the absence of its South Korean counterpart due to Constitution Day, while Kioxia was heavily pressured and has shed 50% of its market cap from last month's peak.
- **Hang Seng** and **Shanghai Comp** conformed to the downbeat mood amid the tech-related woes, and with sentiment also not helped by US President Trump's primetime address, in which he accused China of meddling in the 2024 US Election and

called for Congress to pass the SAVE America Act.

- **US equity futures** extended on the prior day's declines as the tech selling resumed, and with Netflix shares pressured following its earnings results and weak guidance.
- **European equity futures** indicate a negative cash market open with Euro Stoxx 50 futures down 0.7% after the cash market closed with gains of 0.3% on Thursday.

FX

- **DXY** was rangebound overnight but held on to the prior day's spoils after benefitting from a slew of data in which jobless claims declined and retail sales matched estimates. There were also some recent hawkish Fed comments as Logan said a modestly higher policy rate would provide a better balance of risks and outlook, and that it was time to finish the job of restoring price stability. Elsewhere, Fed's Schmid said inflation remained concerning and was persistent across a broad range of goods and services.
- **EUR/USD** lacked direction after recent declines and remained within the 1.1400 handle.
- **GBP/USD** was subdued at sub-1.3500 territory amid the downbeat risk appetite and after UK monthly GDP and output data underwhelmed, while focus in the UK turns to politics, with a changing of the guard, in which Andy Burnham is to take over as leader of the ruling Labour Party later today.
- **USD/JPY** lingered at the 162.00 handle after recent gains in US yields and mild upside in oil prices, although further upside was limited as Japanese Finance Minister Katayama repeated familiar jawboning.
- **Antipodeans** were lacklustre amid the ongoing tech sell-off and absence of tier-1 data.
- **PBoC** set USD/CNY mid-point at 6.7934 vs exp. 6.7734 (prev. 6.7909)

FIXED INCOME

- **10yr UST futures** gradually edged higher amid a flight to safety, but with upside capped following recent indecision, encouraging US economic data, hawkish Fed commentary, and higher oil prices.
- **Bund futures** eked out mild gains amid the spooked risk appetite and reclaimed the 125.00 status.
- **10yr JGB futures** were choppy and ultimately benefited from the sell-off in tech stocks.

COMMODITIES

- **Crude futures** gained as the US continued its strikes on Iran for the 6th consecutive evening, in which it targeted Iranian infrastructure, including an airport, railway station and bridges, while it was reported that maritime traffic data showed that only three ships crossed the Strait of Hormuz in the last 24 hours.
- **Spot gold** attempted to nurse losses but was choppy around the USD 4,000/oz level after recently sliding alongside a firmer buck, and with the precious metal on track for its biggest weekly decline in six weeks.
- **Copper futures** extended on yesterday's declines amid the negative risk appetite and tech sell-off.

CRYPTO

- **Bitcoin** retreated overnight after hitting resistance near the USD 64,000 level and amid a tech sell-off.

NOTABLE ASIA-PAC HEADLINES

- **Chinese President Xi said at the World AI Conference in Shanghai that the world has entered an unprecedented period of AI innovation,** while he added that they should seize rare historic opportunities to encourage open source AI.
- **China's FX regulator said foreign investments into China saw net inflows in H1 and outbound investments continue to grow steadily, while China plans to roll out a package of policies to further facilitate cross-border investments and financing** as well as announced allocating fresh QDII quotas.
- **Japanese Finance Minister Katayama wouldn't comment on FX levels and reiterated that they are ready to respond appropriately on currency moves at any time as needed, and stated they are prepared to take decisive action** if necessary.

GEOPOLITICS

OTHER

- **North Korean state media labelled South Korea a 'puppet' for its role in US maritime exercises,** while it was separately reported that **North Korean leader Kim Jong Un held talks with the Chinese People's Political Consultative Conference Chairman, Wang Huning, in Pyongyang.**

EU/UK

NOTABLE HEADLINES

- **Several big UK lenders this week began raising their mortgage interest rates by as much as 35bps after a resumption of Middle East hostilities,** according to FT.